

Citizens of the World Charter School – Kansas City

Financial Statements Together with Auditors' Report
For the Year Ended June 30, 2024

KPM
CPAS & ADVISORS

Table of Contents

Independent Auditors' Report	3
Financial Statements	
Statement of Financial Position	6
Statement of Activities	7
Statement of Cash Flows	8
Statement of Functional Expenses	9
Notes to the Financial Statements	10
Supplementary Information	
Statement of Assets and Fund Balances – Modified Cash Basis – Governmental Funds Presentation	17
Statement of Receipts, Disbursements, and Changes in Fund Balances – Modified Cash Basis – Governmental Funds Presentation.....	18
Schedule of Receipts by Source	19
Schedule of Disbursements by Object.....	20
Internal Control and Compliance	
Independent Accountants' Report	22
Schedule of Selected Statistics	23
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	28
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	30
Schedule of Expenditures of Federal Awards.....	33
Notes to the Schedule of Expenditures of Federal Awards.....	34
Schedule of Findings and Questioned Costs.....	35
Summary Schedule of Prior Audit Findings	36



To the Board of Directors
Citizens of the World Charter School - Kansas City
Kansas City, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Citizens of the World Charter School – Kansas City (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Citizens of the World Charter School – Kansas City as of June 30, 2024, and the changes in net assets, cash flows, and statement of functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Citizens of the World Charter School – Kansas City’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 School'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 School's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Statement of Assets and Fund Balances, Statement of Receipts, Disbursements, and Changes in Fund Balances, Schedule of Receipts by Source, Schedule of Disbursements by Object, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the 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 Statement of Assets and Fund Balances, Statement of Receipts, Disbursements, and Changes in Fund Balances, Schedule of Receipts by Source, Schedule of Disbursements by Object, 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 November 22, 2024, on our consideration of Citizens of the World Charter School – Kansas City’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 Citizens of the World Charter School – Kansas City’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 Citizens of the World Charter School – Kansas City’s internal control over financial reporting and compliance.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 22, 2024

Citizens Of The World Charter School – Kansas City

Statement of Financial Position

June 30, 2024

	<u>2024</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 2,172,497
Accounts receivable	281,261
Grants receivable	48,141
Total Current Assets	<u>2,501,899</u>
Property and Equipment	
Right to use asset, net	3,586,733
Total Assets	<u>\$ 6,088,632</u>
Liabilities	
Current Liabilities	
Accrued expenses	\$ 186,124
Current portion of lease liability	207,304
Total Current Liabilities	<u>393,428</u>
Long-Term Liabilities	
Long-term lease liability	3,379,429
Total Liabilities	<u>3,772,857</u>
Net Assets	
Without donor restrictions	2,240,775
With donor/grantor restrictions	75,000
Total Net Assets	<u>2,315,775</u>
Total Liabilities and Net Assets	<u>\$ 6,088,632</u>

See accompanying Notes to the Financial Statements.

Citizens Of The World Charter School – Kansas City

Statement of Activities

Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor/Grantor Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Contributions and local grants and agreements	\$ 337,298	\$ -	\$ 337,298
Government grants and agreements	7,009,298	75,000	7,084,298
Fees and services	34,057	-	34,057
Miscellaneous	49,005	-	49,005
Total Revenues and Other Support	<u>7,429,658</u>	<u>75,000</u>	<u>7,504,658</u>
Expenses			
Program			
Instruction	3,184,285	-	3,184,285
Student services	504,887	-	504,887
Instructional staff support	26,122	-	26,122
Building level administration	334,129	-	334,129
General administration and central services	518,568	-	518,568
Operation of plant	1,092,998	-	1,092,998
Transportation	152,169	-	152,169
Food services	175,620	-	175,620
Community services	26,753	-	26,753
Facility acquisition and construction	86,003	-	86,003
Management and general			
General administration and central services	923,908	-	923,908
Total Expenses	<u>7,025,442</u>	<u>-</u>	<u>7,025,442</u>
<i>Change in Net Assets</i>	404,216	75,000	479,216
Net Assets, beginning of year,	1,836,559	-	1,836,559
Net Assets, end of year	<u>\$ 2,240,775</u>	<u>\$ 75,000</u>	<u>\$ 2,315,775</u>

See accompanying Notes to the Financial Statements.

