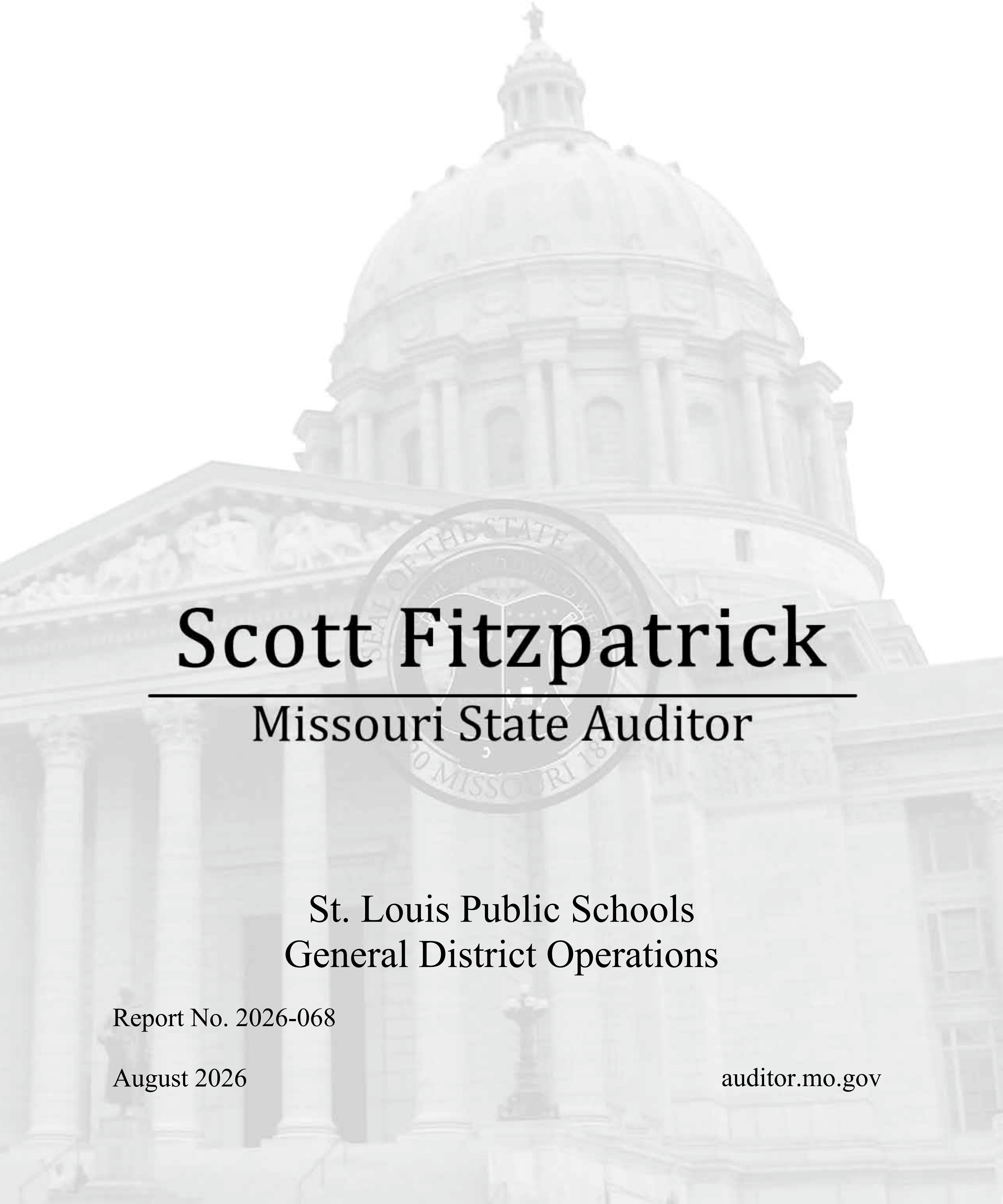

Scott Fitzpatrick

Missouri State Auditor

St. Louis Public Schools
General District Operations

Report No. 2026-068

August 2026

auditor.mo.gov

Scott Fitzpatrick
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of St. Louis Public Schools - General District Operations

Board of Education	The Board of Education does not act as an effective governing body. The Board and former Superintendent Dr. Keisha Scarlett did not demonstrate a commitment to integrity and ethical values or a "tone at the top" necessary to effectively lead the district. The inadequate tone at the top, lack of internal communications, and deficient internal control monitoring has fostered a culture that lacked accountability and eroded public trust. The Board spends an unnecessary amount on travel, has not acted in a fiscally prudent manner while traveling, and does not always obtain approval to attend conferences as required. The Board unnecessarily spent approximately $75,000 during the period July 1, 2023, through July 31, 2024, for 2 in-state conferences and 7 out-of-state conferences for Board members. Board members did not obtain approval to attend 5 out of 9 conferences during the period July 1, 2023, through July 31, 2024, as required by Board policy.
Real Estate	The district has not effectively managed its inventory of closed school buildings and has not sold property in compliance with state law, resulting in potentially lost opportunities to maximize property value and increased costs associated with maintaining vacant facilities. The district sold 4 properties in violation of state law from June 2022 through June 2025. During this period, the district did not solicit open bids for properties sold and did not publicize the sales as required by state law when selling property without a real estate broker. The district was holding 7 of its 22 closed buildings for future use despite decommissioning the buildings between 4 to 22 years ago and classifying 4 of the 7 buildings in fair or poor condition. These buildings are currently incurring costs to maintain and would require significant investment to be recommissioned. Additionally, the district limited available buyers by including inapt conditions in its Administration Campus property listing and not adequately updating its surplus property website. In fiscal year 2024, the district spent $70.8 million for building maintenance and upkeep costs for all of its buildings (open and closed properties).
Transportation	District officials did not adequately enforce contract provisions or impose contract penalties for noncompliance, which allowed performance issues to continue with the primary transportation vendor for the 2023-2024 school year. Deficiencies and concerns identified included inadequate percentage of on-time performance of buses; consistent shortage of drivers resulting in missed or uncovered routes; untimely or no communication about tardy, doubled, or uncovered routes; frequency of bus breakdowns; and incomplete data reporting. The district did not enforce contract penalties for the vendor's failure to meet safety inspection requirements, resulting in students riding in potentially unsafe buses. The noncompliance of the vendor resulted in the district being forced to rush to find transportation vendors for the 2024-2025 school year. As a result of the changes in transportation vendors, families faced significant challenges getting their students to and from school safely and timely, and the district incurred significant increased transportation expenses, which could have been partially offset if the district had made a claim on the vendor's performance bond.

