



1815 E 63rd St  
Kansas City, MO 64130  
www.BrooksideCharter.org



Phone: 816-531-2192

Fax: 816-756-3055



## **BSDS, Inc dba Brookside Charter School**

### **AGENDA December 19, 2024 BCS District Office @ 5:30 pm**

1. Motion to accept the agenda
2. Approval of Board of Director minutes
3. Visitors Comments and Addressing Agenda Items
4. [Committee Report](#) for upcoming Month
5. Financial Committee Report – Ed-Ops
  - a) Ed-Ops Dashboard – **Need Board Approval**
  - b) Check Registry – **Need Board Approval**
  - c) Audit Report – **Need Board Approval**
6. Academic Committee Report – Ed-Ops
7. Superintendent’s Report – Roger Offield
  - a) Enrollment/Attendance
  - b) MCPSC Virtual Visit – January Board Meeting
  - c) APR – Annual Progress Report
  - d) Conflict of Interest Forms – **Need to be Signed by Board Members**
  - e) Expansion Update
    - a. 1800 E. Meyer Blvd Update
    - b. South Campus Ground Report
    - c. South Campus Expansion – **Need Board Approval**
    - d. South Campus Dotmocracy
8. Motion to adjourn
9. Motion for Closed Session

**Next Meeting - Thursday, January 30, 2025**

**Posted 12/18/2024  
Front Lobby, Website, and District Calendar**



1815 E 63rd St  
Kansas City, MO 64130  
www.BrooksideCharter.org



Phone: 816-531-2192

Fax: 816-756-3055



## Attending Meetings of the Board of Director

Visitors are welcome to attend the open sessions of the meeting of the Board of Directors. Members of the Board of Directors and Brookside Administration are the participants during these meetings.

## Procedures for Petitioning the Board of Directors

1. If the issue/concern involves the classroom, meet with your child's teacher. If the problem is not resolved, contact the Administration.
2. If the issue/concern involves the daily operation of the school, contact the Administration.
3. If the issue/concern involves school policy (Family Handbook), contact the Board of Directors following these procedures:
  - a. Submit a one-page brief of the issue. Briefs to the Board of should be sent to Brookside Charter School.
  - b. The Board of Directors will respond. Responses could be inclusion on the agenda for a Board of Director's meeting, or a written reply, or a referral to the Administration.
4. Guidelines for Speaking at a Board Meeting
  - a. Visitor's Comments

Each regular business meeting opens with an opportunity for visitors to make comments to the board. Persons who wish to address any subject concerning education may do so at this time. The board president will call the meeting to order and then ask for comments from the audience. Patrons are asked to keep their remarks concise. This portion of the meeting shall not exceed one-half hour and those addressing the board are asked to limit their remarks.

### b. Addressing Agenda Items

A person wishing to address an item on the official agenda during the business portion of the meeting must complete a request form, these forms are located as you enter the board room. The form is to be completed and returned to the Board Secretary/Clerk prior to the start of the meeting. Persons may speak only once on an agenda item and for no more than three minutes without consent of the board. In the event board members agree that the normal flow of business is being unnecessarily delayed, they may, by majority vote, waive public participation.

The above information is part of the Family Handbook. Families are given a copy of the Family Handbook.



1815 E 63rd St  
Kansas City, MO 64130  
www.BrooksideCharter.org



Phone: 816-531-2192

Fax: 816-756-3055



## **BSDS, Inc dba Brookside Charter School**

**MINUTES**  
**November 21, 2024**  
**5:30 pm**

### **VIRTUAL ONLY**

<https://us02web.zoom.us/j/82127625843>

**Directors Present:** Vicki Miller, Jason LaSalle, Dr. Eric Sipes, Tiffany Price, Dr. Kerry Dixon, Kiva Dennis **Directors Absent:** None **Guests Present:** Roger Offield, Kelly Sales, Jamie Berry, Kirstie Smith, Chris Lorea, Anthony Sims

1. Opening Items
  - a) Record Attendance and Guests
  - b) Call the Meeting to Order
    - i. Roger Offield called the meeting of the board of directors of Brookside Charter School to order on Thursday, November 21st at 5:30pm.
2. Motion to accept the agenda
  - a) Vicki Miller motioned to accept the agenda.
  - b) Dr. Kerry Dixon seconded the motion
  - c) The board voted to approve the motion - Approved
3. Approval of Board of Director minutes
  - a) Vicki Miller motioned to approve the minutes from the Brookside Charter School board of directors meeting on Thursday, October 25, 2024
  - b) Jason LaSalle seconded the motion
  - c) The board voted to approve the motion - Approved
4. Visitors Comments and Addressing Agenda Items
  - a) None
5. Committee Report for the upcoming month
  - a) Unable to share (technology issue) but posted to the website.
6. Financial Committee Report – EdOps
  - a) **Ed-Ops Dashboard - Need Board Approval**
    - i. Jamie Berry reviewed the month's financial status. Providing information on revenue, expenses, days of cash and changes expected from state aid.

**Posted 11/20/2024**  
**Front Lobby, Website, and District Calendar**



Provided in board packet.

- ii. Vicki Miller motioned to approve the EdOps Dashboard as presented.
- iii. Dr. Kerry Dixon seconded the motion.
- iv. The board voted to approve the motion – Approved

**b) Check Registry – Need Board Approval**

- i. Jamie Berry reviewed the month's check registry.
- ii. Jason LaSalle motioned to approve the EdOps Dashboard as presented.
- iii. Kiva Dennis seconded the motion.
- iv. The board voted to approve the motion – Approved

7. Academic Committee Report – Ed-Ops

- a) Chris Lorea shared and Academic Committee Report including information on Reading Success Plans and ELA Interventions.

8. Superintendent's Report – Roger Offield

a) Enrollment/Attendance

- a. 801 students enrolled, 94% attendance

b) Expansion Update

a. Purchase Properties – **Need Board Approval**

- i. Roger Offield reviewed the Corporate Certificate drafted by BCS's real estate attorney which outlines the expansion properties and authorizes the school superintendent to act on behalf of the school in entering in these agreements.
- ii. Jason LaSalle motioned to approve the document as presented.
- iii. Kiva Dennis seconded the motion.
- iv. The board voted to approve the motion - Approved

b. Country Club Bank Options (Gap Loan) – **Need Board Approval**

- i. Roger Offield reviewed the Corporate Certificate drafted by BCS's real estate attorney which outlines the GAP Financing through Country Club Bank and authorizes the school superintendent to act on behalf of the school in



entering in these agreements.

- ii. Kiva Dennis motioned to approve the document as presented.
- iii. Vicki Miller seconded the motion.
- iv. The board voted to approve the motion - Approved

9. Motion to adjourn

- a) Dr. Kerry Dixon motioned to adjourn.
- b) Vicki Miller seconded the motion.
- c) The board voted to approve the motion - Approved

**Next Meeting - Thursday, December 19, 2024**

## **Attending Meetings of the Board of Director**

Visitors are welcome to attend the open sessions of the meeting of the Board of Directors. Members of the Board of Directors and Brookside Administration are the participants during these meetings.

## **Procedures for Petitioning the Board of Directors**

1. If the issue/concern involves the classroom, meet with your child's teacher. If the problem is not resolved, contact the Administration.
2. If the issue/concern involves the daily operation of the school, contact the Administration.
3. If the issue/concern involves school policy (Family Handbook), contact the Board of Directors following these procedures:



1815 E 63rd St  
Kansas City, MO 64130  
www.BrooksideCharter.org



Phone: 816-531-2192

Fax: 816-756-3055



- a. Submit a one-page brief of the issue. Briefs to the Board of should be sent to Brookside Charter School.
  - b. The Board of Directors will respond. Responses could be inclusion on the agenda for a Board of Director's meeting, or a written reply, or a referral to the Administration.
4. Guidelines for Speaking at a Board Meeting
- a. Visitor's Comments

Each regular business meeting opens with an opportunity for visitors to make comments to the board. Persons who wish to address any subject concerning education may do so at this time. The board president will call the meeting to order and then ask for comments from the audience. Patrons are asked to keep their remarks concise. This portion of the meeting shall not exceed one-half hour and those addressing the board are asked to limit their remarks.

b. Addressing Agenda Items

A person wishing to address an item on the official agenda during the business portion of the meeting must complete a request form, these forms are located as you enter the board room. The form is to be completed and returned to the Board Secretary/Clerk prior to the start of the meeting. Persons may speak only once on an agenda item and for no more than three minutes without consent of the board. In the event board members agree that the normal flow of business is being unnecessarily delayed, they may, by majority vote, waive public participation.

The above information is part of the Family Handbook. Families are given a copy of the Family Handbook.



1815 E 63rd St  
Kansas City, MO 64130  
www.BrooksideCharter.org



Phone: 816-531-2192

Fax: 816-756-3055



## **BSDS, Inc dba Brookside Charter School**

### **BOARD COMMITTEE AGENDAS Join with ZOOM**

#### **Financial Committee Meeting**

Monday, January 27<sup>th</sup> @ 8:30am

- a) Ed-Ops Dashboard
- b) Check Registry

Next Meeting, Monday, February 24<sup>th</sup> @ 8:30am

#### **Governance Committee Meeting**

Tuesday, January 28<sup>th</sup> @ 3pm

- a) Proposed Agenda
- b) Expansion Updates

Next Meeting, Tuesday, February 25<sup>th</sup> @ 3pm

#### **Academic Committee Meeting**

Wednesday, January 22<sup>nd</sup> @ 4:15pm

- a) Ed-Ops Slide Deck
- b) Assessment Review/Update

Next Meeting, Wednesday, February 26<sup>th</sup> @ 4:15pm



# November 2024 Financials

PREPARED DEC'24 BY





- **Executive Summary**
- **Key Performance Indicators**
- **Cash Forecast**
- **Forecast Overview**
- **Monthly Financials**

- BCS closed November 2024 with a YE cash projection of \$ 6.67M, \$9k higher than budget. The Days of Cash projection is 156 days.
- Revenue
  - We've increased the DESE per ADA payment in our full year forecast from \$12,850 to \$13,000, raising our State revenue projection.
  - The DESE FY25 State reimbursement for transportation has also improved from the October financials.
- Expenses
  - Salaries/Benefits are higher than budgeted to cover SEL positions added via grant funding. (Additional revenue of \$300k also added to help offset these costs).

