NORMANDY SCHOOLS COLLABORATIVE

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORTS
AND SUPPLEMENTARY INFORMATION

JUNE 30, 2021

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Independent Auditors' Report

Joint Executive Governing Board
Normandy Schools Collaborative

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Normandy Schools Collaborative as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Normandy Schools Collaborative's basic financial statements as listed in the table of contents.

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 1; 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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' 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 opinions.

Opinions
In our opinion, the modified cash basis financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Normandy Schools Collaborative as of June 30, 2021, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the basis of accounting described in Note 1.

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

Other Matters
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Normandy Schools Collaborative's basic financial statements. The budgetary comparison schedules and schedule of selected statistics, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal* Regulations (CFR) 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 schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021, on our consideration of Normandy Schools Collaborative'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 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 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 Normandy Schools Collaborative's internal control over financial reporting and compliance.

Kruber, Eck & Braeckel LLP

St. Louis, Missouri
December 7, 2021

Basic Financial Statements

NORMANDY SCHOOLS COLLABORATIVE

STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2021

	Governmental Activities
- - ASSETS - -	
Cash and investments	$ 18,642,426
Restricted cash and investments	26,175,081
TOTAL ASSETS	$ 44,817,507
- - LIABILITIES AND NET POSITION - -	
LIABILITIES:	
Payroll withholdings	$ 595,928
NET POSITION:	
Restricted for:	
Capital projects	28,655,433
Debt service	5,256,999
Teachers' salary and benefits	2,322,628
Unrestricted	7,986,519
Total Net Position	44,221,579
TOTAL LIABILITIES AND NET POSITION	$ 44,817,507

See accompanying notes to basic financial statements

NORMANDY SCHOOLS COLLABORATIVE

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Debt Proceeds	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
GOVERNMENTAL ACTIVITIES:					
Instruction	$ 17,125,563	$ 45,534	$ 7,206,220	$ -	$ (9,873,809)
Attendance and social work services	450,257	-	-	-	(450,257)
Guidance services	738,760	-	138,056	-	(600,704)
Health services	422,721	-	-	-	(422,721)
Improvement of instruction	906,485	-	-	-	(906,485)
Professional development	386,545	-	-	-	(386,545)
Media services	516,037	-	-	-	(516,037)
Board of Education services	363,201	-	-	-	(363,201)
Executive administration	3,944,626	-	-	-	(3,944,626)
Building level administration	2,258,658	-	-	-	(2,258,658)
Operation and maintenance of plant services	5,536,487	47,898	40,811	-	(5,447,778)
Pupil transportation	1,290,035	-	440,994	-	(849,041)
Food services	1,212,835	587	114,145	-	(1,098,103)
Business and central services	2,955,434	-	-	-	(2,955,434)
Security services	728,944	-	-	-	(728,944)
Community services	2,013,815	-	-	-	(2,013,815)
Facilities acquisition and construction	2,252,456	-	27,351,966	6,263	25,105,773
Debt service:					
Principal retirements	7,730,238	-	-	-	(7,730,238)
Payment to refunding escrow agent	5,248,429	-	2,830,000	-	(2,418,429)
Bond fees	276,138	-	-	-	(276,138)
Interest	1,364,778	-	2,644,839	-	1,280,061
TOTAL GOVERNMENTAL ACTIVITIES	$ 57,722,442	$ 94,019	$ 40,767,031	$ 6,263	(16,855,129)
		General Revenues			
		Taxes:			
		Property taxes			17,477,031
		Sales taxes			3,587,617
		Other taxes			766,569
		State aid			21,026,664
		Grants and contributions not restricted to specific programs			614,993
		Fines and forfeitures			23,789
		State assessed utilities			571,936
		Investment earnings			119,046
		TOTAL GENERAL REVENUES			44,187,645
		CHANGE IN NET POSITION			27,332,516
		NET POSITION, BEGINNING OF YEAR			16,889,063
		NET POSITION, END OF YEAR			$ 44,221,579

See accompanying notes to basic financial statements

NORMANDY SCHOOLS COLLABORATIVE

BALANCE SHEET - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
- - ASSETS - -					
Cash and investments	$ 8,197,001	$ 2,708,074	$ 2,997,900	$ 4,739,451	$ 18,642,426
Restricted cash and investments	-	-	2,259,099	23,915,982	26,175,081
TOTAL ASSETS	$ 8,197,001	$ 2,708,074	$ 5,256,999	$ 28,655,433	$ 44,817,507
- - LIABILITIES AND FUND BALANCES - -					
LIABILITIES:					
Payroll withholdings	$ 210,482	$ 385,446	$ -	$ -	$ 595,928
FUND BALANCES:					
Restricted for:					
Capital projects	-	-	-	28,655,433	28,655,433
Debt service	-	-	5,256,999	-	5,256,999
Teachers' salary and benefits	-	2,322,628	-	-	2,322,628
Assigned for:					
Student activities	67,121	-	-	-	67,121
Unassigned	7,919,398	-	-	-	7,919,398
Total Fund Balances	7,986,519	2,322,628	5,256,999	28,655,433	44,221,579
TOTAL LIABILITIES AND FUND BALANCES	$ 8,197,001	$ 2,708,074	$ 5,256,999	$ 28,655,433	$ 44,817,507

See accompanying notes to basic financial statements

NORMANDY SCHOOLS COLLABORATIVE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES:					
Local sources:					
Property taxes	$ 10,942,740	$ -	$ 5,298,523	$ 1,235,768	$ 17,477,031
Sales taxes	-	3,587,617	-	-	3,587,617
Investment income	7,103	1,652	108,710	1,581	119,046
Gifts	580,000	-	-	-	580,000
Other local	424,222	-	214,720	301,853	940,795
Total local	11,954,065	3,589,269	5,621,953	1,539,202	22,704,489
County sources:					
State assessed utilities	434,100	-	115,664	22,172	571,936
Other county	-	23,789	-	-	23,789
Total county	434,100	23,789	115,664	22,172	595,725
State sources:					
Basic formula	3,992,698	17,033,966	-	-	21,026,664
State grants and contributions	732,304	-	-	-	732,304
Total state	4,725,002	17,033,966	-	-	21,758,968
Federal sources	7,120,761	-	-	6,263	7,127,024
Total Revenues	24,233,928	20,647,024	5,737,617	1,567,637	52,186,206
EXPENDITURES:					
Current:					
Instruction	3,457,399	13,668,164	-	-	17,125,563
Attendance and social work services	450,257	-	-	-	450,257
Guidance services	1,452	737,308	-	-	738,760
Health services	422,721	-	-	-	422,721
Improvement of instruction	871,111	35,374	-	-	906,485
Professional development	349,401	37,144	-	-	386,545
Media services	9,525	506,512	-	-	516,037
Board of Education services	363,201	-	-	-	363,201
Executive administration	2,803,691	848,510	-	-	3,652,201
Building level administration	453,534	1,805,124	-	-	2,258,658
Operation and maintenance of plant services	5,536,487	-	-	-	5,536,487
Pupil transportation	1,290,035	-	-	-	1,290,035
Food services	1,212,835	-	-	-	1,212,835
Business and central services	2,439,103	491,520	-	-	2,930,623
Security services	728,944	-	-	-	728,944
Community services	1,297,842	715,973	-	-	2,013,815
Capital outlay	-	-	-	2,569,692	2,569,692
Debt service:					
Principal retirements	522,187	-	6,871,000	337,051	7,730,238
Bond fees	-	-	27,723	248,415	276,138
Interest	5,229	-	1,213,035	146,514	1,364,778
Total Expenditures	22,214,954	18,845,629	8,111,758	3,301,672	52,474,013

