

**SHERWOOD CASS R-VIII SCHOOL
DISTRICT OF CASS COUNTY,
MISSOURI**

**AUDITED FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
JUNE 30, 2023**

**TOGETHER WITH
INDEPENDENT AUDITORS' REPORT**

**DSWA CERTIFIED PUBLIC ACCOUNTANTS, P.C.
210 WEST OHIO
BUTLER, MISSOURI 64730**

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2023

Page

FINANCIAL SECTION:

Independent Auditors' Report	1
-------------------------------------	---

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position - Modified Cash Basis	4
---	---

Statement of Activities - Modified Cash Basis	5
---	---

Fund Financial Statements:

Balance Sheet - Modified Cash Basis - Governmental Funds	6
--	---

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	7
--	---

Reconciliation of the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Modified Cash Basis	8
--	---

Notes to the Basic Financial Statements	9
---	---

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	23
--	----

Schedule of Current Year Findings and Responses to the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	25
---	----

Schedule of Prior Year Findings and Responses to the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	26
---	----

Other Information:

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Modified Cash Basis - Budget and Actual

General Fund	27
--------------	----

Special Revenue (Teachers') Fund	28
----------------------------------	----

Debt Service Fund	29
-------------------	----

Capital Projects Fund	30
-----------------------	----

Other Supplementary Information:

Combined Schedule of Revenues Collected by Source - Modified Cash Basis	31
---	----

Supplementary State Information:

Independent Accountants' Report on Management's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	32
--	----

Schedule of Current Year Findings and Responses to the Independent Accountants' Report on Management's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	33
---	----

Schedule of Prior Year Findings and Responses to the Independent Accountants' Report on Management's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	34
---	----

Schedule of Selected Statistics	35
---------------------------------	----

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2023

Page

SINGLE AUDIT SECTION:

Schedule of Expenditures of Federal Awards	42
Notes to the Schedule of Expenditures of Federal Awards	43
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	44
Schedule of Findings and Questioned Costs	46



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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Sherwood Cass R-VIII School District of Cass County, Missouri
Creighton, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the Sherwood Cass R-VIII School District of Cass County, Missouri ("District"), as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District as of June 30, 2023, and the respective changes in modified cash basis financial position thereof, for the fiscal year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter—Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combined schedule of revenues collected by source – modified cash basis and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combined schedule of revenues collected by source – modified cash basis and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work

performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with requirements of Missouri laws and regulations, we have also issued our report dated December 20, 2023, on our consideration of certain management's assertions of the District. The purpose of that report is to describe the scope of our testing of certain management assertions related to requirements of Missouri laws and regulations pertaining to public school districts and the results of that testing, and not to provide an opinion on such assertions.

DSWA Certified Public Accountants, P.C.

Butler, Missouri
December 20, 2023

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash	\$ 1,934,345
Investments	2,831,725
Capital assets, net of accumulated depreciation	<u>9,641,150</u>
Total assets	<u>14,407,220</u>
LIABILITIES	
Current liabilities:	
HELP loan principal due within one year	36,096
Finance leases due in less than one year	95,440
General obligation bonds due within one year	280,000
Noncurrent liabilities:	
HELP loan principal due in more than one year	251,544
Finance leases due in more than one year	764,369
General obligation bonds due in more than one year	<u>4,245,000</u>
Total liabilities	<u>5,672,449</u>
NET POSITION	
Net investment in capital assets	3,968,701
Restricted for:	
Professional development	6,350
Debt service	772,304
Scholarships	157,635
Unrestricted	<u>3,829,781</u>
Total net position	<u><u>\$ 8,734,771</u></u>

The notes to the financial statements are an integral part of this statement.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes In Net Position
		Charges for Services	Operating Grants And Contributions	Capital Grants And Contributions	Total Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES					
Instructional services					
Regular	\$ 3,660,258	\$ 14,000	\$ 39,470	\$ -	\$ (3,606,788)
Special	1,094,219	-	517,450	-	(576,769)
Vocational	286,967	-	11,494	-	(275,473)
Student activities	462,003	221,070	-	-	(240,933)
Payments to other districts	241,980	-	-	-	(241,980)
Supporting services					
Students	452,154	-	-	-	(452,154)
Instructional staff	153,400	-	22,238	-	(131,162)
Building administration	447,733	-	-	-	(447,733)
General administration	717,018	-	-	-	(717,018)
Operation and maintenance of facilities	821,148	-	-	-	(821,148)
Transportation	710,631	-	297,861	-	(412,770)
Food services	417,765	119,377	244,000	-	(54,388)
Community services	123,510	-	-	-	(123,510)
Interest	192,106	-	-	-	(192,106)
Other	299	-	-	-	(299)
Total school district	<u>\$ 9,781,191</u>	<u>\$ 354,447</u>	<u>\$ 1,132,513</u>	<u>\$ -</u>	<u>(8,294,231)</u>
GENERAL REVENUES					
Property taxes levied for:					
General purposes					3,435,376
Debt service					673,982
Capital outlay					782,722
Federal and state aid not restricted to specific purposes					5,063,015
Loss on sale of assets					1,429
Earnings on investments					58,907
Miscellaneous					535,541
Total general revenues					<u>10,550,972</u>
Change in net position					2,256,741
NET POSITION - BEGINNING					<u>6,478,030</u>
NET POSITION - ENDING					<u>\$ 8,734,771</u>

The notes to the financial statements are an integral part of this statement.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Total Governmental Funds
ASSETS					
Cash	\$ 974,373	\$ 1,102	\$ 600,661	\$ 358,209	\$ 1,934,345
Investments	1,178,764	936,762	171,643	544,556	2,831,725
Total assets	<u>\$ 2,153,137</u>	<u>\$ 937,864</u>	<u>\$ 772,304</u>	<u>\$ 902,765</u>	<u>\$ 4,766,070</u>
FUND BALANCES					
Restricted for:					
Professional development	\$ 6,350	\$ -	\$ -	\$ -	\$ 6,350
Debt service	-	-	772,304	-	772,304
Scholarships	157,635	-	-	-	157,635
Assigned to:					
Future teacher salaries and benefits	-	937,864	-	-	937,864
Capital outlay	-	-	-	902,765	902,765
Subsequent year's budget	52,376	-	-	-	52,376
Student activities	189,498	-	-	-	189,498
Unassigned	<u>1,747,278</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,747,278</u>
Total fund balances	<u>2,153,137</u>	<u>937,864</u>	<u>772,304</u>	<u>902,765</u>	<u>4,766,070</u>
Total liabilities and fund balances	<u>\$ 2,153,137</u>	<u>\$ 937,864</u>	<u>\$ 772,304</u>	<u>\$ 902,765</u>	<u>\$ 4,766,070</u>

Reconciliation to Statement of Net Position

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds \$ 4,766,070

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$19,177,979 and the accumulated depreciation is \$9,536,829. 9,641,150

Long-term liabilities, including bonds, loans and finance leases payable, are not due and payable in the current period and, therefore, are not reported in the funds. (5,672,449)

