



# Board of Directors Meeting Materials

**Date:** Tuesday, August 30, 2022

**Time:** 6:00 - 8:00pm

**Location:** [Via Zoom](#)

**Log in:** Meeting ID: 936 4830 0851; Passcode: TLS2021

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1. Minutes from July 19, 2022 and July 26, 2022
2. July 2022 Financial Report from EdOps
3. Auditor Agreement
4. TLS 2022-23 Policies
5. TLS 2022-23 Staff Handbook
6. TLS 2022-23 Student & Family Handbook



# The Leadership School

STUDENT LEADERSHIP AT THE CENTER OF LEARNING

## Board of Directors Meeting Minutes

**Meeting Date: 7/26/2022**

**Location: Virtual (Zoom)**

### ATTENDANCE

- A. **TLS Directors Present:** Roll Call - Lennel Hunter, Brooke Black, Gerren McHam, Janice Rogers, Aaron Williams, Deanne Henderson
- B. **TLS Directors Absent:** Valerie Liddel,
- C. **TLS Staff/Guests Present:** Kimberly Townsend (TLS), Deborah Wright (TLS)

### CALL TO ORDER

A meeting of the Board of Directors of The Leadership School was duly called on Tuesday, July 26th 2022, at 6:09pm. Lennel Hunter called the meeting to order.

### ACTION ITEMS

- A. Minutes for June 28, 2022 meeting approved. G. McHam motioned. B. Black seconded.
- B. Monthly financials approved. G. McHam motioned. B. Black seconded.

### Board Business

- A. Board Candidates introduced themselves. Motion to add new members to Board of Directors approved.
  - Aaron Williams
  - Chardae Rigdon
  - Deanne Henderson
- B. The Board discussed the Annual Board Member Agreement, no changes were made.
- C. Board approved nomination of Board Officers
  - Lennel Hunter, President
  - Brooke Black, Treasurer
  - Deborah Wright, Secretary

### Board Committee Reports

- A. Development: Annual grant goals were met; working to adjust additional giving goals
- B. Finance & Facility: Updates were discussed for the building and effect on start date
- C. Governance: no report other than new members discussed earlier.
- D. School Performance: No report

**Executive Directors Report  
ED reported on.**

Update on student enrollment/withdrawals  
Possible completion date for MSD project  
Update on building occupancy  
Update on parking lot repairs and concrete work.

**Closing**

- A special meeting was scheduled for August 2nd to discuss
  - Date for entrance to building
  - Date for occupancy
  - Preliminary approval for all items still needed for approval

**ADJOURNMENT**

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:23pm.

**Prepared by:**

Deborah Wright

7/26/22

NAME

Date



August 15, 2022

Board of Directors and Management  
The Leadership School  
1785 Pennsylvania Avenue  
St. Louis, MO 63133

We are pleased to confirm our understanding of the services we are to provide for The Leadership School (the “School”), a nonprofit organization, for the year ended June 30, 2022.

### **Audit Scope and Objectives**

We will audit the financial statements of The Leadership School, which comprise the statement of assets and net assets – cash basis as of June 30, 2022, the related statements of receipts, disbursements and changes in net assets-cash basis and functional expenses-cash basis for the year then ended, and the disclosures (collectively, the “financial statements”).

The objectives of our audit 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 issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting. 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 auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor’s Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial report, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the School or to acts by management or employees on behalf of the School.

### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the School and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risk of material misstatement as part of our audit planning: management override of controls and improper revenue recognition due to fraud.

We will also conclude, based on the audit evidence obtained, whether 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.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected funding sources, creditors and financial institutions. We may also request written representations from the School's attorneys as part of the engagement, and they may bill you for responding to this inquiry.

### **Other Services**

We will prepare the School's federal Form 990 (Return of Organization Exempt from Federal Income Tax) and state information returns for the year ended June 30, 2022 based on information provided by you. We will also prepare the financial statements of the School in conformity with the cash basis of accounting based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters. ***A separate engagement contract will be issued for the tax preparation services.***

You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity the cash basis of accounting. You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the School from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Management is responsible for including all informative disclosures that are appropriate for the cash basis of accounting. Those disclosures will include (1) a description of the cash basis, including a summary of significant accounting policies, and how the cash basis differs from GAAP, (2) informative disclosures similar to those required by GAAP, and (3) additional disclosures beyond those specifically required that may be necessary for the financial statements to achieve fair presentation.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the School involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the School received in communications from employees, former employees, grantors, regulators or others. In addition, you are responsible for identifying and ensuring that the School complies with applicable laws and regulations.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, receivable, debt, and other confirmations and schedules we request and will locate any documents selected by us for testing.

Clark Hanner is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign.

Our estimated fees for audit related services for the year ended June 30, 2022, will range between \$8,500 and \$10,000 and will be based on actual hours to perform the service at the professional's standard hourly rate. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

**Reporting**

We will issue a written report upon completion of our audit of the School’s financial statements. Our report will be addressed to Board of Directors of the School. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor’s report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the response section and return this letter to us in the enclosed envelope or instead can be scanned and emailed to [clark@marrandcompany.com](mailto:clark@marrandcompany.com).



Marr and Company, P.C.  
Certified Public Accountants

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**RESPONSE:**

This letter correctly sets forth the understanding of the terms of this engagement with The Leadership School for the year ended June 30, 2022.

Management Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Board Officer Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(if necessary)