

Atlas Public Schools

FEDERAL AND STATE REPORTING PACKAGE

June 30, 2023

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

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Board of Directors  
Atlas Public Schools

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 consolidated financial statements of Atlas Public Schools and Affiliate, which comprise the consolidated statement of assets, liabilities and net assets – modified cash basis as of June 30, 2023, and the related consolidated statement of revenues, expenses and changes in net assets – modified cash basis, and functional expenses – modified cash basis for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 10, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Atlas Public Schools' internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Atlas Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Atlas Public Schools' 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 may exist that have not been identified.

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

St. Louis, Missouri  
November 10, 2023

*Keiber, Eck & Brackel LLP*

**Independent Auditors' Report on Compliance for Each Major  
Program and on Internal Control Over Compliance in Accordance With  
The Uniform Guidance and on the Schedule of Expenditures  
of Federal Awards**

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Board of Directors  
Atlas Public Schools

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited Atlas Public Schools' 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 Atlas Public Schools' major federal programs for the year ended June 30, 2023. Atlas Public Schools' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Atlas Public Schools 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, 2023.

**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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Atlas Public Schools 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 Atlas Public Schools' 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 Atlas Public Schools' 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 Atlas Public Schools' 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 GAAS, *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 Atlas Public Schools' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Atlas Public Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Atlas Public Schools' 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 Atlas Public Schools' 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the consolidated financial statements of Atlas Public School and Affiliate for the year ended June 30, 2023, and have issued our report thereon dated November 10, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Kentley Eck & Brackel LLP*

St. Louis, Missouri  
November 10, 2023

**Atlas Public Schools**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year ended June 30, 2023**

<b>Federal Grantor/ Pass-Through Grantor/or Cluster Title</b>	<b>Federal Assistance Listing</b>	<b>Pass - Through Entity Identification Number</b>	<b>Total Federal Expenditures</b>
<u>U.S. Department of Education:</u>			
Direct Awards:			
Charter School Program	84.282	N/A	\$ 433,490
Passed through Missouri Department of Elementary and Secondary Education:			
Title I Grants to Local Educational Agencies	84.010	115-933	151,348
Special Education Cluster (IDEA)			
Special Education - Part B Entitlement	84.027	115-933	48,382
COVID-19: Special Education - ARP	84.027X	115-933	5,723
Special Education Preschool Grants	84.173	115-933	3,565
COVID-19: Special Education Preschool Grants - ARP	84.173X	115-933	401
Total Special Education Cluster			<u>58,071</u>
Supporting Effective Instruction State Grants	84.367	115-933	9,979
Student Support and Academic Enrichment Program	84.424	115-933	10,000
COVID-19: Education Stabilization Fund			
COVID-19: American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth			
COVID-19: American Rescue Plan -Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425W	115-933	1,530
Total COVID-19: Education Stabilization Fund	84.425U	115-933	<u>389,902</u>
			<u>391,432</u>
Total U.S. Department of Education			1,054,320
<u>U.S. Department of Health and Human Services:</u>			
Passed through Missouri Department of Elementary and Secondary Education:			
CCDF Cluster			
CRRSA child Care PreSchool Start-up Grant	93.575	115-933	85,694
<u>U.S. Department of Agriculture:</u>			
Passed through Missouri Department of Elementary and Secondary Education:			
Child Nutrition Cluster			
National School Breakfast	10.553	115-933	60,059
National School Lunch	10.555	115-933	119,711
Total U.S Department of Agriculture and Child Nutrition Cluster			<u>179,770</u>
<b>TOTAL</b>			<u>\$ 1,319,784</u>



**Atlas Public Schools****NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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**NOTE A | BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal award activity of Atlas Public Schools under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Atlas Public Schools and is reported on the modified cash basis of accounting, it is not intended to and does not present the net assets, changes of net assets or cash flows of Atlas Public Schools.

**NOTE B | SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

**NOTE C | INDIRECT COST RATE**

Atlas Public Schools has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

**NOTE D | SUBRECIPIENTS**

There have been no awards passed through to subrecipients.