Citizens Of The World Charter School – Kansas City

Statement of Cash Flows

Year Ended June 30, 2024

Cash Flows from Operating Activities

Change in net assets	\$ 479,216
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Changes in	
Grants receivable	(31,040)
Accounts payable	(109,959)
Accrued expenses	16,015
Net Cash Provided by Operating Activities	<u>354,232</u>
<i>Net Increase in Cash</i>	354,232
Cash and Cash Equivalents, beginning of year	<u>1,818,265</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 2,172,497</u></u>

See accompanying Notes to the Financial Statements.

Citizens Of The World Charter School – Kansas City

Statement of Functional Expenses

Year Ended June 30, 2024

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Charter School</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 2,749,114	\$ 214,400	\$ 2,963,514
Employee benefits	778,094	75,360	853,454
Purchased services	1,907,287	627,429	2,534,716
Supplies	577,431	6,719	584,150
Capital outlay	89,608	-	89,608
Total Functional Expenses	<u>\$ 6,101,534</u>	<u>\$ 923,908</u>	<u>\$ 7,025,442</u>

See accompanying Notes to the Financial Statements.

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

1. Organization

Citizens of the World Charter School - Kansas City (the "School") is a Missouri not-for-profit corporation. Their purpose is to operate a Charter School established within the boundaries of the Kansas City, Missouri School District. The School is legally separate from the Kansas City, Missouri School District and is not financially accountable to it.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The School is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the School. These net assets may be used at the discretion of the School's management and the board of directors.

Net assets with donor/grantor restrictions: net assets subject to donor or grantor-imposed stipulations that can be fulfilled by actions of the School pursuant to those stipulations, that expire by the passage of time, or that include funds of perpetual donation.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents

The School considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

Property and Equipment

Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of the assets. These assets have been recorded at historical cost. It is the policy of the School to capitalize expenditures for equipment, furniture and fixtures in excess of \$5,000 per item and useful life of more than one year. Besides the right-to-use asset, no property and equipment has met the above requirements to be recorded in the financial statements.

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

Revenue Recognition

The School recognizes revenue using the following methods:

Contributions, grants, and agreements: Contributions, grants, and agreements are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or explicitly released from restriction. The majority of grants and agreements received by the School are nonreciprocal. Therefore, revenue is recognized as obligations are met.

Fees and services: Fees and services consist primarily of services and activities completed by the School. Therefore, fees and services revenue is recognized when such activities are substantially completed.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from these estimates. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

Income Taxes

The School is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The School complies with the provisions of FASB ASC 740-10-25. Under FASB ASC 740-10-25, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. The implementation of FASB ASC 740-10-25 had no impact on the School's financial statements. The School does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. For the year ended June 30, 2024, there were no interest or penalties recorded in its financial statements.

Receivables

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the promise was received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Accounts and grants receivable are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

Subsequent Events

Management has evaluated subsequent events through November 22, 2024, the date the financial statements were available to be issued.

Functional Expense Allocation

The cost of providing the program and supporting services have been summarized on the statement of activities on a functional basis. Most expenses can be directly allocated to the program and supporting functions. Certain categories of expenses are attributed to both program and supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied and determined by management.

The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries	Time and effort
Employee benefits	Time and effort
Purchased services	Direct cost
Supplies	Direct cost
Capital outlay	Direct cost
Debt service	Direct cost

3. Cash & Cash Equivalents

State statutes require that the School's deposits be collateralized in the name of the School by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2024, the School's deposits were adequately collateralized.

4. CWC Network Agreement

Effective October 16, 2020, the School entered into an agreement with the CWC Network, a California public benefit corporation, for licensing and other services of the CWC Network. The agreement states that the School will pay 5% of total annual revenue excluding federal funds, any parent contributions, and any non-government grants and donations for use of trademarks (3%) and academic, financial, administrative and other forms of support (2%). The agreement will continue until the end of the charter agreement. During the year, the School paid \$294,000 to the CWC Network.

