THE LEADERSHIP SCHOOL
St. Louis, Missouri

FINANCIAL STATEMENTS
with
INDEPENDENT AUDITOR'S REPORT

June 30, 2024

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-3
FINANCIAL STATEMENTS:	
Statement of Assets and Net Assets - Cash Basis	4
Statement of Support, Receipts and Disbursements - Cash Basis	5
Statement of Functional Expenses - Cash Basis	6
Notes to Financial Statements	7-14
SUPPLEMENTARY INFORMATION:	
Statement of Assets and Fund Balances - Cash Basis - by Fund	16
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis - by Fund	17
Schedule of Receipts Collected by Source - Cash Basis - by Fund	18
Schedule of Disbursements by Object - Cash Basis - by Fund	19
INTERNAL CONTROL AND COMPLIANCE:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	21-22
Independent Accountant's Report on Management's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations	23
Schedule of Selected Statistics	24-28
Schedule of State Findings	29

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Leadership School
St. Louis, Missouri

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of The Leadership School (a nonprofit organization) (the "School"), which comprise the statement of assets and net assets-cash basis as of June 30, 2024, and the related statements of support, receipts, and disbursements-cash basis and functional expenses-cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of The Leadership School as of June 30, 2024, and its support, receipts and disbursements for the year then ended in accordance with the cash basis of accounting as described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School 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.

Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 2, and for determining that the 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.

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Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Board of Directors
The Leadership School
St. Louis, Missouri

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents from pages 16-19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2024 on our consideration of The Leadership School'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 School'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 the School's internal control over financial reporting and compliance.

Marr and Company

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 3, 2024

THE LEADERSHIP SCHOOL
St. Louis, Missouri

STATEMENT OF ASSETS AND NET ASSETS-CASH BASIS

June 30, 2024

ASSETS	
Cash and cash equivalents	$ 134,032
TOTAL ASSETS	$ 134,032

NET ASSETS	
Without donor restrictions	$ 134,032
TOTAL NET ASSETS	$ 134,032

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

THE LEADERSHIP SCHOOL
St. Louis, Missouri

STATEMENT OF SUPPORT, RECEIPTS AND DISBURSEMENTS-CASH BASIS

For the Year Ended June 30, 2024

	Without Donor Restrictions
SUPPORT AND RECEIPTS:	
Contributions and donations	$ 761,614
State tax (Proposition C)	112,331
State aid receipts	1,529,641
Federal grants and contracts	455,593
Other income	1,946
Total Support and receipts	2,861,125
DISBURSEMENTS:	
Program service – charter school operations	1,866,404
Supporting activities:	
General and administrative	905,403
Total Disbursements	2,771,807
Change in net assets	89,318
Net assets, beginning of year	44,714
Net assets, end of year	$ 134,032

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

THE LEADERSHIP SCHOOL
St. Louis, Missouri

STATEMENT OF FUNCTIONAL EXPENSES –CASH BASIS

For the Year Ended June 30, 2024

	Charter School Operations	General & Administrative	Total
Salaries and wages	$ 571,962	$ 469,144	$ 1,041,106
Retirement	45,021	33,294	78,315
Payroll taxes	39,503	32,222	71,725
Employee insurance	56,993	50,699	107,692
Other employee benefits	0	17,754	17,754
Professional and technical services	293,185	142,300	435,485
Property services	266,700	107,774	374,474
Transportation services (including contracted)	192,971	0	192,971
Insurance	0	9,618	9,618
Communication and memberships	33,181	1,940	35,121
Other purchased services	543	0	543
General supplies	92,014	40,658	132,672
Books and periodicals	69,910	0	69,910
Warehouse and food services	109,115	0	109,115
Capital outlay	95,306	0	95,306
	$ 1,866,404	$ 905,403	$ 2,771,807

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

THE LEADERSHIP SCHOOL
St. Louis, Missouri

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

INDEX

NOTE 1: ORGANIZATION

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting
- B. Concentration of Credit Risk
- C. Capital Outlay
- D. Compensated Absences
- E. Net Assets
- F. Revenue Recognition
- G. Functional Allocation of Expenses
- H. Income Taxes
- I. Subsequent Events

NOTE 3: LIQUIDITY RESOURCE MANAGEMENT

NOTE 4: RETIREMENT PLAN

NOTE 5: CONCENTRATIONS

NOTE 6: LEASE OBLIGATIONS

NOTE 7: CLAIMS AND ADJUSTMENTS

NOTE 1: ORGANIZATION

The Leadership School (the "School") is a Missouri not-for-profit public benefit corporation organized in February 2019 under Chapter 355, RSMo and governed by Senate Bill No. 781 of the 89th General Assembly of the Missouri legislature. The School is exempt from most Missouri laws and statutes governing educational institutions. The aforementioned Senate Bill No. 781 governs it. The purpose of the School is to operate a charter school located within the boundaries of the Normandy Schools Collaborative (St. Louis County). The School building is located at 1785 Pennsylvania Avenue in Pagedale, Missouri. The School is legally separate from the Normandy Schools Collaborative and is not financially accountable to it.