**Atlas Public Schools**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**SECTION I | SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

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

Internal control over financial reporting

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

Noncompliance material to financial statements noted? No

*Federal Awards*

Internal control over major programs:

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

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

Any audit finding disclosed that are required to be reported under 2 CFR Section 200.516(a) of the Uniform Guidance? No

The programs tested as a major program included:

<u>Assistance Listing Number(s)</u>	<u>Name of Program or Cluster</u>
84.425W, 84.425U 10.553, 10.555	Education Stabilization Fund Child Nutrition Cluster

Dollar threshold used for distinguishing between Type A and B programs: \$750,000

Atlas Public Schools qualified as a low-risk auditee? No

**SECTION II | FINANCIAL STATEMENT FINDINGS**

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

**SECTION III | FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no findings and questioned costs related to Federal awards.

## STATE COMPLIANCE

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

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Board of Directors  
Atlas Public Schools

We have examined Atlas Public Schools (the "School") compliance with the requirements of the Missouri laws and regulations regarding accurate disclosure of the School's records of average daily attendance and other statutory requirements as listed in the schedule of selected statistics for the year ended June 30, 2023. Management of the School is responsible for the School's compliance with the specified requirements. Our responsibility is to express an opinion on the School's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis of our opinion.

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

Our examination does not provide a legal determination on the School's compliance with specified requirements.

In our opinion, the School complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2023.

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

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
November 10, 2023

**Atlas Public Schools**  
**SCHEDULE OF SELECTED STATISTICS – UNAUDITED**  
**Year ended June 30, 2023**

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Entity Number: 115-933

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

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

School Code	Begin Grade	End Grade	Half Day Indicator	Standard		Days	Hours in Session
				Day Length			
6905	K	2	-	7.1666		153	1,096.5051

**2. Attendance Hours**

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

School Code	Grade Level	Full-Time	Part-Time	Remedial Hours	Other	Summer School	Total
6905	K-2	193,305.0471	-	-	-	13,671.2336	206,976.2807

**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.

School Code	Grade Level				Total
		Full-Time	Part-Time	Other	
6905	K-2	205.00	-	-	205.00

**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.

School Code	Free Lunch	Reduced Lunch	Deseg In		Total
			Free	Reduced	
6905	196.00	-	N/A	N/A	196.00

**Atlas Public Schools**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**

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**5. Finance**

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.	<u>TRUE</u>
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:	
	Academic Programs Off-Campus	<u>N/A</u>
	Career Exploration Program – Off Campus	<u>N/A</u>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<u>N/A</u>
	Dual enrollment	<u>N/A</u>
	Homebound instruction	<u>N/A</u>
	Missouri Options	<u>N/A</u>
	Prekindergarten eligible to be claimed for state aid	<u>N/A</u>
	Remediation	<u>N/A</u>
	Sheltered Workshop participation	<u>N/A</u>
	Students participating in the school flex program	<u>N/A</u>
	Traditional instruction (full and part-time students)	<u>TRUE</u>
	Virtual instruction (MOCAP or other option)	<u>N/A</u>
	Work Experience for Students with Disabilities	<u>N/A</u>
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.	<u>TRUE</u>
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.	<u>TRUE</u>
5.5	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:	<u>\$1,000,000</u>
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.	<u>TRUE</u>
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.	<u>N/A</u>

**Atlas Public Schools**  
**SCHEDULE OF SELECTED STATISTICS – UNAUDITED**  
**Year ended June 30, 2023**

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5.8	Salaries reported for educators in the October Core Data and Educator School files are supported by complete and accurate payroll and contract records.	<u>TRUE</u>
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 date for the projects to be undertaken.	<u>N/A</u>
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.	<u>TRUE</u>
5.11	The charter school has a professional development committee plan adopted by the Board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost.	<u>N/A</u>
5.12	The amount spent for approved professional development committee plan activities was:	<u>N/A</u>
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 school website, or other form of social media as required by Section 160.066, RSMo.	<u>TRUE</u>

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

Findings #: N/A

Management Letter Comment #: N/A

**6. Transportation** (Section 163.161, RSMo)

Atlas Public Schools did not participate in the transportation program during the year ended June 30, 2023.