Total net position - governmental activities \$ 8,734,771

The notes to the financial statements are an integral part of this statement.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General	Special Revenue (Teachers') Fund	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Local	\$ 2,767,046	\$ 1,077,099	\$ 678,567	\$ 783,019	\$ 5,305,731
County	259,745	26,832	43,339	202,308	532,224
State	478,227	3,561,079	-	293,077	4,332,383
Federal	513,302	1,322,043	-	27,800	1,863,145
Total revenues	<u>4,018,320</u>	<u>5,987,053</u>	<u>721,906</u>	<u>1,306,204</u>	<u>12,033,483</u>
Expenditures					
Instructional services					
Regular	175,104	2,929,163	-	-	3,104,267
Special	497,374	596,845	-	-	1,094,219
Vocational	17,544	269,423	-	-	286,967
Student activities	339,185	108,146	-	14,672	462,003
Payments to other districts	-	241,980	-	-	241,980
Supporting services					
Students	252,541	199,613	-	-	452,154
Instructional staff	67,508	85,892	-	-	153,400
Building administration	160,866	286,867	-	-	447,733
General administration	469,639	247,379	-	-	717,018
Operation and maintenance of facilities	816,394	-	-	42,560	858,954
Transportation	586,216	14,362	-	36,595	637,173
Food service	406,859	-	-	5,651	412,510
Other services					
Community services	53,991	69,519	-	-	123,510
Facilities acquisition and construction	-	-	-	1,377,315	1,377,315
Principal	-	-	275,000	91,728	366,728
Interest	-	-	158,950	33,156	192,106
Other	-	-	299	-	299
Total expenditures	<u>3,843,221</u>	<u>5,049,189</u>	<u>434,249</u>	<u>1,601,677</u>	<u>10,928,336</u>
Excess of revenues over (under) expenditures	<u>175,099</u>	<u>937,864</u>	<u>287,657</u>	<u>(295,473)</u>	<u>1,105,147</u>
Other financing sources (uses)					
Sale of buses	-	-	-	1,500	1,500
Sale of other property	1,720	-	-	2,535	4,255
Transfers in (out)	(349,337)	-	-	349,337	-
Total other financing sources (uses)	<u>(347,617)</u>	<u>-</u>	<u>-</u>	<u>353,372</u>	<u>5,755</u>
Net change in fund balances	(172,518)	937,864	287,657	57,899	1,110,902
Fund balances - beginning	<u>2,325,655</u>	<u>-</u>	<u>484,647</u>	<u>844,866</u>	<u>3,655,168</u>
Fund balances - ending	<u>\$ 2,153,137</u>	<u>\$ 937,864</u>	<u>\$ 772,304</u>	<u>\$ 902,765</u>	<u>\$ 4,766,070</u>

The notes to the financial statements are an integral part of this statement.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
RECONCILIATION OF THE COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds **\$ 1,110,902**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 1,415,121	
Loss on disposal of capital assets	1,429	
Proceeds from sales of capital assets	(2,735)	
Depreciation expense	<u>(671,299)</u>	
		742,516

Capital assets acquired by loans and finance leases are shown as an expenditure and revenue in the governmental funds. The revenue must be removed from the statement of activities; principal payments are applied to the liability; interest expense is recognized as it is paid.

Principal payments - finance leases	92,407	
Principal payments - loans payable	<u>35,916</u>	
		128,323

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. However, bond proceeds and repayment of bond principal are not included in the statement of activities because they are reported as changes in the balance of debt in the statement of net assets. The net effect of this difference in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	<u>275,000</u>	
		<u>275,000</u>

Change in net position of governmental activities **\$ 2,256,741**

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Reporting Entity: The District follows the Governmental Accounting Standards Board's (GASB) Statement No. 14, *The Financial Reporting Entity*; GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*; and GASB Statement No. 61, *The Reporting Entity: Omnibus* to define the reporting entity. The financial statements include all operations over which the District is financially accountable. The District is not a participant in any joint venture and has not identified any entities which would be component units of the District. The District is not aware of any entity that would be required to include the District as a component unit.

B. Basis of Presentation: The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-wide financial statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government. The statements present governmental activities generally financed through taxes, intergovernmental receipts, and other non-exchange transactions.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year end. The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

2. Fund financial statements: The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances present the activities of the District segregated into funds in order to aid financial management and demonstrate legal compliance. Each fund is presented in a separate column.

C. Fund Accounting: The District's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity with a set of self-balancing accounts which comprise its assets, fund balance, revenues and expenditures. District resources are allocated to the individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds are used by the District:

1. General (Incidental) Fund - Accounts for general activities of the District, including student activities and food service, which are not required to be accounted for in a separate fund.
2. Special Revenue (Teachers') Fund - Accounts for expenditures for certified employees involved in administration and instruction. It includes revenues restricted by the State for payment of teachers' salaries and employee benefits.
3. Debt Service Fund - Accounts for the accumulation of resources for the payment of long-term debt principal, interest, and related costs.
4. Capital Projects Fund - Accounts for the proceeds of long-term debt, taxes and other revenues designated for construction of major capital assets and all other capital outlay.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

- D. Basis of Accounting: The District's government-wide Statement of Net Position and Statement of Activities and the fund financial statements have been presented using the modified cash basis of accounting. This basis generally recognizes assets, long-term liabilities, net position/fund balance, revenues and expenditures when they result from cash transactions, with the exception of certain payroll expenditures described below in Note 1 (I), with a provision for depreciation in the government-wide financial statements and with a modification relating to the presentation of investments, capital assets and debt in the government-wide financial statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

E. Measurement Focus:

1. Government-wide financial statements: The Statement of Net Position and Statement of Activities are prepared using the total economic resources measurement focus within the limitations of the modified cash basis of accounting, as defined above. Accordingly, the District's capital assets and long-term debt are included in the Statement of Net Position.
2. Fund financial statements: The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances are prepared using the current financial resources measurement focus within the limitations of the modified cash basis of accounting, as defined above. Accordingly, only current assets are shown in the Balance Sheet.

F. Budgetary Accounting: The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
2. Prior to July, the superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayers' comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to its final approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the board. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgets for District funds are prepared and adopted using the cash basis of accounting (budget basis). The budgetary comparison schedules' actual columns are presented on the modified cash basis of accounting described in item (D) above which is substantially the same as the cash basis of accounting.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

G. Pooled Cash: The District maintains a cash pool that is available for use by all funds except the Debt Service Fund. State law requires that all deposits in the Debt Service Fund be kept separate and apart from all other funds of the District. Interest income received is allocated to the various funds according to each fund's share of the pool.

H. Capital Assets: In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. A capitalization threshold of \$5,000 is used to report capital assets, which are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	10 – 40 years
Equipment	5 – 20 years
Vehicles	8 – 10 years

In the fund financial statements, capital assets are accounted for as capital outlays upon acquisition.

I. Payroll Related Expenditures: The salary payment schedule of the District allows for the payment of salaries over a twelve-month period. Consequently, the July and August, 2023 payroll checks, written and dated in June, 2023, are included in the financial statements as an expenditure paid in the year ended June 30, 2023. This practice has been consistently followed in the previous years.

