

Louisiana R-II School District

Basic Financial Statements

Year Ended June 30, 2022

Louisiana R-II School District

Table of Contents
Year Ended June 30, 2022

	<u>Page</u>
Financial Section:	
Independent Auditor's Report	1-2
<i>Basic Financial Statements:</i>	
Statement of Net Position – Cash Basis	3
Statement of Activities – Cash Basis	4
Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions – Governmental Funds	5
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance – Governmental Funds	6
Notes to Financial Statements	7-17
<i>Supplementary Information:</i>	
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – General Fund	18
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Teacher's Special Revenue Fund	19
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Debt Service Fund	20
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Capital Projects Fund	21
Combining Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions – Scholarship Trust Funds	22
Combining Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances – Scholarship Trust Funds	22
Schedule of Receipts by Source – All Governmental Funds – Cash Basis	23
Schedule of Disbursements by Object	24
Summary Schedule of Receipts, Disbursements and Changes in Cash Basis Fund Balance	24
State Compliance Section:	
Report on Management's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	25
Schedule of State Findings	26
Schedule of Selected Statistics	27-29
Schedule of Transportation Costs Eligible for State Aid	30

Louisiana R-II School District

Table of Contents
Year Ended June 30, 2022

Federal Compliance Section:

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards	31-32
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	33-35
Schedule of Expenditures of Federal Awards	36
Notes to Schedule of Expenditures of Federal Awards	37
Schedule of Findings and Questioned Costs	38
Schedule of Prior Findings	39

Financial Section



Independent Auditor's Report

Board of Education
Louisiana R-II School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of Louisiana R-II School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Louisiana R-II School 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 cash basis financial position of the governmental activities and each major fund of Louisiana R-II School District, as of June 30, 2022, and the respective changes in cash basis financial position for the year then ended in accordance with the 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Louisiana R-II School 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 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 the financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the 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.

Auditor's 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 auditor's 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.

Independent Auditor's Report (Concluded)

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 Louisiana R-II School 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 Louisiana R-II School 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the cash basis financial statements that collectively comprise the Louisiana R-II School District's basic financial statements. The supplementary information, schedule of selected statistics 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 schedule of expenditures of federal awards 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplementary information and schedule of selected statistics have not been subjected to the auditing procedures applied in the audit of the basis financial statements, and, accordingly, we do not express an opinion or provide any form of assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022 on our consideration of Louisiana R-II School 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 Louisiana R-II School 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 Louisiana R-II School District's internal control over financial reporting and compliance.

Wade Stables P.C.

Wade Stables P.C.

Certified Public Accountants

December 5, 2022
Hannibal, Missouri

Louisiana R-II School District
Statement of Net Position - Cash Basis
June 30, 2022

	<u>Governmental Activities</u>
Assets:	
Cash	\$ 3,473,804
Total Assets	<u>\$ 3,473,804</u>
Net Position:	
Restricted for:	
Scholarships	\$ 67,478
Professional Development	5,734
Debt Service	500,220
Capital Projects	410,877
Unrestricted	<u>2,489,495</u>
Total Net Position	<u>\$ 3,473,804</u>

Louisiana R-II School District

Statement of Activities - Cash Basis

Year Ended June 30, 2022

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instruction	\$ 4,617,971	\$ 13,284	\$ 1,847,764	\$ (2,756,923)
Supporting Services:				
Student Services	435,046	-	-	(435,046)
Instructional Staff Support	204,348	-	-	(204,348)
Building Administration	102,724	-	-	(102,724)
Business, Fiscal, Internal Services	119,947	-	-	(119,947)
General Administration	391,737	-	-	(391,737)
Operation of Plant	1,210,740	-	-	(1,210,740)
Transportation	394,108	-	71,418	(322,690)
Food Services	506,105	11,264	433,645	(61,196)
Community Services	1,686	-	-	(1,686)
Early Childhood Programs	44,928	-	-	(44,928)
Early Childhood Instruction	89,550	-	-	(89,550)
Facility Acquisition and Construction	386,319	-	-	(386,319)
Debt Services	531,055	-	-	(531,055)
Total School District	<u>\$ 9,036,264</u>	<u>\$ 24,548</u>	<u>\$ 2,352,827</u>	<u>\$ (6,658,889)</u>
General Receipts:				
Property taxes levied for:				
General purposes				\$ 1,882,957
Debt service				251,061
Sales and other taxes				1,799,557
State Aid - Formula grants				2,577,053
Fines and forfeitures				18,943
Earnings on investments				7,081
Miscellaneous				7,103
		Total General Receipts		<u>\$ 6,543,755</u>
		Change in Net Position		\$ (115,134)
Net Position - Cash Basis, July 1, 2021				<u>3,588,938</u>
Net Position - Cash Basis, June 30, 2022				<u>\$ 3,473,804</u>

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

Louisiana R-II School District

Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions
Governmental Funds
June 30, 2022

	<u>General Fund</u>	<u>Teacher's Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:					
Cash	\$ 2,562,707	\$ -	\$ 500,220	\$ 410,877	\$ 3,473,804
Total Assets	<u>\$ 2,562,707</u>	<u>\$ -</u>	<u>\$ 500,220</u>	<u>\$ 410,877</u>	<u>\$ 3,473,804</u>
Fund Balances:					
Restricted for:					
Scholarships	\$ 67,478	\$ -	\$ -	\$ -	\$ 67,478
Professional Development	5,734	-	-	-	5,734
Debt Service	-	-	500,220	-	500,220
Capital Projects	-	-	-	410,877	410,877
Unassigned	2,489,495	-	-	-	2,489,495
Total Fund Balances	<u>\$ 2,562,707</u>	<u>\$ -</u>	<u>\$ 500,220</u>	<u>\$ 410,877</u>	<u>\$ 3,473,804</u>
Total Liabilities and Fund Balances	<u>\$ 2,562,707</u>	<u>\$ -</u>	<u>\$ 500,220</u>	<u>\$ 410,877</u>	<u>\$ 3,473,804</u>

