

**KIPP ENDEAVOR ACADEMY
KANSAS CITY, MISSOURI**

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

June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
KIPP Endeavor Academy
Kansas City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of KIPP Endeavor Academy (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets-modified cash basis as of June 30, 2020, 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.

Management's Responsibility 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. This includes 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
KIPP Endeavor Academy
Kansas City, Missouri

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of KIPP Endeavor Academy as of June 30, 2020, 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 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents from pages 15-25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020 on our consideration of KIPP Endeavor Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the KIPP Endeavor Academy'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 KIPP Endeavor Academy's internal control over financial reporting and compliance.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 14, 2020

KIPP ENDEAVOR ACADEMY

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS – MODIFIED CASH BASIS
June 30, 2020

<u>ASSETS</u>	
Cash	\$ <u>1,590,500</u>
Total Assets	\$ <u>1,590,500</u>
 <u>LIABILITIES AND NET ASSETS</u>	
Liabilities:	
Payroll withholdings	\$ <u> 391</u>
Total Liabilities	391
Net Assets:	
Without donor restrictions	1,561,430
With donor restrictions	<u> 28,679</u>
Total Net Assets	<u>1,590,109</u>
Total Liabilities and Net Assets	\$ <u>1,590,500</u>

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

KIPP ENDEAVOR ACADEMY

STATEMENT OF SUPPORT, REVENUE AND EXPENSES – MODIFIED CASH BASIS
For the Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>SUPPORT, REVENUE & OTHER INCOME:</u>			
Contributions and donations	\$ 93,245	\$ 43,421	\$ 136,666
State aid receipts	5,739,061	0	5,739,061
Federal grants and contracts	1,176,492	0	1,176,492
Sales tax (Proposition C)	706,383	0	706,383
Student activity income	4,092	0	4,092
Other income	<u>1,085,176</u>	<u>0</u>	<u>1,085,176</u>
Total Support, Revenue & Other Income	8,830,199	43,421	8,873,620
<u>EXPENSES:</u>			
Program services	6,742,987	0	6,742,987
Supporting activities:			
General and administrative	1,672,693	0	1,672,693
Fundraising	<u>1,568</u>	<u>0</u>	<u>1,568</u>
Total Supporting activities	<u>1,674,261</u>	<u>0</u>	<u>1,674,261</u>
Total Expenses	8,417,248	0	8,417,248
Net assets released from restrictions	<u>30,368</u>	<u>(30,368)</u>	<u>0</u>
Change in Net Assets	443,319	13,053	456,372
Net Assets, Beginning of Year	<u>1,118,111</u>	<u>15,626</u>	<u>1,133,737</u>
Net Assets, End of Year	<u>\$ 1,561,430</u>	<u>\$ 28,679</u>	<u>\$ 1,590,109</u>

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

KIPP ENDEAVOR ACADEMY

STATEMENT OF FUNCTIONAL EXPENSES – MODIFIED CASH BASIS
For the Year Ended June 30, 2020

	Supporting Activities				<u>Total</u>
	Program Services	General & Administrative	Fundraising	Total Supporting Activities	
Salaries and wages	\$ 3,223,967	\$ 1,001,206	\$ 0	\$ 1,001,206	\$ 4,225,173
Retirement	340,442	110,844	0	110,844	451,286
Payroll taxes	234,888	72,668	0	72,668	307,556
Employee insurance	166,429	45,347	0	45,347	211,776
Other employee benefits	0	28,736	0	28,736	28,736
Professional and technical services	485,384	256,036	1,568	257,604	742,988
Property services	450,998	0	0	0	450,998
Contracted transportation	401,366	0	0	0	401,366
Travel and professional development	64,182	0	0	0	64,182
Insurance	19,110	7,073	0	7,073	26,183
Communication and memberships	25,852	0	0	0	25,852
Dues and membership	0	5,427	0	5,427	5,427
Other purchased services	625,623	0	0	0	625,623
General supplies	276,838	27,114	0	27,114	303,952
Utilities, energy service	127,526	0	0	0	127,526
Capital outlay	0	118,242	0	118,242	118,242
Debt interest and fees	<u>300,382</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>300,382</u>
Total Expenses	<u>\$ 6,742,987</u>	<u>\$ 1,672,693</u>	<u>\$ 1,568</u>	<u>\$ 1,674,261</u>	<u>\$ 8,417,248</u>

