

ACADEMY FOR INTEGRATED ARTS

**FINANCIAL STATEMENTS
with
INDEPENDENT AUDITOR'S REPORT**

June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of the Academy for Integrated Arts (a nonprofit organization) (the "Academy"), which comprise the statement of assets, liabilities, and net assets-modified cash basis as of June 30, 2023, and the related statements of support, revenue, and expenses-modified cash basis, functional expenses-modified cash basis, and cash flows-modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and net assets of the Academy for Integrated Arts as of June 30, 2023, and its support, revenue, and expenses and its cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note 2.

Basis for Qualified Opinion

As more fully described in the notes to the financial statements, the Academy's financial statements do not consolidate the account activity of the Academy for Integrated Arts Supporting Foundation or the activity of the AFIA Holding Company that the Academy has a majority voting interest on the governing board of each entity. In our opinion, the Academy's financial statements should consolidate the account activity of the Academy for Integrated Arts Supporting Foundation and the AFIA Holding Company to conform with the modified cash basis of accounting as described in Note 2. The effects on the accompanying financial statements for the failure to consolidate the account activity for these entities have not been determined.

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 Academy 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 qualified audit opinion.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy'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 Academy'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.

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information 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*, as listed in the table of contents from pages 16-22, are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023 on our consideration of the Academy for Integrated Arts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy for Integrated Arts' 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 Academy for Integrated Arts' internal control over financial reporting and compliance.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 5, 2023

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS – MODIFIED CASH BASIS

June 30, 2023

ASSETS

Cash and cash equivalents	\$ 1,655,000
Capital assets, net of accumulated depreciation	<u>32,967</u>
Total Assets	\$ <u>1,687,967</u>

LIABILITIES AND NET ASSETS

Payroll withholdings	\$ <u>7,063</u>
Total Liabilities	7,063
Net Assets:	
Without donor restrictions	1,533,269
With donor restrictions	<u>147,635</u>
Total Net Assets	<u>1,680,904</u>
Total Liabilities and Net Assets	\$ <u>1,687,967</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF SUPPORT, REVENUE, AND EXPENSES – MODIFIED CASH BASIS

For the Year Ended June 30, 2023

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
<u>SUPPORT, REVENUE & OTHER INCOME:</u>			
Contributions and donations	\$ 615,096	\$ 147,635	\$ 762,731
State aid receipts	3,030,789	0	3,030,789
Federal grants and contracts	1,203,871	0	1,203,871
Sales tax (Proposition C)	347,386	0	347,386
Community services	7,573	0	7,573
Other income	<u>28,094</u>	<u>0</u>	<u>28,094</u>
Total Support, Revenue & Other Income	5,232,809	147,635	5,380,444
<u>EXPENSES:</u>			
Program services	3,995,102	0	3,995,102
Supporting activities:			
General and administrative	830,724	0	830,724
Fundraising	<u>2,203</u>	<u>0</u>	<u>2,203</u>
Total Supporting activities	<u>832,927</u>	<u>0</u>	<u>832,927</u>
Total Expenses	4,828,029	0	4,828,029
 Net assets released from restrictions	 <u>128,769</u>	 <u>(128,769)</u>	 <u>0</u>
 Change in net assets	 533,549	 18,866	 552,415
 Net assets, beginning of year	 <u>999,720</u>	 <u>128,769</u>	 <u>1,128,489</u>
Net assets, end of year	<u>\$ 1,533,269</u>	<u>\$ 147,635</u>	<u>\$ 1,680,904</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF FUNCTIONAL EXPENSES – MODIFIED CASH BASIS

For the Year Ended June 30, 2023

	<u>Supporting Activities</u>				
	Program	General &		Total	
	<u>Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Supporting Activities</u>	<u>Total</u>
Salaries and wages	\$ 2,052,102	\$ 402,230	\$ 0	\$ 402,230	\$ 2,454,332
Retirement	219,284	44,292	0	44,292	263,576
Payroll taxes	152,137	29,014	0	29,014	181,151
Employee insurance	216,424	29,618	0	29,618	246,042
Other employee benefits	0	39,020	0	39,020	39,020
Professional & technical services	289,152	181,847	0	181,847	470,999
Property services	338,117	63,886	169	64,055	402,172
Transportation services	296,029	1,465	0	1,465	297,494
Insurance	50,873	2,460	0	2,460	53,333
Communication	1,332	0	0	0	1,332
Dues and memberships	0	1,675	0	1,675	1,675
Other purchased services	0	0	2,034	2,034	2,034
General supplies	111,415	33,691	0	33,691	145,106
Books and periodicals	8,167	0	0	0	8,167
Food service	185,924	0	0	0	185,924
Utilities, energy service	72,380	0	0	0	72,380
Depreciation	<u>1,766</u>	<u>1,526</u>	<u>0</u>	<u>1,526</u>	<u>3,292</u>
Total Expenses	\$ <u>3,995,102</u>	\$ <u>830,724</u>	\$ <u>2,203</u>	\$ <u>832,927</u>	\$ <u>4,828,029</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS

For the Year Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 552,415
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	3,292
Increase in:	
Payroll withholdings	<u>710</u>
Net cash from operating activities	556,417

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(30,894)</u>
Net cash from investing activities	<u>(30,894)</u>

Net increase in cash and cash equivalents 525,523

Cash and cash equivalents, beginning of year 1,129,477

Cash and cash equivalents, end of year \$ 1,655,000

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

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ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 1: ORGANIZATION

Academy for Integrated Arts (the “Academy”) is a not-for-profit public benefit corporation organized on August 21, 2009 under Chapter 355, RSMo and governed by Senate Bill No. 781 of the 89th General Assembly of the Missouri legislature. The corporation operates a charter school, which is sponsored by the Missouri Charter Public School Commission. The Academy is exempt from most Missouri laws and statutes governing educational institutions. The afore-mentioned Senate Bill No. 781 governs it.

The Academy’s charter provides for the education of students in pre-kindergarten, kindergarten, and grades one through six. Approximately 80%-85% of the Academy’s funding is provided from State and Federal funds received from the Missouri Department of Elementary and Secondary Education. Other support is provided by contributions and grants from foundations and individuals.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are presented on the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets, revenues and expenses when they result from cash transactions with a provision for recording property and equipment, depreciation and long-term liabilities, such as promissory notes, which are recognized when incurred. Accordingly, the accompanying financial statements are not intended to present financial position or results of operations in accordance with accounting principles generally accepted in the United States of America.

B. Use of Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

C. Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Academy considers all unrestricted highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

D. Concentrations of Credit and Market Risk

Cash and cash equivalents are maintained at a high-quality financial institution and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2023, \$741,919 of the ending bank balances were covered by federal depository insurance, \$50,076 was covered with pledged collateral, and \$871,845 was held in a sweep account within a U.S. Treasury obligation money market fund, which include securities issued or guaranteed by the U.S. Treasury where the payment of principal and interest is backed by the full faith and credit of the U.S. government, and repurchase agreements collateralized by U.S. Treasury Obligations. The Academy has not experienced any losses on its cash or cash equivalents held with the financial banking institutions.

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Capital Assets

Capital assets are stated at historical cost if purchased or at the fair value at the date of donation in the case of donated assets. A capitalization threshold of \$1,000 is used to report capital assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Leasehold improvements	5 years
Furniture and fixtures	7 years
Computer equipment	5 years

F. Compensated Absences

The Academy has established personal leave for its eligible employees. All full-time regular employees who have completed three months of continuous employment are provided twelve paid leave days per school year, which includes leave for illness and personal days. Sick and personal days are considered as expenditures in the year paid in accordance with the modified cash basis of accounting. Unused personal days are forfeited.

G. Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor- (or certain grantor-) imposed restrictions or law. These net assets may be used at the discretion of the Academy's management and the Academy's Board of Directors.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other program, or events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. The Academy reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. See Note 8 for details of activity and balance.

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Revenue Recognition

All contributions are considered available for use within the Academy's general programs unless specifically restricted by the donor or grantor. In accordance with the modified cash basis of accounting, the Academy immediately recognizes all revenue at the time of receipt.

I. Income Taxes

The Academy is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code") and comparable state law as charitable organizations whereby only unrelated business income, as defined by Section 509(a)(2) of the Code, is subject to federal income tax. The Academy currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The Academy has adopted provisions of FASB standard on Accounting for Uncertainty in Income Taxes (ASC 740-10-25). The Academy does not believe there are any material uncertain tax provisions and, accordingly, they will not recognize any liability for unrecorded tax benefits. For the year ended June 30, 2023, there was no interest or penalties recorded in the financial statements.

J. Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of support, revenue, and expenses—modified cash basis. The statement of functional expenses—modified cash basis presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited and, in some cases, to one or more program or supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include technical services, property services, depreciation, and interest. Property services, depreciation, and interest are allocated based on estimated square footage, and technical services are allocated based on estimated project and purpose usage.

K. Subsequent Events

The Academy has evaluated subsequent events through December 5, 2023, the date which the financial statements were available to be issued.

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 3: RELATED PARTY ENTITIES

Academy for Integrated Arts Supporting Foundation

On November 30, 2015, the Academy for Integrated Arts Supporting Foundation (“Supporting Foundation”) was incorporated in Missouri as a not-for-profit public benefit corporation and organized under Section 509(a)(3)(A) of the Code to benefit the Academy. The Supporting Foundation is exempt from federal income tax under Section 501(c)(3) of the Code and has a five-member Board of Directors, three of which are appointed by the Academy. The Supporting Foundation was formed to solicit donations and acquire a loan to purchase a building for the Academy, with any additional funds to be used and applied for the benefit of the Academy’s operations as determined by the Board of Directors.

AFIA Holding Company

On June 15, 2016, the AFIA Holding Company was incorporated in Missouri as a not-for-profit public benefit corporation and organized under Section 509(a)(3)(A) of the Code to benefit the Academy. The AFIA Holding Company is exempt from federal income tax under Section 501(c)(3) of the Code and has a three-member Board of Directors, two of which are appointed by the Academy. The AFIA Holding Company was formed to own and maintain the building in which the Academy currently operates. During the year ended June 30, 2023, the Academy paid rent expense of \$200,000 to AFIA Holding Company.

Based on the majority voting interest by members of the Academy’s Board of Directors on the Board of Directors for each of these entities, the Academy should consolidate the financial statements for all related entities. However, the Academy has elected not to consolidate and include the accounts and activity of the Supporting Foundation or AFIA Holding Company. The effect on the financial statements of the preceding practice is not reasonably determinable.

NOTE 4: LIQUIDITY RESOURCE MANAGEMENT

The Academy regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Academy considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

As of June 30, 2023, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash and cash equivalents	\$ 1,655,000
Less: Donor restricted	<u>(147,635)</u>
	<u>\$ 1,507,365</u>

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 5: CAPITAL ASSETS

Capital assets consisted of the following as of June 30, 2023:

Leasehold improvements	\$ 177,113
Computer equipment	56,034
Furniture and fixtures	<u>54,361</u>
	287,508
Less: Accumulated depreciation	<u>254,541</u>
Total Capital Assets, net	\$ <u>32,967</u>

Depreciation expense for the year ended June 30, 2023 was \$3,292, which was allocated to the related functions: instruction \$1,766 and operation of plant \$1,526.

NOTE 6: LEASE COMMITMENTS

Building

On September 16, 2016, the Academy entered into a 20-year lease with AFIA Holding Company starting August 1, 2016 and ending on July 31, 2036 with a base rent of \$140,000 for the first year and base rent of \$300,000 for the remaining years. Effective November 1, 2022, a lease agreement amendment was signed to reduce the annual base rent to \$150,000, or \$12,500 per month. The lease agreement includes an automatic renewal clause for two successive renewal periods of 10 years each with the same terms and conditions. The leasing expense for the year ending June 30, 2023 was \$200,000.

Office Equipment

The Academy leases office equipment with 60-month terms beginning on January 2018 and ending in December 2022 at a monthly rate of \$665 that includes a maintenance care agreement and charges for overages. A new lease was signed beginning on January 2023 and ending in December 2027 at a monthly rate of \$1,104 that includes a maintenance care agreement and charges for overages. The leasing expense for the year ending June 30, 2023 was \$17,125.

Future minimum lease payments are as follows.

<u>Year Ending June 30,</u>	
2024	\$ 163,248
2025	163,248
2026	163,248
2027	156,624
2028	150,000
2029 – 2037	<u>1,212,500</u>
Total	\$ <u>2,008,868</u>

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 7: INSURANCE

The Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Academy maintains commercial insurance to protect itself from such risks.

NOTE 8: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30, 2023:

Fine arts and music	\$ 3,301
Diversity, Equity, Inclusion	19,334
Team teaching	<u>125,000</u>
	\$ <u>147,635</u>

Net assets released from restrictions for the following purposes during the year ended June 30, 2023.