Louisiana R-II School District

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance

Governmental Funds

Year Ended June 30, 2022

	General Fund	Teacher's Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Receipts:					
Local	\$ 2,036,907	\$ 867,686	\$ 252,334	\$ 32,992	\$ 3,189,919
County	811,222	18,943	89,535	-	919,700
State	156,300	2,540,084	-	-	2,696,384
Federal	815,874	1,268,192	-	-	2,084,066
Non-Current	-	31,061	-	-	31,061
Total Receipts	\$ 3,820,303	\$ 4,725,966	\$ 341,869	\$ 32,992	\$ 8,921,130
Disbursements:					
Instruction	\$ 868,088	\$ 3,700,202	\$ -	\$ 49,681	\$ 4,617,971
System Support for Guidance Services	5,302	175,262	-	-	180,564
Record Maintenance Services	8,461	-	-	-	8,461
Nursing Services	87,362	-	-	6,251	93,613
Psychological Testing Services	3,981	-	-	-	3,981
Speech Pathology and Audiology Services	27,391	86,937	-	-	114,328
Occupational Therapy Related Services	16,086	-	-	-	16,086
Physical Therapy Related Services	7,612	-	-	-	7,612
Visually Impaired Vision Services	10,401	-	-	-	10,401
Instruction and Curriculum Development Services	-	69,362	-	-	69,362
Professional Development - One Percent	13,575	3,626	-	-	17,201
Service Area Direction Educational Media Services	22,461	66,678	-	-	89,139
School Library Services	28,646	-	-	-	28,646
Instruction Related Technology	377	-	-	11,735	12,112
Board of Education Services	79,526	-	-	-	79,526
Executive Administration Services	163,223	137,395	-	-	300,618
Other Executive Administration Services	6,463	84,149	-	-	90,612
Administrative Technology Services	104,037	-	-	15,910	119,947
Office of the Principal Services	159,373	332,081	-	-	491,454
Financial Accounting Services	-	-	-	7,150	7,150
Other Fiscal Services	4,443	-	-	-	4,443
Care and Upkeep of Building Services	696,540	-	-	14,880	711,420
Care and Upkeep of Grounds Services	1,762	-	-	-	1,762
Vehicle Servicing and Maintenance Services - Other	460	-	-	-	460
Security Services	5,644	-	-	-	5,644
District Operated Non-Disabled Student Trans	383,262	10,705	-	-	393,967
Non-Allowable Transportation Expenditure	141	-	-	-	141
Food Services - Service Area Direction	67,017	-	-	-	67,017
Food Preparation and Dispensing Services	439,088	-	-	-	439,088
Public Information Services	858	-	-	-	858
Staff Services - Service Area Direction	128	-	-	-	128
Direction of Community Services	250	-	-	-	250
Early Childhood Programs	38,677	-	-	6,251	44,928
Early Childhood Instruction	29,981	59,569	-	-	89,550
Welfare Activities Services	200	-	-	-	200
Other Community Services	250	-	-	-	250
Facilities acquisition and construction	-	-	-	386,319	386,319
Principal retirement interest and fiscal charges	-	-	494,741	36,314	531,055
Total Disbursements	\$ 3,281,066	\$ 4,725,966	\$ 494,741	\$ 534,491	\$ 9,036,264
Receipts Over / (Under) Disbursements	\$ 539,237	\$ -	\$ (152,872)	\$ (501,499)	\$ (115,134)
Other Financing Sources (Uses):					
Transfers	(312,376)	-	-	312,376	-
Net Change in Fund Balance	\$ 226,861	\$ -	\$ (152,872)	\$ (189,123)	\$ (115,134)
Cash Basis Fund Balance, July 1, 2021	2,335,846	-	653,092	600,000	3,588,938
Cash Basis Fund Balance, June 30, 2022	\$ 2,562,707	\$ -	\$ 500,220	\$ 410,877	\$ 3,473,804

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

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

Description of the School District and Reporting Entity

Louisiana R-II School District (the District) was established under the Statutes of the State of Missouri. The District operates under a locally elected Board form of government consisting of seven members elected at-large for staggered three-year terms as described in RSMo Chapter 162. The School District provides educational services as authorized by State statute and/or federal guidelines.

The School District serves an area of approximately 84 square miles. It is located in Pike County and includes all of the City of Louisiana. It is staffed by 68 certificated full-time teaching personnel, 47 non-certified employees and 3 administrative employees who provide services to approximately 714 students and other community members. The School District currently operates 3 buildings – elementary school (K-5), middle school (6-8) and a high school (9-12).

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Louisiana R-II School District, this includes general operations, food service, student transportation, and student related activities of the District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The following entities, which perform activities within the School District boundaries for the benefit of its residents are excluded from the accompanying financial statements because the School District is not financially accountable for these entities nor are they fiscally dependent on the School District.

City of Louisiana, Missouri – The city government of Louisiana, Missouri, is a separate body politic and corporate. A mayor and council are elected independent of any School District relationships and administer the provision of traditional city services. Council acts as the taxing and budgeting authority for these city services.

Parent Teacher Association and Booster Clubs – The School District is not involved in the budgeting or management is not responsible for any debt and has no influence over the organization.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position – cash basis and a statement of activities – cash basis, and fund financial statements, which provide a more detailed level of financial information.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Government-wide Financial Statements

The Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis display information about the School District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position – Cash Basis presents the financial condition of the governmental activities of the School District at year-end. The Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each program or function of the School District's governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program receipts 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. Receipts that are not classified as program receipts are presented as general receipts of the School District. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing or draws from the general receipts of the School District.

Fund Accounting Financial Statements

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District uses only the governmental category of funds. All the funds of the District are considered major due in part to an administrative directive from the Missouri Department of Elementary and Secondary Education.

Governmental Funds

Governmental funds are those through which most governmental functions are typically financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Assets consist of unencumbered cash balances remaining as a result of receipts and disbursements, assigned to the various governmental funds according to the purposes for which they may or must be used. The difference between governmental funds assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General (Incidental) Fund: Accounts for general activities of the District including student activities, food service, and textbooks, which are not required to be accounted for in another fund.

Special Revenue (Teachers) Fund: Accounts for expenditures for certified employees involved in administration and instruction. It includes receipts restricted by the state and local tax levy for the payment of teacher salaries and certain employee benefits.

Debt Service Fund: The debt service fund is used to account for the yearly accumulation of resources for, and the payment of, general long-term debt principal, interest, and paying agents' fees.