5. Operating Lease

During the current year, the School adopted ASC Topic, 842, *Leases*. The School reviewed all leases and determined renewals that were reasonably certain to be renewed and included those renewals in determination of lease liabilities and lease assets. The right-to-use assets related to the lease for facilities are amortized on a straight line basis over the remaining lease terms.

On June 13, 2016, the School entered into a triple net financing agreement with an option to buy at book value with IFF Quality Seats - Broadway, LLC for the property and improvements in the total cost of \$5,244,227. As part of the agreement,

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

the School pays a base rent each month plus operating expense of the facility, including all costs associated with the use, maintenance, financing, or repair of the property and all utilities, and insurance. The agreement provides that the School will pay, for years 7 to 10, in which the School is in, the adjusted rent amount based on the greater of the School’s net operating income divided by 1.2 or the annual funding cost to IFF. The lease is reported at the fixed cost portion of the annual funding cost to IFF. The School has the option to extend the agreement for two 5 year renewals. If the school exercises both renewal periods, the facility lease contract with IFF Quality Seats – Broadway, LLC will end on June 30, 2036.

	Year Ending June 30, 2024
Lease Expense	
Purchased services - operating lease expense	\$ 423,398
Other Information	
Cash paid for amounts included in the measurement of lease liability	
Operating cash flows from operating leases	\$ 423,398
Weighted-average remaining lease term in years for operating leases	12
Weighted-average discount rate for operating leases	6.25%

	Year Ending June 30,	Operating
	2025	\$ 423,398
	2026	423,398
	2027	423,398
	2028	423,398
	2029	423,398
	Thereafter	2,963,786
Total undiscounted cash flows		5,080,776
Less: present value discount		(1,494,043)
Total lease liabilities		\$ 3,586,733

6. Claims & Adjustments

The School 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, 2024, significant amounts of grant disbursements have not been audited by grantor governments, but the School believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on the overall financial position of the School.

7. Functional Expenses

The School has only one program of service, which is the operation of a charter school district. For the year ended June 30, 2024, program service expenses were \$6,101,534 and management and general expenses were \$923,908.

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

8. Retirement Plan

The School contributes to The Public School Retirement System of the School District of Kansas City, Missouri, a cost-sharing multiple-employer defined benefit pension plan. Participation is mandatory for employees of the Kansas City, Missouri Public School District, the Kansas City Public Library, and the Public School Retirement System. The Retirement System provides service and disability retirement benefits to full-time employees and optional benefits to members' beneficiaries. Positions covered by The Retirement System are also covered by Social Security. The Retirement System is administered by a twelve member Board of Trustees. The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public School Retirement System of the School District of Kansas City, Missouri, 324 E. 11th St., Kansas City, Missouri, 64106, or by calling 1-816-472-5800.

The Retirement System members are required to contribute 9% of their annual covered salary and the school is required to contribute a matching amount. The contribution requirements of members and the school are established, and may be amended, by the Board of Trustees. The School's contributions to the system for the year ended June 30, 2024, were \$324,552, equal to the required contributions.

9. Restrictions on Net Assets

Net assets are restricted in the amount of \$75,000 for the Closure Reserve Fund as required by the Missouri Charter Public School Commission.

10. Open Tax Years

The School's informational and tax returns are subject to examination by taxing authorities for a period of 3 years from the date they are filed. As of June 30, 2024, the following tax years are subject to examination:

<u>Jurisdiction</u>	<u>Open Years for Filed Returns</u>	<u>Return to be Filed in 2024</u>
Federal	2020-2022	2023
Missouri	2020-2022	2023

11. Liquidity & Availability

Financial assets available for general expenditures, that is, without donor restrictions or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

Financial assets at year end	<u>2024</u>
Cash and cash equivalents	\$ 2,172,497
Accounts receivable	281,261
Grants receivable	<u>48,141</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 2,501,899</u></u>

Citizens Of The World Charter School – Kansas City

Notes to the Financial Statements

June 30, 2024

The School does not have a policy to maintain a particular amount of days of operating expenses as liquid assets. The School is substantially supported by grant revenues that are based on formulas enacted by the legislation in the State of Missouri. The School also participates in various state and federally funded programs. As such, the future cash needs of the School are substantially met by these revenues, which are primarily received during the period in which expenses are incurred. The School has a \$150,000 line of credit available to meet cash flow needs.

12. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

13. Property & Equipment

The cost and accumulated amortization of the right-to-use asset were as follows:

Right-to-use asset	\$ 3,781,509
Less: accumulated amortization	<u>(194,776)</u>
	<u>\$ 3,586,733</u>

Amortization for the year ended June 30, 2024, was \$194,776. At June 30, 2024, the School did not hold any assets which had restrictions regarding their disposal.

14. Line of Credit

At June 30, 2024, the School had an operating unsecured line of credit for \$150,000 to be drawn upon as needed. As of June 30, 2024, no draws have been made.

Supplementary Information

Citizens Of The World Charter School – Kansas City

Statement of Assets and Fund Balances – Modified Cash Basis – Governmental Funds Presentation

June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Assets				
Cash and cash equivalents, net of payroll liabilities	\$ 2,121,780	\$ 25,546	\$ -	\$ 2,147,326
Total Assets	\$ 2,121,780	\$ 25,546	\$ -	\$ 2,147,326
Fund Balances				
Assigned for certificated salaries	\$ -	\$ 25,546	\$ -	\$ 25,546
Unassigned	2,121,780	-	-	2,121,780
Total Fund Balances	\$ 2,121,780	\$ 25,546	\$ -	\$ 2,147,326
Total fund balance				\$ 2,147,326
Additional Assets on the Statement of Financial Position				3,916,135
Additional Liabilities on the Statement of Financial Position				(3,747,686)
Net Assets on the Statement of Financial Position				\$ 2,315,775

The supplementary 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.

Citizens Of The World Charter School – Kansas City

Statement of Receipts, Disbursements, and Changes in Fund Balances – Modified Cash Basis – Governmental Funds Presentation

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Receipts				
Local	\$ 792,009	\$ 222,989	\$ -	\$ 1,014,998
State	3,562,128	1,914,305	-	5,476,433
Federal	982,187	-	-	982,187
Total Receipts	5,336,324	2,137,294	-	7,473,618
Disbursements				
Instruction	1,295,919	1,886,729	-	3,182,648
Student services	504,887	-	-	504,887
Instructional staff support	25,314	807	-	26,121
Building level administration	84,371	249,758	-	334,129
General administration and central services	1,442,476	-	-	1,442,476
Operation of plant	1,089,393	-	3,605	1,092,998
Pupil transportation	152,169	-	-	152,169
Food services	175,621	-	-	175,621
Community services	26,753	-	-	26,753
Facility acquisition and construction	-	-	176,062	176,062
Total Disbursements	4,796,903	2,137,294	179,667	7,113,864
<i>Excess (Deficit) of Receipts Over Disbursements</i>	539,421	-	(179,667)	359,754
Other Financing Sources (Uses)				
Transfers in (out)	(179,667)	-	179,667	-
Total Other Financing Sources (Uses)	(179,667)	-	179,667	-
<i>Net Change in Fund Balances</i>	359,754	-	-	359,754
Fund Balance, beginning	1,762,026	25,546	-	1,787,572
Fund Balance, ending	\$ 2,121,780	\$ 25,546	\$ -	\$ 2,147,326
<i>Net change in fund balance per ASBR</i>				\$ 359,754
Changes in				
Grants receivable				31,040
Accounts payable				109,959
Accrued expenses				(21,537)
Change in net assets per Statement of Activities				\$ 479,216

The supplementary 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.