See accompanying notes to basic financial statements

NORMANDY SCHOOLS COLLABORATIVE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	2,018,974	1,801,395	(2,374,141)	(1,734,035)	(287,807)
OTHER FINANCING SOURCES (USES):					
Sale of surplus property	-	-	-	41,947	41,947
Proceeds of bond issue	-	-	2,830,000	26,500,000	29,330,000
Bond premium	-	-	-	2,644,839	2,644,839
Payment to refunding escrow agent	-	-	(5,248,429)	-	(5,248,429)
Proceeds of energy loans	-	-	-	851,966	851,966
Total Other Financing Sources (Uses)	-	-	(2,418,429)	30,038,752	27,620,323
NET CHANGE IN FUND BALANCES	2,018,974	1,801,395	(4,792,570)	28,304,717	27,332,516
FUND BALANCES, BEGINNING OF YEAR	5,967,545	521,233	10,049,569	350,716	16,889,063
FUND BALANCES, END OF YEAR	$ 7,986,519	$ 2,322,628	$ 5,256,999	$ 28,655,433	$ 44,221,579

See accompanying notes to basic financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On June 30, 2014, the Missouri State Board of Education lapsed the Normandy School District and replaced it with the Normandy Schools Collaborative (the "Collaborative"), effective July 1, 2014. The Missouri State Board of Education appointed the Joint Executive Governing Board to govern operations in place of an elected seven-member Board of Education. The Joint Executive Governing Board was authorized to retain and exercise all authority granted to the Normandy Board of Education and to take actions necessary for the operations of the Normandy Schools Collaborative subject to the advice and consent of the State Board of Education.

As discussed further in Note 1, these financial statements are presented on the modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Principles Determining the Scope of Reporting Entity

The financial statements of the Collaborative consist only of the funds of the Collaborative. A component unit is a legally separate organization for which the primary government is financially accountable or closely related. The Collaborative has no financial accountability for any other governmental entity, since no other entities are considered to be controlled by or dependent on the Collaborative. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective board. In addition, the Collaborative is not aware of any entity that would exercise such oversight which would result in the Collaborative being considered a component unit of the entity.

While the parent-teacher organizations of the Collaborative's schools are organizations that provide financial support exclusively to the Collaborative, they are not required to be included as a component unit because the amount of financial support provided is of a de minimus nature.

Fund Accounting

The accounts of the Collaborative are organized on the basis of legally established funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Collaborative resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the Collaborative:

Governmental Funds

Governmental Funds are those through which all functions of the Collaborative are financed. The Collaborative's expendable financial resources are accounted for through Governmental Funds. The measurement focus is upon determination of changes in the financial position rather than upon net income determination. The following are the Collaborative's governmental funds, each of which the Collaborative considers to be a major fund:

General Fund

This fund is the general operating fund of the Collaborative and accounts for expenditures for non-certified employees, pupil transportation costs, operation of plant, fringe benefits, student body activities, community services, the food service program, and any expenditure not required or permitted to be accounted for in other funds.

Special Revenue Fund

A special revenue fund accounts for revenues derived from specific taxes or other earmarked revenue sources. The Special Revenue Fund accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted by the state and local tax levy allocations for the payment of teacher salaries and benefits.

Debt Service Fund

This fund is used to account for the accumulation of resources for and the payment of principal, interest, and fiscal charges on long-term debt.

Capital Projects Fund

This fund is used to account for the proceeds of long-term debt, taxes, and other revenues restricted for acquisition or construction of major capital assets.

Basis of Presentation

Government-Wide Financial Statements:

The Statement of Net Position and the Statement of Activities present financial information about the Collaborative as a whole. These statements include the financial activities of the primary government. The effect of interfund activity has been eliminated for these statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Net Position presents the financial condition of the governmental activities of the Collaborative at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Collaborative's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as *program revenues* include (a) charges paid by the students for tuition, fees, or goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as *program revenues* are presented as general revenues and include all property taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Collaborative.

Fund Financial Statements:

The fund financial statements provide information about the Collaborative's funds. A balance sheet - modified cash basis and statement of revenues, expenditures, and changes in fund balances - modified cash basis are presented. The emphasis of fund financial statements is on *major* governmental funds, each displayed in a separate column. The Collaborative considers each of its funds to be major.

Basis of Accounting

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

This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions except that the purchase of investments are recorded as assets and payroll withholdings are reported as liabilities. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of using this modified cash basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable, general obligation bonds payable, and obligations under capital leases), and certain expenses (such as expenses for goods or services received but not yet paid) are not recorded in these financial statements.

If the Collaborative utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types (if any) would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. The County collects the property tax and remits it to the Collaborative.

The assessed valuations of the tangible taxable property for the calendar years 2020 and 2019, for purposes of local taxation were $329,054,820 and $302,124,290, respectively.

The tax levy per $100 of the assessed valuation of tangible taxable property for the calendar years 2020 and 2019, for purposes of local taxation were:

	December 31, 2020 Adjusted	December 31, 2019 Adjusted
General Fund	$ 3.6841	$ 3.4914
Special Revenue Fund	-	-
Debt Service Fund	1.7825	1.7825
Capital Projects Fund	0.4100	0.5100
Total	$ 5.8766	$ 5.7839

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2021, aggregated approximately 104% of the current assessment computed on the basis of the levy as shown above.

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which is managed by the Collaborative Treasurer, except resources from the Debt Service Fund, as state law requires these deposits to be separately maintained.

The Collaborative may invest in United States Treasury bills, notes, bonds, government agency and instrumentality obligations, repurchase agreements collateralized by government securities, time certificates of deposit, bankers' acceptances issued by domestic commercial banks, and commercial paper issued by domestic corporations. Investments are reported at cost which approximates fair value.

Restricted Cash and Investments

Restricted cash and investments represent amounts whose use is limited by legal requirements and consists of unspent bond proceeds, including those restricted under Qualified Zone Academy Bond agreements, and amounts escrowed for future general obligation bond principal and interest payments in conjunction with the Missouri School District Direct Deposit Program.