Capital Projects Fund: Accounts for the proceeds of long-term debt, taxes, and other receipts restricted for acquisition or construction of major capital assets, payment of capital leases, and certain equipment and expenditures designated by Missouri Statute.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Net Position and Fund Balances

Net position represents the difference between assets and liabilities. Net position is reported as restricted when limitations on their use change the normal understanding of the availability of the related asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. It is the District's policy to expend restricted resources first if the restrictions are met. Restricted assets in the general fund represent cash required by statute to be set aside by the School District for professional development, at risk and donor restrictions for scholarship funds. All other net position that does not meet the definition of "restricted" is reported as unrestricted net position.

Fund balances are classified as follows:

Nonspendable- This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District did not have nonspendable fund balances as of June 30, 2022.

Restricted- This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or law or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District had an ending balance of \$984,309 for restricted fund balances that consisted of \$67,478 for scholarships, \$5,734 for professional development, \$500,220 for debt service and \$410,877 for capital outlay.

Committed- This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District had no committed resources as of June 30, 2022.

Assigned- This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Board through budgetary process. The District had no assigned resources as of June 30, 2022.

Unassigned- All amounts not included in other spendable classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School Board has provided otherwise in its commitment or assignment actions

Measurement Focus

Government-wide Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The District's policy is to prepare its government-wide financial statements on the cash basis of accounting; consequently, receipts are recognized when received rather than when earned, and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The District's policy is to prepare its fund financial statements on the cash basis of accounting; consequently, receipts are recognized when received rather than when earned, and expenditures and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. This approach does not differ from the manner in which the governmental activities of the government-wide financial statements are prepared.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the cash basis of accounting. Governmental funds also use the cash basis of accounting.

Disbursement/Expenditures

On the cash basis of accounting, disbursements are recognized at the time they are paid. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than disbursements. Again, on the cash basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is paid. Allocation of costs, such as depreciation and amortization are not recognized in these cash basis financial statements.

Budgetary Data

All funds are legally required to be budgeted. 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 of the political subdivision.
- 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 balances plus estimated revenues for the year.
- 3) A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
- 4) Subsequent to its formal 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.

Budgeted amounts are as originally adopted, or as finally amended by the Board of Education.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District, excluding the Debt Service Fund, is pooled. Monies for all funds other than Debt Service are maintained in this common pooled account. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Cash" on the balance sheet. Negative balances incurred in pooled cash at year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents (Concluded)

Missouri statutes require that all debt service funds be maintained in physically separate bank accounts. The School District utilizes financial institutions to service bonded debt as principal and interest payments come due. The balance of these accounts is presented on the financial statements as "Cash" under the Debt Service Fund.

Post-Employment Benefits

In addition to the pension benefits described in Note 6, the District provides post-retirement healthcare benefits to all employees who retire from the District. Participation by retirees in the District health plan is subject to terms and conditions set forth in the Board Policy. The District has not made a formal evaluation or projection on the future cost of the existing health care benefit plan in relation to retirees.

COBRA Benefits - Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus a 2% administration charge, which the District has elected to waive, is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program. The District had four participants as of June 30, 2022.

Fund Changes and Transactions Between Funds

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Legally authorized interfund transfers are reported as other financing sources/uses in governmental funds.

Inventories

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

Capital Assets

General capital assets result from and are recorded as expenditures in the General Fund (Instructional Equipment only) or in the Capital Projects Fund at the time the expenditures are made. The District has not capitalized capital assets, does not maintain a record of its general capitalized assets, and, therefore, no depreciation is provided on general capital assets.

Compensated Absences

Vacation time, personal business days, and sick leave are considered as expenditures in the year paid. The District allows certified staff to accumulate up to 120 days of sick leave. All days above 120 are paid at the end of every fiscal year. If a certified employee quits, they are not paid for any unused sick days. If a certified employee retires from the District, they are paid at a rate of .1% of the base salary for each accumulated sick day. Any unused personal leave days are added to accumulated sick leave. The District allows noncertified staff to accumulate up to 60 days of sick leave. All days above 60 are paid at the end of every fiscal year. If a non-certified employee quits, they are not paid for any unused sick days. If a non-certified employee retires from the District, they are paid \$10 a day for each accumulated sick day. If all employees retired from the District on June 30, 2022, the District would owe \$145,595 for accumulated sick days to certified and non-certified employees of the District.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Concluded)

Estimates

The preparation of the financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through December 5, 2022, which is the date the reports were available to be issued.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2022.

Teachers' Salaries

The salary payment schedule of the District for the 2021-2022 school year requires the payment of salaries over a twelve-month period. Consequently, the July and August 2022 payroll checks are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

2. Cash and Temporary Investments

Deposits – Missouri state statutes require that all deposits with financial institutions be fully collateralized by U.S. Government and agency obligations or general obligations of states or political subdivisions in an amount at least equal to uninsured deposits. On June 30, 2022, the carrying amount of the District's deposits was \$3,473,804 and the bank balance was \$4,425,923. Of the bank balance, \$598,650 was covered by federal depository insurance and \$3,827,273 was covered by collateral held in the pledging bank's trust department in the District's name.

Funds on deposit with BOK Financial through the Missouri School District Deposit Program are invested in contracts in which the District has a pro-rata share of the investment contract. The investment contracts are in accordance with the Missouri Revised Statutes. The investment contracts are 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. Fair market value approximates cost and the value of these investments on June 30, 2022, was \$98,548. Due to the short-term nature of investments, balances are classified as cash equivalents in the District's basic financial statements.

Credit Risk and Investment Rate Risk

The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase or (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. government agencies or instrumentalities of any maturity, as provided by law.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

3. Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid taxes become delinquent January 1, of the following year. The county collects the property taxes and remits them to the District monthly.

The District also receives sales tax collected by the State and remitted based on eligible pupil counts. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year.

The assessed valuation of the tangible taxable property for calendar year 2021 for purposes of local taxation was:

Real Estate:		
Residential	\$	21,244,190
Agricultural		1,602,010
Commercial		11,789,550
Personal property		15,106,010
		15,106,010
	\$	49,741,760

The tax levy per \$100 of assessed valuation of tangible taxable property for calendar year 2021 for purposes of local taxation was:

	Unadjusted	Adjusted
General Fund	\$ 3.7500	\$ 3.7500
Debt Service Fund	0.5000	0.5000
	\$ 4.2500	\$ 4.2500

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2022, aggregated approximately 100.95 percent of the current assessment computed based on the levy as shown above.