- **Expenses (Operating)**
  - **Salaries/Benefits are higher than budgeted to cover SEL positions added via grant funding. (Additional revenue of \$300k also added to help offset these costs).**
  - **Other expense categories are in line with budget. We have moved budget dollars from one category to cover where the DESE account coding for the items occurred. For example, we had a majority of our technology purchases budgeted in Office/Business expense. In fact, we made major student technology purchases, so funds have been moved from Office/Business expense to Student Expense, Direct to cover these purchases.**

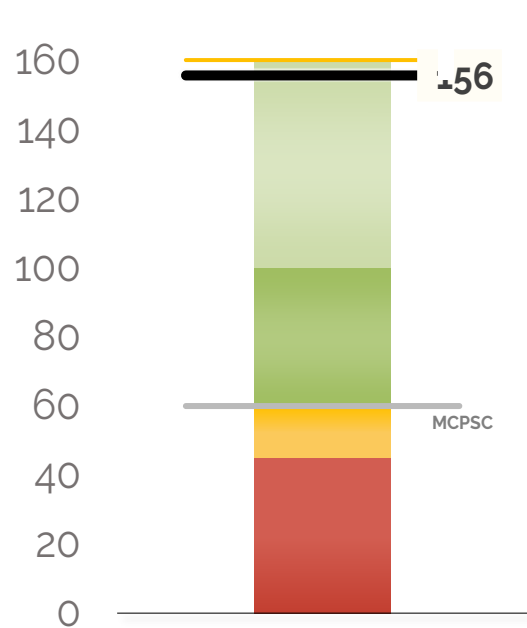
- **Expenses (Capital)**
  - **Facility improvements/investments are currently at \$1,026,523. Those costs cover**
    - **Security equipment (radios)**
    - **STEAM Lab final expenses from Turner Construction and for furniture (billed in FY24 but paid in FY25)**
    - **Environmental surveying**
    - **Cabling**
    - **Fencing**
    - **Flooring**

- **Expenses (Capital)**
  - **Facility improvements/investments are currently at \$1,026,523. Those costs cover**
    - **Security equipment (radios)**
    - **STEAM Lab final expenses from Turner Construction and for furniture (billed in FY24 but paid in FY25)**
    - **Environmental surveying**
    - **Cabling**
    - **Fencing**
    - **Flooring**

- **Net Income**
  - From an operating perspective, BCS's net income outlook has improved from a YE budget of \$573,850 to a forecast of \$667,932.
  - When considering capital spending, the YE net income outlook is \$246,572 vs. a budget of \$265,258.
- **Audit**
  - At our 12/16/24 Finance Committee meeting, Clark Hanner from Marr & Company will be presenting the FY24 audit. The draft audit will be sent to the Finance Committee for review prior to the meeting.
  - The Finance Committee will take forward their recommendation to approve the FY24 budget at the 12/19/24 Board meeting.

## Days of Cash

Cash balance at year-end divided by average daily expenses

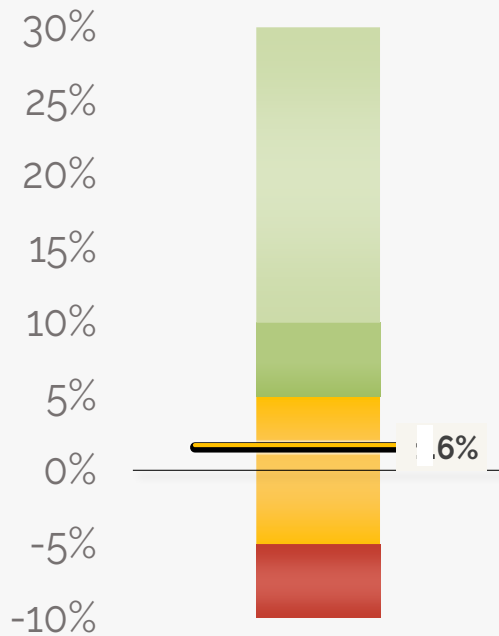


### 156 DAYS OF CASH AT YEAR'S END

The school will end the year with 156 days of cash. This is above the recommended 60 days, and 10 more day(s) than last month

## Gross Margin

Revenue less expenses, divided by revenue

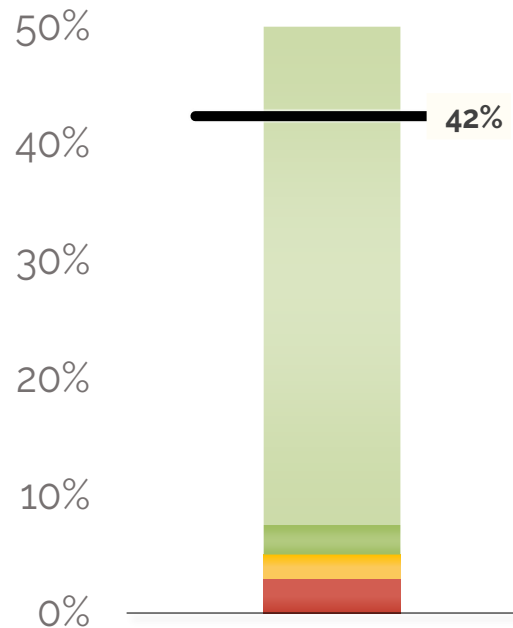


### 1.6% GROSS MARGIN

The forecasted net income is \$247k, which is \$19k below the budget. It yields a 1.6% gross margin.

## Fund Balance %

Forecasted Ending Fund Balance / Total Expenses

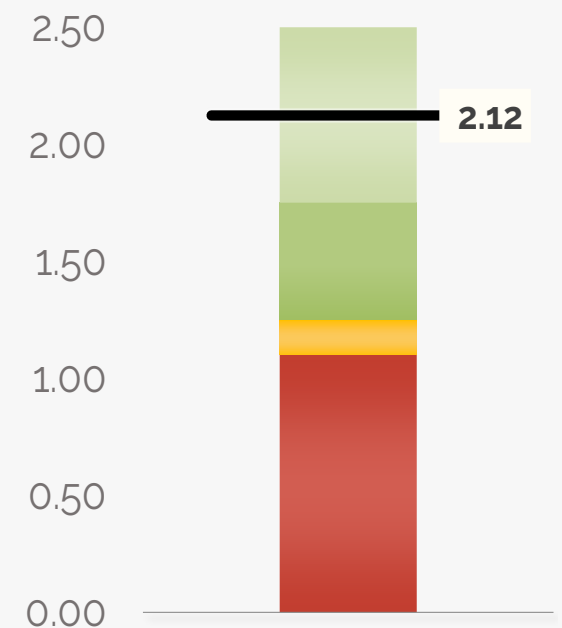


### 42.36% AT YEAR'S END

The school is projected to end the year with a fund balance of \$6,625,427. Last year's fund balance was \$6,378,855.

## DSCR

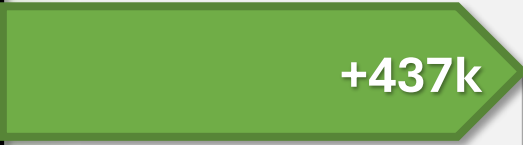




Amount of cash flow available to meet annual interest and principal payments on debt



### DSCR IS 2.12

Debt Service Coverage Ratio is defined by the school's bank covenants.

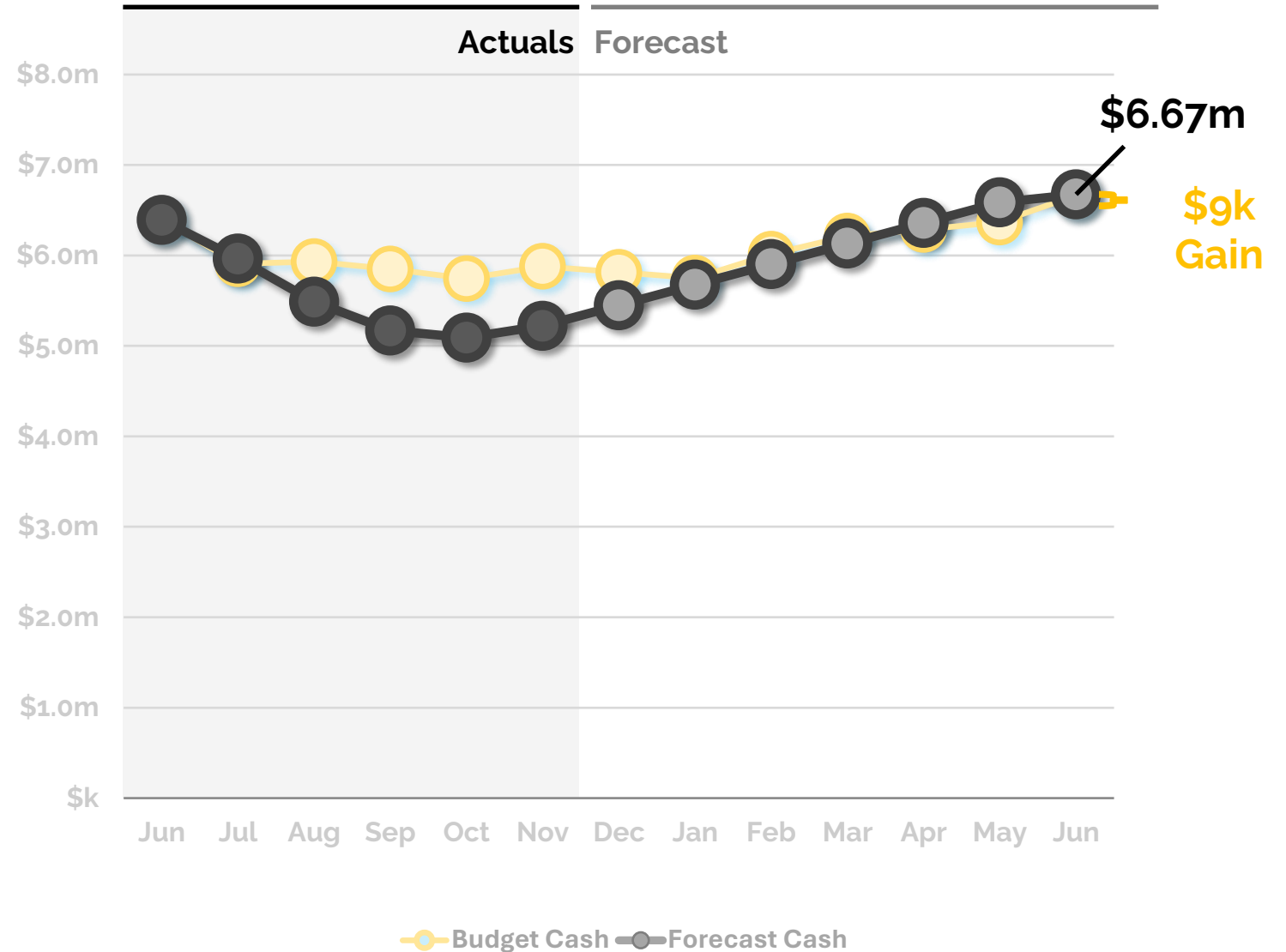
# Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15.9m	\$15.5m	<b>\$437k</b>	 +437k	Increased grant revenue (\$300k) vs budget; improved DESE per ADA payment vs. budget
Expenses	\$15.6m	\$15.2m	<b>-\$455k</b>	 -455k	Salaries/benefits for SEL positions covered by new grant (see above)
<b>Net Income</b>	<b>\$247k</b>	<b>\$265k</b>	<b>-\$19k</b>	 -19k	
Cash Flow Adjustments	\$34k	0	<b>\$34k</b>	 +34k	
<b>Change in Cash</b>	<b>\$281k</b>	<b>\$265k</b>	<b>\$16k</b>	 +16k	