Governmental Fund Balances

In the governmental fund financial statements, the following classifications are used to define the governmental fund balances:

Nonspendable - This consists of the governmental fund balances that are not in spendable form or legally or contractually are required to remain intact. The Collaborative has no nonspendable fund balance as of June 30, 2021.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. The

Collaborative's restricted funds consist of amounts restricted for capital projects, debt service, and for teachers' salary and benefits.

Committed - This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Joint Executive Governing Board, the Collaborative's highest level of decision-making authority. The Collaborative has no committed fund balances as of June 30, 2021.

Assigned - This consists of the governmental fund balances that are intended to be used for specific purposes by the Joint Executive Governing Board or the Superintendent. The Collaborative's assigned fund balance consists of student activities.

Unassigned - This consists of the governmental funds that do not meet the definition of "nonspendable," "restricted," "committed," or "assigned." This includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, a negative unassigned fund balance may be reported.

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

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Collaborative or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Collaborative applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Interfund Activity

Interfund receivables and payables are eliminated in the statement of net position to reduce the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

During the year ended June 30, 2021, no interfund transfers were made.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Joint Executive Governing Board and are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year ended June 30, 2021.

2. CASH AND INVESTMENTS

The Collaborative is governed by the deposit and investment limitations of state law. The depository bank is to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes.

The Collaborative may invest funds in bonds or any instrument permitted by law for the investment of state monies in accordance with section 165.051 of the Missouri Revised Statutes. The Collaborative participates in the Missouri Direct Deposit Program which is a mechanism for public school bond repayments through the MOHEFA Bond Program. It authorizes the direct deposit of a portion of the Collaborative's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds. The direct deposits occur monthly and the balance is withdrawn every six months to pay the debt service requirement of the related bond issues. At June 30, 2021, the Collaborative had $1,047,011 in this program.

The Collaborative also participates in the Missouri Securities Investment Program (MOSIP). MOSIP is an external investment pool in which the Collaborative's monies are pooled with other school districts' monies to purchase investments that are permitted by state statutes. The Collaborative's monies purchase a pro-rata share of the pool. A board of directors composed of Missouri school administrators, school board members, and school business officials provides governance and oversight of MOSIP's operations. The board seeks to maintain a stable net asset value of $1 per share. At June 30, 2021, the Collaborative had $23,921,296 invested through MOSIP.

The deposits and investments held at June 30, 2021, and reported at cost, are as follows:

Type	Maturities	Carrying Value
Deposits:		
Cash and demand deposits	N/A	$ 19,849,200
Investments:		
Federal Agricultural Mortgage Corp Discount Note	Less than 1 year	1,206,774
External investment pool	Less than 1 year	23,921,296
MOHEFA Bond Program:		
Money market mutual funds	Less than 1 year	1,047,011
TOTAL DEPOSITS AND INVESTMENTS		$ 46,024,281

Custodial Credit Risk - Deposits **-** Custodial credit risk is the risk that in the event of a bank failure, the Collaborative's deposits may not be returned to it. The Collaborative has a custodial credit risk policy for repurchase agreement investments and for certificates of deposit which requires these funds to be collateralized at least 100% or greater of the balance plus any demand deposit with the depository, less and insurance (FDIC or NCUSIF), as applicable. As of June 30, 2021, the Collaborative's deposits were not exposed to custodial credit risk.

Custodial Credit Risk - Investments - Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the Collaborative or its agent but not in the government's name. The Collaborative has no formal investment policy for custodial credit risk. All investments, evidenced by individual securities, are registered in the name of the Collaborative or are of a type not exposed to custodial credit risk.

Investment Interest Rate Risk - The Collaborative minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in no more than 180 days from purchase date and all other investments shall mature and become payable in no more than five years from purchase date. Maturities of investments held at June 30, 2021 are summarized in the schedule on the previous page.

Investment Credit Risk – Investment credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. To minimize credit risk, the Collaborative prequalifies the institutions, brokers/dealers, intermediaries and advisors with which the Collaborative will do business and by diversifying the portfolio so that potential losses on individual securities will be minimized. At June 30, 2021, the Collaborative's investments were rated as follows:

Description	Financial Institution	Amount	Rating
External investment pool	MOSIP	$ 23,921,296	AAAm
MOHEFA Bond Program:			
Money market mutual funds	BOK Financial	1,047,011	AAAm

Concentration of Investment Credit Risk - Concentration of credit risk is required to be disclosed by the Collaborative for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

As a means of limiting its exposure to losses arising from concentration of investments, the Collaborative's investment policy mandates that the portfolio not have a concentration of assets in specific maturity, specific issuer or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: (a) U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. Government, 100%; (b) collateralized time and demand deposits, 100%; (c) U.S. Government agencies and government sponsored enterprises, no more than 60%; (d) collateralized repurchase agreements, no more than 50%; (e) U.S. Government agency callable securities, no more than 30%; (f) commercial paper and bankers' acceptances, no more than 50%. At June 30, 2021, the Collaborative did not have any concentrations of credit risk required to be disclosed.

3. LONG-TERM LIABILITIES

Long-term debt activity for the year ended June 30, 2021, is summarized as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amount Due within One Year
Bonds payable:					
General obligation bonds	$ 33,370,000	$ 29,330,000	$ 11,871,000	$ 50,829,000	$ 2,100,000
Capital leases	1,388,434	2,121,991	1,861,975	1,648,450	13,603
Certificates of participation	1,919,000	485,000	82,000	2,322,000	121,000
Energy loans	1,948,388	851,966	239,746	2,560,608	294,053
Total long-term liabilities	$ 38,625,822	$ 32,788,957	$ 14,054,721	$ 57,360,058	$ 2,528,656

Payments on the general obligation bonds are paid by the debt service fund. Payments on the capital leases are paid by the general fund and capital projects fund. Payments on the certificates of participation and the energy loans are paid by the capital projects fund.

Bonds payable consist of the following at June 30, 2021:

	Maturity Date	Interest Rate	Original issue Amount	Balance at June 30, 2021
Series 2019 GO	2029	5.00%	$ 10,000,000	$ 10,000,000
Series 2018 GO	2028	2.20 - 2.75%	8,000,000	8,000,000
Series 2012 GO Refunding Bonds	2022	.8% - 2%	10,000,000	1,500,000
Series 2021A GO Refunding Bonds	2024	.4% - .9%	2,830,000	2,830,000
Series 2021B GO	2041	3.00%	26,500,000	26,500,000
Series 2006 GO QZAB	2022	-	1,399,000	1,399,000
Series 2008B QZAB	2022	.25%	3,000,000	600,000
Total			$ 61,729,000	$ 50,829,000

In prior years, the Collaborative issued $4,399,000 in Qualified Zone Academy Bonds ("QZAB"). The Collaborative will make payments one year in arrears into an escrow fund at the buyer's bank for the previous issues, and will receive interest at a rate specified by the bidder. The Series 2008 QZAB will be funded by five equal payments of $600,000 starting in 2018 and ending in 2022. These payments will also be escrowed at the buyer's bank and receive interest at a rate specified by the bidder. At maturity, the amounts in the repayment fund will be used to pay the principal amount of the bonds. The balance of the repayment funds at June 30, 2021 is $1,206,774. These amounts are reported in the Debt Service Fund.

