

NORMANDY SCHOOLS COLLABORATIVE

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORTS
AND SUPPLEMENTARY INFORMATION

JUNE 30, 2025

Normandy Schools Collaborative
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Independent Auditors' Report

Joint Executive Governing Board
Normandy Schools Collaborative

Opinions

We have audited the 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, 2025, and the related notes to the financial statements, which collectively comprise the Normandy Schools Collaborative's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2025, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note A 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 this matter.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Normandy Schools Collaborative's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Normandy Schools Collaborative's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise Normandy Schools Collaborative's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is 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 expenditure of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note A.

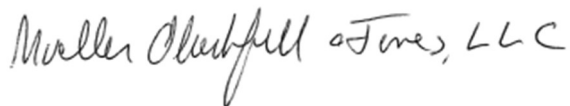
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules and schedule of selected statistics but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025, on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Normandy Schools Collaborative's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Normandy Schools Collaborative's internal control over financial reporting and compliance.



MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

St. Louis, Missouri
December 29, 2025

Normandy School Collaborative
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
June 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 15,801,264
Restricted cash and investments	<u>2,473,833</u>
 TOTAL ASSETS	 <u>18,275,097</u>
 LIABILITIES	
Payroll withholdings	<u>1,175,605</u>
 NET POSITION	
Restricted for:	
Child Nutrition Program	-
Capital projects	2,134,429
Debt service	7,762,350
Teachers' salary and benefits	679,482
Unrestricted	<u>6,523,231</u>
 TOTAL NET POSITION	 <u><u>\$ 17,099,492</u></u>

The accompanying notes are an integral part of this statement.

Normandy School Collaborative
STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
Year ended June 30, 2025

Function/program	Expenses	Program revenues			Net (expense) revenue and changes in net position
		Charges for services and sales	Operating grants, contributions and debt proceeds	Capital grants and contributions	Total governmental activities
Governmental Activities					
Instruction	\$ 18,470,908	\$ 48,223	\$ 5,624,796	\$ -	\$ (12,797,889)
Attendance and social work services	2,862,046	-	-	-	(2,862,046)
Guidance services	497,696	-	196,855	-	(300,841)
Health services	920,299	-	-	-	(920,299)
Improvement of instruction	733,373	-	-	-	(733,373)
Professional development	269,433	-	-	-	(269,433)
Media services	317,992	-	-	-	(317,992)
Board of Education services	498,533	-	-	-	(498,533)
Executive administration	9,166,099	-	-	-	(9,166,099)
Building level administration	3,539,829	-	-	-	(3,539,829)
Operation and maintenance of plant services	6,855,145	14,400	-	-	(6,840,745)
Pupil transportation	2,864,704	-	1,146,966	-	(1,717,738)
Food services	2,247,404	1,846	2,150,407	-	(95,151)
Business and central services	4,277,475	-	-	-	(4,277,475)
Security services	1,437,506	-	-	-	(1,437,506)
Community services	1,634,507	-	-	-	(1,634,507)
Facilities acquisition and construction	5,933,378	-	-	7,860,119	1,926,741
Debt service:					
Principal retirements	6,683,178	-	-	-	(6,683,178)
Interest and fees	1,492,487	-	-	-	(1,492,487)
Total governmental activities	\$ 70,701,992	\$ 64,469	\$ 9,119,024	\$ 7,860,119	(53,658,380)
Taxes					
Property taxes					20,480,834
Sales taxes					4,317,221
Other taxes					981,615
State aid					16,257,290
Grants and contributions not restricted to specific programs					113,785
Fines and forfeitures					44,885
State assessed utilities					525,143
Miscellaneous					342,399
Investment earnings					814,110
Total general revenues					43,877,282
Change in net position					(9,781,098)
Net position at July 1, 2024					26,880,590
Net position at June 30, 2025					\$ 17,099,492

The accompanying notes are an integral part of this statement.

Normandy School Collaborative
BALANCE SHEET – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
June 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and investments	\$ 6,922,580	\$ 1,455,738	\$ 5,294,548	\$ 2,128,398	\$ 15,801,264
Restricted cash and investments	-	-	2,467,802	6,031	2,473,833
TOTAL ASSETS	\$ 6,922,580	\$ 1,455,738	\$ 7,762,350	\$ 2,134,429	\$ 18,275,097
LIABILITIES					
Payroll withholdings	\$ 399,349	\$ 776,256	\$ -	\$ -	\$ 1,175,605
TOTAL LIABILITIES	399,349	776,256	-	-	1,175,605
FUND BALANCES					
Restricted for:					
Child Nutrition Program	-	-	-	-	-
Capital projects	-	-	-	2,134,429	2,134,429
Debt service	-	-	7,762,350	-	7,762,350
Teachers' salary and benefits	-	679,482	-	-	679,482
Unassigned	6,523,231	-	-	-	6,523,231
TOTAL FUND BALANCES	6,523,231	679,482	7,762,350	2,134,429	17,099,492
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,922,580	\$ 1,455,738	\$ 7,762,350	\$ 2,134,429	\$ 18,275,097

The accompanying notes are an integral part of this statement.