The School is sponsored by the Missouri Charter Public School Commission with a charter school agreement effective July 1, 2022 for five years until the school year ending June 30, 2027. The School's charter provides for the education of students in kindergarten and grades one through eight. For the fiscal year ended June 30, 2024, the School educated students in kindergarten through 3rd grade. Approximately 65-70% of the School's funding is provided from State and Federal funds received from the Missouri Department of Elementary and Secondary Education ("DESE"). Other support is provided by contributions and grants from foundations and individuals.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The School has elected to present its financial statements on the cash basis of accounting. The cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing receipts, disbursements and their related assets and liabilities. Under the cash basis of accounting, receipts and disbursements and the related assets are recorded when they result from cash transactions.

B. Concentration of Credit Risk

Financial instruments that potentially expose the School to concentrations of credit and market risk consist of cash. Cash is maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2024, the School did not have any uninsured balances at the institutions. The School has not experienced any losses on its cash held at the financial banking institutions.

C. Capital Outlay

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Compensated Absences

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

E. Net Assets

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

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other program or events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. The School reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of June 30, 2024, the School had no assets with donor restrictions.

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

F. Revenue Recognition

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Functional Allocation of Expenses

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

H. Income Taxes

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law as charitable organizations whereby only unrelated business income, as defined by Section 509(a)(2) of the Code, is subject to federal income tax. The School currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The School has adopted provisions of FASB standard on Accounting for Uncertainty in Income Taxes (ASC 740-10-25). The School does not believe there are any material uncertain tax provisions and, accordingly, they will not recognize any liability for unrecorded tax benefits. For the year ended June 30, 2024, there was no interest or penalties recorded in the financial statements.

I. Subsequent Events

Management has evaluated subsequent events through December 3, 2024, the date on which the financial statements were available to be issued.

NOTE 3: LIQUIDITY RESOURCE MANAGEMENT

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

As of June 30, 2024, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	$ 134,032

NOTE 4: RETIREMENT PLAN

The School participates in the Public School Retirement System and the Public Education Employee Retirement System (PSRS and PEERS, also referred to as the "Systems").

Plan Descriptions

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.

Benefits Provided

PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

NOTE 4: RETIREMENT PLAN (continued)

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

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

Cost-of-Living Adjustments ("COLA")
The System's 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.

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.

NOTE 4: RETIREMENT PLAN (continued)

Contributions
PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2024. 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 year 2024. 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 School contributions to the Systems were $78,315 for the year ending June 30, 2024.

NOTE 5: CONCENTRATIONS

The School relies upon state and federal funding to support their operation. This funding depends to a great degree upon average daily attendance.

NOTE 6: LEASE OBLIGATIONS

Office Equipment
The School leases office copier equipment with monthly payment terms until July 2027. The leasing expense for the year ending June 30, 2024 was $7,012, which includes copier overages.

Building Facility
The School leases the building facility from CSDC Facilities Corporation to operate the school operations. A lease agreement was signed effective May 13, 2022, for 15 years ending June 30, 2037 with annual rental payment escalators. The lease expense for the year ended June 30, 2024, was $232,445.

Future minimum lease payments are as follows:

Year Ending June 30,	Office Equipment	Building Facility	Totals
2025	$ 1,656	$ 229,938	$ 231,594
2026	1,656	235,456	237,112
2027	1,656	240,975	242,631
2028	138	246,493	246,631
2029	0	252,012	252,012
Thereafter	0	2,214,760	2,214,760
	$ 5,106	$ 3,419,634	$ 3,424,740

NOTE 7: CLAIMS AND ADJUSTMENTS

The School participates in several federal and state programs that are fully or partially funded by grants received from other governmental units. Disbursements financed by grants are subject to audit by the appropriate grantor government. As of June 30, 2024, a significant amount of disbursements had not been audited by grantor governments but the School believes that disallowed disbursements, if any, based on subsequent audits will not have a material effect on the overall financial position of the School.