During the year ended June 30, 2021, the Collaborative issued $2,830,000 in Series 2021A General Obligation Refunding Bonds. Proceeds of the Series 2021A Bonds, together with other legally available funds of the District were used to advance refund all of the District's outstanding General Obligation Bonds, Series 2017 in the aggregate principal amount of $5,000,000. The advance refunding met the requirements of an in-substance debt defeasance, and the debt has been removed from the District's

long-term liabilities. The Bonds bear interest at rates ranging from .40% to .90%. The final payment is due March 1, 2024. The net present value savings related to this advance refunding is $685,490. At June 30, 2021, the amount of defeased debt outstanding but removed from the long-term debt is $5,000,000.

During the year ended June 30, 2021, the Collaborative issued $26,500,000 in Series 2021B General Obligation Bonds. The Bonds were approved by the taxpayers at a special election on April 6, 2021. The purpose of the bonds is to provide funds to construct, equip and furnish needed improvements and upgrades at the Normandy High School to improve the safely, security and learning environment for the students and teachers and to the extent funds are available, to complete other construction, remodeling, repair, furnishing and improvements to the existing facilities of the District and to pay the cost of issuance of the Bonds. The bonds bear interest at a rate of 3.0%. The final payment is due March 1, 2041.

The annual requirements to amortize bonded debt outstanding as of June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 2,100,000	$ 1,551,001	$ 3,651,001
2023	5,654,000	1,708,045	7,362,045
2024	4,545,000	1,572,575	6,117,575
2025	4,650,000	1,409,400	6,059,400
2026	4,840,000	1,223,900	6,063,900
2027-2031	10,765,000	3,883,650	14,648,650
2032-2036	8,455,000	2,249,250	10,704,250
2037-2041	9,820,000	901,350	10,721,350
Total	$ 50,829,000	$ 14,499,171	$ 65,328,171

Principal and interest on all bonded indebtedness is paid through the Debt Service Fund. Repayment of the Series 2012, 2018, 2019 and 2021 bond issues are through the Missouri Direct Deposit Program which is a mechanism for public school bond repayments. It authorizes the direct deposit of a portion of the School Collaborative's state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds.

General Obligation Bonds

General obligation bonds are supported by a pledge of the Collaborative's full faith and credit. These bonds were originally issued to finance various capital projects.

Legal Debt Margin

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a Collaborative to fifteen (15%) percent of the assessed valuation of the Collaborative (including State assessed railroad and utility). The legal debt margin of the Collaborative at June 30, 2021, was:

Constitutional debt limit	$	49,358,223
General obligation bonds payable		(50,829,000)
Amount available in Debt Service Fund		5,256,569
Legal Debt Margin	$	3,785,792

Capital Lease Agreements

Bus Leases

During a prior fiscal year, the Collaborative entered into a lease purchase agreement with a company for a total of 30 buses. The lease was for a total principal amount of $3,029,496 and called for annual payments in varying amounts at an approximate interest rate of 2.8%. The final payment under this lease was due in July 30, 2023.

During a prior fiscal year, the Collaborative entered into a lease purchase agreement with a company for a total of two buses. This lease agreement was an amendment to the existing agreement described above. The lease amendment was for a total principal amount of $194,362 and called for annual payments in varying amounts.

During the fiscal year ended June 30, 2021, the remaining term of these leases were terminated without penalty. Instead, the Collaborative entered into a new lease purchase agreement with a company for a total of 28 buses. The lease is for a total principal amount of $2,121,991 and calls for annual payments in varying amounts at an approximate interest rate of 2.52%. The final payment under this lease is due in July 2026.

Equipment Lease

During prior year, the Collaborative entered into a lease purchase agreement with a leasing company for an equipment purchase. The lease calls for a total principal amount of $42,481 and calls for thirty-six (36) monthly payments of $1,315 including interest at a rate of 7.15%. The final payment under this lease is due in October 2022.

Future minimum lease payments under the leases described above is as follows:

Year Ending June 30,	Amount
2022	$ 14,461
2023	497,590
2024	492,332
2025	361,334
2026	252,843
2027	132,267
Total future minimum lease payments	1,750,827
Less amount representing interest	102,377
Present value of future minimum lease payments	$ 1,648,450

Note: In the fiscal year ended June 30, 2021, the District made certain payments that were due in the fiscal year 2022. The future lease payments have been adjusted accordingly.

Certificates of Participation

During a prior fiscal year, the Collaborative issued $1,088,000 in Series 2018A and $941,500 in Series 2018B Certificates of Participation for the purpose of providing funds for energy improvements for the Collaborative's schools. As described in Note 7, the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate completion of the project. The Certificates bear interest at rates ranging from 3.94% to 4.74%. The final payment is due March 1, 2033 for the Series 2018A Certificates and March 1, 2028 for the Series 2018B Certificates.

During the fiscal year ended June 30, 2021, the Collaborative issued $485,000 in Series 2020 Certificates of Participation for the purpose of providing funds for energy improvements for the Collaborative's schools. The Certificates bear interest at rates ranging from 2.25% to 2.75%. The final payment is due March 1, 2035.

Future minimum payments for the Certificates described above is as follows:

Year Ending June 30,	Amount
2022	$ 211,670
2023	216,681
2024	220,219
2025	225,330
2026	234,920
2027-2031	1,249,641
2032-2035	626,867
Total future minimum lease payments	2,985,328
Less amount representing interest	663,328
Present value of future minimum lease payments	$ 2,322,000

Energy Loans

During a prior fiscal year, the Collaborative entered into a loan in the amount of $983,876, plus a 1% origination fee of $9,839, from the Missouri Department of Economic Development Division of Energy for the purpose of providing funds for energy improvements for the Collaborative's schools. As described in Note 7, during the prior fiscal year the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate completion of the project. Principal and interest are due semi-annually at a rate of 2.75% through July 2029.

During a prior fiscal year, the Collaborative entered into a loan in the amount of $278,295 from the Missouri Department of Economic Development Division of Energy for the purpose of providing funds for energy improvements for the Collaborative's schools. As described in Note 7, during the prior fiscal year, the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate completion of the project. Principal and interest are due semi-annually at a rate of 2.75% through July 2029.