Normandy School Collaborative
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES:					
Local sources:					
Property taxes	\$ 12,259,934	\$ -	\$ 7,253,734	\$ 967,165	\$ 20,480,833
Sales taxes	-	4,317,222	-	-	4,317,222
Other Taxes	548,795	-	318,876	42,517	910,188
In Lieu of Tax	71,428	-	-	-	71,428
Investment income	739,342	7,037	59,729	8,001	814,109
Gifts	113,785	-	-	-	113,785
Other local	406,867	-	-	-	406,867
Total local	14,140,151	4,324,259	7,632,339	1,017,683	27,114,432
County sources:					
State assessed utilities	373,274	-	140,452	11,418	525,144
Fines, Escheats, Etc.	-	44,885	-	-	44,885
Total county	373,274	44,885	140,452	11,418	570,029
State sources:					
Basic formula	5,105,781	11,151,509	-	-	16,257,290
State grants and contributions	1,770,546	134,700	-	-	1,905,246
Total state	6,876,327	11,286,209	-	-	18,162,536
Federal sources	7,230,489	-	-	7,843,408	15,073,897
Total revenues	28,620,241	15,655,353	7,772,791	8,872,509	60,920,894
EXPENDITURES:					
Current:					
Instruction	5,804,069	12,666,839	-	-	18,470,908
Attendance and social work services	2,249,035	613,011	-	-	2,862,046
Guidance services	1,412	496,284	-	-	497,696
Health services	917,010	3,289	-	-	920,299
Improvement of instruction	559,400	173,973	-	-	733,373
Professional development	233,126	36,307	-	-	269,433
Media services	6,453	311,539	-	-	317,992
Board of Education services	498,533	-	-	-	498,533
Executive administration	6,518,358	1,827,450	-	-	8,345,808
Building level administration	1,055,202	2,484,627	-	-	3,539,829
Operation and maintenance of plant services	6,841,911	13,234	-	-	6,855,145
Pupil transportation	2,864,704	-	-	-	2,864,704
Food services	2,132,824	-	-	-	2,132,824
Business and central services	3,760,382	517,093	-	-	4,277,475
Security services	1,437,506	-	-	-	1,437,506
Community services	998,635	635,872	-	-	1,634,507
Capital outlay	-	-	-	6,868,249	6,868,249
Debt service:					
Principal retirements	-	-	6,230,000	453,178	6,683,178
Interest	-	-	1,376,996	115,491	1,492,487
Fees	-	-	-	-	-
Total expenditures	35,878,560	19,779,518	7,606,996	7,436,918	70,701,992

The accompanying notes are an integral part of this statement.

Normandy School Collaborative
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(7,258,319)	(4,124,165)	165,795	1,435,591	(9,781,098)
OTHER FINANCING SOURCES (USES):					
Transfer	(4,136,037)	4,136,037	-	-	-
Proceeds of bond issue	-	-	-	-	-
Bond premium	-	-	-	-	-
Total Other Financing Sources (Uses)	(4,136,037)	4,136,037	-	-	-
NET CHANGE IN FUND BALANCES	(11,394,356)	11,872	165,795	1,435,591	(9,781,098)
FUND BALANCES, BEGINNING OF YEAR	17,917,587	667,610	7,596,555	698,838	26,880,590
FUND BALANCES, END OF YEAR	\$ 6,523,231	\$ 679,482	\$ 7,762,350	\$ 2,134,429	\$ 17,099,492

The accompanying notes are an integral part of this statement.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

NOTE A | 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. On October 17, 2023, the Missouri State Board of Education accepted the recommendation made by the Commission of Education to complete the transition back to local governance.

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:

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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 2024 and 2023, for purposes of local taxation, were \$421,588,620 and \$411,653,490, respectively.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar years 2024 and 2023, for purposes of local taxation, were:

	December 31, 2024 Adjusted	December 31, 2023 Adjusted
General Fund	\$ 2.9940	\$ 3.3050
Special Revenue Fund	-	-
Debt Service Fund	1.8000	1.7825
Capital Projects Fund	0.2400	0.2500
Total	<u>\$ 5.0340</u>	<u>\$ 5.3375</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2025, aggregated approximately 96.50% 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, funds in the Missouri Securities Investment Program (MOSIP), an external investment pool, 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, 2025.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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 child nutrition program, 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 Board, the Collaborative's highest level of decision-making authority. The Collaborative has no committed fund balances as of June 30, 2025.

Assigned - This consists of the governmental fund balances that are intended to be used for specific purposes by the Board or the Superintendent.

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.