Fine arts and music	\$ 2,360
Professional development	125,000
Library books	<u>1,409</u>
	\$ <u>128,769</u>

NOTE 9: RETIREMENT PLAN

Public School Retirement System of the School District of Kansas City, Missouri (“KCPSRS”) is a mandatory cost-sharing multiple employer defined benefit pension plan (the “Plan”), which was established by the General Assembly of the State of Missouri and is exempt from the provisions of the Employee Retirement Income Security Act of 1974. The 12-member Board of Trustees of KCPSRS administers and operates the Plan in accordance with the statutes of the State of Missouri. Participation is mandatory for employees of the Kansas City, Missouri Public School District, the Kansas City Public Library and the Public School Retirement System. All regular, full-time employees of the participating employers become members of the Plan as a condition of employment, if they are in a position requiring at least 25 hours of work per week and nine calendar months per year. Employees hired before or during 1961 are members of Plan A. As of December 31, 2014, there are no longer any members of Plan A receiving benefits. Employees hired after January 1, 2014, are members of Plan C. The most recent audited financial statements and actuarial valuation report are located on KCPSRS’ website at www.kcpsrs.org.

Benefits Provided

KCPSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Positions covered by the Plan are also covered by social security. A Retirement Facts Book detailing the provisions of the plan can be found on KCPSRS’ website at www.kcpsrs.org.

ACADEMY FOR INTEGRATED ARTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 9: RETIREMENT PLAN (continued)

Contributions

Employers are required to match the contributions made by members. The contribution rate is set each year by the KCPSRS Board of Trustees within the contribution restrictions set in Section 169.350.4 and 169.291.16 RSMo. The rate may be changed in increments not to exceed 0.5% of pay each year. Effective January 1, 2020, members of Plan B and C contributed at 12.0% of annual compensation. The Academy's contributions to KCPSRS were \$263,576 for the year ended June 30, 2023.

NOTE 10: CLAIMS AND ADJUSTMENTS

The Academy participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. As of June 30, 2023, a significant amount of disbursements had not been audited by grantor governments but the Academy believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on the overall financial position of the Academy.

SUPPLEMENTARY INFORMATION

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES – MODIFIED CASH BASIS – BY FUND

June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ <u>1,655,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,655,000</u>
Total Assets	\$ <u>1,655,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,655,000</u>
 <u>LIABILITIES & FUND BALANCES</u>				
Liabilities:				
Payroll withholdings	\$ 7,063	\$ 0	\$ 0	\$ 7,063
Fund Balances:				
Restricted	147,635	0	0	147,635
Unassigned	<u>1,500,302</u>	<u>0</u>	<u>0</u>	<u>1,500,302</u>
Total Fund Balances	<u>1,647,937</u>	<u>0</u>	<u>0</u>	<u>1,647,937</u>
Total Liabilities & Fund Balances	\$ <u>1,655,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,655,000</u>
 Total fund balances				\$ 1,647,937
Total capital assets, net of accumulated depreciation				<u>32,967</u>
Total net assets on the Statement of Assets, Liabilities and Net Assets				\$ <u>1,680,904</u>

Note: The supplementary modified cash basis financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

See Independent Auditor's Report

ACADEMY FOR INTEGRATED ARTS

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES – MODIFIED CASH BASIS – BY FUND

For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
RECEIPTS:				
Local	\$ 1,013,096	\$ 130,270	\$ 2,418	\$ 1,145,784
State	971,083	2,059,706	0	3,030,789
Federal	<u>1,203,871</u>	<u>0</u>	<u>0</u>	<u>1,203,871</u>
Total Receipts	3,188,050	2,189,976	2,418	5,380,444
DISBURSEMENTS:				
Instruction	930,629	1,789,054	2,418	2,722,101
Support services - Students	106,816	91,045	0	197,861
Support services - Instructional Staff	92,018	0	0	92,018
Support services - General Administration	248,962	180,633	0	429,595
Support services - Building Level Admin	0	129,244	0	129,244
Business Support Services	121,876	0	0	121,876
Fiscal Services	60,000	0	0	60,000
Operation and Maintenance Plant Services	593,608	0	0	593,608
Student Transportation	294,635	0	0	297,635
Food Services	187,958	0	0	187,958
Support services - Central Office	2,033	0	0	2,033
Community services	<u>24,702</u>	<u>0</u>	<u>0</u>	<u>24,702</u>
Total Disbursements	<u>2,663,237</u>	<u>2,189,976</u>	<u>2,418</u>	<u>4,855,631</u>
Net Changes in Fund Balance	524,813	0	0	524,813
FUND BALANCE - JUNE 30, 2022	<u>1,123,124</u>	<u>0</u>	<u>0</u>	<u>1,123,124</u>
FUND BALANCE - JUNE 30, 2023	\$ <u>1,647,937</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,647,937</u>
Net changes in fund balance				\$ 524,813
Changes in:				
Capital assets – purchases				30,894
Capital assets – depreciation				<u>(3,292)</u>
Change in net assets on the Statement of Support, Revenue, and Expenses				\$ <u>552,415</u>