J. Net Position: Net position in the government-wide financial statements represents the difference between assets and liabilities, and are reported in three categories:

1. Net investment in capital assets consists of net capital assets reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position consists of net position with use constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or bond covenants. Restricted net position is reduced by liabilities related to the restricted assets.
3. Unrestricted net position consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

K. Fund Balances: The fund financial statements present fund balances by classification based on the extent to which the District is bound to honor constraints on the specific purposes for which the funds may be spent. The following classifications are used to describe the relative strength of these constraints:

1. Nonspendable – amounts that are either not in spendable form, or legally or contractually required to be maintained intact.
2. Restricted – amounts constrained to specific uses by external groups such as creditors, grantors, or contributors; or by laws and regulations of other governments.
3. Committed – amounts constrained to specific uses by the District itself, using its highest level of decision making authority, the District's Board of Education. Commitments may be established, modified, or rescinded only through resolutions passed by the District's Board of Education.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

K. Fund Balances (continued):

4. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that the District intends to use for a specific purpose. For all funds other than the General Fund, this includes any remaining funds not otherwise classified, as they are assigned to the purposes for which the fund was established. For the General Fund, the assignment can result from intent expressed by the District's Board of Education or by District administrators to which the Board of Education delegates the authority.
5. Unassigned – amounts that are available for any purpose. Positive amounts are reported in only the General Fund. Negative unassigned fund balances are reported for all other governmental funds where the nonspendable, restricted, and committed fund balances exceed the total fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District applies restricted funds first. When an expenditure is incurred for which committed, assigned, and/or unassigned fund balances are available, the District first applies committed funds, then assigned funds, and finally unassigned funds, as needed.

- L. Use of Estimates: The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. Actual results could differ from these estimates. The most significant estimate on the modified cash basis reporting is depreciation expense in the government-wide financial statements.
- M. Non-exchange Transactions: Non-exchange transactions, in which the District receives value without directly giving equal value in return include property taxes, grants, entitlements and donations.
- N. Compensated Absences: Vacation, personal business days and sick leave are considered as expenditures in the year paid. Employees are allowed to accumulate up to 90 days and the accumulation in excess of 90 days is payable at a rate based on the number of years of service at the end of each fiscal year. All accumulations in excess of 90 days are paid prior to the end of each fiscal year. Therefore, unpaid compensated absences for the years ending June 30, 2023 and 2022 were \$0 and \$0, respectively, and are not recognized in the modified cash basis financial statements. The rates at which days in excess of 90 days are paid to employees leaving the district in good standing are as follows:

\$15 per day for 2-5 years of service
\$20 per day for 6-10 years of service
\$25 per day for 11-15 years of service
\$30 per day for 16-20 years of service
\$35 per day for 21-25 years of service
\$40 per day for over 25 years of service
- O. Program Revenues: Amounts reported as program revenues include 1) charges to students or others for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental receipts are reported as general receipts. All taxes are classified as general receipts even if restricted for a specific purpose.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

- P. Change in Accounting Principles: For fiscal year 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. At June 30, 2022 and 2023, there were no material finance leases for right-to-use assets.

For fiscal year 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). GASB Statement No. 96 defined a SBITA as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this Statement, a government generally should recognize a right to use subscription asset—an intangible asset—and a corresponding subscription liability. At June 30, 2023, there were no material SBITAs.

2. RETIREMENT PLAN:

A. Summary of Significant Accounting Policies:

The District participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the System). The financial statements of the District were prepared using the modified cash basis of accounting. Therefore, member and employer contributions are recognized when paid and the District's net pension liability, deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

B. Plan Description:

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the State of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMO, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

2. RETIREMENT PLAN (continued):

C. Benefits Provided:

PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55.

Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

PEERS is a defined benefit plan providing retirement, disability and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available with 5 to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at www.psrs-peers.org.

D. Cost-of-Living Adjustments ("COLA"):

The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows; if the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted. If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. If the CPI decreases, no COLA is provided.

For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS**

2. RETIREMENT PLAN (continued):

E. Contributions:

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2021, 2022 and 2023. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

The District's contributions to PSRS were \$565,913; \$581,004; and \$572,059, respectively, for the years ended June 30, 2021, 2022, and 2023.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2021, 2022 and 2023. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PEERS were \$100,303; \$111,348; and \$119,991, respectively, for the years ended June 30, 2021, 2022, and 2023.

3. CASH:

State statutes require the District's deposits be insured or collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2023, all bank balances on deposit are entirely insured or collateralized with securities. The District has no foreign currency risk.

Cash held in the General Fund in the amount of \$157,635 is restricted for student scholarships and \$6,350 is restricted for professional development. Cash and investments held in the Debt Service Fund in the amount of \$772,304 is restricted for debt service payments as described in Note 7 below.

4. INVESTMENTS:

The District's investments at June 30, 2023, consisted of the following:

<u>Investment Type</u>	<u>Maturity</u>	<u>Balance</u>
Pro-rata shares of investment contracts with BOK Financial	N/A	\$ 171,643
Missouri Securities Investment Program - Cash Management Fund	N/A	2,511,661
Certificates of Deposit	9/8/23 - 8/23/27	148,421
		<u>\$ 2,831,725</u>

- A. Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy mandates structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations thereby avoiding the need to sell investments on the open market prior to maturity.

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS**

4. INVESTMENTS (continued):

- B. Investment Contracts with BOK Financial: The District has funds on deposit with BOK Financial, which are invested in investment contracts with credit providers whose unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service, in accordance with Section 165.051 and 360 of the Missouri Revised Statutes through the Missouri School District Direct Deposit Program. Each District investing in the program owns a pro-rata share of each investment, which is held in the name of the fund. Fair market value approximates cost as the District has a pro-rata share of the fund.
- C. Missouri Securities Investment Program: The District has Cash Management Funds with the Missouri Securities Investment Program in which the District has a pro-rata share. These investments are invested in accordance with Section 165.051 and Section 360 of the Missouri revised Statutes. The Cash Management Fund investments have a current rating of AAAM. Fair market value approximates cost.
- D. Certificates of Deposit: Certificates of deposit with maturities in excess of three months are classified as investments but are considered deposits for custodial risk determination. State statutes require the District's deposits be collateralized in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2023, all certificates of deposit are entirely insured or collateralized with securities.

5. TAXES:

The counties in which the District is located collect property tax and remit it to the District. The District also receives sales tax collected by the state which is remitted based on eligible pupils.

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied on November 1, and are payable by December 31. All unpaid taxes become delinquent January 1 of the following year.

The assessed valuation of the tangible taxable property for the calendar year 2022 for purposes of local taxation was as follows:

	<u>Cass County</u>	<u>Henry County</u>	<u>Johnson County</u>	<u>Total</u>
Real Estate				
Residential	\$ 28,083,120	\$ 14,313,770	\$ 526,041	\$ 42,922,931
Agricultural	2,832,150	2,664,670	254,256	5,751,076
Commercial	4,781,054	2,685,270	50,135	7,516,459
Personal Property	<u>11,069,861</u>	<u>7,810,540</u>	<u>321,198</u>	<u>19,201,599</u>
	<u>\$ 46,766,185</u>	<u>\$ 27,474,250</u>	<u>\$ 1,151,630</u>	<u>\$ 75,392,065</u>

The tax levy per \$100 of assessed valuation of tangible taxable property for the calendar year 2022 for purposes of local taxation was as follows:

<u>Fund</u>	<u>Unadjusted</u>	<u>Adjusted</u>
General	\$ 3.0037	\$ 3.0037
Debt service	0.8550	0.8550
Capital projects	1.0000	1.0000
	<u>\$ 4.8587</u>	<u>\$ 4.8587</u>

5. TAXES (continued):

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2023, aggregated approximately 100% of the current assessment computed on the basis of the levy as shown above for the calendar year 2022.