During a prior fiscal year, the Collaborative entered into a loan in the amount of $896,590 from the Missouri Department of Economic Development Division of Energy for the purpose of providing funds for energy improvements for the Collaborative's schools. As described in Note 7, during a prior fiscal year, the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate completion of the project. Principal and interest are due semi-annually at a rate of 2.00% through September 2029. The funds on this note were drawn on during the fiscal year ended June 30, 2021.

During a prior fiscal year, the Collaborative entered into a loan in the amount of $985,620 from the Missouri Department of Economic Development Division of Energy for the purpose of providing funds for energy improvements for the Collaborative's schools. As described in Note 7, during a prior fiscal year, the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate completion of the project. Principal and interest are due semi-annually at a rate of 2.75% through July 2031. Principal amount of $851,966 was drawn on this loan in fiscal year ended June 30, 2021.

The annual requirements to amortize energy loans outstanding as of June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 203,657	$ 41,109	$ 244,766
2023	284,470	58,869	343,339
2024	291,696	51,643	343,339
2025	299,109	44,230	343,339
2026	306,713	36,626	343,339
2027-2031	1,126,935	73,783	1,200,718
2032	48,028	1,147	49,175
Total	$ 2,560,608	$ 307,407	$ 2,868,015

4. RETIREMENT PLANS

Public School and Education Employee Retirement Systems of Missouri (PSRS and PEERS also referred to as the Systems)

General Information about the Pension Plans

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

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

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled

to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

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

Summary Plan Descriptions detailing the provisions of the plans can be found on the Systems' website at www.psrs-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs to both PSRS and PEERS members as follows:

- If the June-to-June change in the Consumer Price Index for All Urban Consumers (CPl-U) is less than 2% for one or more consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPl-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
- If the June-to-June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June-to-June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

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

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2019, 2020 and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2019, 2020 and 2021. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The Collaborative's contributions to PSRS and PEERS were $2,163,500 and $664,546, respectively, for the year ended June 30, 2021.

5. EMPLOYEE BENEFIT PLANS

The Collaborative offers its employees various tax-sheltered annuity programs created in accordance with Internal Revenue Code Section 403(b). The plans, available to all Collaborative employees, permit them to defer a portion of their salary for investment purposes. The Collaborative also offers a Section 125 Cafeteria Plan to all employees. Under this plan, the deferred portion can be used to purchase health insurance benefits and reimbursement for qualified dependent care costs and medical expenses.

6. INSURANCE PROGRAM

The Collaborative, along with various other local school districts, participates in the Missouri United School Insurance Council ("MUSIC"), an insurance association for workers' compensation, general liability, and property and casualty insurance. The purpose of MUSIC is to distribute the cost of self-insurance over similar entities. MUSIC requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of MUSIC have no legal interest in the assets, liabilities, or fund balances of the insurance association. However, the Collaborative retains a contingent liability to fund its pro rata share of any deficit incurred by MUSIC should it cease operations at some future date. The Collaborative's premium assessment from MUSIC for 2021 was $897,819. Settled claims have not exceeded insurance coverage in any of the past three years.

7. COMMITMENTS AND CONTINGENCIES

Grant Audits

The Collaborative receives Federal grants and State funding for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The Collaborative is not aware of any noncompliance with the Federal or State provisions that might require the Collaborative to provide reimbursement.

Protested Taxes

Each year, the County remits certain unresolved protested tax payments to the Collaborative. When the County refunds tax payments to those who are successful in their protests, it withholds the refunded amount from future distributions to taxing districts. Normal withholdings by the County are not material in relation to the Collaborative's financial position and results of operations.

Litigation

The Collaborative is involved in various lawsuits and other legal matters. While in the Collaborative's opinion, based on consultation with legal counsel, these items will be resolved with no material adverse effect on the Collaborative, the results of the proceedings have yet to be finalized.

Guaranteed Energy Savings Contract

During a prior fiscal year, the Collaborative entered into a guaranteed energy savings contract with a contractor to facilitate energy improvements for the Collaborative's schools. This project is anticipated to result in energy and operational savings for a period of 15 years. As discussed in Note 3, during a prior fiscal year, the Collaborative issued $1,088,000 in Series 2018A and $941,500 in Series 2018B Certificates of Participation for the purpose of providing funds for the project. During the fiscal year ended June 30, 2021, the Collaborative issued $485,000 in Series 2020 Certificates of Participation for the purpose of providing funds for the project. Also as discussed in Note 3, during a prior fiscal year, the Collaborative entered into four loans with the Missouri Department of Economic Development in the total amount of $3,144,381 for the purpose of providing funds for the remainder of the project.

COVID-19

In March of 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "public health emergency of international concern", which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of the situation precludes any prediction as to the ultimate material adverse impact on the Collaborative's future financial operating performance and financial condition. The extent of the impact of COVID-19 on the District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the District's students, employees and vendors all of which are uncertain and cannot be determined at this time.

Proposition V Construction Projects

As of June 30, 2021, the District has construction commitments of approximately $29,510,000 related to April 6, 2021 general obligation bond issuance of which approximately $878,350 has been expended.

8. POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 4, the Collaborative allows employees who retire from the Collaborative to continue to participate in the Collaborative's health, dental, and life insurance plans. Upon meeting the retirement requirements, the retirees can elect to participate in the Collaborative's plans.

The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single blended rate used for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the Collaborative is considered to be a post-employment benefit. The Collaborative has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay-as-you-go basis. A stand alone financial report is not available for the plan.

During the year ended June 30, 2021, 54 retirees received benefits.

9. TRANSFER PROGRAM

Beginning with the fiscal year ended June 30, 2014, a court ruling on RSMo 167.131 requires unaccredited school districts to pay for student transfer tuition and transportation costs to accredited schools. On January 2, 2018, the Missouri Department of Elementary and Secondary Education awarded the Collaborative with provisional accreditation status. The Collaborative continues to pay student transfer tuition for high school students enrolled in other Districts at the time provisional accreditation was awarded. The cost of the transfer program was approximately $331,300 for the fiscal year ended June 30, 2021.