## 156 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$6.7m**, **\$9k** above budget.



	Year-To-Date			Annual Forecast				
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining	Rem %
<b>Revenue</b>								
Local Revenue	678,423	594,521	83,902	1,386,483	1,386,483	0	708,060	51%
State Revenue	5,220,763	4,640,030	580,733	12,215,526	12,158,745	56,781	6,994,763	57%
Federal Revenue	162,904	397,202	(234,298)	1,316,376	1,242,086	74,289	1,153,472	88%
Private Grants and Donations	167,302	70,000	97,302	650,000	350,000	300,000	482,698	74%
Earned Fees	112,800	106,167	6,633	320,674	315,000	5,674	207,875	65%
<b>Total Revenue</b>	<b>6,342,192</b>	<b>5,807,919</b>	<b>534,273</b>	<b>15,889,059</b>	<b>15,452,314</b>	<b>436,745</b>	<b>9,546,867</b>	<b>1</b>
<b>Expenses</b>								
Salaries	3,686,982	3,600,469	(86,513)	8,991,756	8,641,126	(350,630)	5,304,773	59%
Benefits and Taxes	1,065,729	1,001,021	(64,708)	2,522,500	2,402,451	(120,050)	1,456,771	58%
Staff-Related Costs	93,963	57,971	(35,991)	139,131	139,131	0	45,168	32%
Rent	77,463	74,167	(3,296)	178,000	178,000	0	100,537	56%
Occupancy Service	232,296	273,313	41,016	629,720	655,950	26,230	397,424	63%
Student Expense, Direct	496,650	355,861	(140,789)	1,018,915	854,066	(164,849)	522,265	51%
Student Expense, Food	109,914	119,583	9,670	287,000	287,000	(0)	177,086	62%
Office & Business Expense	482,424	603,538	121,113	1,181,855	1,448,490	266,635	699,430	59%
Transportation	55,474	113,438	57,963	272,250	272,250	(0)	216,776	80%
Total Ordinary Expenses	6,300,896	6,199,360	(101,536)	15,221,127	14,878,464	(342,663)	8,920,232	59%
Interest	212,517	128,580	(83,937)	308,592	308,592	0	96,075	31%
Facility Improvements	1,026,523	-	(1,026,523)	112,768	-	(112,768)	(913,755)	-810%
Total Extraordinary Expenses	1,239,039	128,580	(1,110,459)	421,360	308,592	(112,768)	(817,680)	-194%
<b>Total Expenses</b>	<b>7,539,935</b>	<b>6,327,940</b>	<b>(1,211,995)</b>	<b>15,642,487</b>	<b>15,187,056</b>	<b>(455,431)</b>	<b>8,102,552</b>	<b>2</b>
<b>Net Income</b>	<b>(1,197,743)</b>	<b>(520,021)</b>	<b>(677,723)</b>	<b>246,572</b>	<b>265,258</b>	<b>(18,686)</b>	<b>1,444,315</b>	<b>3</b>
<b>Cash Flow Adjustments</b>	<b>26,958</b>	<b>-</b>	<b>26,958</b>	<b>34,400</b>	<b>-</b>	<b>34,400</b>	<b>7,443</b>	<b>4</b>
<b>Change in Cash</b>	<b>(1,170,786)</b>	<b>(520,021)</b>	<b>(650,765)</b>	<b>280,972</b>	<b>265,258</b>	<b>15,714</b>	<b>1,451,758</b>	<b>5</b>

**1 REVENUE: \$437K AHEAD**

Grant revenue + DESE per ADA increase vs. budget

**2 EXPENSES: \$455K BEHIND**

New positions covered by grant revenue (see above)

**3 NET INCOME: \$19K behind**

**4 CASH ADJ:\$34K AHEAD**

**5 NET CHANGE IN CASH: \$16K AHEAD**

# Monthly Financials

Income Statement	Actual					Forecast							TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<b>Revenue</b>													
Local Revenue	168,663	141,343	114,397	107,845	146,175	101,151	101,151	101,151	101,151	101,151	101,151	101,151	1,386,483
State Revenue	909,464	921,262	960,474	1,390,670	1,038,893	999,252	999,252	999,252	999,252	999,252	999,252	999,252	12,215,526
Federal Revenue	23,159	0	83,552	0	56,193	164,782	164,782	164,782	164,782	164,782	164,782	164,782	1,316,376
Private Grants and Donations	333	4,300	18,886	21,152	122,630	68,957	68,957	68,957	68,957	68,957	68,957	68,957	650,000
Earned Fees	6,413	1,053	47,551	22,836	34,946	29,696	29,696	29,696	29,696	29,696	29,696	29,696	320,674
<b>Total Revenue</b>	<b>1,108,032</b>	<b>1,067,958</b>	<b>1,224,860</b>	<b>1,542,504</b>	<b>1,398,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>1,363,838</b>	<b>15,889,059</b>
<b>Expenses</b>													
Salaries	699,529	724,661	748,615	763,984	750,194	739,253	739,253	739,253	739,253	739,253	739,253	869,253	8,991,756
Benefits and Taxes	190,712	245,967	199,733	224,986	204,332	206,689	206,689	206,689	206,689	206,689	206,689	216,634	2,522,500
Staff-Related Costs	48,828	10,294	9,831	15,586	9,425	6,453	6,453	6,453	6,453	6,453	6,453	6,453	139,131
Rent	6,263	12,000	7,800	37,600	13,800	14,362	14,362	14,362	14,362	14,362	14,362	14,362	178,000
Occupancy Service	42,392	40,153	46,762	35,185	67,805	56,775	56,775	56,775	56,775	56,775	56,775	56,775	629,720
Student Expense, Direct	28,776	55,402	132,386	211,583	68,504	74,609	74,609	74,609	74,609	74,609	74,609	74,609	1,018,915
Student Expense, Food	0	6,636	30,196	36,616	36,466	25,298	25,298	25,298	25,298	25,298	25,298	25,298	287,000
Office & Business Expense	57,290	210,193	88,744	65,687	60,510	99,919	99,919	99,919	99,919	99,919	99,919	99,919	1,181,855
Transportation	756	11,519	7,200	16,285	19,714	30,968	30,968	30,968	30,968	30,968	30,968	30,968	272,250
Total Ordinary Expenses	1,074,546	1,316,824	1,271,266	1,407,510	1,230,749	1,254,327	1,254,327	1,254,327	1,254,327	1,254,327	1,254,327	1,394,272	15,221,127
Operating Income	33,485	-248,866	-46,406	134,994	168,089	109,512	109,512	109,512	109,512	109,512	109,512	-30,433	667,932
<b>Extraordinary Expenses</b>													
Interest	51,432	83,937	25,716	25,716	25,716	13,725	13,725	13,725	13,725	13,725	13,725	13,725	308,592
Facility Improvements	357,479	174,478	370,449	112,018	12,099	-130,536	-130,536	-130,536	-130,536	-130,536	-130,536	-130,536	112,768
Total Extraordinary Expenses	408,911	258,415	396,165	137,734	37,815	-116,811	-116,811	-116,811	-116,811	-116,811	-116,811	-116,811	421,360
<b>Total Expenses</b>	<b>1,483,458</b>	<b>1,575,238</b>	<b>1,667,431</b>	<b>1,545,244</b>	<b>1,268,564</b>	<b>1,137,515</b>	<b>1,137,515</b>	<b>1,137,515</b>	<b>1,137,515</b>	<b>1,137,515</b>	<b>1,137,515</b>	<b>1,277,460</b>	<b>15,642,487</b>
<b>Net Income</b>	<b>-375,426</b>	<b>-507,281</b>	<b>-442,571</b>	<b>-2,740</b>	<b>130,274</b>	<b>226,323</b>	<b>226,323</b>	<b>226,323</b>	<b>226,323</b>	<b>226,323</b>	<b>226,323</b>	<b>86,378</b>	<b>246,572</b>
Cash Flow Adjustments	-52,080	31,052	123,704	-76,279	562	1,063	1,063	1,063	1,063	1,063	1,063	1,063	34,400
<b>Change in Cash</b>	<b>-427,506</b>	<b>-476,229</b>	<b>-318,867</b>	<b>-79,019</b>	<b>130,836</b>	<b>227,386</b>	<b>227,386</b>	<b>227,386</b>	<b>227,386</b>	<b>227,386</b>	<b>227,386</b>	<b>87,441</b>	<b>280,972</b>
Ending Cash	5,965,176	5,488,947	5,170,080	5,091,061	5,221,897	5,449,283	5,676,669	5,904,055	6,131,441	6,358,827	6,586,214	6,673,655	

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
<b>Assets</b>			
Current Assets			
Cash	6,392,683	5,221,897	6,673,655
Accounts Receivable	308,795	187,465	188,932
Other Current Assets	62,742	0	0
Total Current Assets	6,764,220	5,409,362	6,862,587
<b>Total Assets</b>	<b>6,764,220</b>	<b>5,409,362</b>	<b>6,862,587</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Current Liabilities			
Other Current Liabilities	0	-4,001	-1,092
Accounts Payable	153,114	0	6,000
Total Current Liabilities	153,114	-4,001	4,908
Total Long-Term Liabilities	0	0	
<b>Total Liabilities</b>	<b>153,114</b>	<b>-4,001</b>	<b>4,908</b>
<b>Equity</b>			
Unrestricted Net Assets	6,611,107	6,611,107	6,611,107
Net Income	0	-1,197,743	246,572
<b>Total Equity</b>	<b>6,611,107</b>	<b>5,413,363</b>	<b>6,857,678</b>
<b>Total Liabilities and Equity</b>	<b>6,764,220</b>	<b>5,409,362</b>	<b>6,862,587</b>



# QUESTIONS?

Please contact your EdOps Finance Team:

Jamie Berry

[jamie@ed-ops.com](mailto:jamie@ed-ops.com)

816.444.1530

© EdOps 2017-2025

**Check Register by Type**

<b>Payee Type: Vendor</b>		<b>Check Type: Automatic Payment</b>			<b>Checking Account ID: 6</b>			
<u>Check Number</u>	<u>Check Date</u>	<u>Cleared</u>	<u>Void</u>	<u>Void Date</u>	<u>Entity ID</u>	<u>Entity Name</u>	<u>Check Amount</u>	
1523	11/27/2024	X			NAZARENE	Nazarene Theological Seminary	13,800.00	
1524	11/27/2024	X			APPFOLIO	AppFolio, Inc. WEB PMTS	4.98	
1525	11/21/2024	X			ATT1	AT&T	204.63	
1526	11/01/2024	X			BANKCARD	BANKCARD	10.00	
1527	11/20/2024	X			DEFFENBAUG	DEFFENBAUGH INDUSTRIES	1,247.63	
1528	11/20/2024	X			TOSHIBALEA	TOSHIBA FINANCIAL SERVICES	4,159.66	
1529	11/21/2024	X			KANSASCIT	KANSAS CITY POWER & LIGHT	9,029.20	
1530	11/21/2024	X			KCWATER	KC WATER SERVICES	2,498.02	
1531	11/29/2024	X			AFLAC	AFLAC	7,871.75	
1532	11/20/2024	X			C&CPRODUCE	C&C PRODUCE	1,086.25	
1533	11/04/2024	X			KLEINSOLO	Klein Solomon PLLC	2,000.00	
1534	11/07/2024	X			COUNTRYCBA	Country Club Bank	185.30	
1535	11/21/2024	X			SHELLGAS	CC - Shell Gas	4,769.54	
1536	11/21/2024	X			SPIRE	SPIRE FIRSTECH 240223	212.55	
1546	11/27/2024	X			COUNTRYCCC	Country Club Bank Credit Card	36,336.79	
1559	11/27/2024	X			UNITEDHEAL	United Health Care	1,517.18	
1560	11/27/2024	X			UNITEDHEAL	United Health Care	77,338.82	
1561	11/04/2024	X			MODIVEMPLO	MO DIV EMPLOYMENT SECURITY	5,483.37	
1562	11/06/2024	X			COUNTRYCCC	Country Club Bank Credit Card	246.00	
Checking Account ID: 6					Void Total:	0.00	Total without Voids:	168,001.67
Check Type Total:		Automatic Payment			Void Total:	0.00	Total without Voids:	168,001.67