6. CAPITAL ASSETS:

The capital assets activity of the governmental funds at June 30, 2023, is as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Capital assets not depreciated				
Construction in progress	\$ -	\$ 1,095,008	\$ -	\$ 1,095,008
Capital assets being depreciated				
Buildings and improvements	15,642,700	296,453	-	15,939,153
Equipment	705,359	23,660	(78,377)	650,642
Vehicles	1,500,276	-	(7,100)	1,493,176
	17,848,335	1,415,121	(85,477)	19,177,979
Less: accumulated depreciation	8,949,701	671,299	(84,171)	9,536,829
Net capital assets	<u>\$ 8,898,634</u>	<u>\$ 743,822</u>	<u>\$ (1,306)</u>	<u>\$ 9,641,150</u>

Included in the amount above are assets of \$1,507,276, net of \$441,627 accumulated depreciation, which were purchased under finance leases.

Depreciation expense was charged to functions of the governmental funds as follows:

Instructional services	\$ 555,991
Supporting services:	
Transportation services	110,053
Food services	5,255
Total depreciation expense	<u>\$ 671,299</u>

7. BONDS PAYABLE:

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

General Obligation Bonds were approved by the voters in 2016 and 2020 with the proceeds to be used for constructing, renovating, improving, repairing, furnishing, and equipping the school facilities, purchasing buses including replacing school bus security cameras, installing athletic field lighting, upgrading school building HVAC systems, repairing roofs, acquiring classroom equipment, and improving school building safety and security as well as to refund outstanding bonds. Bonds payable at June 30, 2023 and changes in the balances for the year then ended are as follows:

Description	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Series 2016	\$ 3,210,000	\$ -	\$ 160,000	\$ 3,050,000
Series 2020	1,590,000	-	115,000	1,475,000
	<u>\$ 4,800,000</u>	<u>\$ -</u>	<u>\$ 275,000</u>	<u>\$ 4,525,000</u>

These balances consisted of the following:

- A. **SERIES 2016** – The District issued the \$4,885,000 Series 2016 General Obligation School Building and Refunding Bonds on June 20, 2016. The bonds are held at interest rates ranging from 2.00% to 4.00%, issued for the purpose of construction and refunding the Series 2010 General Obligation School Refunding Bonds. The Bonds are due in annual installments varying from \$140,000 to \$420,000 from March 1, 2017 through March 1, 2036. Interest is payable semi-annually beginning September 1, 2016.
- B. **SERIES 2020**– The District issued the \$1,670,000 Series 2020 General Obligation School Refunding Bonds on December 9, 2020. The bonds are held at an interest rate of 3.00%, issued for the purpose of refunding the Series 2013 General Obligation School Building Bonds. The Bonds are due in annual installments varying from \$80,000 to \$185,000 from March 1, 2022 through March 1, 2033. Interest is payable semi-annually beginning September 1, 2021.

Debt service requirements are as follows:

Year Ended June 30	Principal	Interest	Total
2024	\$ 280,000	\$ 149,100	\$ 429,100
2025	290,000	139,050	429,050
2026	300,000	130,350	430,350
2027	340,000	121,350	461,350
2028	350,000	111,150	461,150
2029-2033	2,065,000	386,550	2,451,550
2034-2036	900,000	73,200	973,200
	<u>\$ 4,525,000</u>	<u>\$ 1,110,750</u>	<u>\$ 5,635,750</u>

7. BONDS PAYABLE (continued):

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

Article VI, Section 26 (b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to 15% of the assessed valuation of the District. The legal debt margin of the District at June 30, 2023 was:

Constitutional debt limit	\$ 11,308,810
Amount in Debt Service Fund available for payment of principal	772,304
General obligation bonds payable	<u>(4,525,000)</u>
Legal debt margin	<u><u>\$ 7,556,114</u></u>

The District has elected to participate in the program created by Senate Bill 301 administered by the Missouri Health and Educational Facilities Authority (MOHEFA), which allows the District an enhanced bond rating as well as having certain costs of issuance reimbursed. As a result of participating in this program, the District has executed a direct deposit agreement whereby a portion of the state aid payments are made to the direct deposit trustee who then makes the principal and interest payments on the bonds. At June 30, 2023, the District had the following amounts in the trust accounts:

Series 2016	\$ 107,943
Series 2020	<u>63,700</u>
	<u><u>\$ 171,643</u></u>

The above amounts are included as investments and restricted fund balance in the Debt Service Fund.

8. LOANS PAYABLE:

Promissory notes were approved by the District with the proceeds to be used for improvements to the District's sports facilities. Loans payable at June 30, 2023, and changes in the balances for the year then ended, are as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
<u>Loan Payable Dated:</u>				
April 30, 2021	\$ 323,556	\$ -	\$ (35,916)	\$ 287,640
	<u>\$ 323,556</u>	<u>\$ -</u>	<u>\$ (35,916)</u>	<u>\$ 287,640</u>

8. LOANS PAYABLE (continued):

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

On April 30, 2021, the District entered into a \$365,232 Missouri School District HELP Loan with the Health and Educational Facilities Authority of the State of Missouri. The loan is due in monthly installments of \$3,121, bearing interest at 0.5% per annum until maturity in May 2031. This loan was issued in order to update and replace the athletic field lighting and potentially purchasing new scoreboards for the baseball and softball fields.

Future debt service requirements on this loan are as follows:

Year ending June 30	Principal	Interest	Total
2024	\$ 36,096	\$ 1,356	\$ 37,452
2025	36,277	1,175	37,452
2026	36,459	993	37,452
2027	36,642	810	37,452
2028	36,826	626	37,452
2029 - 2031	105,340	770	106,110
	<u>\$ 287,640</u>	<u>\$ 5,730</u>	<u>\$ 293,370</u>

9. FINANCE LEASES:

The following is a summary of the finance leases for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
<u>Lease Purchase Dated:</u>				
July 9, 2018	\$ 331,692	\$ -	\$ (25,110)	\$ 306,582
February 27, 2020	487,583	-	(30,703)	456,880
September 16, 2020	57,529	-	(18,622)	38,907
August 9, 2021	<u>75,412</u>	<u>-</u>	<u>(17,972)</u>	<u>57,440</u>
	<u>\$ 952,216</u>	<u>\$ -</u>	<u>\$ (92,407)</u>	<u>\$ 859,809</u>

Finance leases payable at June 30, 2023, consisted of the following:

On July 9, 2018, the District entered into a \$427,580 finance lease agreement with Sherwood Community Bank for the purpose of acquiring and installing certain energy conservation equipment to be added to or used within the District. The interest rate on this finance lease is 3.60%. Commencing on October 1, 2018, interest payments are due April 1 and October 1 each year through April 1, 2033. Commencing on April 1, 2019, principal payments are due April 1 each year through April 1, 2033.

On February 27, 2020, the District entered into a \$547,300 finance lease agreement with Central Bank of the Midwest for the purpose of acquiring and installing three solar photovoltaic systems. The lease payments, commencing on August 1, 2022, are \$23,136 semiannually through February 1, 2035, including interest of 3.2% per annum effective from the commencement date to the five-year adjustment date which is February 27, 2025. The interest rate will adjust on the five-year adjustments date (February 27, 2025) and the ten-year adjustment date (February 27, 2030).