10. TAX ABATEMENTS

As of June 30, 2021, the Collaborative is subject to the following tax abatement programs initiated by other governmental entities:

	Real Estate Tax	Surcharge	Property Tax
Enhanced enterprise zones:			
City of Hazelwood	$ -	$ 428	$ -
City of Berkeley	-	35	-
Industrial development bonds/St. Louis County :			
Chapter 100:			
City of Bellerive	80,367	169	-
City of Bridgeton	-	5	-
City of Clayton	-	1,886	-
City of Eureka	-	170	-
City of Ferguson	-	319	-
City of Hazelwood	-	2,501	-
City of Jennings	-	9	-
City of Maryland Heights	-	36	-
St. Louis County	-	10,545	-
St. Louis County Port Authority	-	1,085	-
Urban redevelopment corporations:			
City of Bridgeton	-	1,198	-
City of Brentwood	-	548	-
City of Clayton	-	40	-
City of Edmundson	-	1,204	-
City of Ferguson	-	55	-
City of Frontenac	-	487	-
City of Hazelwood	-	6,061	-
City of Kinloch	-	2,364	-
City of Maplewood	-	362	-
City of Maryland Heights	-	666	-
City of Normandy	165,545	-	-
City of Olivette	-	134	-
City of Overland	-	475	-
City of Richmond Heights	-	476	-
City of Rock Hill	-	138	-
City of Sunset Hills	-	8	-
City of Wellston	23,330	49	-
City of Woodson Terrace	-	10	-
St. Louis County	331,522	1,138	-
Total	$ 600,764	$ 32,601	$ -

11. EXCESS EXPENDITURES OVER APPROPRIATIONS

Expenditures exceed budget appropriations in the Special Revenue fund and Debt Service fund by $30,801 and $32,698, respectively.

12. SUBSEQUENT EVENTS

In preparing these financial statements, the Collaborative has evaluated events and transactions for potential recognition or disclosure through December 7, 2021, the date the financial statements were available to be issued.

On August 9, 2021, the Joint Executive Governing Board approved moving to a self-funded employee health insurance plan to begin October 1, 2021.

On October 12, 2021, the Joint Executive Governing Board approved a contract with Wright Construction in the amount of $9,608,000 to construct a welcome center and secure campus connector to be funded by Series 2021 bonds.

On October 27, 2021, the Collaborative entered into a three-year lease agreement for HP devices and managed print services for a total cost of approximately $338,000.

Supplementary Information

NORMANDY SCHOOLS COLLABORATIVE

BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
GENERAL FUND - UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Local	$ 10,732,450	$ 11,347,750	$ 11,954,065	$ 606,315
County	514,000	504,000	434,100	(69,900)
State	4,610,000	4,876,000	4,725,002	(150,998)
Federal	9,177,666	9,879,760	7,120,761	(2,758,999)
Total Revenues	25,034,116	26,607,510	24,233,928	(2,373,582)
EXPENDITURES:				
Current:				
Instruction	3,602,578	3,798,998	3,457,399	341,599
Attendance and social work services	436,863	408,863	450,257	(41,394)
Guidance services	3,100	4,900	1,452	3,448
Health services	387,781	420,281	422,721	(2,440)
Improvement of instruction	617,576	1,074,376	871,111	203,265
Professional development	124,067	349,467	349,401	66
Media services	69,530	33,430	9,525	23,905
Board of Education services	367,300	393,600	363,201	30,399
Executive administration	2,415,868	2,910,949	2,803,691	107,258
Building level administration	492,836	474,336	453,534	20,802
Operation and maintenance of plant services	5,779,320	5,647,280	5,536,487	110,793
Pupil transportation	3,027,326	1,877,484	1,290,035	587,449
Food services	2,035,705	1,310,205	1,212,835	97,370
Business and central services	2,184,223	2,532,023	2,439,103	92,920
Security services	1,188,416	758,216	728,944	29,272
Community services	1,841,197	1,792,637	1,297,842	494,795
Debt service:				
Principal retirements	-	-	522,187	(522,187)
Interest	-	-	5,229	(5,229)
Total Expenditures	24,573,686	23,787,045	22,214,954	1,572,091
NET CHANGE IN FUND BALANCE	$ 460,430	$ 2,820,465	2,018,974	$ (801,491)
FUND BALANCE, BEGINNING OF YEAR			5,967,545	
FUND BALANCE, END OF YEAR			$ 7,986,519	

See accompanying notes to the budgetary comparison schedules

NORMANDY SCHOOLS COLLABORATIVE

BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
SPECIAL REVENUE FUND - UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Local	$ 2,861,000	$ 3,546,000	$ 3,589,269	$ 43,269
County	51,000	31,000	23,789	(7,211)
State	16,974,000	16,800,000	17,033,966	233,966
Federal	300,000	-	-	-
Total Revenues	20,186,000	20,377,000	20,647,024	270,024
EXPENDITURES:				
Current:				
Instruction	15,918,891	13,155,967	13,668,164	(512,197)
Attendance and social work services	8,170	6,170	-	6,170
Guidance services	766,662	748,662	737,308	11,354
Health services	2,600	2,600	-	2,600
Improvement of instruction	109,459	54,459	35,374	19,085
Professional development	35,860	25,860	37,144	(11,284)
Media services	570,971	512,771	506,512	6,259
Executive administration	1,005,519	929,519	848,510	81,009
Building level administration	1,774,276	1,804,276	1,805,124	(848)
Business and central services	1,272,848	496,348	491,520	4,828
Community services	1,092,196	1,078,196	715,973	362,223
Total Expenditures	22,557,452	18,814,828	18,845,629	(30,801)
NET CHANGE IN FUND BALANCE	$ (2,371,452)	$ 1,562,172	1,801,395	$ 239,223
FUND BALANCE, BEGINNING OF YEAR			521,233	
FUND BALANCE, END OF YEAR			$ 2,322,628	

See accompanying notes to the budgetary comparison schedules

NORMANDY SCHOOLS COLLABORATIVE

BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
DEBT SERVICE FUND - UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Local	$ 5,719,300	$ 5,816,300	$ 5,621,953	$ (194,347)
County	125,150	125,150	115,664	(9,486)
Total Revenues	5,844,450	5,941,450	5,737,617	(203,833)
EXPENDITURES:				
Debt service:				
Principal retirements	5,371,000	6,866,000	6,871,000	(5,000)
Bond fees	-	-	27,723	(27,723)
Interest	1,213,060	1,213,060	1,213,035	25
Total Expenditures	6,584,060	8,079,060	8,111,758	(32,698)
EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(739,610)	(2,137,610)	(2,374,141)	(236,531)
OTHER FINANCING SOURCES (USES):				
Proceeds of bond issue	-	-	2,830,000	2,830,000
Payment to refunding escrow agent	-	-	(5,248,429)	(5,248,429)
Total Other Financing Sources (Uses)	-	-	(2,418,429)	(2,418,429)
NET CHANGE IN FUND BALANCE	$ (739,610)	$ (2,137,610)	(4,792,570)	$ (2,654,960)
FUND BALANCE, BEGINNING OF YEAR			10,049,569	
FUND BALANCE, END OF YEAR			$ 5,256,999	