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

KIPP ENDEAVOR ACADEMY

STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS
For the Year Ended June 30, 2020

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Change in net assets	\$ 456,372
Increase (decrease) in liabilities:	
Payroll withholdings	<u> 0</u>
Net cash from operating activities	<u>456,372</u>
Net Increase in Cash	456,372
Cash, Beginning of Year	<u>1,134,128</u>
Cash, End of Year	\$ <u>1,590,500</u>
<u>SUPPLEMENTAL DISCLOSURE:</u>	
Cash paid for interest	\$ <u>150,318</u>

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

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

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KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: ORGANIZATION

KIPP Endeavor Academy (the “Academy”) is a not-for-profit public benefit corporation incorporated as KIPP Kansas City in October 2006 and organized under Chapter 355, RSMo and governed by Senate Bill No. 781 of the 89th General Assembly of the Missouri legislature. KIPP Kansas City is a not-for-profit corporation whose purpose is to operate one or more public charter schools in accordance with the KIPP educational model in the State of Missouri. Official operations of the Academy began on May 23, 2007. The Academy is exempt from most Missouri laws and statutes governing educational institutions. The aforementioned Senate Bill No. 781 governs it. The Academy was sponsored by Metropolitan Community Colleges until July 2013 when University of Missouri - Columbia took over as their sponsor. The Academy charter school agreement was renewed with the University of Missouri – Columbia effective July 1, 2017 for five additional school years ending June 30, 2022.

The Academy’s charter provides for the education of low income, disadvantaged, at-risk students in kindergarten through eighth grades. Approximately 80-90% 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 through contributions and grant award receipts.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Statement Presentation

Financial Accounting Standards Board’s (FASB) Accounting Standards Codification (“ASC”) 958-205, *Not-for-Profit Entities: Presentation of Financial Statements*, requires disclosing the amounts of expenses by both their natural classification and their functional classification. The Academy is required to report information regarding its financial position and activities according to two classes of net assets, which is as follows.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that can be fulfilled by actions of the Academy pursuant to those restrictions or that expire by the passage of time. Contributions restricted by donors whose restrictions are met in the same reporting periods are recorded as unrestricted. Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by the Academy's actions are restricted. Restrictions stipulate that resources must be maintained permanently but permit the Academy to expend the income generated in accordance with the provisions of the agreements.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor-imposed (or certain grantor) restrictions or law.

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. 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 payroll withholdings, 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.

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

Financial instruments that potentially expose the Academy to concentrations of credit and market risk consist primarily of cash and cash equivalents. 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, 2020, the Academy held \$1,372,186 in uninsured balances at the institution. The Academy has not experienced any losses on its cash or cash equivalents.

E. Capital Outlay

Property and equipment are recorded as expenses at the time the goods are purchased.

F. Compensated Absences

Vacation time, personal business days and sick leave are considered as expenses in the year paid. Such amounts unused that are vested in the employee are payable upon termination at varying rates depending on length of service.

G. Recognition of Donor Restrictions

Contributions are recognized when the donor makes an unconditional promise to give to the school. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Income Taxes

The Academy is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue 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, 2020, there was no interest or penalties recorded in the financial statements

I. Functional Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the Statement of Support, Revenue, and Expenses. The Statement of Functional Expenses present 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, which included professional and technical services, insurance, and general supplies. Insurance is allocated based on estimated square footage, and professional and technical services and general supplies are allocated based on estimated project and purpose usage.

J. 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.

K. Subsequent Events

The Academy has evaluated subsequent events through December 14, 2020, the date which the financial statements were available to be issued.

NOTE 3: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of June 30, 2020.

	6/30/2019 <u>Balance</u>	Support <u>Received</u>	Restrictions <u>Released</u>	6/30/2020 <u>Balance</u>
Virtual learning technology	\$ 0	\$ 6,000	\$ 3,015	\$ 2,985
COVID relief	0	18,421	17,734	687
Computer science, FIRST Robotics	0	14,000	8,283	5,717
Community & Family engagement	<u>15,626</u>	<u>5,000</u>	<u>1,336</u>	<u>19,290</u>
Total	\$ <u>15,626</u>	\$ <u>43,421</u>	\$ <u>30,368</u>	\$ <u>28,679</u>