Note: The supplementary modified cash basis financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

See Independent Auditor's Report

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF RECEIPTS COLLECTED BY SOURCE – MODIFIED CASH BASIS – BY FUND

For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
<u>LOCAL:</u>				
Sales tax (Prop C)	\$ 217,116	\$ 130,270	\$ 0	\$ 347,386
Community services	7,573	0	0	7,573
Gifts and contributions	760,313	0	2,418	762,731
Other	28,094	0	0	28,094
Total Local	1,013,096	130,270	2,418	1,145,784
<u>STATE:</u>				
Basic formula	746,990	2,059,706	0	2,806,696
Transportation	124,879	0	0	124,879
Classroom trust fund	98,691	0	0	98,691
Food services	523	0	0	523
Total State	971,083	2,059,706	0	3,030,789
<u>FEDERAL:</u>				
Medicaid	58,141	0	0	58,141
CARES grants	15,000	0	0	15,000
ARP ESSER	610,440	0	0	610,440
Special education (IDEA/ECSE)	70,288	0	0	70,288
Food services	240,908	0	0	240,908
ESEA Title I	169,241	0	0	169,241
ESEA Title II	17,351	0	0	17,351
ESEA Title IV.A	12,647	0	0	12,647
FCC Emergency Connectivity	9,855	0	0	9,855
Total Federal	1,203,871	0	0	1,203,871
Total Receipts	\$ 3,188,050	\$ 2,189,976	\$ 2,418	\$ 5,380,444

Note: The supplementary modified cash basis financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

See Independent Auditor's Report

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF DISBURSEMENTS BY OBJECT – MODIFIED CASH BASIS – BY FUND

For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Salaries and wages	\$ 738,806	\$ 1,715,526	\$ 0	\$ 2,454,332
Retirement	77,153	186,423	0	263,576
Payroll taxes	54,667	126,484	0	181,151
Employee insurance	84,499	161,543	0	246,042
Other employee benefits	39,020	0	0	39,020
Professional and technical services	470,999	0	0	470,999
Property services	424,490	0	0	424,490
Transportation services	297,494	0	0	297,494
Insurance	53,333	0	0	53,333
Communication	1,332	0	0	1,332
Dues and memberships	1,675	0	0	1,675
Other purchased services	2,033	0	0	2,033
General supplies	151,265	0	0	151,265
Books and periodicals	8,167	0	0	8,167
Food service	185,924	0	0	185,924
Utilities, energy service	72,380	0	0	72,380
Capital outlay	<u>0</u>	<u>0</u>	<u>2,418</u>	<u>2,418</u>
Total Disbursements	\$ <u>2,663,237</u>	\$ <u>2,189,976</u>	\$ <u>2,418</u>	4,855,631
Changes in:				
Capital assets – purchases				(30,894)
Capital assets – depreciation				<u>3,292</u>
Total Expenses on the Statement of Support, Revenue, and Expenses				\$ <u>4,828,029</u>

Note: The supplementary modified cash basis financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

