



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Pathway Academy Charter School

Bonuses and Other Additional Compensation	The Pathway Academy Charter School (PACS) paid bonuses, totaling \$25,000 during the 2 years ended June 30, 2019, to employees contrary to state law. In addition, the PACS paid other additional unsupported compensation to employees totaling \$3,164.
Disbursements	The PACS controls and procedures over disbursements and credit card purchases were insufficient. Questionable and unsupported transactions for the 2 years ended June 30, 2019, totaled \$19,779. PACS credit card oversight and payment procedures were not adequate.
Accounting Controls and Procedures	Significant weaknesses existed in the PACS accounting controls and procedures. The Chief Operations Officer made unauthorized transfers between various school bank accounts. The school's procedures for receipting and depositing monies were poor. The PACS failed to follow multiple record retention schedules, including requirements related to purchasing, receipt slips, and employee personnel records.
Hiring Policy	The Board did not adequately monitor staff hiring procedures.
Sunshine Law	Closed meeting minutes were not maintained for the 7 closed sessions referenced in the open meeting minutes during the 2 years ended June 30, 2019.

In the areas audited, the overall performance of this entity was **Poor**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



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RECOMMENDATION SUMMARY

Recommendations in the audit of Pathway Academy Charter School

Bonuses and Other Additional
Compensation

The Missouri Charter Public School Commission work with the Department of Elementary and Secondary Education to determine the proper resolution for the bonuses and additional unsupported compensation paid.