As of June 30, 2025, fund balance components other than unassigned fund balances consist of the following:

	Non-Spendable	Restricted	Committed	Assigned
Special Revenue Fund	\$ -	\$ 679,482	\$ -	\$ -
Debt Service Fund	-	7,762,350	-	-
Capital Projects Fund	-	2,134,429	-	-
	<u>\$ -</u>	<u>\$ 10,576,261</u>	<u>\$ -</u>	<u>\$ -</u>

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 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.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

Interfund balances are due to timing and are expected to be repaid in the next fiscal year. Interfund balances and transfers have been eliminated in the government-wide financial statements.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year ended June 30, 2025.

NOTE B | 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.

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 Collaboratives' 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.

The deposits and investments held at June 30, 2025, and reported at cost, are as follows:

Type	Maturities	Carrying Value
Deposits:		
Cash and demand deposits	N/A	\$ 15,801,264
Investments:		
External investment pool - MOSIP	Less than 1 year	9,553
MOHEFA Bond Program:		
Money market mutual funds	Less than 1 year	2,464,280
TOTAL DEPOSITS AND INVESTMENTS		\$ 18,275,097

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

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, 2025, 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, 2025 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, 2025, the Collaborative's investments were rated as follows:

Description	Financial Institution	Amount	Rating
External investment pool	MOSIP	\$ 9,553	AAAm
MOHEFA Bond Program:			
Money market mutual funds	BOK Financial	2,464,280	AAAmf

Concentration of Investment Credit Risk - Concentration of investment 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)

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
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commercial paper and bankers' acceptances, no more than 50%. At June 30, 2025, the Collaborative did not have any concentrations of credit risk required to be disclosed.

NOTE C | LONG-TERM LIABILITIES

Long-term debt activity for the year ended June 30, 2025, is summarized as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due within One Year
Bonds payable:					
General obligation bonds	\$ 33,460,000	\$ -	\$ 5,215,000	\$ 28,245,000	\$ 5,180,000
General obligation bonds - private placement	5,065,000	-	1,015,000	4,050,000	1,300,000
Certificates of participation	1,930,000	-	151,000	1,779,000	167,000
Energy loans	1,705,433	-	302,178	1,403,255	309,868
Total long-term liabilities	<u>\$ 42,160,433</u>	<u>\$ -</u>	<u>\$ 6,683,178</u>	<u>\$ 35,477,255</u>	<u>\$ 6,956,868</u>

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

General Obligation Bonds

Bonds payable consist of the following at June 30, 2025:

	Maturity Date	Interest Rate	Original issue Amount	Balance at June 30, 2025
Series 2021B GO	2041	3.00%	\$ 26,500,000	\$ 23,705,000
Series 2024 GO Refunding Bonds	2027	5.00%	7,465,000	4,540,000
				28,245,000
Series 2023 GO Refunding Bonds - private placement	2028	3.64%	6,600,000	4,050,000
Total				<u>\$ 32,295,000</u>

The annual requirements to amortize bonded debt outstanding as of June 30, 2025, are as follows:

Year Ending June 30,	General obligation bonds			General obligation bonds - private placement		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 5,180,000	\$ 980,700	\$ 6,160,700	\$ 1,300,000	\$ 147,420	\$ 1,447,420
2027	1,515,000	743,250	2,495,700	1,385,000	100,100	1,485,100
2028	-	667,500	743,250	1,365,000	49,686	1,414,686
2029	-	667,500	667,500	-	-	-
2030	1,475,000	667,500	2,142,500	-	-	-
2031-2035	8,275,000	2,422,750	10,697,750	-	-	-
2036-2040	9,700,000	997,750	10,697,750	-	-	-
2041	2,100,000	42,000	2,142,000	-	-	-
Total	<u>\$ 28,245,000</u>	<u>\$ 7,188,950</u>	<u>\$ 35,747,150</u>	<u>\$ 4,050,000</u>	<u>\$ 297,206</u>	<u>\$ 4,347,206</u>

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Repayment of the Series 2021, 2023 and 2024 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 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, 2025, was:

Constitutional debt limit	\$ 63,238,293
General obligation bonds payable	(32,295,000)
Amount available in Debt Service Fund	<u>7,762,350</u>
Legal Debt Margin	<u><u>\$ 38,705,643</u></u>

The Collaborative did not exceed the legal debt margin at June 30, 2025.

Certificates of Participation

During a prior fiscal year, the Collaborative issued \$1,088,000 in Series 2018A Certificates of Participation for the purpose of providing funds for energy improvements for the Collaborative’s schools. As described in Note H, 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.

During a prior fiscal year, the Collaborative issued \$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 H, 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, 2028.

During a prior fiscal year, 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.

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Future minimum payments for the Certificates described above is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 234,920
2027	239,788
2028	245,087
2029	249,626
2030	-
2031-2035	1,142,006
Total future minimum lease payments	2,111,427
Less amount representing interest	<u>332,427</u>
Present value of future minimum lease payments	<u><u>\$ 1,779,000</u></u>

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 H, 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 December 2028.

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 H, 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 November 2028.

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 H, 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.

During a prior fiscal year, the Collaborative entered into a loan in the amount of \$860,486 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 H, 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 October 2030.