<b>Payee Type: Vendor</b>		<b>Check Type: Check</b>			<b>Checking Account ID: 6</b>		
<u>Check Number</u>	<u>Check Date</u>	<u>Cleared</u>	<u>Void</u>	<u>Void Date</u>	<u>Entity ID</u>	<u>Entity Name</u>	<u>Check Amount</u>
6645	11/07/2024	X			GREIJOE	Joseph GREIM	1,024.70
6646	11/14/2024				SALES	KELLY SALES	199.04
6647	11/14/2024	X			TUCKVAL	VALERIE TUCKER	4,750.00
6651	11/15/2024	X			TAYLASH	Ashanti Taylor	130.56
84236082	11/12/2024	X			TRUCKUP	TRUCKUP	535.00
84236083	11/12/2024	X			CENTERFOR	Center for Conflict Resolution	2,520.00
84236084	11/12/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	17.50
84236085	11/12/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	170.05
84236086	11/12/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	607.07
84236087	11/12/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	396.70
84236088	11/12/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	495.39
84236089	11/12/2024	X			FOLLETTCON	FOLLETT CONTENT SOLUTIONS LLC	682.77
84236090	11/12/2024	X			TECHPROTEC	TechProtectus	10,838.00
84236091	11/12/2024	X			DESIGN	DESIGN MECHANICAL, INC.	8,543.00
84236092	11/12/2024	X			SPEC	SPEC - Micah Blosser	500.00
84236093	11/12/2024	X			GKCOA	Greater Kansas City Officials Association	745.00
84236094	11/12/2024	X			TOSHIBASUP	TOSHIBA BUSINESS SOLUTIONS	151.73
84236095	11/12/2024	X			GREATMINDS	GREATMINDS	1,545.00
84236361	11/12/2024	X			STAPLES	STAPLES ADVANTAGE	2,368.42
84236362	11/12/2024	X			STAPLES	STAPLES ADVANTAGE	113.29
84236448	11/12/2024	X			HILLYARDKA	HILLYARD/ KANSAS CITY	413.79
84236449	11/12/2024	X			HOMEDEPOT	HOME DEPOT CARD SERVICES	1,362.78
84236450	11/12/2024	X			KCMOHEALTH	KCMO CITY TREASURER - HEALTH	450.00
84236451	11/12/2024	X			REINHARTFO	REINHART FOOD SERVICES, LLC	2,888.38
84236452	11/12/2024	X			K12ITC	k12 ITC, Inc	1,243.17
84236453	11/12/2024	X			ZEARN	ZEARN	2,500.00
84236454	11/12/2024	X			SUNNYSIDE	SUNNYSIDE DAIRY, LLC	3,868.55
84236455	11/12/2024	X			AMAZONCOM	SYNCB/AMAZON	1,301.52
84236670	11/12/2024	X			STEAMRENAI	STEAM Renaissance	3,333.00
84377655	11/21/2024	X			UNIVMO	UNIVERSITY OF MISSOURI	150.00
84377656	11/21/2024	X			VITALRECOR	Vital Records Control	191.90
84377657	11/21/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	160.74
84377658	11/21/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	671.73
84377841	11/21/2024	X			ATT1	AT&T	1,044.63
84377842	11/21/2024	X			CURRICULLC	Curriculum Associates LLC	14,140.00

Payee Type: Vendor		Check Type: Check			Checking Account ID: 6		
Check Number	Check Date	Cleared	Void	Void Date	Entity ID	Entity Name	Check Amount
84377843	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	2,938.85
84377844	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	3,285.71
84377845	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	1,336.46
84377846	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	161.88
84377847	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	55.28
84377848	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	2,276.72
84377849	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	2,888.61
84377850	11/21/2024	X			STAPLES	STAPLES ADVANTAGE	3,627.90
84377930	11/21/2024	X			JADE	JADE ALARM CO., INC.	40.00
84377931	11/21/2024	X			REINHARTFO	REINHART FOOD SERVICES, LLC	8,370.96
84378073	11/21/2024	X			PAYPOOL2	Paypool LLC	435.49
84378074	11/21/2024	X			HILLJUD	JUDITH HILL	5,100.00
84378075	11/21/2024	X			TURNERC	TURNER CONSTRUCTION COMPANY	12,098.81
84416621	11/29/2024	X			KLEINSOLO	Klein Solomon PLLC	1,789.30
84416622	11/29/2024	X			BUTTERBALL	Butterball LLC	495.40
84416623	11/29/2024	X			VITALRECOR	Vital Records Control	217.90
84416624	11/29/2024	X			VITALRECOR	Vital Records Control	191.90
84416625	11/29/2024	X			BUTTERBALL	Butterball LLC	496.86
84416626	11/29/2024	X			NARDONE	Nardone	909.00
84416627	11/29/2024	X			CHROMEBOOK	CC - Chromebook Pars	319.60
84416628	11/29/2024	X			UMB	UMB BANK	2,000.00
84416629	11/29/2024	X			DESIGN	DESIGN MECHANICAL, INC.	675.00
84416630	11/29/2024	X			DESIGN	DESIGN MECHANICAL, INC.	5,105.00
84416631	11/29/2024	X			SPEC	SPEC - Micah Blosser	500.00
84416632	11/29/2024	X			BLUEMARK	BlueMark Energy, LLC	356.43
84416633	11/29/2024	X			DESIGN	DESIGN MECHANICAL, INC.	5,105.00
84416634	11/29/2024	X			TOSHIBASUP	TOSHIBA BUSINESS SOLUTIONS	134.90
84416635	11/29/2024	X			TOSHIBASUP	TOSHIBA BUSINESS SOLUTIONS	105.00
84416636	11/29/2024	X			TOSHIBASUP	TOSHIBA BUSINESS SOLUTIONS	30.00
84416637	11/29/2024	X			CUMPYS	Angela Romano; ASI Designs, LLC dba/Cumpy's	1,837.00
84416638	11/29/2024	X			TOSHIBASUP	TOSHIBA BUSINESS SOLUTIONS	13,618.50
84416639	11/29/2024	X			DESIGN	DESIGN MECHANICAL, INC.	2,703.24
84416640	11/29/2024	X			CENTERFOR	Center for Conflict Resolution	4,200.00
84416641	11/29/2024	X			TMOBILE	T-MOBILE	4,866.70
84416642	11/29/2024	X			MIDWAYFORD	CC - MIDWAY FORD TRUCK CENTER, INC.	4,830.35
84416945	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	146.00
84416946	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	115.00
84416947	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	95.00
84416948	11/29/2024	X			SCHOLASTI4	SCHOLASTIC BOOK FAIRS-08	312.55
84416949	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	450.00
84416950	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	295.00
84416951	11/29/2024	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT SERVICES, INC	225.00
84417120	11/29/2024	X			PILGRIM	Pilgrim	1,093.86
84417121	11/29/2024	X			CARTERB	CARTER BROADCAST GROUP, INC	2,000.00
84417122	11/29/2024	X			JADE	JADE ALARM CO., INC.	417.65
84417123	11/29/2024	X			KCMOPUBLI	KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM	238.00
84417124	11/29/2024	X			NATIONALF	NATIONAL FOOD GROUP, INC	1,664.00
84417125	11/29/2024	X			NUE	NUESYNERGY, INC	333.00
84417126	11/29/2024	X			SCHOOLL	SCHOOL LUNCH SOLUTIONS	4,924.12
84417127	11/29/2024	X			JTM	JTM PROVISIONS CO., INC	2,976.37
84417128	11/29/2024	X			HILLYARDKA	HILLYARD/ KANSAS CITY	1,599.24
84417129	11/29/2024	X			SUNNYSIDE	SUNNYSIDE DAIRY, LLC	3,014.60
84417130	11/29/2024	X			K12ITC	k12 ITC, Inc	14,776.23

**Check Register by Type**

<b>Payee Type: Vendor</b>		<b>Check Type: Check</b>			<b>Checking Account ID: 6</b>		
<u>Check Number</u>	<u>Check Date</u>	<u>Cleared</u>	<u>Void</u>	<u>Void Date</u>	<u>Entity ID</u>	<u>Entity Name</u>	<u>Check Amount</u>
84417131	11/29/2024	X			REINHARTFO	REINHART FOOD SERVICES, LLC	4,677.97
84417132	11/29/2024	X			AMAZONCOM	SYNCB/AMAZON	4,070.07
84417338	11/29/2024	X			STEAMRENAI	STEAM Renaissance	3,333.00
84417339	11/29/2024	X			21STCENTUR	21st Century Therapy, P.C.	4,522.25
84417340	11/29/2024	X			EDOPS	EDOPS	16,233.34
Checking Account ID: 6					Void Total:	0.00	Total without Voids: 230,669.41
Check Type Total: Check					Void Total:	0.00	Total without Voids: 230,669.41
Payee Type Total: Vendor					Void Total:	0.00	Total without Voids: 398,671.08
Grand Total:					Void Total:	0.00	Total without Voids: 398,671.08



Draft  
12/13/24

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**  
**Kansas City, Missouri**

**FINANCIAL STATEMENTS**  
**with**  
**INDEPENDENT AUDITOR'S REPORT**

**June 30, 2024**

**TABLE OF CONTENTS**

PAGE

12/13/24

Independent Auditor’s Report .....	1-3
<b>FINANCIAL STATEMENTS:</b>	
Statement of Financial Position .....	4
Statement of Activities .....	5
Statement of Functional Expenses .....	6
Statement of Cash Flows .....	7
Notes to Financial Statements .....	8-19
<b>SUPPLEMENTARY INFORMATION:</b>	
Balance Sheet – By Fund .....	21
Statement of Revenue, Expenditures and Changes in Fund Balances – By Fund .....	22
Schedule of Revenue Collected by Source – By Fund .....	23
Schedule of Expenditures Paid by Object – By Fund .....	24
Schedule of Expenditures of Federal Awards .....	25
Notes to Schedule of Expenditures of Federal Awards .....	26
<b>INTERNAL CONTROL AND COMPLIANCE:</b>	
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 <i>Government Auditing Standards</i> .....	28-29
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	30-32
Schedule of Findings and Questioned Costs .....	33
Independent Accountant’s Report on Management’s Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations .....	34
Schedule of Selected Statistics .....	35-39
Schedule of State Findings .....	40

**INDEPENDENT AUDITOR’S REPORT**

To the Board of Directors of  
BSDS, Inc.  
d/b/a Brookside Charter School  
Kansas City, Missouri

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of the BSDS, Inc. d/b/a Brookside Charter School (a nonprofit organization) (the “School”), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of BSDS, Inc. as of June 30, 2024, and changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate 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 within one year after the date that the financial statements are available to be issued.

Board of Directors  
BSDS, Inc. d/b/a Brookside Charter School  
Kansas City, Missouri

***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  
BSDS, Inc. d/b/a Brookside Charter School  
Kansas City, 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 and 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*, as listed in the table of contents from pages 21-26 are presented for purposes of additional analysis and are 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 supplementary schedules and the schedule of expenditures of federal awards are 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 XX, 2024, on our consideration of the 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 the 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.