9. FINANCE LEASES (continued):

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS

On September 16, 2020, the District entered into a \$95,939 finance lease agreement with Santander Bank, N.A. for the purpose of purchasing a bus. The lease payments, commencing on December 1, 2020, are \$20,320 annually through December 1, 2024, including interest of 1.95% per annum.

On August 9, 2021, the District entered into a \$175,412 finance lease agreement with Santander Bank, N.A. for the purpose of purchasing two busses. The first lease payment of \$100,000 was due August 9, 2021. Future lease payments are \$20,385 annually through August 9, 2025 including interest of 3.20% per annum.

The following is a schedule of future minimum lease payments under the finance leases (assuming non-cancellation):

Year ending June 30,	Principal	Interest	Total
2024	\$ 95,440	\$ 28,618	\$ 124,058
2025	98,531	25,497	124,028
2026	81,487	22,221	103,708
2027	63,845	19,477	83,322
2028	66,028	17,313	83,341
2029-2033	365,563	51,055	416,618
2034-2035	88,916	3,629	92,545
	\$ 859,810	\$ 167,810	\$ 1,027,620

The finance leases are liquidated through the capital projects fund. Total interest paid under these finance leases for the fiscal year ended June 30, 2023 was \$31,620.

10. COMMITMENTS AND CONTINGENCIES:

The District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2023.

The District offers post-retirement healthcare benefits to all employees who retire from the District. Retirees and their dependents may obtain coverage by paying required premium rates. The District does not pay a portion of the required premium rates for retirees; however, the premiums paid by the District for active employees are based on combined active and retiree experience, so an implicit subsidy exists. Under the District's modified cash basis of accounting, no liability for this subsidy is included in the financial statements.

The District has entered into several professional services contracts with various individuals and organizations to provide occupational, physical and specialized educational services to the District.

11. RELATED PARTY TRANSACTIONS:

Several board members are related to employees and a vendor of the District. The District purchased services from the aforementioned vendor in the amount of \$240 during fiscal year 2023. It appears that the District was in compliance with the state statutes with regards to board members voting on related party transactions.

12. INTERFUND TRANSFERS:

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Interfund transfers, the flow of assets from one fund to another where repayment is not expected, are reported as transfers in and out. The District is required to make a transfer from the General Fund to the Teachers' Fund to cover the excess of disbursements over receipts each year. The District is also allowed to make transfers from the General Fund to the Capital Projects Fund to cover disbursements and build balances as allowed by state law. During the year ended June 30, 2023, the District made the following interfund transfers:

<u>TRANSFERS FROM</u>	<u>TRANSFERS TO</u>	
	<u>Special Revenue (Teachers') Fund</u>	<u>Capital Projects Fund</u>
General Fund	\$ -	\$ 349,337

13. RISK MANAGEMENT:

The District is exposed to various risks of loss due to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The District is a member of the Missouri United School Insurance Council (MUSIC). MUSIC is a public entity risk pool currently operating as a common risk management and insurance program. The District does not pay premiums to purchase insurance policies but pays an assessment to be a member of the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole. The pooling agreement requires the pool to be self-sustaining. The District believes that it is not possible to estimate the range of contingent losses to be borne by the District. Settled claims have not exceeded insurance coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

14. SCHOOL RESOURCE OFFICER:

The District is party to an intergovernmental agreement with the Cass County, Missouri, Sheriff's Department with regard to the District's school resource officer. The District pays the County \$196 per full-day (8-hour day) or \$98 per half-day (4-hour day) for a maximum of 183 full workdays, or combination thereof, whenever school is in session. Payments for reimbursement are made to the County. Payments during the fiscal year ended June 30, 2023, totaled \$39,015.

15. SUBSEQUENT EVENTS:

On April 4, 2023, the voters of the District approved the issuance of \$4,000,000 general obligation bonds for the purpose of acquiring, constructing, repairing, improving, renovating, furnishing and equipping new and existing school facilities, including acquiring buildings, furnishings and equipment now leased to the District, upgrading school building HVAC systems, and acquiring school buses and other transportation equipment. As part of the aforementioned general obligation bond approval, the District issued Series 2023 General Obligation Bonds in the amount of \$1,000,000 on August 4, 2023.

16. DATE OF MANAGEMENT'S REVIEW:

Subsequent events were evaluated through December 20, 2023, which is the date the financial statements were available to be issued.



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Sherwood Cass R-VIII School District of Cass County, Missouri
Creighton, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the District, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DSWA Certified Public Accountants, P.C.

Butler, Missouri
December 20, 2023

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI

SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES TO THE INDEPENDENT AUDITORS'
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

FOR THE YEAR ENDED JUNE 30, 2023

Internal Control Over Financial Reporting

2023-001 Segregation of Duties

Statement of Condition: The District is not able to segregate the duties of employees to all phases of an accounting transaction.

Criteria: Adequate segregation of non-compatible duties is important for a sound and efficient internal control system.

Effect: Errors and irregularities may result from this lack of segregation of employee duties and responsibilities.

Cause: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so no employee has access to both physical assets and the related accounting records or to all phases of a transaction.

Recommendation: Effective segregation of duties in a small governmental environment is often difficult; however, we feel the governing body and District management should be aware of the risk associated with this lack of duty segregation and attempt to exercise as much oversight control in these areas as possible and feasible. Some additional recommendations would be:

A. WRITTEN RISK ASSESSMENTS AND INTERNAL CONTROL EVALUATIONS

While reviewing the internal control procedures of the District, we noted the district has documented various procedures, however, no documentation of risk assessment. We recommend, at least annually, the district continue to review these procedures and document risk assessments to help determine the established procedures are adequate to mitigate the risks that fraud or theft could occur.

B. BANK RECONCILIATION

Immaterial, unidentified and unreconciled cash differences between the ASBR and general ledger as well as between the manual bank reconciliation and the general ledger existed at June 30, 2023. We also noted the outstanding checks and deposits per the general ledger listing do not agree to the total of outstanding items used in the manual reconciliation. This can result in inaccurate/incomplete information being given to the board and Superintendent for their reviews. Per discussion with management, they are working on determining and reconciling the unidentified differences. We continue to note documentation of a board members signature of review/approval on the bank reconciliation and bank statements. However, to complete this review process, we further recommend the designated board member agree the cash balance per the bank reconciliation to the cash balance per the general ledger and bank statement. We believe this control could help ensure the accuracy and completeness of the District's financial records.

District's Response: The District is aware of the lack of segregation and much effort is put into providing as much oversight as possible.

Compliance

None

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES TO THE INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

FOR THE YEAR ENDED JUNE 30, 2023

Internal Control Over Financial Reporting

2022-001 Segregation of Duties

Statement of Condition: The District is not able to segregate the duties of employees to all phases of an accounting transaction.

Criteria: Adequate segregation of non-compatible duties is important for a sound and efficient internal control system.

Effect: Errors and irregularities may result from this lack of segregation of employee duties and responsibilities.

Cause: Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so no employee has access to both physical assets and the related accounting records or to all phases of a transaction.

Recommendation: Effective segregation of duties in a small governmental environment is often difficult; however, we feel the governing body and District management should be aware of the risk associated with this lack of duty segregation and attempt to exercise as much oversight control in these areas as possible and feasible. Some additional recommendations would be:

A. WRITTEN RISK ASSESSMENTS AND INTERNAL CONTROL EVALUATIONS

While reviewing the internal control procedures of the District, we noted the district has documented various procedures. We recommend, at least annually, the district continue to review these procedures and document risk assessments to help determine the established procedures are adequate to mitigate the risks that fraud or theft could occur.