4. Changes in General Obligation Bond Long-Term Debt

Following is a summary of changes in general obligation long-term debt for the year ended June 30, 2022:

	General Obligation Bonds Series 2015	General Obligation Bonds Series 2017	General Obligation Bonds Series 2019	Total General Obligation Bonds
Bonds payable, July 1, 2021	\$ 300,000	\$ 2,800,000	\$ 905,000	\$ 4,005,000
Add - Bonds issued	-	-	-	-
Less - Bonds retired	(300,000)	(50,000)	(40,000)	(390,000)
Bonds payable, June 30, 2022	\$ -	\$ 2,750,000	\$ 865,000	\$ 3,615,000

2015 G.O. bonds

On July 15, 2015, the District issued \$1,650,000 in General Obligation Bonds with an average interest rate of 2.00% to advance refund \$1,770,000 of outstanding 2009 Series Bonds with an average interest rate of 3.565%. The net proceeds of \$1,657,841 (before payment of \$25,566 in underwriting fees, insurance, and other insurance costs) were used to purchase U.S. Government securities. The funds were deposited in an irrevocable trust with an escrow agent, along with \$200,000 from the District to provide for all future debt service payments on the 2009 Series Bond. The 2009 Series Bonds were considered fully defeased in the fiscal year ending June 30, 2016.

Final payment was made during the fiscal year ended June 30, 2022, on the Series 2015 General Obligation Bonds.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

4. Changes in General Obligation Bond Long-Term Debt (Continued)

2017 G.O. bonds

On August 1, 2017, the District authorized \$3,000,000 and issued \$3,000,000 in General Obligation Bonds with interest rates ranging from 1.200% to 3.250%. The Bonds were issued for the purpose of providing funds to pay the costs of acquiring, constructing, improving, furnishing, equipping school facilities and land and the costs of issuing the Bonds.

2019 G.O. bonds

On November 7, 2019, the District authorized and issued \$1,000,000 in General Obligation Bonds with interest rates ranging from 1.450% to 2.600%. The Bonds were issued for the purpose of providing funds to pay the costs of acquiring, constructing, improving, furnishing, equipping school facilities and land and the costs of issuing the Bonds. Costs of issuance were \$21,200 and the underwriter's discount was \$10,000.

General obligation bonds payable on June 30, 2022, consist of:

\$3,000,000 Louisiana R-II School District General Obligation Bonds Series 2017, due in varying annual principal installments through March 1, 2036.

Interest rates are variable and ranges from 1.200% to 3.250% and are due semi-annually on March 1 and September 1 each year.

\$ 2,750,000

\$1,000,000 Louisiana R-II School District General Obligations Bonds Series 2019, due in varying annual principal installments through March 1, 2036.

Interest rates are variable and ranges from 1.450% to 2.600% and are due semi-annually on March 1 and September 1 each year.

865,000

\$ 3,615,000

The annual requirements to amortize all debt outstanding as of June 30, 2022, including interest payments are as follows:

June 30,	Principal		Interest		Total
	2017 Series	2019 Series	2017 Series	2019 Series	
2023	\$ 110,000	\$ 40,000	\$ 77,240	\$ 19,055	\$ 246,295
2024	140,000	55,000	75,205	18,395	288,600
2025	145,000	55,000	72,615	17,488	290,103
2026	165,000	55,000	69,498	16,580	306,078
2027	175,000	60,000	65,950	15,535	316,485
2028-2032	1,050,000	320,000	249,663	58,445	1,678,108
2033-2036	965,000	280,000	79,788	18,385	1,343,173
	<u>\$ 2,750,000</u>	<u>\$ 865,000</u>	<u>\$ 689,959</u>	<u>\$ 163,883</u>	<u>\$ 4,468,842</u>

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

4. Changes in General Obligation Bond Long-Term Debt (Concluded)

Article VI, Section 26(b), Constitution of Missouri limits the outstanding amount of authorized general obligation bonds of a district to 15 percent of the assessed valuation of the district. The legal debt margin of the District on June 30, 2022, was:

Constitutional Debt Limit under Article VI, Section 26(b)	\$ 49,741,760
Add - Amount available in Debt Service Fund	500,220
Less - General Obligation Bonds Outstanding	<u>(3,615,000)</u>
Legal Debt Margin under Article VI, Section 26(b)	<u>\$ 46,626,980</u>

5. Capital Leases

On August 6, 2020, the District entered a cancellable three-year lease with Bank of Louisiana to finance the acquisition of one (1) school bus, which originally cost \$103,920. The lease provides for interest at 2.80% per annum. Although the lease agreement calls for cancellation of the lease at the District's option at the renewal date each year, the District does not foresee exercising its option to cancel the lease.

The following is a summary of future minimum lease payments required under these capital leases (assuming non-cancellation) and the present value of the net minimum lease payments on June 30, 2022:

<u>June 30,</u>	<u>2020 Bus</u>
2022	\$ 35,617
Less: Amount representing interest	<u>(688)</u>
Present value of minimum lease	<u>\$ 34,929</u>

6. Defined Benefit Pension Plans

Plan Description: The Louisiana R-II School District contributes to The Public School Retirement System of Missouri (PSRS). 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 "two-thirds 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.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

6. Defined Benefit Pension Plans (Continued)

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 to 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 plan can be found on the Systems’ website at www.psr-peers.org.

Contributions: PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2020, 2021 and 2022. 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 School District’s contributions to PSRS were \$536,637 for the year ended June 30, 2022.

Plan Description: The District also contributes to The Public Education Employee Retirement System of Missouri (PEERS). 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.

Benefits Provided: 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 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 to 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 plan can be found on the Systems’ website at www.psr-peers.org.

Contributions: PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2020, 2021 and 2022. 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 0.50% of pay.

The School District’s contributions to PEERS were \$106,751 for the year ended June 30, 2022.

Louisiana R-II School District

Notes to Financial Statements
Year Ended June 30, 2022

7. Commitments and Contingencies

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general 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 School District on June 30, 2022.