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The annual requirements to amortize energy loans outstanding as of June 30, 2025, are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 309,868	\$ 33,471	\$ 343,339
2027	317,756	25,583	343,339
2028	325,850	17,489	343,339
2029	259,750	9,207	268,957
2030	142,767	3,744	146,511
2031	47,264	650	47,914
Total	<u>\$ 1,403,255</u>	<u>\$ 90,144</u>	<u>\$ 1,493,399</u>

NOTE D | RETIREMENT PLANS

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

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
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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. Members who retire with 32 or more years of service will have their benefit calculated using a 2.55% 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.psr-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 (CPI-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 CPI-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.

Normandy Schools Collaborative
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June 30, 2025

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 2023, 2024 and 2025. 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 2023, 2024 and 2025. 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 \$2,245,075 and \$938,628, respectively, for the year ended June 30, 2025.

NOTE E | 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.

NOTE F | 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 2025 was \$1,530,762. Settled claims have not exceeded insurance coverage in any of the past three years.

NOTE G | SELF-INSURANCE PLANS

The Collaborative participates in a "level funded" partial self-insurance plan through Cigna Healthcare which covers participating employees' and retirees' medical coverage. Both the members and the Collaborative contribute to the plan, which is used to pay claims. Unlike traditional self-funded products, the Cigna Level Funding provides monthly cost stabilization by charging fixed rates, with the monthly cost changing due to changes in enrollment. Cigna's Level Funding plan includes stop loss insurance, administration fees, terminal liability charges and claim costs based on past trends and experience. After

Normandy Schools Collaborative
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June 30, 2025

the anniversary date of the plan, the actual claims for the twelve-month period are reconciled with the maximum claim liability for the same period and if the actual claims are less, Cigna will reimburse the Collaborative for fifty percent of the surplus. If actual claims are more than the maximum claim liability, no additional charges are billed to the Collaborative. No additional charges are billed upon termination of the plan.

The Collaborative utilizes the General Fund to account for the activity of the plan. A premium is charged to each fund that accounts for employees' salaries based on the monthly charge from Cigna.

NOTE H | 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 Collaboratives. 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 C, during a prior fiscal year, the Collaborative issued \$1,088,000 in Series 2018A and \$941,500 in Series 2018B and \$485,000 in Series 2020 Certificates of Participation for the purpose of providing funds for the project. Also as discussed in Note C, during a prior fiscal year, the Collaborative entered into four loans with the Missouri Department of Economic Development in the total amount of \$3,019,247 for the purpose of providing funds for the remainder of the project.

Operating Leases

At June 30, 2025, the Collaborative has entered into lease agreements, considered operating leases, for a total of 29 buses. The leases call for annual payments in varying amounts through fiscal year 2030. Lease payments of \$533,532 were made during the year ended June 30, 2025. Future minimum payments under these leases are as follows:

Normandy Schools Collaborative
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June 30, 2025

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 378,726
2027	258,150
2028	203,139
2029	190,170
2030	<u>1,000</u>
Total	<u>\$ 1,031,185</u>

Proposition V Construction Projects

As of June 30, 2025, the Collaborative has construction commitments of approximately \$3,528,000 related to the April 6, 2021 general obligation bond issuance.

NOTE I | POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note D, 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. There are 5 retirees who participate in this plan. A stand alone financial report is not available for the plan.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Collaborative also offers healthcare benefits to eligible former employees and eligible dependents. As of June 30, 2025, there were no participants in this program.

NOTE J | TAX ABATEMENTS

Tax abatements, as defined by Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures* (GASB 77), are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

Since the Collaborative does not and has not entered into tax abatement agreements directly with any individuals or entities, the following estimates are from tax abatements entered into by other governments, specifically the county and municipalities within the Collaborative's boundary, that have reduced the Collaborative's tax revenues.

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As of June 30, 2025, the Collaborative is subject to the following real estate tax abatement programs initiated by other governmental entities:

	Real Estate and Surcharges Abated
City of Berkeley	\$ 118
City of Pagedale	32,715
Port Authority	1,197
City of Bellerive	84,089
City of Bridgeton	1,828
City of Clayton	3,488
City of Eureka	275
City of Ferguson	71
City of Hazelwood	20,884
City of Jennings	12
City of Maryland Heights	6,299
City of Pine Lawn	14,420
City of St. John	96,275
City of University City	38
City of Valley Park	8
St. Louis County	306,035
City of Brentwood	764
City of Frontenac	697
City of Kinloch	3,619
City of Maplewood	629
City of Normandy	51,189
City of Northwoods	93,196
City of Overland	843
City of Richmond Heights	429
City of Rock Hill	132
City of Sunset Hills	80
City of Vinita Park	440
City of Woodson Terrace	11
Total	<u>\$ 719,781</u>

Normandy Schools Collaborative
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2025

NOTE K | SUBSEQUENT EVENTS

In preparing these financial statements, the Collaborative has evaluated subsequent events through December 29, 2025, the date the financial statements were available to be issued.