See accompanying notes to the budgetary comparison schedules

NORMANDY SCHOOLS COLLABORATIVE

BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
CAPITAL PROJECTS FUND - UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Local	$ 1,533,000	$ 3,578,000	$ 1,539,202	$ (2,038,798)
County	25,000	25,000	22,172	(2,828)
State	800,000	-	-	-
Federal	457,394	306,300	6,263	(300,037)
Total Revenues	2,815,394	3,909,300	1,567,637	(2,341,663)
EXPENDITURES:				
Capital outlay	1,776,000	3,962,361	2,569,692	1,392,669
Debt service:				
Principal retirements	304,779	347,789	337,051	10,738
Bond fees	-	8,000	248,415	(240,415)
Interest	129,244	170,644	146,514	24,130
Total Expenditures	2,210,023	4,488,794	3,301,672	1,187,122
EXCESS OF REVENUES UNDER EXPENDITURES	605,371	(579,494)	(1,734,035)	(1,154,541)
OTHER FINANCING SOURCES:				
Sale of surplus property	-	41,000	41,947	947
Proceeds from the sale of bonds	-	26,500,000	26,500,000	-
Bond premium	-	-	2,644,839	2,644,839
Proceeds of energy loans	-	852,000	851,966	(34)
Total Other Financing Sources	-	27,393,000	30,038,752	2,645,752
NET CHANGE IN FUND BALANCE	$ 605,371	$ 26,813,506	28,304,717	$ 1,491,211
FUND BALANCE, BEGINNING OF YEAR			350,716	
FUND BALANCE, END OF YEAR			$ 28,655,433	

See accompanying notes to the budgetary comparison schedules

Budgets and Budgetary Accounting

The Collaborative follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 67 RSMo, the Collaborative adopts a budget for each fund.

2. Prior to July, the Superintendent, who serves as the budget officer, submits to the Joint Executive Governing Board a proposed budget for the fiscal year beginning July 1. The proposed budget includes estimated revenues and proposed expenditures for all Collaborative funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.

3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Joint Executive Governing Board, the budget document is available for public inspection.

4. Prior to July 1, the budget is legally enacted by a vote of the Joint Executive Governing Board.

5. Subsequent to its formal approval of the budget, the Joint Executive Governing Board has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budget information included in the financial statements.

   Budgeted amounts are as originally adopted on June 8, 2020, or as amended by the Joint Executive Governing Board on June 14, 2021.

6. Budgets are adopted on a modified cash basis of accounting.

State Compliance Section

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Independent Accountants' Report on
Compliance with Specified Requirements of
Missouri State Laws and Regulations

Joint Executive Governing Board
Normandy Schools Collaborative

We have examined Normandy Schools Collaborative's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures, and accurate disclosure by the Normandy Schools Collaborative's records of average daily attendance and average daily transportation of pupils for the year ended June 30, 2021. Management is responsible for the Collaborative's compliance with those requirements. Our responsibility is to express an opinion on the Normandy Schools Collaborative's compliance with the specified requirements 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 the Normandy Schools Collaborative complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Normandy Schools Collaborative complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on Normandy Schools Collaborative's compliance with specified requirements.

In our opinion, Normandy Schools Collaborative complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2021.

This report is intended solely for the information and use of the Joint Executive Governing Board, Collaborative 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.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
December 7, 2021

NORMANDY SCHOOLS COLLABORATIVE

SCHEDULE OF SELECTED STATISTICS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

County Collaborative Number: 096-109

1. Calendar (Sections 160.041, 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
1050	9	12	-	6.7500	169	1,086.7500
4010	1	8	-	6.7500	168	1,084.5000
4090	1	5	-	6.7500	168	1,084.5000
4100	1	8	-	6.7500	168	1,084.5000
4145	1	8	-	6.7500	168	1,084.5000
4160	1	8	-	6.7500	168	1,084.5000
5020	PK	K	-	6.7500	168	1,084.5000

Notes: _____

2. Attendance Hours

Report the total attendance hours of PK-12 students 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
1050	9-12	626,815.1078	17,333.9160	-	-	2,398.2400	646,547.2638
4010	1-8	353,831.8660	-	-	-	127.8400	353,959.7060
4090	1-5	147,962.5960	-	-	-	-	147,962.5960
4100	1-8	279,958.2998	-	-	-	-	279,958.2998
4145	1-8	627,813.2094	1,458.1300	-	-	42,095.0800	671,366.4194
4160	1-8	351,253.5612	-	-	-	231.6400	351,485.2012
5020	PK-K	216,085.4293	-	-	-	2,436.4800	218,521.9093
		2,603,720.0695	18,792.0460	-	-	47,289.2800	2,669,801.3955

Notes: _____

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
1050	9-12	686.00	8.00	-	694.00
4010	1-8	400.00	-	-	400.00
4090	1-5	188.00	-	-	188.00
4100	1-8	297.00	-	-	297.00
4145	1-8	631.00	0.90	-	631.90
4160	1-8	368.00	-	-	368.00
5020	PK-K	208.00	2.50	-	210.50
		2,778.00	11.40	-	2,789.40

Notes: _____

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
N/A	34.65	3.00	-	-	37.65
1050	625.98	-	-	-	625.98
4010	351.00	-	-	-	351.00
4090	182.00	-	-	-	182.00
4100	307.00	-	-	-	307.00
4145	675.90	-	-	-	675.90
4160	360.00	-	-	-	360.00
5020	234.00	-	-	-	234.00
	2,770.53	3.00	-	-	2,773.53

Notes: _____

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 of Average Daily Attendance 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	TRUE
	Career Exploration Program – Off Campus	N/A
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	TRUE
	Homebound instruction	TRUE
	Missouri Options	TRUE
	Prekindergarten eligible to be claimed for state aid	TRUE
	Remediation	TRUE
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	TRUE
	Traditional instruction (full and part-time students)	TRUE
	Virtual instruction (MOCAP or other option)	TRUE
	Work Experience for Students with Disabilities	TRUE
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	TRUE
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	TRUE
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:	$50,000
5.6	The district's\charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	TRUE

Schedule of Selected Statistics (continued)

Section	Question	Answer
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	TRUE
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	TRUE
5.9	If a $162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board 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.	N/A
5.11	The district has a professional development committee plan adopted by the Board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	TRUE
5.12	The amount spent for approved professional development committee plan activities was:	$386,545
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

Notes: _____

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 pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	
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	241.5
	• Ineligible ADT	0
6.4	The District'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-operated and contracted mileage for the year was:	117,997
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and ineligible non-route and disapproved miles (combined) was:	
	• Eligible Miles	103,998
	• Ineligible Miles (Non-Route/Disapproved)	13,999
6.7	Number of days the District operated the school transportation system during the regular school year:	168

Notes: _____

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

Finding:	
Management Letter Comment:	