Kansas City, Missouri  
December XX, 2024

Marr and Company, P.C.  
Certified Public Accountants

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

STATEMENT OF FINANCIAL POSITION  
June 30, 2024

Draft  
12/13/24

**ASSETS**

Cash and cash equivalents	\$ 6,392,683
State funding receivable	46,205
Federal grant receivable	254,684
Other receivable	7,906
Prepaid expenses	62,742
Operating lease right-of-use asset	178,090
Capital assets, net of accumulated depreciation	<u>11,334,271</u>
 Total Assets	 \$ <u>18,276,581</u>

**LIABILITIES AND NET ASSETS**

Liabilities:	
Accounts payable	\$ 500,593
Operating lease liability	178,090
Financed equipment purchase	710,624
Long-term note payable	<u>4,979,790</u>
Total Liabilities	6,369,097
 Net Assets:	
Without donor restrictions	11,852,656
With donor restrictions	<u>54,828</u>
Total Net Assets	<u>11,907,484</u>
 Total Liabilities and Net Assets	 \$ <u>18,276,581</u>

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

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

Draft  
12/13/24

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b><u>SUPPORT, REVENUE &amp; OTHER INCOME:</u></b>			
Contributions and donations	\$ 193,625	\$ 18,599	\$ 212,224
State aid receipts	9,458,679	0	9,458,679
Federal grants and contracts	1,955,739	0	1,955,739
Sales tax (Proposition C)	1,233,232	0	1,233,232
Interest income	180,056	0	180,056
Student activities	12,738	0	12,738
Contracted pupil transportation	57,831	0	57,831
Other income	<u>136,586</u>	<u>0</u>	<u>136,586</u>
Total Support, Revenue & Other Income	13,228,486	18,599	13,247,085
<b><u>EXPENSES:</u></b>			
Program services	9,296,401	0	9,296,401
Supporting activities:			
General and administrative	3,445,548	0	3,445,548
Fundraising	<u>134,988</u>	<u>0</u>	<u>134,988</u>
Total Supporting activities	<u>3,580,536</u>	<u>0</u>	<u>3,580,536</u>
Total Expenses	12,876,937	0	12,876,937
Net assets released from restrictions	<u>64,671</u>	<u>(64,671)</u>	<u>0</u>
Change in Net Assets	416,220	(46,072)	370,148
Net Assets, Beginning of Year	<u>11,436,436</u>	<u>100,900</u>	<u>11,537,336</u>
Net Assets, End of Year	\$ <u>11,852,656</u>	\$ <u>54,828</u>	\$ <u>11,907,484</u>

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

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2024

	Supporting Activities			Total
	Program Services	General & Administrative	Fundraising	Supporting Activities
Salaries and wages	\$ 5,803,186	\$ 1,701,299	\$ 83,226	\$ 1,784,525
Retirement	652,619	190,978	9,987	200,965
Payroll taxes	427,772	123,476	6,336	129,812
Employee insurance	412,911	149,646	20,149	169,795
Worker's compensation insurance	0	17,202	0	17,202
Unemployment compensation	0	7,456	0	7,456
Other employee benefits	40,805	36,600	0	36,600
Professional and technical services	302,173	529,511	0	529,511
Property services	244,640	45,870	15,290	61,160
Transportation services (contracted)	73,131	1,016	0	1,016
Insurance	30,809	95,856	0	95,856
Communication	68,692	52,042	0	52,042
Dues and memberships	3,763	10,109	0	10,109
Other purchased services	14,970	0	0	0
General supplies	444,110	192,536	0	192,536
Books and periodicals	2,398	0	0	0
Food	257,969	0	0	0
Utilities, energy service	147,234	0	0	0
Capital outlay	4,203	0	0	0
Depreciation	165,871	291,951	0	291,951
Debt interest and fees	199,145	0	0	0
Total Expenses	<u>\$ 9,296,401</u>	<u>\$ 3,445,548</u>	<u>\$ 134,988</u>	<u>\$ 3,580,536</u>
				<u>\$ 12,876,937</u>

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



**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

Draft  
12/13/24

STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 370,148
Adjustments to reconcile change in net assets to net cash flows from operating activities –	
Depreciation	457,822
Amortization of loan fees	9,064
Changes in operating assets and liabilities:	
State Formula receivable	(46,205)
Federal grants receivable	565,458
Other receivables	8,436
Prepaid expenses	(21,177)
Accounts payable	306,995
Payroll withholdings	(63,565)
Refundable grant advance	<u>(20,628)</u>
Net cash flows from operating activities	1,566,348

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of capital assets	(1,507,887)
Net cash flows from investing activities	(1,507,887)

CASH FLOWS FROM FINANCING ACTIVITIES:

Principal payments on financed equipment and vehicles	(14,190)
Principal payments on long-term debt note payable	<u>(118,511)</u>
Net cash flows from financing activities	<u>(132,701)</u>

Net decrease in cash and cash equivalents	(74,240)
Cash and cash equivalents, beginning of year	<u>6,466,923</u>
Cash and cash equivalents, end of year	\$ <u><u>6,392,683</u></u>

NON-CASH INVESTING AND FINANCING ACTIVITIES:

Purchase of capital assets acquired through financing debt	\$ <u><u>695,965</u></u>
Right-of-use asset obtained in exchange for operating lease liability	\$ <u><u>181,309</u></u>

SUPPLEMENTAL DISCLOSURE:

Cash paid for interest	\$ <u><u>190,808</u></u>
------------------------	--------------------------

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

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

INDEX

NOTE 1: ORGANIZATION

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting
- B. Use of Estimates
- C. Cash and Cash Equivalents
- D. Concentrations of Credit and Market Risk
- E. State Formula Receivable and Liability Advance
- F. Accounts Receivable
- G. Capital Assets
- H. Leases
- I. Compensated Absences
- J. Net Assets
- K. Revenue and Revenue Recognition
- L. Functional Expenses
- M. Income Taxes
- N. Subsequent Events

NOTE 3: LIQUIDITY RESOURCE MANAGEMENT

NOTE 4: CAPITAL ASSETS

NOTE 5: FINANCED EQUIPMENT AND VEHICLES

NOTE 6: NOTES PAYABLE

NOTE 7: LEASES COMMITMENTS

NOTE 8: NET ASSETS WITH DONOR RESTRICTIONS

NOTE 9: RETIREMENT PLANS

NOTE 10: RISK MANAGEMENT

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 1: ORGANIZATION

BSDS, Inc. d/b/a Brookside Charter School (“School”) is a not-for-profit public benefit corporation incorporated as BSDS, Inc. in June 1999 and organized under Chapter 355, RSMo and governed by Senate Bill No. 781 of the 89th General Assembly of the Missouri legislature. BSDS, Inc. is a not-for-profit corporation whose purpose is to operate elementary and preschool public charter schools in the State of Missouri. The first school year operating as a charter school was 2002-2003. The School is exempt from most Missouri laws and statutes governing educational institutions. The aforementioned Senate Bill No. 781 governs it. The School is sponsored by Missouri Charter Public School Commission with a charter school contract and performance agreement effective November 1, 2018 for five school years beginning July 1, 2018 and ending June 30, 2023. The charter contract was renewed in April 2023 effective July 1, 2023 for five school years ending June 30, 2028. The mission of the School is to believe in their students and be committed to providing them with unlimited opportunities.

The School is a “Leader in Me School” that teaches and implements the 7 Habits to ensure students feel empowered in their daily lives. Students are critical thinkers that are not afraid of failure, because they learn from their strengths and weaknesses. The caring staff creates a safe environment where learning is student centered. Educators collaborate to deliver quality instruction that drives academic excellence. Families work side by side with staff to prepare leaders for today’s society.

Leader in Me School’s 7 Habits:

- 1) Instruction is student centered: Students are actively involved in constructing their own knowledge.
- 2) Instruction is data driven.
- 3) Instruction is literacy based.
- 4) Curriculum is based on standards.
- 5) Leadership is shared within a collaborative culture.
- 6) Families are valued as integral partners.
- 7) Self-discipline is fostered through non-punitive, student-centered strategies.

Approximately 80-90% of the School’s funding is provided from State and Federal funds received from the Missouri Department of Elementary and Secondary Education. Other support is provided through contributions and grant awards.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

C. Cash and Cash Equivalents

For the purpose of the statement of cash flows, the School defines its cash and equivalents to include cash in demand deposits and considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

D. Concentration of Credit and Market Risk

Financial instruments that potentially expose the School to concentrations of credit and market risk consist primarily of cash and cash equivalents. As of June 30, 2024, the School held \$6,018,635 with Country Club Bank in IntraFi Cash Service (ICS) accounts, which are fully secured by FDIC by placing funds in deposit accounts at FDIC-insured institutions, and \$39,600 in excess of federally insured limits. The School has not experienced any losses on such deposit accounts at the financial institution and believes it is not exposed to any significant credit risk on cash.

E. State Formula Receivable and Liability Advance

Basic formula funding from Missouri Department of Elementary and Secondary Education (“DESE”) received during the fiscal year is based on the reported average daily attendance (“ADA”) and weighted ADA. Following the completion of the school year, the School submits the final weighted ADA amounts to DESE, and the calculated total funding is compared to the aggregate amount received. A receivable or liability is reported on the statement of financial position depending on the calculation as of June 30<sup>th</sup>. As of June 30, 2024, the receivable balance was \$46,205.

F. Accounts Receivable

Accounts receivable considered uncollectible are charged against the allowance account in the year they are deemed uncollectible. The amount considered uncollectible as of June 30, 2024 was \$0.

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets

All property and equipment are recorded at cost if purchased and fair value if donated. Repairs and related maintenance are charged to operations as incurred. The School has capitalized assets with a dollar amount above \$1,000 and a useful life greater than three years. Depreciation is calculated over the estimated useful lives of the respective assets on a straight-line basis.

	<u>Years</u>
Building and improvements	10-40
Furniture and equipment	5-10
Computers and technology	5

H. Leases

The School has recorded and presented leases in accordance with FASB ASC 842, *Leases*. For significant leases with a lease term greater than one year, the School recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. The School determines whether an arrangement is or contains a lease at contract inception. The School includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The weighted-average discount rate is based on the discount rate implicit in the lease. The School has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The School has applied the risk-free rate option to all classes of assets, including buildings.

The School has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. Operating leases with a duration greater than one year are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the School's statement of financial position as of June 30, 2024. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, the School used the elected risk-free rate. The School considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the School is reasonably certain to exercise the option, (2) terminate the lease if the School is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

The operating lease right-of-use assets also include any lease payments made and exclude lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Compensated Absences

Employees accrue seven (7) days (56 hours) of paid time off (“PTO”) each year. PTO is earned as of the first day of each school year. In the event accrued PTO is not used by the end of the school year, employees may carry over unused PTO to the next school year, up to maximum of 40 days (320 hours).

J. 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 purpose 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 statement of activities as net assets released from restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service.

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.

K. Revenue and Revenue Recognition

The School recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the School’s revenue is derived from cost-reimbursable federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable grant advances in the statement of financial position.

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Functional Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. The School has only one program service, which is the operation of a charter school. The statement of functional expenses presents 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 functions. The expenses that are allocated include technical services, property services, and depreciation. Property services and depreciation are allocated based on estimated square footage, and technical services are allocated based on estimated project and purpose usage.

M. Income Taxes

BSDS, Inc. is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The School has been classified as a publicly-supported entity, which is not a private foundation under Section 509(a) of the Code. The School has adopted the provisions of the FASB ASC 740-10 as it might apply to their financial transactions. The School's policy is to record a liability for any tax provision that is beneficial to the School, including any related interest and penalties, when it is more likely than not the position taken by management with respect to the transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes there are no such positions as of June 30, 2024, and accordingly, no liability has been accrued.