Normandy Schools Collaborative
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS –
GENERAL FUND – UNAUDITED
Year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Local	\$ 12,157,409	\$ 14,140,151	\$ 14,140,151	\$ -
County	440,000	373,274	373,274	-
State	5,579,080	6,876,327	6,876,327	-
Federal	13,765,341	7,230,489	7,230,489	-
Total Revenues	31,941,830	28,620,241	28,620,241	-
EXPENDITURES:				
Current:				
Instruction	5,768,977	5,804,069	5,804,069	-
Attendance and social work services	540,300	2,249,035	2,249,035	-
Guidance services	1,000	1,412	1,412	-
Health services	841,900	917,010	917,010	-
Improvement of instruction	161,300	559,400	559,400	-
Professional development	278,900	233,126	233,126	-
Media services	19,900	6,453	6,453	-
Board of Education services	445,600	498,533	498,533	-
Executive administration	5,981,156	6,518,358	6,518,358	-
Building level administration	811,100	1,055,202	1,055,202	-
Operation and maintenance of plant services	6,295,100	6,841,911	6,841,911	-
Pupil transportation	3,170,300	2,864,704	2,864,704	-
Food services	2,209,300	2,132,824	2,132,824	-
Business and central services	3,401,100	3,760,382	3,760,382	-
Security services	1,403,900	1,437,506	1,437,506	-
Community services	1,314,500	998,635	998,635	-
Other	-	-	-	-
Total Expenditures	32,644,333	35,878,560	35,878,560	-
EXCESS OF REVENUES OVER				
EXPENDITURES	(702,503)	(7,258,319)	(7,258,319)	-
OTHER FINANCING USES:				
Transfer to other funds	-	(4,136,037)	(4,136,037)	-
Total Other Financing Uses	-	(4,136,037)	(4,136,037)	-
NET CHANGE IN FUND BALANCE	<u>\$ (702,503)</u>	<u>\$ (11,394,356)</u>	<u>(11,394,356)</u>	<u>\$ -</u>
FUND BALANCE, BEGINNING OF YEAR			<u>17,917,587</u>	
FUND BALANCE, END OF YEAR			<u>\$ 6,523,231</u>	

See accompanying independent auditors' report and notes to budgetary comparison schedule.

Normandy Schools Collaborative
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS –
SPECIAL REVENUE FUND – UNAUDITED
Year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Local	\$ 4,300,000	\$ 4,324,259	\$ 4,324,259	\$ -
County	25,000	44,885	44,885	-
State	14,058,000	11,286,209	11,286,209	-
Total Revenues	18,383,000	15,655,353	15,655,353	-
EXPENDITURES:				
Current:				
Instruction	13,991,200	12,666,839	12,666,839	-
Attendance and social work services	-	613,011	613,011	-
Guidance services	-	496,284	496,284	-
Health services	-	3,289	3,289	-
Improvement of instruction	16,500	173,973	173,973	-
Professional development	15,400	36,307	36,307	-
Media services	490,300	311,539	311,539	-
Executive administration	257,000	1,827,450	1,827,450	-
Building level administration	2,739,900	2,484,627	2,484,627	-
Operation and maintenance of plant services	-	13,234	13,234	-
Business and central services	40,700	517,093	517,093	-
Community services	633,400	635,872	635,872	-
Total Expenditures	18,184,400	19,779,518	19,779,518	-
EXCESS OF REVENUES UNDER				
EXPENDITURES	198,600	(4,124,165)	(4,124,165)	-
OTHER FINANCING SOURCES:				
Transfer from other funds	-	4,136,037	4,136,037	-
Total Other Financing Sources	-	4,136,037	4,136,037	-
NET CHANGE IN FUND BALANCE	\$ 198,600	\$ 11,872	11,872	\$ -
FUND BALANCE, BEGINNING OF YEAR			667,610	
FUND BALANCE, END OF YEAR			\$ 679,482	

See accompanying independent auditors' report and notes to budgetary comparison schedule.

Normandy Schools Collaborative
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS –
DEBT SERVICE FUND – UNAUDITED
Year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Local	\$ 5,990,760	\$ 7,632,339	\$ 7,632,339	\$ -
County	80,000	140,452	140,452	-
Total Revenues	6,070,760	7,772,791	7,772,791	-
EXPENDITURES:				
Debt service:				
Principal retirements	4,440,000	6,230,000	6,230,000	-
Interest	1,555,300	1,376,996	1,376,996	-
Fees	-	-	-	-
Total Expenditures	5,995,300	7,606,996	7,606,996	-
NET CHANGE IN FUND BALANCE	\$ 75,460	\$ 165,795	165,795	\$ -
FUND BALANCE, BEGINNING OF YEAR			7,596,555	
FUND BALANCE, END OF YEAR			\$ 7,762,350	

See accompanying independent auditors' report and notes to budgetary comparison schedule.