8. Interfund Transfers

Interfund transfers during the year ended June 30, 2022, were as follows:

	<u>Operating Transfers</u>	
General Fund	\$ -	\$ 312,376
Teacher's Special Revenue Fund	-	-
Capital Projects Fund	<u>312,376</u>	-
	<u>\$ 312,376</u>	<u>\$ 312,376</u>

Transfers from the General Fund to the Capital Projects Fund represent the following allowable transfers:

162,326 or 7% x SAT x WADA	<u>\$ 312,376</u>
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9. Tax Abatements

A tax abatement program was initiated by the Industrial Development Authority of Pike County, Missouri, to encourage commercial development in Pike County and to create jobs in the County. Commercial real estate taxes are the focus of the abatement program. The director of the Industrial Development Authority works in conjunction with the Pike County Assessor to determine the level of abatement. Most of Pike County is designated as an Enhanced Enterprise Zone. The tax abatement eligibility is based upon the amount of capital investment and the number of jobs created in the County. Properties are appraised at full value then the percentage of abatement is applied to get an assessed value upon which taxes are calculated. Properties receiving tax abatements must maintain the number of employees that they originally stated would be employed in the County. If the number of employees fall out of the bracketed area, the level of abatement will be lowered. Abatements are a percentage of the appraised value. The approximate taxes abated for the Louisiana R-II School District in fiscal year 2021-22 is \$36,400.

Supplementary Information

Louisiana R-II School District

Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance - Budget and Actual

General Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Receipts:				
Local	\$ 1,978,286	\$ 2,036,907	\$ 2,036,907	\$ -
County	800,235	811,222	811,222	-
State	164,202	156,300	156,300	-
Federal	727,546	815,874	815,874	-
Non current	500	-	-	-
Total Receipts	<u>\$ 3,670,769</u>	<u>\$ 3,820,303</u>	<u>\$ 3,820,303</u>	<u>\$ -</u>
Disbursements:				
Instruction	\$ 1,824,909	\$ 868,088	\$ 868,088	\$ -
System Support for Guidance Services	7,880	5,302	5,302	-
Record Maintenance Services	8,058	8,461	8,461	-
Nursing Services	84,593	87,362	87,362	-
Psychological Testing Services	3,070	3,981	3,981	-
Speech Pathology and Audiology Services	10,858	27,391	27,391	-
Occupational Therapy Related Services	21,100	16,086	16,086	-
Physical Therapy Related Services	6,803	7,612	7,612	-
Visually Impaired Vision Services	4,500	10,401	10,401	-
Instruction and Curriculum Development Services	5,000	-	-	-
Professional Development - One Percent	19,370	13,575	13,575	-
Service Area Direction Educational Media Services	26,664	22,461	22,461	-
School Library Services	31,164	28,646	28,646	-
Instruction Related Technology	-	377	377	-
Board of Education Services	70,380	79,526	79,526	-
Executive Administration Services	152,138	163,223	163,223	-
Other Executive Administration Services	8,620	6,463	6,463	-
Administrative Technology Services	105,732	104,037	104,037	-
Office of the Principal Services	144,174	159,373	159,373	-
Other Fiscal Services	-	4,443	4,443	-
Care and Upkeep of Building Services	624,491	696,540	696,540	-
Care and Upkeep of Grounds Services	24,200	1,762	1,762	-
Vehicle Servicing and Maintenance Services - Other	-	460	460	-
Security Services	4,325	5,644	5,644	-
District Operated Non-Disabled Student Trans	337,516	383,262	383,262	-
Non-Allowable Transportation Expenditure	-	141	141	-
Food Services - Service Area Direction	44,844	67,017	67,017	-
Food Preparation and Dispensing Services	349,145	439,088	439,088	-
Public Information Services	666	858	858	-
Staff Services - Service Area Direction	-	128	128	-
Direction of Community Services	-	250	250	-
Early Childhood Programs	36,762	38,677	38,677	-
Early Childhood Instruction	30,272	29,981	29,981	-
Welfare Activities Services	1,000	200	200	-
Other Community Services	-	250	250	-
	<u>\$ 3,988,234</u>	<u>\$ 3,281,066</u>	<u>\$ 3,281,066</u>	<u>\$ -</u>
Receipts Over (Under) Disbursements	\$ (317,465)	\$ 539,237	\$ 539,237	\$ -
Other Financing Sources (Uses):				
Transfers	(837,221)	(312,376)	(312,376)	-
Net Change in Fund Balance	\$ (1,154,686)	\$ 226,861	\$ 226,861	\$ -
Cash Basis Fund Balance, July 1, 2021	<u>2,335,846</u>	<u>2,335,846</u>	<u>2,335,846</u>	
Cash Basis Fund Balance, June 30, 2022	<u>\$ 1,181,160</u>	<u>\$ 2,562,707</u>	<u>\$ 2,562,707</u>	

Louisiana R-II School District

Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance - Budget and Actual
Teacher's Special Revenue Fund
 Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Receipts:				
Local	\$ 724,027	\$ 867,686	\$ 867,686	\$ -
County	22,248	18,943	18,943	-
State	2,434,111	2,540,084	2,540,084	-
Federal	906,555	1,268,192	1,268,192	-
Non-current	56,600	31,061	31,061	-
Total Receipts	<u>\$ 4,143,541</u>	<u>\$ 4,725,966</u>	<u>\$ 4,725,966</u>	<u>\$ -</u>
Disbursements:				
Instruction	\$ 3,642,486	\$ 3,700,202	\$ 3,700,202	\$ -
System Support for Guidance Services	177,379	175,262	175,262	-
Speech Pathology and Audiology Services	86,882	86,937	86,937	-
Instruction and Curriculum Development Services	69,294	69,362	69,362	-
Professional Development One Percent	2,820	3,626	3,626	-
Service Area Direction Ed Media Services	66,608	66,678	66,678	-
Executive Administration Services	133,317	137,395	137,395	-
Other Executive Administration Services	83,901	84,149	84,149	-
Office of the Principal Services	329,573	332,081	332,081	-
District Operated Non-Disabled Student Trans	10,663	10,705	10,705	-
Early Childhood Instruction	62,635	59,569	59,569	-
Total Disbursements	<u>\$ 4,665,558</u>	<u>\$ 4,725,966</u>	<u>\$ 4,725,966</u>	<u>\$ -</u>
Receipts Over/ (Under) Disbursements	\$ (522,017)	\$ -	\$ -	\$ -
Other Financing Sources (Uses):				
Transfers	522,017	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ -	<u>\$ -</u>
Cash Basis Fund Balance, July 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>	
Cash Basis Fund Balance, June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Louisiana R-II School District

Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance - Budget and Actual

Debt Service Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Receipts:				
Local	\$ 250,953	\$ 252,334	\$ 252,334	\$ -
County	91,666	89,535	89,535	-
Total Receipts	<u>\$ 342,619</u>	<u>\$ 341,869</u>	<u>\$ 341,869</u>	<u>\$ -</u>
Disbursements:				
Principal retirement	\$ 390,000	\$ 390,000	\$ 390,000	\$ -
Interest and fiscal charges	99,360	104,741	104,741	-
Total Disbursements	<u>\$ 489,360</u>	<u>\$ 494,741</u>	<u>\$ 494,741</u>	<u>\$ -</u>
Net Change in Fund Balance	\$ (146,741)	\$ (152,872)	\$ (152,872)	<u>\$ -</u>
Cash Basis Fund Balance, July 1, 2021	<u>653,092</u>	<u>653,092</u>	<u>653,092</u>	
Cash Basis Fund Balance, June 30, 2022	<u>\$ 506,351</u>	<u>\$ 500,220</u>	<u>\$ 500,220</u>	

Louisiana R-II School District

Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balance - Budget and Actual

Capital Projects Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Receipts:				
Local	\$ 63,500	\$ 32,992	\$ 32,992	\$ -
Total Receipts	<u>\$ 63,500</u>	<u>\$ 32,992</u>	<u>\$ 32,992</u>	<u>\$ -</u>
Disbursements:				
Instruction	\$ 32,150	\$ 49,681	\$ 49,681	\$ -
Nursing Services	-	6,251	6,251	-
Professional Development One Percent	2,400	-	-	-
Instruction Related Technology	10,086	11,735	11,735	-
Administrative Technology Services	48,974	15,910	15,910	-
Office of the Principal Services	6,000	-	-	-
Financial Accounting Services	6,995	7,150	7,150	-
Care and Upkeep of Building Services	9,700	14,880	14,880	-
District Operated Non-Disabled Student Trans	135,000	-	-	-
Food Preparation and Dispensing Services	25,000	-	-	-
Early Childhood Programs	-	6,251	6,251	-
Facilities Acquisition and Construction	642,807	386,319	386,319	-
Principal Retirement, Interest and Fiscal Charges	36,606	36,314	36,314	-
Total Disbursements	<u>\$ 955,718</u>	<u>\$ 534,491</u>	<u>\$ 534,491</u>	<u>\$ -</u>
Receipts Over (Under) Disbursements	\$ (892,218)	\$ (501,499)	\$ (501,499)	\$ -
Other Financing Sources (Uses):				
Transfers	315,204	312,376	312,376	-
Net Change in Fund Balance	\$ (577,014)	\$ (189,123)	\$ (189,123)	\$ -
Cash Basis Fund Balance, July 1, 2021	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	
Cash Basis Fund Balance, June 30, 2022	<u>\$ 22,986</u>	<u>\$ 410,877</u>	<u>\$ 410,877</u>	

Louisiana R-II School District

Combining Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions
Scholarship Trust Funds
June 30, 2022

	Geeson Memorial Golf Scholarship	Wahl Memorial Scholarship	AFS Fund	Totals
Assets:				
Restricted assets:				
Cash	<u>\$ 102</u>	<u>\$ 60,396</u>	<u>\$ 6,980</u>	<u>\$ 67,478</u>
Fund Equity:				
Fund Balances:				
Restricted:				
Restricted for scholarships	<u>\$ 102</u>	<u>\$ 60,396</u>	<u>\$ 6,980</u>	<u>\$ 67,478</u>

Louisiana R-II School District

Combining Statement of Receipts, Disbursements and
Changes in Cash Basis Fund Balances - Scholarship Trust Funds
Year Ended June 30, 2022

	Geeson Memorial Golf Scholarship	Wahl Memorial Scholarship	AFS Fund	Totals
Receipts:				
Earnings on investments	\$ -	\$ 788	\$ 28	\$ 816
Contributions	-	-	-	-
	<u>\$ -</u>	<u>\$ 788</u>	<u>\$ 28</u>	<u>\$ 816</u>
Disbursements:				
Community services	\$ -	\$ 500	\$ -	\$ 500
Net Change in Fund Balance	\$ -	\$ 288	\$ 28	\$ 316
Cash Basis Fund Balance, July 1, 2021	<u>102</u>	<u>60,108</u>	<u>6,952</u>	<u>67,162</u>
Cash Basis Fund Balance, June 30, 2022	<u>\$ 102</u>	<u>\$ 60,396</u>	<u>\$ 6,980</u>	<u>\$ 67,478</u>

Louisiana R-II School District

Schedule of Receipts by Source - All Governmental Funds - Cash Basis
Year Ended June 30, 2022

	General Fund	Teacher's Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Local:					
Current Taxes	\$ 1,702,029	\$ -	\$ 226,937	\$ -	\$ 1,928,966
Delinquent Taxes	180,928	-	24,124	-	205,052
School District Trust Fund (Prop C)	-	867,686	-	-	867,686
Financial Institution Tax	-	-	-	1,024	1,024
M&M Surtax	-	-	-	31,628	31,628
Earnings from Temporary Deposits	5,468	-	1,273	340	7,081
Food Service Program	135	-	-	-	135
Food Service Non-Program	11,129	-	-	-	11,129
Admissions - Student Activities	13,284	-	-	-	13,284
Revenue from Enterprizse Activites	20,395	-	-	-	20,395
Other Purpil Acctivity Income	94,894	-	-	-	94,894
Rentals	175	-	-	-	175
Gifts	1,280	-	-	-	1,280
Prior Period Adjustments	1,367	-	-	-	1,367
Other Local	5,823	-	-	-	5,823
Total Local	\$ 2,036,907	\$ 867,686	\$ 252,334	\$ 32,992	\$ 3,189,919
County:					
Fines	\$ -	\$ 18,943	\$ -	\$ -	\$ 18,943
State Assessed Utilities	809,684	-	89,535	-	899,219
Other County	1,538	-	-	-	1,538
Total County	\$ 811,222	\$ 18,943	\$ 89,535	\$ -	\$ 919,700
State:					
Basic Formula	\$ -	\$ 2,297,140	\$ -	\$ -	\$ 2,297,140
Transportation	71,418	-	-	-	71,418
Early Childhood Special Education	11,140	-	-	-	11,140
Basic Formula - Classroom Trust Fund	40,729	239,184	-	-	279,913
Educational Screening Prog/PAT	9,334	-	-	-	9,334
Career Education	200	3,760	-	-	3,960
Food Service - State	906	-	-	-	906
High Need Fund - Special Education	22,573	-	-	-	22,573
Total State	\$ 156,300	\$ 2,540,084	\$ -	\$ -	\$ 2,696,384
Federal:					
Medicaid	\$ 60,446	\$ -	\$ -	\$ -	\$ 60,446
ARP - ESSER III	-	937,164	-	-	937,164
CARES - ESSER Fund	-	602	-	-	602
CARES - Governor's Emergency Education Relief Fund	141	-	-	-	141
IDEA Grants	540	-	-	-	540
IDEA Entitlement Funds, Part B IDEA	202,431	-	-	-	202,431
Early Childhood Special Education - Federal	868	-	-	-	868
National School Lunch Equipment Grant	308,591	-	-	-	308,591
School Lunch Program	94,712	-	-	-	94,712
After School Snack Program	5,677	-	-	-	5,677
Title I, ESEA	79,916	235,431	-	-	315,347
Title IV, A Student Support & Academic Enrichment	-	31,034	-	-	31,034
Title II, Part A&B, ESEA - Teacher & Principal	8,976	34,353	-	-	43,329
Child Nutrician Program EOC Reimbursement	28,911	-	-	-	28,911
Dept of Health Food Service Program	24,665	-	-	-	24,665
Title VI, Part B, Rural Education Initiative	-	29,608	-	-	29,608
Total Federal	\$ 815,874	\$ 1,268,192	\$ -	\$ -	\$ 2,084,066
Other Non-Current:					
Tuition from other districts	\$ -	\$ 31,061	\$ -	\$ -	\$ 31,061
Total Other Non-Current	\$ -	\$ 31,061	\$ -	\$ -	\$ 31,061
Total All Sources	\$ 3,820,303	\$ 4,725,966	\$ 341,869	\$ 32,992	\$ 8,921,130