Citizens Of The World Charter School – Kansas City

Schedule of Receipts by Source

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Local				
School district trust fund (Prop C)	\$ 371,649	\$ 222,989	\$ -	\$ 594,638
Earnings from temporary deposits	37,618	-	-	37,618
Sales to pupils - reimbursable school meals	15,533	-	-	15,533
Sales to adults for adult meals - non-program food	605	-	-	605
Admissions - student activities	2,379	-	-	2,379
Bookstore sales	7,051	-	-	7,051
Community services	8,489	-	-	8,489
Gifts	337,298	-	-	337,298
Miscellaneous local revenue	11,387	-	-	11,387
Total Local	792,009	222,989	-	1,014,998
State				
Basic formula - state monies	3,172,468	1,914,305	-	5,086,773
Basic formula - classroom trust fund	169,704	-	-	169,704
Food service - state	628	-	-	628
High need fund - special education	123,828	-	-	123,828
School safety grant	50,000	-	-	50,000
Other - state	45,500	-	-	45,500
Total State	3,562,128	1,914,305	-	5,476,433
Federal				
Medicaid	113,553	-	-	113,553
ARP - ESSER III	417,249	-	-	417,249
IDEA grants	8,247	-	-	8,247
IDEA entitlement funds, part B IDEA	123,859	-	-	123,859
National school lunch program	87,846	-	-	87,846
School breakfast program	31,316	-	-	31,316
Title I - ESEA	163,770	-	-	163,770
Title IV.A student support and academic enrichment	13,968	-	-	13,968
Title II, part A&B, ESEA - teacher and principal training	18,388	-	-	18,388
ARP - homeless children and youth II	3,691	-	-	3,691
Other - federal	300	-	-	300
Total Federal	982,187	-	-	982,187
Total Receipts	\$ 5,336,324	\$ 2,137,294	\$ -	\$ 7,473,618
<i>Receipts per ASBR</i>				\$ 7,473,618
Changes in				
Grants receivable				31,040
Revenues and Other Support per Statement of Activities				\$ 7,504,658

The above presentation agrees to the Annual Secretary of the Board Report.

Citizens Of The World Charter School – Kansas City

Schedule of Disbursements by Object

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Salaries	\$ 1,284,853	\$ 1,665,275	\$ -	\$ 2,950,128
Employee benefits	373,283	472,019	-	845,302
Purchased services	2,554,616	-	-	2,554,616
Supplies	584,151	-	-	584,151
Capital outlay	-	-	179,667	179,667
	\$ 4,796,903	\$ 2,137,294	\$ 179,667	\$ 7,113,864
<i>Disbursements per ASBR</i>				\$ 7,113,864
Changes in				
Accounts payable				(109,959)
Accrued expenses				21,537
Expenses per Statement of Activities				\$ 7,025,442

The above presentation agrees to the Annual Secretary of the Board Report.

Internal Control and Compliance

KPM

CPAS & ADVISORS

Independent Accountants' Report

To the Board of Directors
Citizens of the World Charter School - Kansas City
Kansas City, Missouri

We have examined Citizens of the World Charter School - Kansas City's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure of the School's attendance records of average daily attendance, standard day length, resident membership on the last Wednesday of September, pupil transportation records of the average daily transportation of pupils eligible and ineligible for state aid, the number of miles eligible and ineligible for state aid and other statutory requirements as listed in the Schedule of Selected Statistics during the year ended June 30, 2024. Management of Citizens of the World Charter School - Kansas City is responsible for the School's compliance with the specified requirements. Our responsibility is to express an opinion on Citizens of the World Charter School - Kansas City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA, and those standards require that we plan and perform the examination to obtain reasonable assurance about whether Citizens of the World Charter School - Kansas City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedure to obtain evidence about whether Citizens of the World Charter School - Kansas City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides 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 examination engagement.

Our examination engagement does not provide a legal determination on Citizens of the World Charter School - Kansas City's compliance with the specified requirements.

In our opinion, Citizens of the World Charter School - Kansas City complied in all material respects, with the aforementioned requirements for the year ended June 30, 2024.