Normandy Schools Collaborative
BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS –
CAPITAL PROJECTS FUND – UNAUDITED
Year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Local	\$ 775,000	\$ 1,017,683	\$ 1,017,683	\$ -
County	40,000	11,418	11,418	-
Federal	5,660,000	7,843,408	7,843,408	-
Other	-	-	-	-
Total Revenues	6,475,000	8,872,509	8,872,509	-
EXPENDITURES:				
Capital outlay	10,206,000	6,868,249	6,868,249	-
Debt service:				
Principal retirements	434,684	453,178	453,178	-
Interest	128,877	115,491	115,491	-
Fees	-	-	-	-
Total Expenditures	10,769,561	7,436,918	7,436,918	-
NET CHANGE IN FUND BALANCE	\$ (4,294,561)	\$ 1,435,591	1,435,591	\$ -
FUND BALANCE, BEGINNING OF YEAR			698,838	
FUND BALANCE, END OF YEAR			\$ 2,134,429	

See accompanying independent auditors' report and notes to budgetary comparison schedule.

Normandy Schools Collaborative
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
June 30, 2025

NOTE A | 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 Board, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board.
5. Subsequent to its formal approval of the budget, the 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.
 - a. Budgeted amounts are as originally adopted on June 28, 2024 and the final budget was adopted on June 24, 2025. The Board approved the final budget to be equal to the actual revenues and expenditures for the year.
6. Budgets are adopted on a modified cash basis of accounting.
7. The original budget of the Capital Projects Fund was deficit budgeted.



**Independent Accountants' Report on Management's Assertions About Compliance
With Specified Requirements of Missouri State Laws and Regulations**

Joint Executive Governing Board
Normandy Schools Collaborative

Report on Compliance with State Requirements

We have examined management's assertions that the Normandy Schools Collaborative complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of pupil attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2025.

Management's Responsibility

Management is responsible for the Normandy Schools Collaborative's compliance with the aforementioned requirements.

Accountants' Responsibility

Our responsibility is to express an opinion on management's assertions about the Normandy Schools Collaborative's compliance based on our examination. Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, includes examining, on a test basis, evidence about the Normandy Schools Collaborative's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the Normandy Schools Collaborative's compliance with specified requirements.

Opinion on Compliance with State Requirements

In our opinion, management's assertions that the Normandy Schools Collaborative complied with the aforementioned requirements for the year ended June 30, 2025, are fairly stated, in all material respects. However, we noted immaterial instances of noncompliance as noted on pages 30 and 35.

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

Mueller Oberkfell & Jones, LLC

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

St. Louis, Missouri
December 29, 2025

Normandy Schools Collaborative
SCHEDULE OF SELECTED STATISTICS – UNAUDITED
Year Ended June 30, 2025

County Collaborative Number: 096-109

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

Report each unique calendar the Collaborative/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	159	1,054.5020
3020	6	8	-	6.8330	159	1,086.4470
4010	1	5	-	6.7500	159	1,073.2500
4090	1	5	-	6.7500	159	1,073.2500
4100	1	5	-	6.7500	159	1,073.2500
4160	1	5	-	6.7500	159	1,073.2500
5020	PK	K	-	7.1660	159	1,139.3940

2. Attendance Hours

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

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
1050	9-12	508,403.3191	-	-	-	1,266.5300	509,669.8491
3020	6-8	595,080.8877	321.1670	-	-	-	595,402.0547
4010	1-6	222,464.5111	-	-	-	5,593.6700	228,058.1811
4090	1-5	239,426.9669	-	-	-	12,255.2800	251,682.2469
4100	1-6	225,668.7500	-	-	-	-	225,668.7500
4160	1-6	241,574.5000	-	-	-	-	241,574.5000
5020	PK-K	236,319.7721	-	-	-	2,517.5000	238,837.2721
		<u>2,268,938.7069</u>	<u>321.1670</u>	<u>-</u>	<u>-</u>	<u>21,632.9800</u>	<u>2,290,892.8539</u>

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.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	659.00	21.02	-	680.02
3020	6-8	620.00	-	-	620.00
4010	1-8	237.00	-	-	237.00
4090	1-5	205.00	-	-	205.00
4100	1-5	214.00	-	-	214.00
4160	1-5	244.00	-	-	244.00
5020	PK-K	236.00	-	-	236.00
		<u>2,415.00</u>	<u>21.02</u>	<u>-</u>	<u>2,436.02</u>

See accompanying independent auditors' report.

Normandy Schools Collaborative
SCHEDULE OF SELECTED STATISTICS – UNAUDITED
Year Ended June 30, 2025

4. *January Membership*

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in January who are enrolled on the count day and in attendance at least 1 of the 10 previous school days.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	651.00	17.69	-	668.69
3020	6-8	619.00	-	-	619.00
4010	1-8	245.00	-	-	245.00
4090	1-5	246.00	-	-	246.00
4100	1-5	251.00	0.02	-	251.02
4160	1-5	278.00	-	-	278.00
5020	PK-K	226.00	-	-	226.00
		2,516.00	17.71	-	2,533.71

5. *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 Collaborative in which the students are educated.