Louisiana R-II School District
Schedule of Disbursements Paid by Object
Year Ended June 30, 2022

	General Fund	Teacher's Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Salaries	\$ 1,160,596	\$ 3,557,925	\$ -	\$ -	\$ 4,718,521
Employee benefits	484,538	1,034,785	-	-	1,519,323
Purchased services	776,757	133,256	-	-	910,013
Supplies	859,175	-	-	-	859,175
Capital outlay	-	-	-	498,178	498,178
Debt service	-	-	494,741	36,313	531,054
	<u>\$ 3,281,066</u>	<u>\$ 4,725,966</u>	<u>\$ 494,741</u>	<u>\$ 534,491</u>	<u>\$ 9,036,264</u>

Louisiana R-II School District
Summary Schedule of Receipts, Disbursements and Changes in Cash Basis Fund Balance
Year Ended June 30, 2022

	General Fund	Teacher's Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
Receipts	\$ 3,820,303	\$ 4,725,966	\$ 341,869	\$ 32,992	\$ 8,921,130
Disbursements	3,281,066	4,725,966	494,741	534,491	9,036,264
Receipts over/(under) Disbursements	\$ 539,237	\$ -	\$ (152,872)	\$ (501,499)	\$ (115,134)
Other Sources (Uses)					
Transfers	(312,376)	-	-	312,376	-
Net Change in Fund Balance	\$ 226,861	\$ -	\$ (152,872)	\$ (189,123)	\$ (115,134)
Cash Basis Fund Balance, July 1, 2021	2,335,846	-	653,092	600,000	3,588,938
Cash Basis Fund Balance, June 30, 2022	<u>\$ 2,562,707</u>	<u>\$ -</u>	<u>\$ 500,220</u>	<u>\$ 410,877</u>	<u>\$ 3,473,804</u>

State Compliance Section



100 North Sixth Street ♦ P.O. Box 796 ♦ Hannibal, Missouri 63401-0796 ♦ Phone (573) 221-5998 ♦ Fax (573) 221-2044

**Report on Management's Assertions
About Compliance with Specified Requirements of
Missouri Laws and Regulations**

Board of Education
Louisiana R-II School District

We have examined Louisiana R-II School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of average daily attendance and average daily pupil transportation for the year ended June 30, 2022. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was made 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 the District complied, in all material respects, with the specified requirements above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, 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.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, Louisiana R-II School District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2022.

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

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

December 5, 2022
Hannibal, Missouri

Louisiana R-II School District
Schedule of State Findings
Year Ended June 30, 2022

There are no findings to report.

Louisiana R-II School District
Schedule of Selected Statistics
Year Ended June 30, 2022

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

Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
K	5	-	6.9000	162	1094.7
6	8	-	6.7800	162	1071.60
9	12	-	6.7500	162	1064.42

2. Average Daily Attendance (ADA)

Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total
K	53,475.0800	-	1,167.4666	-	3,337.3500	57,979.8966
1	52,509.6300	-	1,853.2165	-	3,317.6300	57,680.4765
2	60,236.2800	-	982.6167	-	3,651.9100	64,870.8067
3	52,564.1500	-	1,160.5834	-	3,540.9800	57,265.7134
4	40,288.9100	-	825.3168	-	2,358.4500	43,472.6768
5	58,913.1900	-	225.0000	-	3,508.4600	62,646.6500
6	53,608.8900	-	141.4001	-	7,147.2200	60,897.5101
7	58,096.5500	-	93.2500	-	1,874.4600	60,064.2600
8	47,087.9700	-	2.7500	-	2,461.6600	49,552.3800
9	51,799.0200	-	-	-	1,040.1600	52,839.1800
10	50,535.5800	-	-	-	600.1600	51,135.7400
11	50,715.1500	-	-	-	836.1600	51,551.3100
12	51,284.2400	-	-	-	-	51,284.2400
Grand Total	681,114.6400	-	6,451.6001	-	33,674.6000	721,240.8401

3. September Membership

Grade Level	Full-Time	Part-Time	Other	Total
K	53.00	-	-	53.00
1	51.00	-	-	51.00
2	57.00	-	-	57.00
3	50.00	-	-	50.00
4	39.00	-	-	39.00
5	58.00	-	-	58.00
6	55.00	-	-	55.00
7	58.00	-	-	58.00
8	49.00	-	-	49.00
9	52.00	-	-	52.00
10	53.00	-	-	53.00
11	52.00	-	-	52.00
12	52.00	-	-	52.00
Grand Total	679.00	-	-	679.00

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

	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
	326.00	71.00	N/A	N/A	397.00
Grand Total	326.00	71.00	N/A	N/A	397.00