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

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 22, 2024

www.kpmcpa.com

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Citizens Of The World Charter School – Kansas City

Schedule of Selected Statistics

Year Ended June 30, 2024

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

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
6905	PK	PK	-	6.50	178	1,157.00
6905	K	4	-	7.00	166	1,101.50
3905	5	8	-	7.00	166	1,101.50

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
Resident II	PK-4	2,303.46	-	-	-	-	2,303.46
6905	PK-4	229,671.77	-	-	-	7,630.45	237,302.22
3905	5-8	129,549.20	-	-	-	4,114.83	133,664.03
Grand Total	PK-8	361,524.43	-	-	-	11,745.28	373,269.71

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
6905	PK-4	235.00	-	-	235.00
3905	5-8	136.00	-	-	136.00
Grand Total	PK-8	371.00	-	-	371.00

Citizens Of The World Charter School – Kansas City

Schedule of Selected Statistics

Year Ended June 30, 2024

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

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

School Code	Free Lunch	Reduced Lunch	DESEG In Free	DESEG In Reduced	Total
Resident II	2.00	-	-	-	2.00
6905	123.00	15.00	-	-	138.00
3905	74.00	9.00	-	-	83.00
Grand Total	199.00	24.00	-	-	223.00

5. Finance

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

Section	Question	Answer
5.1	The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	
	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	True
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	N/A

Citizens Of The World Charter School – Kansas City

Schedule of Selected Statistics

Year Ended June 30, 2024

5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:	\$100,000
5.6	The district's/charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	True
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	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. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	N/A
5.12	The amount spent for approved professional development committee plan activities was:	N/A
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

Citizens Of The World Charter School – Kansas City

Schedule of Selected Statistics

Year Ended June 30, 2024

All above “False” answers must be supported by a finding or management letter comment.

Finding:	None
Management Letter Comment:	N/A

6. Transportation (Section 163.161, RSMo)

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

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district’s/charter school’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	46.5
	Ineligible ADT	-
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:	24,115
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	23,758
	Ineligible Miles (Non-Route/Disapproved)	357
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	166

Citizens Of The World Charter School – Kansas City

Schedule of Selected Statistics

Year Ended June 30, 2024

All above “False” answers must be supported by a finding or management letter comment.

Finding:	None
Management Letter Comment:	N/A



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

Board of Directors
Citizens of the World Charter School - Kansas City
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 Citizens of the World Charter School - Kansas City (a nonprofit organization), as of and for the year ended June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Citizens of the World Charter School - Kansas City 's basic financial statements and have issued our report thereon dated November 22, 2024.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Citizens of the World Charter School - Kansas City'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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 22, 2024



Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors
Citizens of the World Charter School - Kansas City
Kansas City, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Citizens of the World Charter School - Kansas City's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Citizens of the World Charter School - Kansas City's major federal programs for the year ended June 30, 2024. Citizens of the World Charter School - Kansas City's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Citizens of the World Charter School - Kansas City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct material effect on each of its major federal programs for the year ended June 30, 2024.

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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Citizens of the World Charter School - Kansas City, 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 School'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 the effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts of grant agreements applicable to the School's federal programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Citizens of the World Charter School - Kansas City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Citizens of the World Charter School - Kansas City'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 School'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 School'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 School'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 22, 2024

Citizens Of The World Charter School – Kansas City

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-through Grantor's Number/ Other Identifying Number	Passed-through to Subrecipient	Federal Expenditures
U.S. Department of Agriculture				
Missouri Department of Elementary and Secondary Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	20232N119943	\$ -	\$ 7,390
		20241N119943	-	23,926
			-	31,316
National School Lunch Program	10.555	20232N119943	-	12,819
		20241N119943	-	75,026
			-	87,845
Total Child Nutrition Cluster			-	119,161
Total U.S. Department of Agriculture			-	119,161
U.S. Department of Education				
Missouri Department of Elementary and Secondary Education				
Title I Grants to Local Educational Agencies				
	84.010A	S010A220025	-	83,617
		S010A230025	-	78,251
		S367A220026	-	12,234
		S367A230024	-	5,583
		S424A220026	-	10,085
		S424A230026	-	3,530
			-	193,300
Special Education Cluster (IDEA)				
Special Education - Grants to States (IDEA, Part B)	84.027A	H027A210040	-	3,375
		H027A220040	-	128,306
		H027A230040	-	1,847
Total Special Education Cluster (IDEA)			-	133,528
COVID-19 - Education Stabilization Fund	84.425U	S425U210021	-	400,149
	84.425W	048-928	-	32,517
Gordan Parks Elementary School				
COVID-19 - Education Stabilization Fund	84.425W	-	-	3,691
			-	436,357
Total U.S. Department of Education			-	763,185
U.S. Department of Health and Human Services				
Missouri Department of Elementary and Secondary Education				
Every Student Succeeds Act/Preschool Development Grants				
	93.434	90TP0066	-	300
Total U.S. Department of Health and Human Services			-	300
Total Expenditures of Federal Awards			\$ -	\$ 882,646