B. BANK RECONCILIATION

Immaterial, unidentified and unreconciled cash differences between the ASBR and general ledger existed at June 30, 2022. We also noted the outstanding checks and deposits per the general ledger listing do not agree to the total of outstanding items used in the manual reconciliation. This can result in inaccurate/incomplete information being given to the board and Superintendent for their reviews. Per discussion with management, they are working on determining and reconciling the unidentified differences. We continue to note documentation of a board members signature of review/approval on the bank reconciliation and bank statements. However, to complete this review process, we further recommend the designated board member agree the cash balance per the bank reconciliation to the cash balance per the general ledger and bank statement. We believe this control could help ensure the accuracy and completeness of the District's financial records.

District's Response: *The District is aware of the lack of segregation and much effort is put into providing as much oversight as possible.*

June 30, 2023 Follow-up: This remains a finding.

Compliance

None

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Local	\$ 2,474,062	\$ 2,767,046	\$ 2,767,046	\$ -
County	240,000	259,745	259,745	-
State	308,000	478,227	478,227	-
Federal	496,507	513,302	513,302	-
Total revenues	<u>3,518,569</u>	<u>4,018,320</u>	<u>4,018,320</u>	<u>-</u>
Expenditures				
Instructional services				
Regular	187,391	175,104	175,104	-
Special	534,200	497,374	497,374	-
Vocational	8,900	17,544	17,544	-
Student activities	314,030	339,185	339,185	-
Supporting services				
Students	193,085	252,541	252,541	-
Instructional staff	60,186	67,508	67,508	-
Building administration	164,046	160,866	160,866	-
General administration	496,761	469,639	469,639	-
Operation and maintenance of facilities	783,066	816,394	816,394	-
Transportation	501,627	586,216	586,216	-
Food service	375,000	406,859	406,859	-
Other services				
Community services	68,997	53,991	53,991	-
Total expenditures	<u>3,687,289</u>	<u>3,843,221</u>	<u>3,843,221</u>	<u>-</u>
Excess of revenues over expenditures	<u>(168,720)</u>	<u>175,099</u>	<u>175,099</u>	<u>-</u>
Other financing sources (uses)				
Sale of other property	-	1,720	1,720	-
Transfer in	268,271	-	-	-
Transfer out	-	(349,337)	(349,337)	-
Total other financing sources (uses)	<u>268,271</u>	<u>(347,617)</u>	<u>(347,617)</u>	<u>-</u>
Net change in fund balances	99,551	(172,518)	(172,518)	-
Fund balances - beginning	<u>2,117,688</u>	<u>2,325,655</u>	<u>2,325,655</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,217,239</u>	<u>\$ 2,153,137</u>	<u>\$ 2,153,137</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to the financial statements.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - BUDGET AND ACTUAL - TEACHERS' FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Local	\$ 906,090	\$ 1,077,099	\$ 1,077,099	\$ -
County	20,000	26,832	26,832	-
State	3,195,948	3,561,079	3,561,079	-
Federal	1,210,362	1,322,043	1,322,043	-
Total revenues	5,332,400	5,987,053	5,987,053	-
Expenditures				
Instructional services				
Regular	3,025,346	2,929,163	2,929,163	-
Special	594,181	596,845	596,845	-
Vocational	145,428	269,423	269,423	-
Student activities	104,442	108,146	108,146	-
Payments to other districts	318,399	241,980	241,980	-
Supporting services				
Students	208,983	199,613	199,613	-
Instructional staff	87,605	85,892	85,892	-
Building administration	290,530	286,867	286,867	-
General administration	215,007	247,379	247,379	-
Transportation	14,366	14,362	14,362	-
Other services				
Community services	59,842	69,519	69,519	-
Total expenditures	5,064,129	5,049,189	5,049,189	-
Excess of revenues (under) expenditures	268,271	937,864	937,864	-
Other financing sources (uses)				
Transfer out	(268,271)	-	-	-
Total other financing sources (uses)	(268,271)	-	-	-
Net change in fund balances	-	937,864	937,864	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ 937,864	\$ 937,864	\$ -

See independent auditors' report and accompanying notes to the financial statements.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Local	\$ 611,065	\$ 678,567	\$ 678,567	\$ -
County	34,000	43,339	43,339	-
Total revenues	645,065	721,906	721,906	-
Expenditures				
Other services				
Principal	275,000	275,000	275,000	-
Interest	158,950	158,950	158,950	-
Other	600	299	299	-
Total expenditures	434,550	434,249	434,249	-
Excess of revenues (under) expenditures	210,515	287,657	287,657	-
Net change in fund balances	210,515	287,657	287,657	-
Fund balances - beginning	484,363	484,647	484,647	-
Fund balances - ending	<u>\$ 694,878</u>	<u>\$ 772,304</u>	<u>\$ 772,304</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to the financial statements.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Local	\$ 714,696	\$ 783,019	\$ 783,019	\$ -
County	-	202,308	202,308	-
State	295,841	293,077	293,077	-
Federal	-	27,800	27,800	-
Total revenues	<u>1,010,537</u>	<u>1,306,204</u>	<u>1,306,204</u>	<u>-</u>
Expenditures				
Instructional services				
Regular	6,000	-	-	-
Vocational	3,000	-	-	-
Student activities	12,000	14,672	14,672	-
Supporting services				
Instructional staff	25,000	-	-	-
General administration	5,500	-	-	-
Operation and maintenance of facilities	45,000	42,560	42,560	-
Transportation	21,000	36,595	36,595	-
Food service	-	5,651	5,651	-
Other services				
Facilities acquisition and construction	283,000	1,377,315	1,377,315	-
Principal	122,329	91,728	91,728	-
Interest	-	33,156	33,156	-
Other	1,500	-	-	-
Total expenditures	<u>524,329</u>	<u>1,601,677</u>	<u>1,601,677</u>	<u>-</u>
Excess of revenues (under) expenditures	<u>486,208</u>	<u>(295,473)</u>	<u>(295,473)</u>	<u>-</u>
Other financing sources (uses)				
Sale of buses	-	1,500	1,500	-
Sale of other property	1,000	2,535	2,535	-
Transfer in	-	349,337	349,337	-
Total other financing sources (uses)	<u>1,000</u>	<u>353,372</u>	<u>353,372</u>	<u>-</u>
Net change in fund balances	487,208	57,899	57,899	-
Fund balances - beginning	<u>865,157</u>	<u>844,866</u>	<u>844,866</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,352,365</u>	<u>\$ 902,765</u>	<u>\$ 902,765</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to the financial statements.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
COMBINED SCHEDULE OF REVENUES COLLECTED BY SOURCE
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	General (Incidental) Fund	Special Revenue (Teachers') Fund	Debt Service Fund	Capital Projects (Building) Fund	Total (Memorandum Only)
LOCAL					
Current taxes	\$ 2,071,795	\$ -	\$ 589,835	\$ 689,705	\$ 3,351,335
Delinquent taxes	279,354	-	79,531	92,998	451,883
School district trust fund (Prop C)	-	1,062,681	-	-	1,062,681
Financial institution tax	405	-	88	-	493
M & M surtax	18,451	-	3,954	19	22,424
In lieu of tax	2,690	-	574	-	3,264
Tuition from individuals (K-12)	-	14,000	-	-	14,000
Earnings from temporary deposits	53,904	418	4,585	-	58,907
Food service program - sales to pupils	93,382	-	-	-	93,382
Food service program - sales to adults	5,818	-	-	-	5,818
Food service non-program	20,177	-	-	-	20,177
Student activities	221,070	-	-	-	221,070
Miscellaneous local revenue	-	-	-	297	297
Total local	<u>2,767,046</u>	<u>1,077,099</u>	<u>678,567</u>	<u>783,019</u>	<u>5,305,731</u>
COUNTY					
Fines, escheats, etc.	-	26,832	-	-	26,832
State assessed utilities	259,745	-	43,339	202,308	505,392
Total county	<u>259,745</u>	<u>26,832</u>	<u>43,339</u>	<u>202,308</u>	<u>532,224</u>
STATE					
Basic formula - state monies	-	3,393,281	-	-	3,393,281
Transportation	297,861	-	-	-	297,861
Early childhood special education	127,861	120,370	-	-	248,231
Basic formula - classroom trust fund	30,574	-	-	293,077	323,651
Educational screening program/PAT	18,542	-	-	-	18,542
Career education	1,417	10,077	-	-	11,494
Food service - State	1,402	-	-	-	1,402
Teacher baseline grant	-	32,603	-	-	32,603
High need fund	-	4,748	-	-	4,748
Other state	570	-	-	-	570
Total state	<u>478,227</u>	<u>3,561,079</u>	<u>-</u>	<u>293,077</u>	<u>4,332,383</u>
FEDERAL					
State administered					
Medicaid	20,372	-	-	-	20,372
ARP - ESSER III	31,309	936,583	-	-	967,892
CRRSA - ESSER II	-	278,690	-	-	278,690
IDEA grants	-	87	-	-	87
ARP - IDEA 611 entitlement funds	39,098	-	-	-	39,098
IDEA entitlement funds, Part B IDEA	100,210	-	-	-	100,210
Early childhood special education	-	12,467	-	-	12,467
National school lunch program	200,141	-	-	-	200,141
School breakfast program	42,457	-	-	-	42,457
Title I, ESEA	37,119	94,216	-	-	131,335
Title IV.A, Student support & academic enrichment	8,884	-	-	-	8,884
Title II, ESEA - Teacher & principal	22,238	-	-	-	22,238
Dept of Health food service program	11,474	-	-	-	11,474
Other federal	-	-	-	27,800	27,800
Total federal	<u>513,302</u>	<u>1,322,043</u>	<u>-</u>	<u>27,800</u>	<u>1,863,145</u>
OTHER					
Sale of school buses	-	-	-	1,500	1,500
Sale of other property	1,720	-	-	2,535	4,255
Total other	<u>1,720</u>	<u>-</u>	<u>-</u>	<u>4,035</u>	<u>5,755</u>
Total revenue	<u>\$ 4,020,040</u>	<u>\$ 5,987,053</u>	<u>\$ 721,906</u>	<u>\$ 1,310,239</u>	<u>\$ 12,039,238</u>