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 4: NOTES PAYABLE

The Academy purchased the current school building at 1701 Prospect Ave in July 2016 and continued with improvements throughout the building. The Academy completed the projects in 2017 and was notified in November 2017 that the first principal and interest payment of \$24,314 was due December 1, 2017 for 180 months ending November 1, 2032. The school building is pledged as collateral for the outstanding promissory notes. The interest rate is fixed, subject to change every 60 months on December 1st, equal to greater of the initial rate of 5.375% or the sum of the yield to maturity of U.S. Treasury obligations with maturity equal to November 1, 2032 plus a based rate of 2.00%. The Academy paid \$150,318 in interest expense during the fiscal year ended June 30, 2020. The combined unpaid principal balance on the note was \$2,634,737 as of June 30, 2020. The future scheduled payments on the outstanding debt are as follows:

<u>Year ending June 30,</u>	
2021	\$ 153,905
2022	162,384
2023	171,331
2024	180,770
2025	190,729
Thereafter	<u>1,775,618</u>
Total	\$ <u>2,634,737</u>

NOTE 5: OPERATING LEASES

Copier Equipment

Effective June 2016, the Academy signed a non-cancelable 60-month lease agreement for copier equipment that requires monthly payments of \$2,140 ending May 2021. During the fiscal year ended June 30, 2020, the existing copier lease agreement was changed and additional equipment were added to the lease. Effective February 2020, the Academy signed a non-cancelable 60-month lease agreement for all of the copier equipment that requires monthly payments of \$3,618 ending January 2025. In addition, a maintenance agreement was signed for service on the leased copiers. Lease expense for the year ended June 30, 2020 was \$59,970. Future minimum operating lease payments (assuming non-cancellation) are as follows:

<u>Year ending June 30,</u>	
2021	\$ 43,416
2022	43,416
2023	43,416
2024	43,416
2025	<u>25,326</u>
Total	\$ <u>198,990</u>

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 6: 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.

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, 2019, members of Plan B and C contributed at 10.50% of annual compensation. Effective January 1, 2020, members of Plan B and C contributed at 12.00% of annual compensation. The Academy’s contributions to KCPSRS were \$451,286 for the year ended June 30, 2020.

NOTE 7: PAYROLL PROTECTION PROGRAM LOAN

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Academy signed a note payable with the U.S. Small Business Administration (“SBA”) on April 10, 2020 for \$950,600 with a maturity date of April 10, 2022, the first payment deferred for six months, and annual interest rate of 1.0%. This note was available through the Paycheck Protection Program (the “PPP”) as a part of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) that offers cash-flow assistance to nonprofit and small business employers through guaranteed loans for certain expenses incurred between February 15, 2020, and June 30, 2020. The Academy opted to select the 24-week period beginning on the date the loan proceeds were disbursed for eligible expenses through September 25, 2020. The PPP loan did not require collateral or personal guarantees and offers the ability to have a substantial portion of the principal amount forgiven when the Academy uses the proceeds on eligible costs. The Academy filed for loan forgiveness in November 2020 and received the official legal release and forgiveness from the SBA. The Academy reported the loan proceeds as “Other Income” in the financial statements.

KIPP ENDEAVOR ACADEMY

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 8: 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 9: LIQUIDITY RESOURCE MANAGEMENT

The Academy regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. 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, 2020, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ <u>1,590,500</u>
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SUPPLEMENTARY INFORMATION

KIPP ENDEAVOR ACADEMY

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS

June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash	\$ <u>1,590,500</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,590,500</u>
Total Assets	\$ <u>1,590,500</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,590,500</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Payroll withholdings	\$ 391	\$ 0	\$ 0	\$ 391
Fund Balances:				
Restricted	28,679	0	0	28,679
Unassigned	<u>1,561,430</u>	<u>0</u>	<u>0</u>	<u>1,561,430</u>
Total Fund Balances	<u>1,590,109</u>	<u>0</u>	<u>0</u>	<u>1,590,109</u>
Total Liabilities and Fund Balances	\$ <u>1,590,500</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,590,500</u>

See Accompanying Independent Auditor's Report.