See Independent Auditor's Report

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Number	FAIN Number	Pass- Through Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	20221N119943	048-927	\$ 25,491
School Breakfast Program	10.553	20232N119943	048-927	56,652
National School Lunch Program	10.555	20221N119943	048-927	41,279
National School Lunch Program	10.555	20232N119943	048-927	<u>111,670</u>
Total Child Nutrition Cluster				235,092
Fresh Fruit and Vegetable Program	10.582	2022IL160343	048-927	<u>5,816</u>
Total U.S. Department of Agriculture				240,908
<u>U.S. Department of Education</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
COVID-19 ARP Act Education Stabilization Fund (ESSER III)	84.425U	S425U210021	048-927	609,792
Title I, Grants to LEAs	84.010A	S010A210025	048-927	112,411
Title I, Grants to LEAs	84.010A	S010A220025	048-927	76,302
Title II.A, Supporting Effective Instruction	84.367A	S367A210024	048-927	11,715
Title II.A, Supporting Effective Instruction	84.367A	S367A220024	048-927	8,028
Title IV, Student Support and Academic Enrichment	84.424A	S424A210026	048-927	6,228
Title IV, Student Support and Academic Enrichment	84.424A	S424A220026	048-927	6,379
Title IV, Student Support and Academic Enrichment	84.424A	S42A200026	048-927	2,066
Special Education Cluster (IDEA):				
IDEA, Part B - Special Education	84.027A	H027A220040	048-927	55,172
COVID-19 ARP IDEA	84.027A	H027X210040	048-927	14,357
Early Childhood Special Education (ECSE)	84.173A	H173A210103	048-927	1,161
COVID-19 ARP IDEA ECSE	84.173X	H173X210103	048-927	<u>1,006</u>
Total Special Education Cluster				<u>71,696</u>
Total U.S. Department of Education				<u>904,617</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ <u>1,145,525</u>

See Accompanying Independent Auditor's Report and Notes to the Schedule of Expenditures of Federal Awards.

ACADEMY FOR INTEGRATED ARTS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Academy for Integrated Arts (the "Academy") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Academy, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Academy.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash basis of accounting, which is described in Note 2 to the Academy's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Schedule presents both Type A and Type B federal assistance programs administered by the Academy. The Uniform Guidance establishes the formula for determining the level of expenditures of disbursements to be used in defining Type A and Type B federal financial assistance programs. For the Academy, Type A programs are those which exceed \$750,000 in disbursements, expenditures, or distributions. The determination of major and nonmajor programs is based on the risk-based approach outlined in Uniform Guidance.

The Academy elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3: SUBRECIPIENTS

The Academy did not provide funds to subrecipients in the current fiscal year.

INTERNAL CONTROL AND COMPLIANCE



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

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Academy for Integrated Arts (the "Academy") (a nonprofit organization), which comprise the statement of assets, liabilities and net assets-modified cash basis as of June 30, 2023, and the related statements of support, revenue, and expenses-modified cash basis, functional expenses-modified cash basis, and cash flows-modified cash basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 5, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Academy'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy'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 Academy'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 or significant deficiencies may exist that were not identified.

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Academy'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*.

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 Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Marr and Company". The script is cursive and fluid, with the "M" and "C" being particularly large and stylized.

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 5, 2023



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

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Academy for Integrated Arts (the "Academy") (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Academy's major federal programs for the year ended June 30, 2023. The Academy'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, the Academy complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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 the Academy'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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Academy's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Academy's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Academy's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Academy'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.

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

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.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Marr and Company". The script is cursive and fluid, with the "M" and "C" being particularly large and stylized.

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 5, 2023

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statement:

- 1) The type of report issued on the basic financial statements. Qualified opinion
- 2) Internal Control over Financial Reporting:
 - a) Significant deficiencies were disclosed. None
 - b) Material weaknesses were disclosed. None
- 3) Noncompliance, which is material to the basic financial statements, was disclosed. None

Federal Awards:

- 1) Internal Control over Major Programs:
 - a) Significant deficiencies were disclosed. None
 - b) Material weaknesses were disclosed. None
- 2) The type of report issued on compliance for major programs. Unmodified opinion
- 3) Any audit findings which are required to be reported under Section 200.516(a) of the Uniform Guidance? None
- 4) The Academy's major federal program(s):

Federal Assistance Number(s)	Federal Program or Cluster
84.425U	Education Stabilization Fund
- 5) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000
- 6) Auditee qualified as a low-risk auditee specified in Section 200.520 of the Uniform Guidance?
 Yes X No

SECTION II: FINANCIAL STATEMENT FINDINGS

No financial statement findings were reported.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No federal award findings and questioned costs were reported.

SECTION IV: RESOLUTIONS OF PRIOR YEAR AUDIT FINDINGS

No audit findings were noted from the prior year.