N. Subsequent Events

The School has evaluated subsequent events through December XX, 2024, the date 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 and cash equivalents	\$ 6,392,683
Receivables	308,795
Less: With donor restrictions	<u>(54,828)</u>
Net financial assets	<u>\$ 6,646,650</u>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

Draft  
12/13/24

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 4: CAPITAL ASSETS

Capital assets as of June 30, 2024 consisted of the following:

Land	\$ 442,145
Construction in process	1,427,106
Building and improvements	13,247,138
Vehicles	696,140
Furniture and equipment	<u>910,561</u>
Gross capital assets	16,723,090
Accumulated depreciation	<u>(5,388,819)</u>
Total Capital Assets, net	\$ <u>11,334,271</u>

Depreciation expense for the year ended June 30, 2024 was \$457,822, which was allocated to the related functions:

Program services	\$ 165,871
General and administrative	<u>291,951</u>
	\$ <u>457,822</u>

NOTE 5: FINANCED EQUIPMENT AND VEHICLES

*Camera and Intercom Equipment*

The School financed the purchase of camera and intercom equipment from K12itc, which required a one-time payment of \$17,693 in July 2020 and then monthly payments of \$1,243 during a 59-month term beginning in August 2020 until June 2025. The calculated imputed interest rate charged on the purchase is 3.25%. The unpaid principal balance as of June 30, 2024 was \$14,659. For the year ended June 30, 2024, the interest expense was \$727. The equipment is amortized over the estimated productive lives. Amortization of the equipment under the finance purchase obligation is included in depreciation expense for the year ended June 30, 2024.

The financed equipment consisted of the following as of June 30, 2024:

Camera and intercom equipment	\$ 85,396
Less accumulated depreciation	<u>(34,158)</u>
	\$ <u>51,238</u>

Future financing payments under the agreement as of June 30, 2024, was as follows:

Year 2025	\$ 14,918
Less amount representing interest	<u>(259)</u>
Present value of net financing payments	\$ <u>14,659</u>



**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 5: FINANCED EQUIPMENT AND VEHICLES (continued)

*Pupil Transportation Vehicles*

The School financed the purchase of several pupil passenger buses from Arvest Equipment Finance during the year ended June 30, 2024.

Effective August 18, 2023, the School agreed to finance the purchase of three buses, which requires annual payments of \$58,221 from August 2024 until August 2028 during a 5-year term and a stated 5.17% interest rate charged. The unpaid principal balance as of June 30, 2024 was \$250,350.

Effective January 8, 2024, the School agreed to finance the purchase of one bus, which requires annual payments of \$24,862 from January 2025 until January 2029 during a 5-year term and a stated 8.77% interest rate charged. The unpaid principal balance as of June 30, 2024 was \$96,950.

Effective June 4, 2024, the School agreed to finance the purchase of four buses, which requires annual payments of \$89,395 from June 2025 until June 2029 during a 5-year term and a stated 8.77% interest rate charged. The unpaid principal balance as of June 30, 2024 was \$348,665.

The buses are amortized over the estimated productive lives. Amortization of the equipment under the finance purchase obligation is included in depreciation expense for the year ended June 30, 2024.

The financed vehicles consisted of the following as of June 30, 2024:

Transportation vehicles	\$ 695,008
Less accumulated depreciation	<u>(49,776)</u>
	<u>\$ 645,232</u>

Future principal payments under the transportation agreements as of June 30, 2024, was as follows:

<u>Year ending June 30,</u>	
2025	\$ 119,672
2026	128,727
2027	138,441
2028	148,890
2029	<u>160,235</u>
Total principal payments	<u>\$ 695,965</u>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
 June 30, 2024

Draft  
 12/13/24

NOTE 6: NOTES PAYABLE

On June 30, 2020, the School signed a loan agreement with Equitable Facilities Fund (“EFF”) for \$5,655,705 with a fixed interest rate of 3.60%. The note is secured by a deed of trust and mortgage on the building. Beginning in August 1, 2020, the note requires 360 monthly principal and interest payments of \$25,716 until maturity in July 2050. The note can be prepaid in whole or in part on any date on or after June 30, 2030 without penalty. As required by the loan agreement, the School’s payments received from DESE, the State of Missouri, Kansas City Public School District or any other school district, or the School’s charter sponsor must be sent through the assigned Master Trustee, UMB Bank. UMB Bank withholds the monthly debt service payment and remits to the lender in advance of the required payment due date. The remaining payments received by UMB Bank are remitted to the School immediately. As of June 30, 2024, the outstanding balance was \$5,215,466. Interest paid for the year ended June 30, 2024 was \$190,080.

The School has two significant loan covenants that must be calculated to determine compliance: debt service coverage ratio (must exceed 1.10) and the liquidity of days cash on hand (must exceed 55 days).

The debt service coverage ratio as of June 30, 2024 is calculated as follows:

Change in net assets (i.e. net income)	\$ 370,148
Add back principal paid in FY 2024	<u>118,511</u>
	\$ 488,659
Principal and interest payments in FY 2024	/ \$ 308,592
Debt service coverage ratio	= <u>1.58</u>

The School’s liquidity of days cash on hand as of June 30, 2024 is calculated as follows:

Total cash on hand	\$ 6,392,683
Divided by total expenses (less depreciation and interest expense)	/ <u>\$12,229,035</u>
	0.5227
Multiplied by one year	<u>x 365</u>
Days cash on hand	= <u>190.80</u>

The total cost incurred by the School for the debt refinancing was \$271,933 and the amortization of the costs over the 30 year note repayment period is reported as interest expense in the statement of activities, which totaled \$9,064 for the year ended June 30, 2024. The outstanding debt obligation is reduced by the unamortized debt issuance costs, which totaled \$235,675 as of June 30, 2024. The carrying amount of the liability reported in the statement of financial position as of June 30, 2024 was \$4,979,790. The future scheduled principal payments on the note are as follows:

<u>Year ending June 30,</u>	
2025	\$ 113,785
2026	118,281
2027	122,942
2028	127,773
2029	132,781
Thereafter	<u>4,364,228</u>
Total	\$ <u>4,979,790</u>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 7: LEASE COMMITMENTS

*Copier Equipment*

Effective May 2021, the School signed a non-cancelable 48-month lease agreement for copier equipment and maintenance. The lease requires monthly payments of \$1,636 through April 2025. Effective September 2022, the School signed a non-cancelable 48-month lease agreement for copier equipment and maintenance. The lease required monthly payments of \$1,845 through August 2026.

*Building Facility and Parking*

In 2023, the School signed a non-cancelable lease agreement for office space and parking lot usage. The lease requires monthly payments of \$6,000 through February 2026.

These leases are the only leases required to be included on the statement of financial position under FASB ASC 842. The lease asset and lease liability were calculated utilizing the risk-free discount rate (2.85% for 3-year terms beginning in July 2022, 4.49% for 3-year terms beginning in July 2023, and 3.96% for 5-year terms), according to the School's elected policy.

*Quantitative Disclosures*

The lease cost and other required information for the year ended June 30, 2024, are as follows:

Lease cost included in property services	\$ 126,342
Other information:	
Cash paid for amounts included in the measurement of operating lease liability: Operating cash flows from the operating lease	\$ 113,778
Weighted-average remaining lease term – operating lease	1.72 years
Weighted-average discount rate – operating lease	4.20%

The maturities of the lease liability and reconciliation to the statement of financial position as of June 30, 2024, are as follows for the fiscal years ending June 30:

2025	\$ 110,506
2026	70,145
2027	<u>3,691</u>
Total future undiscounted lease payments	184,342
Less interest	<u>(6,252)</u>
Present value of lease liability	\$ <u>178,090</u>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
 June 30, 2024

Draft  
 12/13/24

NOTE 8: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2024:

STEAM lab	\$ 38,398
Equity plan, focused strategic plan	3,599
Support recovery room for mental health	<u>12,831</u>
Total	\$ <u>54,828</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time specified by the donors as follows for the year ended June 30, 2024:

Satisfaction of purpose restriction:	
STEAM lab	\$ 61,602
CPR training	900
Support recovery room for mental health	<u>2,169</u>
Total	\$ <u>64,671</u>

NOTE 9: RETIREMENT PLANS

KCPSRS Pension Plan

*Plan Description*

Public School Retirement System of the School District of Kansas City, Missouri (“KCPSRS”) is a mandatory cost-sharing multiple employer defined benefit pension plan (the “Plan”), which was established by the General Assembly of the State of Missouri and is exempt from the provisions of the Employee Retirement Income Security Act of 1974. The 12-member Board of Trustees of KCPSRS administers and operates the Plan in accordance with the statutes of the State of Missouri. Participation is mandatory for employees of the Kansas City, Missouri Public School District, the Kansas City Public Library and the Public School Retirement System. All regular, full-time employees of the participating employers become members of the Plan as a condition of employment, if they are in a position requiring at least 25 hours of work per week and nine calendar months per year. Employees hired before or during 1961 are members of Plan A. As of December 31, 2014, there are no longer any members of Plan A receiving benefits. Employees hired after January 1, 2014, are members of Plan C. The most recent audited financial statements and actuarial valuation report are located on KCPSRS’ website at [www.kcpsrs.org](http://www.kcpsrs.org).

*Benefits Provided*

KCPSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Positions covered by the Plan are also covered by social security. A Retirement Facts Book detailing the provisions of the plan can be found on KCPSRS’ website at [www.kcpsrs.org](http://www.kcpsrs.org).

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

Draft  
12/13/24

NOTE 9: RETIREMENT PLANS (continued)

KCPSRS Pension Plan

*Contributions*

Employers are required to match the contributions made by members. The contribution rate is set each year by the KCPSRS Board of Trustees within the contribution restrictions set in Section 169.350.4 and 169.291.16 RSMo. The rate may be changed in increments not to exceed 0.5% of pay each year. Effective January 1, 2020, members of Plan B and C contributed at 12.0% of annual compensation. The School's contributions to KCPSRS were \$853,584 for the year ended June 30, 2023.

Brookside Charter 403(b) Plan

*Plan Description and Contributions*

All employees of the School are eligible to participate in an Internal Revenue Code section 403(b) retirement savings plan ("403b Plan"), established January 1, 2018 and sponsored by the School. Under the 403b Plan, employees may contribute a specified percentage of their salary or a fixed dollar amount to the 403b Plan, pursuant to a salary reduction agreement and subject to limits established by federal law. The School may agree to make discretionary "matching" and "nonelective" contributions to their employees' 403b Plan accounts after the end of the plan year, which is December 31<sup>st</sup>. Total discretionary matching contributions to the 403b Plan by the School for the year ended June 30, 2024 was \$7,738. There were no "nonelective" contributions made by the School for the year ended June 30, 2024.

Brookside Charter 457(b) Plan

*Plan Description and Contributions*

The School established the Brookside Charter 457(b) Plan ("457b Plan") effective January 1, 2018. Following approval by the School's superintendent, a class of officers of the School are eligible to participate in the Internal Revenue Code section 457(b) retirement savings plan. Eligible employees may contribute to the 457b Plan, pursuant to a salary reduction agreement up to 100% of their compensation. The School may agree to make discretionary "matching" and "nonelective" contributions to the eligible employees' 457b Plan accounts after the end of the plan year, which is December 31<sup>st</sup>, and allocated in a manner determined by the School. Total contributions to the 457b Plan by the School for the year ended June 30, 2024 was \$69,667.

NOTE 10: RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to protect itself from such risks.