KIPP ENDEAVOR ACADEMY

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

GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Totals</u>
RECEIPTS:				
Local	\$ 1,693,173	\$ 264,894	\$ 0	\$ 1,958,067
State	2,044,092	3,694,969	0	5,739,061
Federal	<u>1,176,492</u>	<u>0</u>	<u>0</u>	<u>1,176,492</u>
Total Receipts	4,913,757	3,959,863	0	8,873,620
DISBURSEMENTS:				
Instruction	630,650	3,325,164	0	3,955,814
Student services	579,858	0	0	579,858
Instructional Staff Support	127,975	0	0	127,975
General Administration	443,987	176,917	0	620,904
Building Administration	108,496	457,782	0	566,278
Business Office Support	348,893	0	0	348,893
Fiscal Services	2,826	0	0	2,826
Operation of Plant	722,202	0	0	722,202
Transportation	401,366	0	0	401,366
Food Services	625,623	0	0	625,623
Community Services	46,885	0	0	46,885
Capital Outlay	0	0	118,242	118,242
Debt - Principal & Interest	<u>0</u>	<u>0</u>	<u>300,382</u>	<u>300,382</u>
Total Disbursements	<u>4,038,761</u>	<u>3,959,863</u>	<u>418,624</u>	<u>8,417,248</u>
Receipts Over (Under) Disbursements	874,996	0	(418,624)	456,372
Other Financing Sources (Uses):				
Transfers In	0	0	418,624	418,624
Transfers Out	<u>(418,624)</u>	<u>0</u>	<u>0</u>	<u>(418,624)</u>
Total Other Financing Sources (Uses)	<u>(418,624)</u>	<u>0</u>	<u>418,624</u>	<u>0</u>
Net Changes in Fund Balance	456,372	0	0	456,372
Fund Balance - June 30, 2019	<u>1,133,737</u>	<u>0</u>	<u>0</u>	<u>1,133,737</u>
Fund Balance - June 30, 2020	\$ <u>1,590,109</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,590,109</u>

See Accompanying Independent Auditor's Report.

KIPP ENDEAVOR ACADEMY

SCHEDULE OF RECEIPTS COLLECTED BY SOURCE
For the Year Ended June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
<u>LOCAL:</u>				
Sales tax (Prop C)	\$ 441,489	\$ 264,894	\$ 0	\$ 706,383
Student activities	25,750	0	0	25,750
Rental & building usage	4,092	0	0	4,092
Gifts and contributions	136,666	0	0	136,666
Other	<u>1,085,176</u>	<u>0</u>	<u>0</u>	<u>1,085,176</u>
Total Local	1,693,173	264,894	0	1,958,067
<u>STATE</u>				
Basic formula	1,742,148	3,694,969	0	5,437,117
Transportation	67,325	0	0	67,325
Classroom trust fund	180,878	0	0	180,878
Food services	2,983	0	0	2,983
Disability services	28,557	0	0	28,557
Other	<u>22,201</u>	<u>0</u>	<u>0</u>	<u>22,201</u>
Total State	2,800,134	3,269,409	0	6,069,543
<u>FEDERAL</u>				
Medicaid	49,153	0	0	49,153
Special education (IDEA/ECSE)	109,478	0	0	109,478
Food services	567,390	0	0	567,390
ESEA Title I.A	370,653	0	0	370,653
ESEA Title II.A	45,144	0	0	45,144
ESEA Title III	14,633	0	0	14,633
ESEA Title IV.A	<u>20,041</u>	<u>0</u>	<u>0</u>	<u>20,041</u>
Total Federal	<u>1,176,492</u>	<u>0</u>	<u>0</u>	<u>1,176,492</u>
Total All Sources	\$ <u>4,913,757</u>	\$ <u>3,959,863</u>	\$ <u>0</u>	\$ <u>8,873,620</u>

See Accompanying Independent Auditor's Report.

KIPP ENDEAVOR ACADEMY

SCHEDULE OF EXPENDITURES PAID BY OBJECT
For the Year Ended June 30, 2020

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Totals</u>
Salaries and wages	\$ 998,670	\$ 3,226,503	\$ 0	\$ 4,225,173
Payroll taxes	72,099	235,457	0	307,556
Employee benefits	193,895	497,903	0	691,798
Technical services	742,989	0	0	742,989
Property services	450,998	0	0	450,998
Contracted transportation	401,366	0	0	401,366
Travel and professional development	64,182	0	0	64,182
Insurance	26,183	0	0	26,183
Communication and printing	25,852	0	0	25,852
Other purchased services, food	625,623	0	0	625,623
Dues and membership	5,427	0	0	5,427
General supplies	303,951	0	0	303,951
Utilities, energy service	127,526	0	0	127,526
Capital outlay	0	0	118,242	118,242
Debt principal and interest	<u>0</u>	<u>0</u>	<u>300,382</u>	<u>300,382</u>
Total Expenditures	\$ <u>4,038,761</u>	\$ <u>3,959,863</u>	\$ <u>418,624</u>	\$ <u>8,417,248</u>

See Accompanying Independent Auditor's Report.