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

Board of Directors
Academy for Integrated Arts
Kansas City, Missouri

We have examined management's assertion, included in its representation letter dated December 5, 2023, that the Academy for Integrated Arts (the "Academy") complied with the requirements of Missouri laws and regulations regarding accurate disclosure of the Academy's records of average daily attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2023. Management is responsible for its assertion that the Academy complied with the aforementioned requirements. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, management's assertion that the Academy for Integrated Arts complied with the aforementioned requirements included in the Schedule of Selected Statistics for the year ended June 30, 2023, are fairly stated, in all material respects.

Marr and Company

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 5, 2023

ACADEMY FOR INTEGRATED ARTS**SCHEDULE OF SELECTED STATISTICS**

June 30, 2023

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
6995	PK	06	n/a	6.5000	161	1,046.5000

2. ATTENDANCE HOURS

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
6995	PK	9,258.2500	0.0000	0.0000	0.0000	0.0000	9,258.2500
6995	K	39,695.9000	0.0000	0.0000	0.0000	0.0000	39,695.9000
6995	1	39,918.7000	0.0000	0.0000	0.0000	0.0000	39,918.7000
6995	2	37,713.1200	0.0000	0.0000	0.0000	0.0000	37,713.1200
6995	3	36,729.7600	0.0000	0.0000	0.0000	0.0000	36,729.7600
6995	4	35,992.4700	0.0000	0.0000	0.0000	0.0000	35,992.4700
6995	5	30,813.3500	0.0000	0.0000	0.0000	0.0000	30,813.3500
6995	6	<u>18,831.5300</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>18,831.5300</u>
Grand Total		<u>248,953.0800</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>248,953.0800</u>

ACADEMY FOR INTEGRATED ARTS**SCHEDULE OF SELECTED STATISTICS**

June 30, 2023

3. SEPTEMBER MEMBERSHIP

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
6995	PK	10.00	0.00	0.00	10.00
6995	K	42.00	0.00	0.00	42.00
6995	1	42.00	0.00	0.00	42.00
6995	2	40.00	0.00	0.00	40.00
6995	3	40.00	0.00	0.00	40.00
6995	4	38.00	0.00	0.00	38.00
6995	5	33.00	0.00	0.00	33.00
6995	6	<u>20.00</u>	<u>0.00</u>	<u>0.00</u>	<u>20.00</u>
Grand Total		<u>265.00</u>	<u>0.00</u>	<u>0.00</u>	<u>265.00</u>

4. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMO)

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

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
6995	253.00	0.00	0.00	0.00	253.00
Grand Total	<u>253.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>253.00</u>

ACADEMY FOR INTEGRATED ARTS**SCHEDULE OF SELECTED STATISTICS**

June 30, 2023

5. FINANCE

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

Section	Question	Answer
5.1	The 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 charter school maintained complete and accurate attendance records allowing for the accurate calculation 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	N/A
	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)	N/A
	Work Experience for Students with Disabilities	N/A
5.3	The 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 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 charter school's treasurer in the total amount of:	\$0
5.6	The 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

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF SELECTED STATISTICS

June 30, 2023

5. FINANCE (CONTINUED)

Section	Question	Answer
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. (<u>Not applicable to charter schools.</u>)	N/A
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. (<u>Not applicable to charter schools.</u>)	N/A
5.10	The 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. (<u>Not applicable to charter schools.</u>)	N/A
5.12	The amount spent for approved professional development committee plan activities was:	\$N/A
5.13	The 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

Notes:	The Academy has insurance coverage for employee theft instead of a purchased surety bond (Section 5.5)
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All above "False" answers **must** be supported by a finding or management letter comment.

Finding:	None noted
Management Letter Comment:	None noted

ACADEMY FOR INTEGRATED ARTS**SCHEDULE OF SELECTED STATISTICS**

June 30, 2023

6. TRANSPORTATION (SECTION 163.161, RSMO)

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

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The 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	<u>15.00</u>
	Ineligible ADT	<u>0.00</u>
6.4	The 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:	<u>58,238</u>
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 (including food/instructional delivery miles 2020-21)	<u>57,089</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>1,149</u>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<u>164</u>

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

Finding:	None noted
Management Letter Comment:	None noted

ACADEMY FOR INTEGRATED ARTS

SCHEDULE OF STATE FINDINGS

For the Year Ended June 30, 2023

Prior year

There were no audit findings related to state compliance for the year ended June 30, 2022 to be resolved in the current year.

Current year

There were no audit findings related to state compliance for the year ended June 30, 2023 noted to be resolved.