Draft  
12/13/24

**SUPPLEMENTARY INFORMATION**

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

Draft  
12/13/24

BALANCE SHEET – BY FUND

June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 6,392,683	\$ 0	\$ 0	\$ 6,392,683
State funding receivable	46,205	0	0	46,205
Federal grant receivable	254,684	0	0	254,684
Other receivable	7,906	0	0	7,906
Prepaid expenses	<u>37,026</u>	<u>0</u>	<u>25,716</u>	<u>62,742</u>
Total Assets	<u>\$ 6,738,504</u>	<u>\$ 0</u>	<u>\$ 25,716</u>	<u>\$ 6,764,220</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ <u>500,593</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>500,593</u>
Total Liabilities	500,593	0	0	500,593
Fund Balances:				
Unassigned	<u>6,237,911</u>	<u>0</u>	<u>25,716</u>	<u>6,263,627</u>
Total fund balances	<u>6,237,911</u>	<u>0</u>	<u>25,716</u>	<u>6,263,627</u>
Total Liabilities and fund balances	<u>\$ 6,738,504</u>	<u>\$ 0</u>	<u>\$ 25,716</u>	<u>\$ 6,764,220</u>
Total fund balances				\$ 6,263,627
Total operating lease right-of-use asset on the Statement of Financial Position				178,090
Total property and equipment, net on the Statement of Financial Position				11,334,271
Total operating lease liability on the Statement of Financial Position				(178,090)
Total financed equipment and vehicles on the Statement of Financial Position				(710,624)
Total note payable liability on the Statement of Financial Position				<u>(4,979,790)</u>
Total net assets on the Statement of Financial Position				<u>\$ 11,907,484</u>

Note: The supplementary financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

*See Independent Auditor's Report*

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCES – BY FUND**

For the Year Ended June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
<b><u>REVENUE:</u></b>				
Local	\$ 1,264,501	\$ 462,462	\$ 47,873	\$ 1,774,836
State	3,841,195	5,412,545	204,939	9,458,679
Federal	1,955,739	0	0	1,955,739
Other	<u>57,831</u>	<u>0</u>	<u>0</u>	<u>57,831</u>
Total Revenue	7,119,266	5,875,007	252,812	13,247,085
<b><u>EXPENDITURES:</u></b>				
Instruction	1,203,817	4,879,407	2,763	6,085,987
Support services - Students	539,838	0	0	539,838
Support services – Instructional Staff	103,752	72,376	0	176,128
Support services – General Administration	1,648,429	98,626	29,677	1,776,732
Support services – Building Level Admin	0	824,598	0	824,598
Business Support Services	136,765	0	0	136,765
Business Support – Fiscal Services	114,952	0	0	114,952
Operation and Maintenance Plant Services	1,220,501	0	24,945	1,245,446
Student Transportation	425,235	0	2,995	428,230
Food Services	503,465	0	0	503,465
Support Services – Central Office	58,013	0	0	58,013
Community Services	386,491	0	0	386,491
Capital Outlay	0	0	1,465,403	1,465,403
Debt - Principal and Interest	<u>0</u>	<u>0</u>	<u>308,591</u>	<u>308,591</u>
Total Expenditures	<u>6,341,258</u>	<u>5,875,007</u>	<u>1,834,374</u>	<u>14,050,639</u>
Revenues Over (Under) Expenditures	778,008	0	(1,581,562)	(803,554)
Other Financing Sources (Uses):				
Transfers In / (Out)	<u>(1,581,562)</u>	<u>0</u>	<u>1,581,562</u>	<u>0</u>
Net Changes in Fund Balance	(803,554)	0	0	(803,554)
Fund Balance - June 30, 2023	<u>7,041,465</u>	<u>0</u>	<u>25,716</u>	<u>7,067,181</u>
Fund Balance - June 30, 2024	\$ <u>6,237,911</u>	\$ <u>0</u>	\$ <u>25,716</u>	\$ <u>6,263,627</u>
Net changes in fund balance				\$ (803,554)
Changes in:				
Capital assets – purchases				1,507,887
Capital assets – depreciation				(457,822)
Principal payments on financed equipment payable				14,190
Principal payments on long-term debt note payable				118,511
Amortization of debt issuance fees				<u>(9,064)</u>
Change in net assets on the Statement of Activities				\$ <u>370,148</u>

Note: The supplementary financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

*See Independent Auditor's Report*



**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

SCHEDULE OF REVENUE COLLECTED BY SOURCE – BY FUND  
For the Year Ended June 30, 2024

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Totals</u>
<b><u>LOCAL:</u></b>				
Sales tax (Proposition C)	\$ 770,770	\$ 462,462	\$ 0	\$ 1,233,232
Interest income	180,056	0	0	180,056
Student activity income	12,738	0	0	12,738
Contributions and donations	212,224	0	0	212,224
Other	<u>88,713</u>	<u>0</u>	<u>47,873</u>	<u>136,586</u>
Total Local	1,264,501	462,462	47,873	1,774,836
<b><u>STATE</u></b>				
Basic formula	3,342,699	5,412,545	0	8,755,244
Transportation	109,540	0	0	109,540
Classroom trust fund	166,793	0	156,814	323,607
Food services	2,413	0	0	2,413
Literacy	111,844	0	0	111,844
School safety	51,875	0	48,125	100,000
Other	<u>56,031</u>	<u>0</u>	<u>0</u>	<u>56,031</u>
Total State	3,841,195	5,412,545	204,939	9,458,679
<b><u>FEDERAL</u></b>				
Medicaid	232,421	0	0	232,421
ESF ESSER grants	424,340	0	0	424,340
IDEA special education	242,470	0	0	242,470
Food services	411,000	0	0	411,000
ESEA Title I.A	484,914	0	0	484,914
ESEA Title II.A	54,202	0	0	54,202
ESEA Title IV.A	34,573	0	0	34,573
Homeless Children and Youth (HCY)	71,213	0	0	71,213
Other	<u>606</u>	<u>0</u>	<u>0</u>	<u>606</u>
Total Federal	1,955,739	0	0	1,955,739
<b><u>OTHER</u></b>				
Transportation from other LEAs	<u>57,831</u>	<u>0</u>	<u>0</u>	<u>57,831</u>
Total All Sources	<u>\$ 7,119,266</u>	<u>\$ 5,875,007</u>	<u>\$ 252,812</u>	<u>\$ 13,247,085</u>

Note: The supplementary financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

*See Independent Auditor's Report*

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

SCHEDULE OF EXPENDITURES PAID BY OBJECT – BY FUND  
For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
Salaries and wages	\$ 2,991,881	\$ 4,595,830	\$ 0	\$ 7,587,711
Retirement	323,827	529,757	0	853,584
Payroll taxes	219,856	337,728	0	557,584
Employee insurance	193,969	388,737	0	582,706
Worker’s compensation insurance	17,202	0	0	17,202
Unemployment compensation	7,456	0	0	7,456
Other employee benefits	54,450	22,955	0	77,405
Professional and technical services	831,684	0	0	831,684
Property services	305,800	0	0	305,800
Transportation services (contracted)	74,147	0	0	74,147
Insurance	126,665	0	0	126,665
Communication	120,734	0	0	120,734
Dues and memberships	13,872	0	0	13,872
Other purchased services	14,970	0	0	14,970
General supplies	636,646	0	0	636,646
Books and periodicals	2,398	0	0	2,398
Food	257,969	0	0	257,969
Utilities, energy service	147,234	0	0	147,234
Capital outlay	498	0	1,525,783	1,526,281
Debt principal and interest	<u>0</u>	<u>0</u>	<u>308,591</u>	<u>308,591</u>
Total Expenditures	<u>\$ 6,341,258</u>	<u>\$ 5,875,007</u>	<u>\$ 1,834,374</u>	<u>\$ 14,050,639</u>
Changes in:				
Capital assets – purchases				(1,507,887)
Capital assets – depreciation				457,822
Principal payments on financed equipment purchase				(14,190)
Amortization of debt issuance fees				9,064
Principal payments on long-term note payable				<u>(118,511)</u>
Total expenses on the Statement of Activities				<u>\$ 12,876,937</u>

Note: The supplementary financial statement above has been provided for purposes of reporting to the State of Missouri Department of Elementary and Secondary Education. This statement conforms to the presentation of the Annual Secretary of the Board Report (ASBR).

*See Independent Auditor’s Report*

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

**Draft**  
**12/13/24**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Number	FAIN Number	Pass- Through Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
<i>Pass-through Missouri Dept of Elementary &amp; Secondary Education:</i>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	20232N119943	048-916	\$ 23,093
School Breakfast Program	10.553	20242N109943	048-916	98,729
National School Lunch Program (NSLP)	10.555	20232N119943	048-916	51,943
National School Lunch Program (NSLP)	10.555	20242N109943	048-916	224,064
NSLP Food Commodities	10.555	n/a	048-916	<u>56,695</u>
Total Child Nutrition Cluster				454,524
National Fresh Fruits and Veggie Program	10.582	2023L160343	048-916	2,593
National Fresh Fruits and Veggie Program	10.582	20242L160343	048-916	<u>10,577</u>
Total U.S. Department of Agriculture				<u>467,694</u>
<u>Federal Communications Commission</u>				
COVID-19 – Emergency Connectivity Fund Program	32.009		Direct	<u>607</u>
Total Federal Communications Commission				<u>607</u>
<u>U.S. Department of Education</u>				
<i>Pass-through Missouri Dept of Elementary &amp; Secondary Education:</i>				
Title I, Part A – Grants to LEAs	84.010A	S010A220025	048-916	295,858
Title I, Part A – Grants to LEAs	84.010A	S010A230025	048-916	189,056
Title II, Part A – Supporting Effective Instruction	84.367A	S367A220024	048-916	38,017
Title II, Part A – Supporting Effective Instruction	84.367A	S367A230024	048-916	16,185
Title IV, Part A – Student Support and Academic Enrichment	84.424A	S424A220026	048-916	21,401
Title IV, Part A – Student Support and Academic Enrichment	84.424A	S424A230026	048-916	13,172
Education Stabilization Fund (ESF) grants:				
COVID-19 – ESF ARP Act - ESSER III	84.425U	S425U210021	048-916	401,409
COVID-19 – ESF ARP Act - ESSER III: Teacher Retention	84.425U	S425U210021	048-916	19,481
COVID-19 – ESF ARP Act - ESSER III Evidence-based Reading	84.425U	S425U210021	048-916	3,450
COVID-19 – ESF ARP Act Homeless Children Youth (HCY I)	84.425W	S425W210026	048-916	33,821
COVID-19 – ESF ARP Act Homeless Children Youth (HCY II)	84.425W	S425W210026	048-916	<u>37,392</u>
Total Education Stabilization Fund (ESF) grants				495,553
Special Education Cluster (IDEA):				
IDEA, Part B - Special Education	84.027A	H027A220040	048-916	122,216
IDEA, Part B - Special Education	84.027A	H027A230040	048-916	117,671
Early Childhood Special Education (ECSE)	84.173A	H173A220103	048-916	<u>2,583</u>
Total Special Education Cluster				<u>242,470</u>
Total U.S. Department of Education				<u>1,311,712</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 1,780,013</u>

*See Accompanying Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards.*

BSDS, INC.  
d/b/a BROOKSIDE CHARTER SCHOOL

12/13/24

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2024

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of BSDS, Inc. d/b/a Brookside Charter School (“School”) under programs of the federal government for the year ended June 30, 2024. 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 the School, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Schedule presents both Type A and Type B federal assistance programs administered by the School. The Uniform Guidance establishes the formula for determining the level of expenditures of disbursements to be used in defining Type A and Type B federal financial assistance programs. For the School, Type A programs are those which exceed \$750,000 in disbursements, expenditures, or distributions. The determination of major and nonmajor programs is based on the risk-based approach outlined in Uniform Guidance.

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

NOTE 3: SUBRECIPIENTS

The School did not provide funds to subrecipients in the current fiscal year.

NOTE 4: NONCASH ASSISTANCE

Of the federal expenditures presented in the Schedule, the School expended \$56,695 of federal awards in the form of noncash assistance from food distribution commodities.

Draft  
12/13/24

**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  
BSDS, Inc.  
d/b/a Brookside Charter School  
Kansas City, 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 BSDS, Inc. d/b/a Brookside Charter School (“School”) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December XX, 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.