SUPPLEMENTARY INFORMATION

THE LEADERSHIP SCHOOL
St. Louis, Missouri

STATEMENT OF ASSETS AND FUND BALANCES –
CASH BASIS – BY FUND

June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
ASSETS				
Cash	$ 134,032	$ 0	$ 0	$ 134,032
TOTAL ASSETS	$ 134,032	$ 0	$ 0	$ 134,032
FUND BALANCES				
Unassigned	$ 134,032	$ 0	$ 0	$ 134,032
TOTAL FUND BALANCES	$ 134,032	$ 0	$ 0	$ 134,032

See Accompanying Independent Auditor's Report.

THE LEADERSHIP SCHOOL
St. Louis, Missouri

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

For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
RECEIPTS:				
Local	$ 833,767	$ 42,124	$ 0	$ 875,891
State	1,443,979	85,662	0	1,529,641
Federal	455,593	0	0	455,593
Total receipts	2,733,339	127,786	0	2,861,125
DISBURSEMENTS:				
Instruction	671,290	110,364	12,203	793,857
Support services - students	183,365	0	0	183,365
Support services - instructional staff	14,931	17,422	0	32,353
Support services - general administration	519,277	0	0	519,277
Support services - building level admin	4,576	0	0	4,576
Business support services	186,546	0	0	186,546
Business support - fiscal services	86,465	0	0	86,465
Operation and maintenance plant services	424,317	0	80,544	504,861
Student transportation	186,992	0	0	186,992
Food services	116,545	0	0	116,545
Internal services	3,622	0	2,559	6,181
Support services - central office	149,987	0	0	149,987
Community services	802	0	0	802
Total disbursements	2,548,715	127,786	95,306	2,771,807
Receipts over (under) disbursements	184,624	0	(95,306)	89,318
Other financing sources (uses):				
Transfers in	0	0	95,306	95,306
Transfers out	(95,306)	0	0	(95,306)
Total other financing sources (uses)	(95,306)	0	95,306	0
Net changes in fund balance	89,318	0	0	89,318
FUND BALANCE - JUNE 30, 2023	44,714	0	0	44,714
FUND BALANCE - JUNE 30, 2024	$ 134,032	$ 0	$ 0	$ 134,032

See Accompanying Independent Auditor's Report.

THE LEADERSHIP SCHOOL
St. Louis, Missouri

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

For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
LOCAL:				
Sales tax (Prop C)	$ 70,207	$ 42,124	$ 0	$ 112,331
Gifts and contributions	761,614	0	0	761,614
Other	1,946	0	0	1,946
Total Local	833,767	42,124	0	875,891
STATE:				
Basic formula	1,290,308	85,662	0	1,375,970
Transportation	76,114	0	0	76,114
Classroom trust fund	34,579	0	0	34,579
Other	42,978	0	0	42,978
Total State	1,443,979	85,662	0	1,529,641
FEDERAL:				
Medicaid	11,794	0	0	11,794
Food service programs	85,991	0	0	85,991
ESEA Title I.A	285,669	0	0	285,669
ESEA Title II.A	13,579	0	0	13,579
ESEA Title IV.A	12,088	0	0	12,088
ESSER III	46,372	0	0	46,372
Other	100	0	0	100
Total Federal	455,593	0	0	455,593
Total Receipts	$ 2,733,339	$ 127,786	$ 0	$ 2,861,125

See Accompanying Independent Auditor's Report.

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF DISBURSEMENTS BY OBJECT –
CASH BASIS – BY FUND

For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Salaries	$ 943,173	$ 97,933	$ 0	$ 1,041,106
Retirement	66,680	11,635	0	78,315
Payroll taxes	65,195	6,530	0	71,725
Employee insurance	96,004	11,688	0	107,692
Other employee benefits	17,754	0	0	17,754
Professional and technical services	435,485	0	0	435,485
Property services	374,474	0	0	374,474
Transportation services (including contracted)	192,971	0	0	192,971
Property and liability insurance	9,618	0	0	9,618
Communication and memberships	35,121	0	0	35,121
Other purchased services	543	0	0	543
General supplies	132,672	0	0	132,672
Books and periodicals	69,910	0	0	69,910
Warehouse and food services	109,115	0	0	109,115
Capital outlay	0	0	95,306	95,306
Total Disbursements	$ 2,548,715	$ 127,786	$ 95,306	$ 2,771,807

See Accompanying Independent Auditor's Report.