See independent auditors' report and accompanying notes to the financial statements.



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**INDEPENDENT ACCOUNTANTS' REPORT ON MANAGEMENT'S ASSERTIONS
ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF
MISSOURI LAWS AND REGULATIONS**

To the Board of Education
Sherwood Cass R-VIII School District of Cass County, Missouri
Creighton, Missouri

We have examined management's assertions that the District complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the District's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September; pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid; and other statutory requirements as listed in the schedule of selected statistics during the year ended June 30, 2023. The District's management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, management's assertions referred to above are fairly stated, in all material respects, for the year ended June 30, 2023, except as described in the accompanying schedule of findings and responses as findings 2023-002 and 2023-003.

The District's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Education, District management, and the Missouri Department of Elementary and Secondary Education and is not intended to be, and should not be, used by anyone other than these specified parties.

DSWA Certified Public Accountants. P.C.

Butler, Missouri
December 20, 2023

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI

SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES TO THE INDEPENDENT
ACCOUNTANTS' REPORT ON MANAGEMENT'S ASSERTIONS ABOUT COMPLIANCE WITH
SPECIFIED REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS

FOR THE YEAR ENDED JUNE 30, 2023

Budget

None

Attendance

None

Transportation

None

Other Compliance

2023-002 – Publishing Quarterly Financial Information

Statement of Condition: It appears the District did not publish all of the required financial information as required per RSMo 160.066.

Criteria: RSMo 160.066 outlines the minimum requirements for publishing District financial information at least quarterly.

Effect: It appears the District is out of compliance with RSMo. 160.066.

Cause: The District did not publish all of the financial information as required.

Recommendation: We recommend the District ensure quarterly publication of the required financial information to conform to RSMo 160.066.

District's Response: The District is aware of the requirement and will publish required financial information with all the required elements in the future.

2023-003 – Salary Reporting in Core Data

Statement of Condition: As part of our testing, we traced a sample of educator salaries to Core Data where said information is reported to the Missouri Department of Elementary and Secondary Education (DESE). We noted one instance in which an educators' extra duty salary was not properly reported in the October cycle of Core Data.

Criteria: DESE requires all educators' salaries to be correctly reported in the October cycle of Core Data.

Effect: Incorrect data was reported in the October cycle of Core Data.

Cause: The District did not ensure all educators' salaries were reported accurately in the October cycle of Core Data.

Recommendation: We recommend the District consider a secondary review of salary entry into Core Data to ensure all educators' salaries are reported accurately.

District's Response: In the future, we will review the reported salaries closer to ensure that all educators' salaries are reported accurately.

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES TO THE INDEPENDENT
ACCOUNTANTS' REPORT ON MANAGEMENT'S ASSERTIONS ABOUT COMPLIANCE WITH
SPECIFIED REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS
FOR THE YEAR ENDED JUNE 30, 2023

Budget

None

Attendance

None

Transportation

None

Other Compliance

None

VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

1. Calendar (Sections 160.041, 171.029, 171.031, and 171.033 RSMo)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

[illegible]

Notes:	

Sherwood Cass R-VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

2. Attendance Hours

Report the total attendance hours of PK-12 students allowed to be claimed for the calculation of Average Daily Attendance.