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

Citizens Of The World Charter School – Kansas City

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the School for the year ended June 30, 2024, and is presented on the accrual basis of accounting as described below. 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 School, it is not intended to and does not present the financial position, changes in net position or cash flows of the School.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting which is described in Note 2 to the School'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.

3. Indirect Cost Rate

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

Citizens Of The World Charter School – Kansas City

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I: Summary of Auditors’ Results

Financial Statements	
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:	Unmodified
Internal Control over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No
Federal Awards	
Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditors’ report issued on compliance for major federal program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No
Identification of major federal program:	
Assistance Listing Number(s)	Name of Federal Program or Cluster
84.424U & 84.425W	COVID-19 - Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II: Financial Statement Findings

None

Section III: Federal Award Findings and Questioned Costs

None

Citizens Of The World Charter School – Kansas City

Summary Schedule of Prior Year Audit Findings

Year Ended June 30, 2024

There were no prior year audit findings.



Board of Directors
Citizens of the World Charter School - Kansas City
Kansas City, Missouri

In planning and performing our audit of the financial statements of the Citizens of the World Charter School - Kansas City for the year ended June 30, 2024, we considered the School's internal control to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed in the 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*, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

In addition to the 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*, we became aware of a matter to bring to your attention. The following paragraphs summarize our comments and recommendations regarding this matter.

1. Cybersecurity

Cybersecurity threats are increasing and entities of all sizes are at risk for a breach of their information systems. With this increase in risk, entities should be continually evaluating risk and taking steps necessary to ensure the security of information systems. Steps include identifying critical information systems, training employees to properly identify threats received in emails or by other means, and adopting internal communication methods other than email.

It is important that entities develop a recovery plan outlining procedures that personnel should follow once a cybersecurity breach is discovered. Additionally, entities should be aware of any insurance in place to help protect them from liabilities that can occur as a result of a breach.

We Recommend:

The School continue to evaluate its cybersecurity risks and take the necessary steps to reduce the risk of cybersecurity threats to their information systems. This evaluation should be performed frequently as technology and information systems are continually changing.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the School's administrative personnel, and we will be pleased to discuss it in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

We appreciate this opportunity to serve as Citizens of the World Charter School - Kansas City's independent auditor and the courtesies and assistance extended to us by the School's employees.

Restriction on Use

This communication is intended solely for the information and use of management, Board of Directors, and other within the School and is not intended and should not be used by anyone other than these specified parties.

Respectfully submitted,

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 22, 2024



Board of Directors
Citizens of the World Charter School - Kansas City
Kansas City, Missouri

We have audited the financial statements of Citizens of the World Charter School - Kansas City for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We communicated such information in our letter to you dated April 15, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Citizens of the World Charter School - Kansas City are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023-2024. We noted no transactions entered into by the School for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. The significant estimate relates to the calculation of leases and amortization.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We noted no misstatements regarding assets or net assets.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

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Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 22, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the School’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to report on the Statement of Assets and Fund Balances, Statement of Receipts, Disbursements, and Changes in Fund Balances, Schedule of Receipts by Source, Schedule of Disbursements by Object, and the Schedule of Expenditures of Federal Awards, which accompany the financial statements. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Citizens of the World Charter School - Kansas City and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



KPM CPAs, PC
Springfield, Missouri
November 22, 2024