**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 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.

Kansas City, Missouri  
December XX, 2024

Marr and Company, P.C.  
Certified Public Accountants

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
BSDS, Inc.  
d/b/a Brookside Charter School  
Kansas City, Missouri

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

***Opinion on Each Major Federal Program***

We have audited the BSDS, Inc. d/b/a Brookside Charter School’s (“School”) (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School’s major federal programs for the year ended June 30, 2024. The School’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***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 Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School 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 the School’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 the School’s federal programs.



***Auditor’s 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 the School’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 the School’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 the School’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 the School’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 the School’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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Marr and Company, P.C.  
Certified Public Accountants

Kansas City, Missouri  
December XX, 2024

BSDS, INC  
d/b/a BROOKSIDE CHARTER SCHOOL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2024

**SECTION I: SUMMARY OF AUDITOR'S RESULTS**

*Financial Statement:*

- 1) The type of report issued on the basic financial statements. Unmodified opinion
- 2) Internal Control over Financial Reporting:
  - a) Significant deficiencies were disclosed. None
  - b) Material weaknesses were disclosed. None
- 3) Noncompliance, which is material to the basic financial statements, was disclosed. None

*Federal Awards:*

- 1) Internal Control over Major Programs:
  - a) Significant deficiencies were disclosed. None
  - b) Material weaknesses were disclosed. None
- 2) The type of report issued on compliance for major programs. Unmodified opinion
- 3) Any audit findings which are required to be reported under Section 200.516(a) of the Uniform Guidance? None
- 4) The School's major federal program(s):

<u>Assistance Listing Number(s)</u>	<u>Federal Program or Cluster</u>
84.425U, 84.425W	Education Stabilization Fund (ESF)
- 5) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000
- 6) Auditee qualified as a low-risk auditee specified in Section 200.520 of the Uniform Guidance?  
 Yes  No

**SECTION II: FINANCIAL STATEMENT FINDINGS**

No financial statement findings were reported.

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

No federal award findings and questioned costs were reported.

**SECTION IV: RESOLUTIONS OF PRIOR YEAR AUDIT FINDINGS**

No audit findings were noted from the prior year.

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

Board of Directors  
BSDS, Inc.  
d/b/a Brookside Charter School  
Kansas City, Missouri

We have examined management of BSDS, Inc.’s d/b/a Brookside Charter School (the “School”) assertion that 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. BSDS, Inc.’s management is responsible for its assertion. 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 AICPA. 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.

Our examination does not provide a legal determination on the School’s compliance with specified requirements. We noted one instance of noncompliance in the schedule of state findings (MO24-01).

In our opinion, management’s assertion that BSDS, Inc. d/b/a Brookside Charter 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, P.C.  
Certified Public Accountants

Kansas City, Missouri  
December XX, 2024

**BSDS, INC.**  
d/b/a **BROOKSIDE CHARTER SCHOOL**

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
6950	PK	05	n/a	6.9167	156	1,079.0000
3950	06	08	n/a	6.9167	156	1,079.0000

**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
6950	PK	19,617.8498	0.0000	0.0000	0.0000	0.0000	19,617.8498
6950	K	71,569.7001	0.0000	0.0000	0.0000	3,723.2400	75,292.9401
6950	1	85,103.5623	0.0000	0.0000	0.0000	4,116.9900	89,220.5523
6950	2	81,070.9169	0.0000	0.0000	0.0000	4,520.4200	85,591.3369
6950	3	72,123.2499	0.0000	0.0000	0.0000	2,640.6500	74,763.8999
6950	4	83,783.7332	0.0000	0.0000	0.0000	4,883.0700	88,666.8032
6950	5	72,378.8037	0.0000	0.0000	0.0000	3,171.4300	75,550.2337
3950	6	64,611.8832	0.0000	0.0000	0.0000	2,497.1500	67,109.0332
3950	7	67,949.0564	0.0000	0.0000	0.0000	2,091.5700	70,040.6264
3950	8	67,232.5869	0.0000	0.0000	0.0000	2,193.1900	69,425.7769
<b>Grand Total</b>		<b><u>685,441.3424</u></b>	<b><u>0.0000</u></b>	<b><u>0.0000</u></b>	<b><u>0.0000</u></b>	<b><u>29,837.7100</u></b>	<b><u>715,279.0524</u></b>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

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

**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
6950	PK	30.00	0.00	0.00	30.00
6950	K	74.00	0.00	0.00	74.00
6950	1	89.00	0.00	0.00	89.00
6950	2	84.00	0.00	0.00	84.00
6950	3	74.00	0.00	0.00	74.00
6950	4	88.00	0.00	0.00	88.00
6950	5	70.00	0.00	0.00	70.00
3950	6	66.00	0.00	0.00	66.00
3950	7	71.00	0.00	0.00	71.00
3950	8	68.00	0.00	0.00	68.00
<b>Grand Total</b>		<b><u>714.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>714.00</u></b>

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

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

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
Resident II	1.00	0.00	0.00	0.00	1.00
3950	200.00	0.00	0.00	0.00	200.00
6950	480.00	0.00	0.00	0.00	480.00
<b>Grand Total</b>	<b><u>681.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>681.00</u></b>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

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

**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.	<b>True</b>
5.2	The charter school maintained complete and accurate attendance records allowing for the accurate calculation 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:	<b>True</b>
	Academic Programs Off-Campus	<b>N/A</b>
	Career Exploration Program – Off Campus	<b>N/A</b>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<b>N/A</b>
	Dual enrollment	<b>N/A</b>
	Homebound instruction	<b>N/A</b>
	Missouri Options	<b>N/A</b>
	Prekindergarten eligible to be claimed for state aid	<b>True</b>
	Remediation	<b>N/A</b>
	Sheltered Workshop participation	<b>N/A</b>
	Students participating in the school flex program	<b>N/A</b>
	Traditional instruction (full and part-time students)	<b>True</b>
	Virtual instruction (MOCAP or other option)	<b>N/A</b>
	Work Experience for Students with Disabilities	<b>N/A</b>
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.	<b>True</b>
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.	<b>True</b>
5.5	As required by Section 162.401, RSMo, a bond was purchase 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:	<b>\$100,000</b>
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 Accounting Manual.	<b>False</b>

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

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

**5. FINANCE (CONTINUED)**

Section	Question	Answer
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools.)	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
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:	MO24-01
Management Letter Comment:	None noted



**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

**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.	<b>True</b>
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.	<b>True</b>
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:	<b>True</b>
	Eligible ADT	<u>116.00</u>
	Ineligible ADT	<u>0.00</u>
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.	<b>True</b>
6.5	Actual odometer records show the total charter-operated and contracted mileage for the year was:	<u>41,445</u>
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:	<b>True</b>
	Eligible Miles	<u>36,141</u>
	Ineligible Miles (Non-Route/Disapproved)	<u>5,304</u>
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	<u>158</u>

Notes:	none
--------	------

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

Finding:	None noted
Management Letter Comment:	None noted

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**

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

Prior year

The following audit findings related to state compliance for the year ended June 30, 2023 were to be resolved in the current year:

1. Finance: Secure Deposits

The School's deposits that exceeded the FDIC limit of \$250,000 were not secured during the year in accordance with the Missouri Financial Accounting Manual as required by the Revised Statutes of Missouri Sections 110.010 and 110.020.

Resolved in the current year: Not resolved. See Finding MO24-01 below.

2. Finance: Audit Publication

The School did not publish a summary of the prior year's audit report within thirty days of the receipt of the audit in accordance with the Missouri Financial Accounting Manual as required by the Revised Statutes of Missouri Section 165.121.

Resolved in the current year: Resolved.

Current year

Finding MO24-01 – Finance: Secure Deposits

During our audit, we noted the School's deposits that exceeded the FDIC limit of \$250,000 were not secured in accordance with the Missouri Financial Accounting Manual as required by the Revised Statutes of Missouri Sections 110.010 and 110.020.

Auditee's Response:

We acknowledge the audit finding as stated above. The School began the process to properly secure its deposits in fiscal year 2024 and is finalizing the account management to ensure the funds are fully secured in fiscal year 2025.

Draft - 12/13/24

**BSDS, INC.**  
**d/b/a BROOKSIDE CHARTER SCHOOL**  
**Kansas City, Missouri**

**COMMUNICATIONS WITH THE BOARD**

**June 30, 2024**

## COMMUNICATIONS WITH THE BOARD

December XX, 2024

To the Board of Directors of  
BSDS, Inc.  
d/b/a Brookside Charter School  
Kansas City, Missouri

We have audited the financial statements of BSDS, Inc. d/b/a Brookside Charter School (the “School”) for the year ended June 30, 2024, and have issued our report thereon dated December XX, 2024. Professional standards require that we provide you with the following information related to our audit.

### **Our Responsibility under U.S. Generally Accepted Auditing Standards and the Uniform Guidance**

As stated in our engagement letter dated April 23, 2024, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the School’s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about the School’s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the School’s compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the School’s compliance with those requirements.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Planned Scope, Timing of the Audit, and Other**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the School and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the School. We did not note any significant findings or any internal control related matters that are required to be communicated under professional standards.

We performed the audit according to the planned scope and timing previously communicated about planning matters.

Professional standards also require that we communicate to you the following information related to our audit:

## **Significant Audit Findings**

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School are described in Note 2 of the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2024. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were useful lives of capital assets and the allocation of functional expenses.

Management's estimate of the useful lives of depreciable assets is based on the guidance of the IRS for classification of the asset's life and the expected period before disposal or sale. Management's estimate of the allocation of functional expenses is based on the identification of specific expenses as well as an estimate of the time spent on each function. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent and clear.

## **Significant Audit Matters** (continued)

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes the uncorrected misstatements of the financial statements. Management has determined that the effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgement, such uncorrected misstatement is immaterial to the financial statements under audit. In addition, the attached schedule of misstatements detected as a result of audit procedures were corrected by management.

### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, which could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December XX, 2024.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other Matters**

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to be financial statements themselves.

# Draft - 12/13/24

This information is intended solely for the use of the Board of Directors charged with governance and management of BSDS, Inc. d/b/a Brookside Charter School and is not intended to be and should not be used by anyone other than those specified parties.

Marr and Company, P.C.  
Certified Public Accountants  
Kansas City, Missouri

# Draft - 12/13/24

**Brookside Charter School (BCS)**

Year End: June 30, 2024

Adjusting journal entries posted per audit

Number	Date	Name	Account No	Reference	Debit	Credit
AJE 01	6/30/2024	Accounts Payable	2117 GENERAL	8-7		(347,479.40)
AJE 01	6/30/2024	Transfers In	3700 CAPITAL	8-7		(347,479.40)
AJE 01	6/30/2024	Transfers Out	3800 GENERAL	8-7	347,479.40	
AJE 01	6/30/2024	BUILDINGS	4051 6521 1000 3 00000 136 CAPITAL	8-7	347,479.40	
to record Pay App #7 on STEAM Lab project received in June 2024 for work performed in FY24						
					<b>694,958.80</b>	<b>(694,958.80)</b>



# Draft - 12/13/24

**Brookside Charter School (BCS)**

Year End: June 30, 2024

Passed adjusting journal entries (PAJE) unrecorded during audit

Number	Date	Account No	Name	Reference	Debit	Credit
PAJE A	6/30/2024	2999 GOVT-WIDE	Accrued Interest Payable	12-1		(\$17,757.50)
PAJE A	6/30/2024	9999 GOVT-WIDE	Arvest Equipment Notes Interest Expense	12-1	\$17,757.50	
UNRECORDED - adjusting journal entry to show Arvest equipment finance accrued interest						
					\$17,757.50	(\$17,757.50)