KIPP ENDEAVOR ACADEMY

SCHEDULE OF SELECTED STATISTICS

For the Year Ended June 30, 2020

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.

<u>School Code</u>	<u>Begin Grade</u>	<u>End Grade</u>	<u>Half Day Indicator</u>	<u>Standard Day Length</u>	<u>Days</u>	<u>Hours in Session</u>
3920	PK	PK	n/a	6.5000	98	637.0000
3920	K	08	n/a	7.0000	130	913.3300

2. ATTENDANCE HOURS

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

<u>School Code</u>	<u>Grade Level</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Remedial Hours</u>	<u>Other</u>	<u>Summer School</u>	<u>Total</u>
3920	K	7,353.7100	0.0000	0.0000	0.0000	0.0000	7,353.7100
3920	1	50,141.9836	0.0000	0.0000	0.0000	378.0000	50,519.9836
3920	2	53,269.7999	0.0000	0.0000	0.0000	4,620.0000	57,889.7999
3920	3	53,803.2664	0.0000	0.0000	0.0000	4,004.0000	57,807.2664
3920	4	54,230.8831	0.0000	0.0000	0.0000	2,877.0000	57,107.8831
3920	5	52,482.6667	0.0000	0.0000	0.0000	2,226.0000	54,708.6667
3920	6	57,689.1838	0.0000	0.0000	0.0000	3,395.0000	61,084.1838
3920	7	59,596.0833	0.0000	0.0000	0.0000	4,025.0000	63,621.0833
3920	8	<u>62,339.7328</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>3,801.0000</u>	<u>66,140.7328</u>
Grand Total		<u>510,420.4763</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>30,128.0000</u>	<u>540,548.4763</u>

KIPP ENDEAVOR ACADEMY

SCHEDULE OF SELECTED STATISTICS

For the Year Ended June 30, 2020

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.

<u>School Code</u>	<u>Grade Level</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Other</u>	<u>Total</u>
3920	K	58.00	0.00	0.00	58.00
3920	1	62.00	0.00	0.00	62.00
3920	2	62.00	0.00	0.00	62.00
3920	3	61.00	0.00	0.00	61.00
3920	4	60.00	0.00	0.00	60.00
3920	5	55.00	0.00	0.00	55.00
3920	6	58.00	0.00	0.00	58.00
3920	7	65.00	0.00	0.00	65.00
3920	8	<u>64.00</u>	<u>0.00</u>	<u>0.00</u>	<u>64.00</u>
Grand Total		<u>545.00</u>	<u>0.00</u>	<u>0.00</u>	<u>545.00</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 district in which the students are educated.

<u>School Code</u>	<u>Free Lunch</u>	<u>Reduced Lunch</u>	<u>Deseg In Free</u>	<u>Deseg In Reduced</u>	<u>Total</u>
3920	<u>549.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>549.00</u>

KIPP ENDEAVOR ACADEMY

SCHEDULE OF SELECTED STATISTICS

For the Year Ended June 30, 2020

5. FINANCE

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

<u>Section</u>	<u>Question</u>	<u>Answer</u>
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:	<u>\$ n/a</u>
5.6	The charter school’s deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	N/A

KIPP ENDEAVOR ACADEMY

SCHEDULE OF SELECTED STATISTICS

For the Year Ended June 30, 2020

5. **FINANCE** (continued)

<u>Section</u>	<u>Question</u>	<u>Answer</u>
5.7	(Not applicable to charter schools)	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	(Not applicable to charter schools)	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	(Not applicable to charter schools.)	N/A
5.12	The amount spent for approved professional development committee plan activities was:	<u>\$ n/a</u>
Notes:	The Academy has insurance coverage for employee theft instead of a purchased surety bond (Section 5.5).	
All above "False" answers <u>must</u> be supported by a finding or management letter comment.		<u>N/A</u>