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
N/A	3.00	-	-	-	3.00
1050	661.69	-	-	-	661.69
3020	619.00	-	-	-	619.00
4010	241.00	-	-	-	241.00
4090	246.00	-	-	-	246.00
4100	251.02	-	-	-	251.02
4160	278.00	-	-	-	278.00
5020	183.00	-	-	-	183.00
	2,482.71	-	-	-	2,482.71

Normandy Schools Collaborative
SCHEDULE OF SELECTED STATISTICS – UNAUDITED
Year Ended June 30, 2025

6. *Finance*

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

Section	Question	Answer
6.1	The district maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	TRUE
6.2	The district maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	N/A
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	TRUE
	Homebound instruction	TRUE
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	TRUE
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	TRUE
	Virtual instruction (MOCAP or other option)	TRUE
	Work Experience for Students with Disabilities	N/A
6.3	The district 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
6.4	The district 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
6.5	As required by Section 162.401, RSMo, a bond was purchased for the district's treasurer in the total amount of:	\$50,000
6.6	The district's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo, and the Missouri Financial Accounting Manual.	TRUE

See accompanying independent auditors' report.

Normandy Schools Collaborative
SCHEDULE OF SELECTED STATISTICS – UNAUDITED
Year Ended June 30, 2025

6.7	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 *
6.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	TRUE
6.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
6.10	The district published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	TRUE
6.11	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.	TRUE
6.12	The amount spent for approved professional development committee plan activities was:	\$269,628
6.13	The district 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

* Note:	Although the Collaborative did maintain a bank account to keep Debt Service Funds separate and apart from all other funds of the Collaborative, when Debt Service monies are received in the Collaborative's operating account, those monies are not subsequently transferred to the Debt Service bank account. As such, the Collaborative has not complied with Section 108.180 RSMo, which prohibits the commingling of Debt Service funds with any other funds of the Collaborative.
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See accompanying independent auditors' report.

Normandy Schools Collaborative
SCHEDULE OF SELECTED STATISTICS – UNAUDITED
Year Ended June 30, 2025

7. *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
7.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	TRUE
7.2	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.	TRUE
7.3	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	1,201.00
	Ineligible ADT	0
7.4	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
7.5	Actual odometer records show the total District-operated and contracted mileage for the year was:	412,752
7.6	Of this total, the eligible non-disabled and students with disabilities route miles and ineligible non-route and disapproved miles (combined)	
	Eligible Miles	386,524
	Ineligible Miles (Non-Route/Disapproved)	26,228
7.7	Number of days the District operated the school transportation system during the regular school year:	159

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

Management Letter Comment:	Not applicable



**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 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, 2025, and the related notes to the financial statements, which collectively comprise the Normandy Schools Collaborative's basic financial statements, and have issued our report thereon dated December 29, 2025. Our report on the basic financial statements disclosed that, as described in Note A 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 United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Normandy Schools Collaborative's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Normandy Schools Collaborative's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Collaborative'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

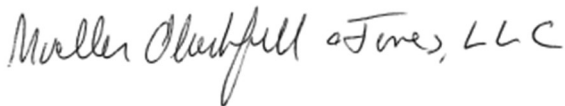
We noted other matters that we reported on page 30 and 35.

Normandy School Collaborative's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Normandy Schools Collaborative's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Normandy Schools Collaborative's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Collaborative'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 Collaborative's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

St. Louis, Missouri
December 29, 2025



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

Joint Executive Governing Board
Normandy Schools Collaborative

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Normandy Schools Collaborative's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Normandy Schools Collaborative's major federal programs for the year ended June 30, 2025. 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.

In our opinion, Normandy Schools Collaborative complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Normandy Schools Collaborative's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government *Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Normandy Schools Collaborative's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Normandy Schools Collaborative's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Normandy Schools Collaborative's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Normandy Schools Collaborative's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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.

A handwritten signature in cursive script that reads "Mueller Oberkfell & Jones, LLC".