Louisiana R-II School District

Schedule of Selected Statistics

Year Ended June 30, 2022

5. Finance

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	N/A
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	N/A
	Homebound instruction	N/A
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	N/A
	Remediation	True
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A
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/charter school's treasurer in the total amount of:	\$50,000
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

Louisiana R-II School District

Schedule of Selected Statistics

Year Ended June 30, 2022

5. Finance (Concluded)

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.	True
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. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	\$16,060
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.	True

6. Transportation (Section 163.161, RSMo)

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:	True
	Eligible ADT	# 305.5
	Ineligible ADT	# 0
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:	# 72,496
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:	True
	Eligible Miles	# 49,619
	Ineligible Miles (Non-Route/Disapproved)	# 22,850
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	# 161

Louisiana R-II School District

Schedule of Transportation Costs Eligible for State Aid
Year Ended June 30, 2022

	<u>District Owned</u>	<u>Contracted</u>	<u>Disabled Transportation Services</u>	<u>Payments to Other Districts</u>	<u>Total</u>
Certified salaries	\$ 31,583	\$ -	\$ -	\$ -	\$ 31,583
Noncertificated salaries	194,707	-	-	-	194,707
Employee benefits	94,505	-	-	-	94,505
Purchased services	12,416	-	-	-	12,416
Supplies	60,756	-	-	-	60,756
Depreciation - buses	70,153	-	-	-	70,153
Total	<u>\$ 464,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 464,120</u>

Nonroute contracted transportation	<u>\$ -</u>
School buses purchased	<u>\$ -</u>
School Buses lease/purchased:	
Principal	<u>\$ 34,351</u>
Interest	<u>\$ 1,962</u>
Transportation revenues from other districts	<u>\$ -</u>

Federal Compliance Section



**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of the Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Education
Louisiana R-II School District

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 Louisiana R-II School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Louisiana R-II School District's basic financial statements, and have issued our report thereon dated December 5, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana R-II School 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 Louisiana R-II School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Louisiana R-II School 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Louisiana R-II School 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*.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* (Concluded)

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.

Wade Stables P.C.

Wade Stables P.C.

Certified Public Accountants

December 5, 2022
Hannibal, Missouri



**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance
Required by the Uniform Guidance**

Board of Education
Louisiana R-II School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Louisiana R-II School 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 Louisiana R-II School District's major federal programs for the year ended June 30, 2022. Louisiana R-II School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Louisiana R-II School District complied, in all material respects, with the 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, 2022.

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 Louisiana R-II School 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 Louisiana R-II School 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 Louisiana R-II School District's federal programs.

**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance
Required by the Uniform Guidance (Continued)**

Auditor's 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 Louisiana R-II School 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 Louisiana R-II School 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 Louisiana R-II School 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 Louisiana R-II School 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 Louisiana R-II School 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 Auditor's 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.

**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance
Required by the Uniform Guidance (Concluded)**

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.

Wade Stables P.C.

Wade Stables P.C.

Certified Public Accountants

December 5, 2022
Hannibal, Missouri

Louisiana R-II School District

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements
U.S. Department of Agriculture			
<i>Passed through Missouri Department of Elementary and Secondary Education</i>			
School Breakfast Program	10.553	082-108	\$ 104,126
National School Lunch Program (Non-Cash)	10.555	082-108	\$ 21,766
National School Lunch Program	10.555	082-108	317,164
National School Lunch Program - Snack	10.555	082-108	5,677
COVID-19 Child Nutrition Emergency Operating Costs	10.555	082-108	28,911
COVID-19 Supply Chain Assistance	10.555	082-108	17,484
			<u>\$ 391,002</u>
<i>Total Child Nutrition Cluster</i>			<u>\$ 495,128</u>
Total U.S. Department of Agriculture			<u>\$ 495,128</u>
U.S. Department of Education			
<i>Passed through Missouri Department of Elementary and Secondary Education</i>			
Title I Grants to Local Educational Agencies	84.010A	082-108	\$ 237,161
Title I Grants to Local Educational Agencies (Blended)	84.010A	082-108	49,484
			<u>\$ 286,645</u>
Special Education - Grants to States	84.027A	082-108	\$ 200,386
Special Education - Preschool Grants	84.173A	082-108	868
<i>Total Special Education Cluster</i>			<u>\$ 201,254</u>
Rural Education	84.358B	082-108	\$ 22,931
Improving Teacher Quality State Grants	84.367A	082-108	\$ 40,243
Student Support and Academic Enrichment Program	84.424A	082-108	\$ 25,638
COVID-19 Governor's Emergency Education Relief Fund	84.425C	082-108	\$ 141
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	082-108	716
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	082-108	937,164
			<u>\$ 938,021</u>
Total U.S. Department of Education			<u>\$ 1,514,732</u>
Total Federal Expenditures			<u>\$ 2,009,860</u>

M

M - Denotes Major Program

Louisiana R-II School District
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Louisiana R-II School District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Guidance*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, basic financial statements.

2) Food Distribution

Non-monetary assistance is reported in the schedule at the fair value of the commodities received and disbursed. At June 30, 2022, the District had food commodities totaling \$4,276 in inventory.

3) Subrecipients

Federal funds are not passed through to any subrecipients.

4) Insurance

Louisiana R-II School District had no federal insurance in effect for the year ended June 30, 2022.

5) Loans and Loan Guarantees

Louisiana R-II School District had no federal loans or federal loan agreements as of or for the year ended June 30, 2022.

6) Indirect Cost Rate

Louisiana R-II School District did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2022.

Louisiana R-II School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Summary of Auditor's Results

1. The auditor's report on the financial statements of Louisiana R-II School District was unmodified on the cash basis of accounting.
2. No significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Louisiana R-II School District, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of internal control over major federal award programs of Louisiana R-II School District.
5. The auditor's report on compliance for the major federal award programs for Louisiana R-II School District expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for Louisiana R-II School District were noted.
7. The programs tested as major programs included:
Education Stabilization Fund (CFDA No. 84.425)
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Louisiana R-II School District did not qualify as a low-risk auditee.

Findings – Financial Statement Audit

No significant deficiencies were noted on the financial statement audit for the year ended June 30, 2022.

Findings and Questioned Costs – Major Federal Award Programs Audit

There are no findings or questioned costs to report.

Louisiana R-II School District

Schedule of Prior Findings
Year Ended June 30, 2022

There are no prior year findings on which to report.