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4020	PK	5,217.1999	0.0000	0.0000	0.0000	0.0000	5,217.1999
4020	K	49,578.8498	0.0000	0.0000	0.0000	1,829.6833	51,408.5331
4020	1	45,273.8665	0.0000	0.0000	0.0000	1,564.3833	46,838.2498
4020	2	58,467.2847	0.0000	0.0000	0.0000	1,538.1333	60,005.4180
4020	3	56,652.3332	0.0000	0.0000	0.0000	1,061.4666	57,713.7998
4020	4	59,937.1556	0.0000	0.0000	0.0000	1,681.7500	61,618.9056
4020	5	70,031.3878	0.0000	0.0000	0.0000	1,264.0667	71,295.4545
4020	6	50,699.3175	0.0000	0.0000	0.0000	1,246.0000	51,945.3175
1050	7	56,120.4562	0.0000	0.0000	0.0000	1,783.0668	57,903.5230
1050	8	51,682.5497	0.0000	0.0000	0.0000	901.7667	52,584.3164
1050	9	69,030.4151	0.0000	0.0000	0.0000	5,644.2667	74,674.6818
1050	10	58,001.7290	0.0000	0.0000	0.0000	4,507.3000	62,509.0290
1050	11	62,475.4200	0.0000	0.0000	0.0000	3,063.0001	65,538.4201
1050	12	53,043.6274	0.0000	0.0000	0.0000	1,931.1500	54,974.7774
Grand Total		746,211.5924	0.0000	0.0000	0.0000	28,016.0335	774,227.6259

Notes:	
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VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

3. September Membership

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in September who are enrolled on the count day **and** in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should only include PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
4020	PK	8.00	0.00	0.00	8.00
4020	K	52.00	0.00	0.00	52.00
4020	1	46.00	0.00	0.00	46.00
4020	2	60.00	0.00	0.00	60.00
4020	3	58.00	0.00	0.00	58.00
4020	4	60.00	0.00	0.00	60.00
4020	5	70.00	0.00	0.00	70.00
4020	6	50.00	0.00	0.00	50.00
1050	7	58.00	0.00	0.00	58.00
1050	8	51.00	0.00	0.00	51.00
1050	9	75.00	0.00	0.00	75.00
1050	10	59.00	0.00	0.00	59.00
1050	11	63.00	0.00	0.00	63.00
1050	12	57.00	0.00	0.00	57.00
Grand Total		767.00	0.00	0.00	767.00

Notes:	

Sherwood Cass R-VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

4. Free and Reduced Priced Lunch FTE Count (Section 163.011(6), RSMo)

Report the FTE count taken the last Wednesday in January of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
4020	116.00	33.00	N/A	N/A	149.00
3000	48.00	14.00	N/A	N/A	62.00
1050	77.00	17.00	N/A	N/A	94.00
Grand Total	241.00	64.00	N/A	N/A	305.00

Notes:	

Sherwood Cass R-VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

5. Finance

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
5.1	The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	True
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	True
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	True
	Dual enrollment	True
	Homebound instruction	True
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	True
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	True
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:	\$50,000

Sherwood Cass R-VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

5. Finance (continued)

Section	Question	Answer
5.6	The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	True
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools.)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	False
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools.)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	\$29,766
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	False

Notes:	

All above "False" answers **must** be supported by a finding or management letter comment.

Finding:	5.8 – 2023-003 and 5.13 – 2023-002
Management Letter Comment:	

Sherwood Cass R-VIII School District of Cass County, Missouri 019-144
Schedule of Selected Statistics
For the Year Ended June 30, 2023

6. Transportation (Section 163.161, RSMo)

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	513.00
	Ineligible ADT	0.00
6.4	The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	180,687
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	136,464
	Ineligible Miles (Non-Route/Disapproved)	44,223
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	154

Notes:	

All above "False" answers **must** be supported by a finding or management letter comment.

Finding:	
Management Letter Comment:	

SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Program	Federal Assistance Listing Number	Pass-Through Entity's Identifying Number	Passed-through to Subrecipients	Expenditures
CASH FEDERAL AWARDS				
<u>U.S. Department of Education</u>				
Passed through Missouri Department of Elementary and Secondary Education:				
Special Education:				
Special Education Grants to States				
Part B Entitlement	84.027A	H027A210040	\$ -	\$ 172,999
Special Education Early Childhood	84.027A	H027A210040	-	6,726
Special Education High Need Fund	84.027A		-	87
COVID 19-ARP IDEA	84.027X	H027X210040	-	39,098
Total Special Education Grants to States			-	218,910
Special Education Preschool				
Special Education Preschool	84.173	H173A220103	-	5,741
COVID 19-ARP IDEA ESCS	84.173X	H173X220103	-	2,740
Total Special Education Preschool			-	8,481
Total Special Education Cluster			-	227,391
Title I	84.010A	S010A210025	-	170,004
Title II Part A ESEA	84.367	S367A210024	-	3,858
Title IV.A	84.424	S424210026	-	16,165
Education Stabilization Fund				
COVID 19 - CRRSA Elementary and Secondary School Emergency Relief II				
	84.425D	S425D200021	-	272,339
COVID 19 - Teacher Retention Grant ESSER II				
	84.425D	S425D210021	-	3,577
COVID 19 - Grow Your Own ESSER II				
	84.425D	S425D200021	-	1,015
COVID 19 - ARP Elementary and Secondary School Emergency Relief III				
	84.425U	S425U210021	-	936,583
COVID 19 - Postsecondary Advisory Grant ESSER II				
	84.425U	S425U210021	-	45,000
Total Education Stabilization Fund			-	1,258,514
Total U. S. Department of Education			-	1,675,932
<u>U. S. Department of Justice</u>				
Direct				
Public Safety Partnership and Community Policing Grant	16.710	13649871	-	27,800
Total U. S. Department of Homeland Security			-	27,800
<u>U. S. Department of Agriculture</u>				
Passed through Missouri Department of Health and Senior Services:				
Child Nutrition Cluster				
Summer Food Program	10.559	E046S210116	-	11,474
Passed through Missouri Department of Elementary and Secondary Education:				
School Breakfast Program	10.553	20232N119943	-	37,263
National School Lunch Program	10.555	20221N19943	-	162,205
Food & Nutrition Services Lunch Supply Chain	10.555	20221N890343	-	1,637
NON-CASH FEDERAL AWARDS				
Food Distribution (Commodities)	10.555	006-101	-	40,295
Total National School Lunch Program			-	204,137
Total Child Nutrition Cluster			-	252,874
Total U. S. Department of Agriculture			-	252,874
Total Federal Awards			\$ -	\$ 1,956,606

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- A. Basis of Presentation: The accompanying Schedule of Expenditures of Federal Awards (schedule) includes activity of the District under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.
- B. Summary of Significant Accounting Policies: Expenditures reported on the schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- C. Indirect Cost Rate: The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

2. NONMONETARY ASSISTANCE:

The District receives commodities under the Food Distribution Program. The amount of expenditures presented on the Schedule of Expenditures of Federal Awards represent donated commodities used, which totaled \$40,295 valued at the cost assigned to those commodities by the U.S. Department of Agriculture.



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Phone: 660.679.6571
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1118 Remington Plaza, Suite A
Raymore, MO 64083
Phone: 816.331.4242
Fax: 816.322.4646

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Sherwood Cass R-VIII School District of Cass County, Missouri
Creighton, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

DSWA Certified Public Accountants, P.C.

Butler, Missouri
December 20, 2023

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? Yes ____ No X

Significant Deficiencies identified not considered to be material weaknesses? Yes X None reported ____

Noncompliance material to financial statements noted? Yes ____ No X

Federal Awards

Internal control over programs:

Material weaknesses identified? Yes ____ No X

Significant deficiencies identified not considered to be material weaknesses? Yes ____ None reported X

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Section 2 CFR 200.516(a)? Yes ____ No X

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
Education Stabilization Fund	
84.425D	COVID 19- CRRSA Elementary and Secondary Emergency Relief II
84.425D	COVID 19- Teacher Retention Grant-ESSER II
84.425D	COVID 19- Grow Your Own ESSER II
84.425U	COVID 19- ARP Elementary and Secondary Emergency Relief III
84.425U	COVID 19- Postsecondary Advising Grant-ESSER II

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low risk auditee? Yes ____ No X

**SHERWOOD CASS R-VIII SCHOOL DISTRICT OF CASS COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.