Federal Compliance Section

NORMANDY SCHOOLS COLLABORATIVE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/or Cluster Title	Federal Assistance Listing	Pass - Through Entity Identification Number	Passed Through to Subreceipients	Total Federal Expenditures
U.S. Department of Treasury:				
Passed through St. Louis County, Missouri				
COVID-19 - Coronavirus Relief Fund	21.019	N/A	$ -	$ 67,839
Passed through Missouri Department of Elementary and Secondary Education:				
COVID-19 - Coronavirus Relief Fund	21.019	096-109	-	445,400
Subtotal Assistance Listing #21.019			-	513,239
Total U.S. Department of Treasury			-	513,239
U.S. Department of Education:				
Passed through Missouri Department of Elementary and Secondary Education:				
Title I Grants to Local Educational Agencies	84.010	096-109	-	3,984,632
Supporting Effective Instruction State Grants	84.367	096-109	-	408,695
Student Support and Academic Enrichment Program	84.424	096-109	-	188,924
Career and Technical Education	84.048	096-109	-	92,950
21st Century Community Learning Center	84.287	S287C170025	-	191,812
COVID-19 - Education Stabilization Fund	84.425	096-109	-	2,338,724
Total U.S. Department of Education			-	7,205,737
U.S. Department of Agriculture:				
Passed through Department of Health and Senior Services:				
Child Nutrition Cluster				
Summer Food Service Program for Children	10.559	ERS0461982S	-	668,471
Passed through Missouri Department of Elementary and Secondary Education:				
Child Nutrition Cluster				
Food and Nutrition Services Equipment Grant	10.579	096-109	-	6,263
Commodities	10.555	096-109	-	130,034
Total Child Nutrition Cluster			-	804,768
Fresh Fruit and Vegetable Program	10.582	096-109	-	59,755
Total U.S. Department of Agriculture			-	864,523
U.S. Department of Health and Human Services				
Passed through Missouri Department of Social Services:				
477 Cluster:				
Temporary Assistance for Needy Families	93.558	1801MOTANF	-	63,987
Total U.S. Department of Health and Human Services			-	63,987
TOTAL			$ -	$ 8,647,486

See accompanying notes to the schedule of expenditures of federal awards

NORMANDY SCHOOLS COLLABORATIVE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Collaborative under programs of the federal government for the fiscal year ended June 30, 2021. The information reported 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 Collaborative, it is not intended to and does not present the financial position, changes in net position or cash flows of the Collaborative.

Note 2 - Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is a summary of the cash activity of the Collaborative's federal award programs and does not present transactions that would be included in financial statements of the Collaborative presented on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Note 3 - Indirect Cost Rate

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

Note 4 - Food Distribution

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed by the Collaborative during the fiscal year ended June 30, 2021.

Note 5 - Insurance

The Collaborative did not have any federal insurance in effect during the fiscal year ended June 30, 2021.

Note 6 - Loan/Loan Guarantees

The Collaborative did not have any loans or loan guarantees outstanding as of June 30, 2021.

Note 7 - Subrecipients

The Collaborative did not provide federal awards to any subrecipients during the fiscal year ended June 30, 2021.

Note 8 – Donated Personal Protective Equipment (Unaudited)

The District received approximately $30,500 in donated personal protective equipment during the fiscal year ended June 30, 2021.

keb

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

Joint Executive Governing Board
Normandy Schools Collaborative

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Normandy Schools Collaborative, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Collaborative's basic financial statements and have issued our report thereon dated December 7, 2021. Our report on the basic financial statements disclosed that, as described in Note l to the financial statements, the Collaborative prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the Unites States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Normandy Schools Collaborative's internal control over financial reporting (internal control) to determine the 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 Normandy Schools Collaborative's internal control. Accordingly, we do not express an opinion on the effectiveness of Normandy Schools Collaborative'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, we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Normandy Schools Collaborative's financial statements are free of 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 determination of financial statement amounts. 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 of 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.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
December 7, 2021

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

Joint Executive Governing Board
Normandy Schools Collaborative

Report on Compliance for Each Major Federal Program

We have audited Normandy Schools Collaborative's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Normandy Schools Collaborative's major federal programs for the year ended June 30, 2021. Normandy Schools Collaborative's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Collaborative'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 Normandy Schools Collaborative'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 Normandy Schools Collaborative's compliance.

Opinion on Each Major Federal Program

In our opinion, Normandy Schools Collaborative 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, 2021.

Report on Internal Control Over Compliance

Management of Normandy Schools Collaborative 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 Normandy Schools Collaborative'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 Normandy Schools Collaborative'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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kruber, Eck & Braeckel LLP

St. Louis, Missouri
December 7, 2021

NORMANDY SCHOOLS COLLABORATIVE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on financial statements: Unmodified opinions

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered material weaknesses? None noted

Noncompliance material to financial statements noted? No

Federal Awards

Type of auditor's report issued on compliance for major programs: Unmodified opinions

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None noted

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of the Uniform Guidance? No

The programs tested as major programs include:

CFDA Number(s)	Name of Federal Program or Cluster
10.555, 10.559, 10.579	Child Nutrition Cluster
21.019	COVID-19 – Coronavirus Relief Fund
84.425	COVID-19 – Education Stabilization Fund

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

Normandy Schools Collaborative qualified as low risk auditee? No

FINDINGS - FINANCIAL STATEMENT AUDIT

There were no findings which are required to be reported in accordance with Generally Accepted Government Auditing Standards.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings and questions costs related to Federal Awards.

FINDINGS - FINANCIAL STATEMENT AUDIT

Finding 2020-001

Condition: The amount paid to an employee exceeded the approved contract amount for one of the forty payroll expenditures selected for testing.

Recommendation: We recommend the Collaborative strengthen internal controls over the payroll process by ensuring the accuracy of the contract amounts entered into the financial software.

Current Status: In addition to continuing to verify pay amounts on the Personnel Action Forms (PAF) for every new hire or promotion, the Collaborative conducts biannual verifications to compare the contract amount with the amount their SISFIN software has scheduled for payout. These additional two annual monitoring points have helped the Collaborative ensure this error does not recur.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 2020-002

Federal Program: Title I Grants to Local Education Agencies
CFDA No: 84.010
Federal Agency: U.S. Department of Education
Pass-through Agency: Missouri Department of Elementary and Secondary Education
Award No: As listed on the Schedule of Expenditures of Federal Awards
Award Period: July 1, 2019 – June 30, 2020
Compliance: Allowable Cost

Condition: The amount paid to an employee exceeded the approved contract amount for one of the forty payroll expenditures selected for testing.

Recommendation: We recommend the Collaborative strengthen internal controls over the payroll process by ensuring the accuracy of the contract amounts entered into the financial software.

Current Status: In addition to continuing to verify pay amounts on the Personnel Action Forms (PAF) for every new hire or promotion, the Collaborative conducts biannual verifications to compare the contract amount with the amount their SISFIN software has scheduled for payout. These additional two annual monitoring points have helped the Collaborative ensure this error does not recur.