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

St. Louis, Missouri
December 29, 2025

Normandy Schools Collaborative
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass - Through Entity Identification Number	Total Federal Expenditures	Passed Through To Subrecipients
<u>U.S. Department of Agriculture:</u>				
Child Nutrition Cluster:				
Passed through Missouri Department of Elementary and Secondary Education:				
National School Breakfast	10.553	096-109	\$ 639,787	\$ -
National School Lunch Program	10.555	096-109	1,433,964	-
Non-Cash Commodities	10.555	096-109	190,528	-
Subtotal Assistance Listing #10.555			1,624,492	-
Fresh Fruit and Vegetable Program	10.582	096-109	65,560	-
Passed through Missouri Department of Health and Senior Services:				
Missouri Healthy Schools Grant	10.559	N/A	53,791	-
Total U.S. Department of Agriculture/Child Nutrition Cluster			2,383,630	-
<u>U.S. Department of Education:</u>				
Passed through Missouri Department of Elementary and Secondary Education:				
Title I Grants to Local Educational Agencies	84.010	096-109	3,768,367	-
Title I Preschool	84.010	096-109	850,000	-
Subtotal Assistance Listing #84.010			4,618,367	-
Career and Technical Education	84.048	096-109	182,764	-
English Language Acquisition State Grant	84.365	096-109	19,736	-
Supporting Effective Instruction State Grant	84.367	096-109	375,410	-
Student Support and Academic Enrichment Program	84.424	096-109	345,598	-
Education Stabilization Fund:				
COVID-19 - Evidence Based Reading	84.425U	096-109	46,135	-
COVID-19 - Teacher Retention Grant	84.425U	096-109	16,711	-
COVID-19 - Education Stabilization Fund - American Rescue Plan - ESSER III	84.425U	096-109	2,648,301	-
Subtotal Assistance Listing #84.425			2,711,147	-
Passed through University of Missouri - St. Louis				
Comprehensive Literacy Development	84.371	N/A	10,103	-
Total U.S. Department of Education			8,263,125	-
<u>U.S. Department of Health and Human Services</u>				
Passed through Missouri Department of Elementary and Secondary Education:				
Cooperative Agreements to Promote Adolescent Health	93.079	096-109	150	-
Child Care and Development Block Grant - SARC	93.575	096-109	71,380	-
Total U.S. Department of Health and Human Services			71,530	-
TOTAL			\$ 10,718,285	\$ -

See accompanying notes to the schedules of expenditures of federal awards.

Normandy Schools Collaborative
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2025

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, 2025. 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 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, 2025.

Note 5 - Insurance

The Collaborative did not have any federal insurance in effect during the fiscal year ended June 30, 2025.

Note 6 - Loan/Loan Guarantees

The Collaborative did not have any loans or loan guarantees outstanding as of June 30, 2025.

Note 7 - Subrecipients

The Collaborative did not provide federal awards to any subrecipients during the fiscal year ended June 30, 2025.

Normandy Schools Collaborative
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

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

Internal control over financial reporting:

Material weaknesses identified? Yes

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Type of auditors' report issued on compliance for major federal programs: Unmodified opinion

Internal control over major federal programs:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

The programs tested as major federal programs include:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies

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

Normandy Schools Collaborative qualified as low-risk auditee? No

Normandy Schools Collaborative
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2025-001

Criteria: Timely preparation of complete and accurate bank reconciliations is a key to maintaining adequate control over both cash receipts and disbursements.

Condition: Timely and complete bank reconciliation of all cash accounts was not always achieved during much of the year and in some instances, there were unreconciled differences that were not timely investigated and resolved.

Cause: At various times during the year, not all payroll transactions (such as payments of liabilities through the ACH/wire process) were recorded timely causing delays in preparing bank reconciliations. In addition, in other instances when differences were noted in the bank reconciliations, the causes were not investigated and resolved timely.

Effect: Complete bank reconciliations performed after year end identified unreconciled cash differences which resulted in adjustments made to the books and records of the Collaborative.

Recommendation: We recommend that all transactions be recorded in the general ledger on a timely basis and that complete bank reconciliations be prepared monthly on a timely basis. In addition, the composition of unreconciled differences should be determined and followed up on, and any journal entries deemed necessary as a result be recorded. Finally, we recommend that the bank reconciliations are reviewed and approved by a responsible employee other than the preparer and the bank reconciliations be signed by both the preparer and the reviewer.

Views of the responsible officials: The Collaborative agrees with the finding and the recommendation of the auditor will be implemented immediately.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings or questioned costs for the year ended June 30, 2025.

Normandy Schools Collaborative
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2025

FINANCIAL STATEMENT FINDINGS

Finding 2024-001

Criteria: All financial transactions should be recorded in the general ledger on a timely basis and cash balances should be reconciled to bank balances monthly to ensure any errors or adjustments are quickly identified and corrected.

Condition: Payroll transactions were not recorded in the general ledger on a timely basis and cash balances were not regularly reconciled to the bank balances throughout the year.

Cause: During the year, the Collaborative outsourced its payroll processing to a service provider. The Collaborative could not obtain the necessary reports from the service provider to record the payroll transactions. As a result of the unrecorded payroll transactions, bank reconciliations could not be prepared.

Effect: A bank reconciliation performed after year end identified a net unreconciled cash difference which was adjusted to the miscellaneous revenue account.

Recommendation: We recommend that all transactions be recorded in the general ledger on a timely basis and cash accounts be reconciled to the bank statements monthly. Any reconciliation differences should be promptly investigated and corrected.

Views of the responsible officials: While this was true through December 31, 2023, the Collaborative migrated all payroll processes into one accounting system (SISFIN) in January 2024 and subsequently all payroll transactions were recorded in the general ledger timely and the bank reconciliations were prepared monthly.

Current Year Status: This recommendation has not been fully implemented and thus is repeated as Finding 2025-001 for the year ended June 30, 2025.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings or questioned costs for the year ended June 30, 2024.