KIPP ENDEAVOR ACADEMY

SCHEDULE OF SELECTED STATISTICS

For the Year Ended June 30, 2020

6. TRANSPORTATION (SECTION 163.161, RSMO)

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

<u>Section</u>	<u>Question</u>	<u>Answer</u>
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	<u>368.50</u>
	Ineligible ADT	<u>0.00</u>
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:	<u>99,910</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	<u>97,637</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>2,273</u>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<u>139</u>
Notes:	None	
All above "False" answers must be supported by a finding or management letter comment.		N/A

KIPP ENDEAVOR ACADEMY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>FAIN Number</u>	<u>Pass- Through Number</u>	<u>Federal Expenditure</u>
<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	20199N109943	048-918	\$ 69,721
	10.553	20200N109943	048-918	71,621
National School Lunch Program	10.555	20199N109943	048-918	105,157
	10.555	20200N109943	048-918	141,284
COVID-19 National School Lunch Prgm – CARES Breakfast	10.555	2020N850343	048-918	67,938
COVID-19 National School Lunch Program – CARES Snack	10.555	2020N850343	048-918	3,658
COVID-19 National School Lunch Program – CARES Lunch	10.555	2020N850343	048-918	<u>108,010</u>
Total Child Nutrition Cluster				<u>567,389</u>
Total U.S. Department of Agriculture				567,389
<u>U.S. Department of Education</u>				
<i>Pass-through Missouri Dept of Elementary & Secondary Education:</i>				
Title I, Grants for LEAs	84.010A	S010A180025	048-918	160,343
	84.010A	S010A190025	048-918	210,310
Title II.A, Supporting Effective Instruction	84.367A	S367A180024	048-918	30,468
	84.367A	S367A190024	048-918	14,676
Title III, English Language (LEP)	84.365A	S365A180025	048-918	7,221
	84.365A	S365A190025	048-918	7,412
Title IV, Student Support and Academic Enrichment	84.424A	S424A180026	048-918	13,554
	84.424A	S424A190026	048-918	6,487
Special Education Cluster (IDEA):				
IDEA, Part B - Special Education	84.027A	H027A180040	048-918	64,006
	84.027A	H027A190040	048-918	43,180
Early Childhood Special Education	84.173	H173A190103	048-918	<u>3,497</u>
Total Special Education Cluster				<u>110,682</u>
Total U.S. Department of Education				<u>561,154</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ <u>1,128,543</u>

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

KIPP ENDEAVOR ACADEMY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of KIPP Endeavor Academy (the "Academy") under programs of the federal government for the year ended June 30, 2020. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3: SUBRECIPIENTS

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

NOTE 4: INDIRECT COST RATE

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

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
KIPP Endeavor Academy
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 KIPP Endeavor Academy (the “Academy”) (a nonprofit organization), which comprise the statement of assets and net assets-modified cash basis as of June 30, 2020, and the related statement of support, receipts and disbursements for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2020.

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 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.

Board of Directors
KIPP Endeavor Academy
Kansas City, Missouri

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 statement. 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 signature is written in a cursive, flowing style.

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 14, 2020

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

Board of Directors
KIPP Endeavor Academy
Kansas City, Missouri

Report on Compliance for Each Major Federal Program

We have audited the KIPP Endeavor Academy (the “Academy”) (a nonprofit organization) compliance with the types of compliance requirements described 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, 2020. 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.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Academy’s major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Academy’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Academy’s compliance.

Opinion on Each Major Federal Program

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, 2020.

Board of Directors
KIPP Endeavor Academy
Kansas City, Missouri

Report on Internal Control Over Compliance

Management of the Academy is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Academy's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Academy's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 14, 2020

KIPP ENDEAVOR ACADEMY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2020**

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statement:

- 1) The type of report issued on the basic financial statements. Unmodified 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):

<u>CFDA Number(s)</u>	<u>Federal Program or Cluster</u>
10.553, 10.555	Child Nutrition Cluster

- 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
KIPP Endeavor Academy
Kansas City, Missouri

We have examined management’s assertion, included in its representation letter dated December 14, 2020, that the KIPP Endeavor Academy (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, 2020. 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. Our examination does not provide a legal determination on the Academy’s compliance with specified requirements.

In our opinion, management’s assertion that KIPP Endeavor Academy complied with the aforementioned requirements included in the Schedule of Selected Statistics for the year ended June 30, 2020, are fairly stated, in all material respects.

This report is intended for the information and use of the Board of Directors, Academy’s 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.

Marr and Company

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 14, 2020