INTERNAL CONTROL AND COMPLIANCE

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

Board of Directors
The Leadership School
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Leadership School (the "School") (a nonprofit organization), which comprise the statement of assets and net assets-cash basis as of June 30, 2024, and the related statements of support, receipts, and disbursements-cash basis and functional expenses-cash basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2024.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Board of Directors
The Leadership School
St. Louis, Missouri

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 3, 2024

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

Board of Directors
The Leadership School
St. Louis, Missouri

We have examined management's assertion, included in its representation letter dated December 3, 2024, that The Leadership School (the "School") complied with the requirements of Missouri laws and regulations regarding accurate disclosure of the School's records of average daily attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2024. Management is responsible for its assertion that the School complied with the aforementioned requirements. Our responsibility is to express an opinion on management's assertion based on our examination.

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

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

In our opinion, management's assertion that The Leadership School complied with the aforementioned requirements included in the Schedule of Selected Statistics for the year ended June 30, 2024, is fairly stated, in all material respects.

Marr and Company

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
December 3, 2024

County District Number: 096-901

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2024

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

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
6905	K	03	n/a	6.7500	160	1,080.0000

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
6905	K	36,558.0000	0.0000	0.0000	0.0000	0.0000	36,558.0000
6905	1	25,042.5000	0.0000	0.0000	0.0000	0.0000	25,042.5000
6905	2	37,962.0000	0.0000	0.0000	0.0000	0.0000	37,962.0000
6905	3	41,411.2500	0.0000	0.0000	0.0000	0.0000	41,411.2500
	Grand Total	140,973.7500	0.0000	0.0000	0.0000	0.0000	140,973.7500

3. SEPTEMBER MEMBERSHIP

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

School Code	Grade Level	Full-Time	Part-Time	Other	Total
6905	K	38.00	0.00	0.00	38.00
6905	1	27.00	0.00	0.00	27.00
6905	2	41.00	0.00	0.00	41.00
6905	3	45.00	0.00	0.00	45.00
Grand Total		151.00	0.00	0.00	151.00

County District Number: 096-901

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2024

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

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

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
6905	124.00	0.00	0.00	0.00	124.00

5. FINANCE

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

Section	Question	Answer
5.1	The charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	**True**
5.2	The charter school maintained complete and accurate attendance records allowing for the accurate calculation 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:	**True**
	Academic Programs Off-Campus	**N/A**
	Career Exploration Program – Off Campus	**N/A**
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	**N/A**
	Dual enrollment	**N/A**
	Homebound instruction	**N/A**
	Missouri Options	**N/A**
	Prekindergarten eligible to be claimed for state aid	**N/A**
	Remediation	**N/A**
	Sheltered Workshop participation	**N/A**
	Students participating in the school flex program	**N/A**
	Traditional instruction (full and part-time students)	**True**
	Virtual instruction (MOCAP or other option)	**N/A**
	Work Experience for Students with Disabilities	**N/A**

County District Number: 096-901

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2024

5. FINANCE (CONTINUED)

Section	Question	Answer
5.3	The charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	**True**
5.4	The charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	**True**
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's school treasurer or as required by Section 160.405, RSMo, a bond was purchased for the charter schools chief financial officer or an insurance policy issued by an insurance company that proves coverage in the event of employee theft in the total amount of:	**$25,000**
5.6	The charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo, and the Missouri Financial Accounting Manual.	**True**
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools.)	**N/A**
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	**True**
5.9	If a $162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board 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**
5.10	The charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	**True**
5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. (Not applicable to charter schools.)	**N/A**

County District Number: 096-901

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2024

5. FINANCE (CONTINUED)

Section	Question	Answer
5.12	The amount spent for approved professional development committee plan activities was:	**$N/A**
5.13	The charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	**True**

Notes:	None noted

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

Finding:	None noted
Management Letter Comment:	None noted

County District Number: 096-901

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF SELECTED STATISTICS
For the Year Ended June 30, 2024

6. TRANSPORTATION (SECTION 163.161, RSMO)

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

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	**True**
6.2	The charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	**True**
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	**True**
	Eligible ADT	113.50
	Ineligible ADT	13.50
6.4	The charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	**True**
6.5	Actual odometer records show the total charter-operated and contracted mileage for the year was:	16,079
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	**True**
	Eligible Miles	15,645
	Ineligible Miles (Non-Route/Disapproved)	434
6.7	Number of days the charter school 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.

Finding:	None noted
Management Letter Comment:	None noted

THE LEADERSHIP SCHOOL
St. Louis, Missouri

SCHEDULE OF STATE FINDINGS
For the Year Ended June 30, 2024

Prior year

Finding MO23-01 – Finance: Public Financial Data
During our audit, we noted the School has not 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 school website as required by Section 160.066, RSMo.

Resolution:
We noted the finding was resolved in current year.

Current year
There were no audit findings related to state compliance for the year ended June 30, 2024 noted to be resolved.