Academic Oversight	The district has not developed a written Reading Success Plan (RSP) policy, as required by state statute, despite students scoring below grade level in reading assessments. During the 2023-2024 school year, there were 2,658 students with RSPs (approximately 16%). The Board did not review or approve district-wide curriculum revisions as required by policy.
Safety Drills	District schools did not always perform safety drills in accordance with the district's guidance, and guidance is inconsistent and does not address all required drills. A review of the district's school safety drill log for the 2023-2024 school year found of the 63 schools listed, 12 did not complete all 10 required fire drills, 5 schools did not complete the 2 required tornado drills, 4 schools did not complete the 2 required earthquake drills, and 7 schools did not complete the 2 required intruder drills.
Sunshine Law	The Board does not always adequately document the reason for closed sessions, discussed topics during closed session that were not allowed, approved meeting minutes missing key information, and did not approve past meeting minutes timely. District procedures for record requests were inadequate and personnel did not maintain an adequate Sunshine Law request log. As a result, the district did not always respond to records requests timely, and from June 2023 through August 2024, the district's average number of days between initial record request and fulfillment was 44 days.
Contracts	The district has not established written agreements with some contractual parties, leaving it susceptible to unnecessary liability and misunderstandings, because parties may not clearly understand their roles and responsibilities. The district paid 1 Student Support Services vendor $24,960 in excess of the agreement.
District Financing	The district issued general obligation (GO) bonds using a negotiated sale rather than a competitive sale process and did not solicit proposals for underwriting services. The bonds were also sold in a private sale without advertisement. As of June 30, 2024, the district had outstanding bond debt totaling $258.7 million from GO and GO refunding bond issuances from 2010 to 2023. The district's bond underwriter received fees for the bond issuances, from 2010 to 2023, totaling approximately $1.8 million.
Attendance	Neither the district's prior nor new attendance systems sufficiently limit the time period when changes can be made and there was no review by district officials to ensure changes made to school year attendance records were appropriate. The extended time period allowed for changes and excessive user access increase the risk of erroneous changes or improper activity affecting attendance reports. The district does not provide sufficient guidance on attendance procedures to school personnel, resulting in varied attendance processes at district schools.

Cash Handling Controls and Procedures	The district has not sufficiently communicated district procedures for handling receipts to schools resulting in inconsistent cash handling procedures for student activity accounts. Personnel at 20 schools indicated they did not have written procedures for receipting and depositing money. Personnel at 5 of those schools indicated that they had at least 1 cash box on hand, and 2 indicated they had money on the premises at the time of our inquiries. Some school officials surveyed indicated the district did not provide cash handling training or procedures.

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.

St. Louis Public Schools
General District Operations
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SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

Board of Education
St. Louis Public Schools

The State Auditor conducted an audit of the St. Louis Public Schools - General District Operations under the authority granted in Section 29.205, RSMo. We have audited certain operations of the district in fulfillment of our duties. The district engaged RubinBrown, Certified Public Accountants (CPAs), to audit the district's financial statements for the year ended June 30, 2024, and the district's legal counsel engaged Armanino CPA LLP to perform an assessment of certain district processes. To minimize duplication of effort, we reviewed the CPA firms' reports. The scope of our audit included, but was not necessarily limited to, the period July 1, 2023, through July 31, 2024. We also applied limited procedures to certain events and information for the period July 1, 2021, through December 31, 2025. The objectives of our audit were to:

1. Evaluate the district's internal controls over significant management and financial functions, except as they relate to procurement, hiring, and budgeting practices.

2. Evaluate the district's compliance with certain legal provisions, except as they relate to procurement, hiring, and budgeting practices.

3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions, except as they relate to procurement, hiring, and budgeting practices.

4. Evaluate certain controls, policies, and procedures over enrollment, graduation rates, comprehensive schools qualifications, timekeeping, and federal grant oversight.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the district's management and the Department of Elementary and Secondary Education, and was not subjected to the procedures applied in our audit of the district.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, (3) the need for improvement in management practices and procedures, and (4) no significant deficiencies in internal controls, policies, or procedures as they relate to enrollment, graduation rates, comprehensive schools qualifications, timekeeping, and federal grant oversight. The accompanying Management Advisory Report presents our findings arising from our audit of the St. Louis Public Schools - General District Operations.

An additional report, Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*, was issued in August 2025.

Scott Fitzpatrick
State Auditor

St. Louis Public Schools
General District Operations
Introduction

Background

In August 2024, City of St. Louis Mayor Tishaura Jones sent a letter to the State Auditor's Office (SAO) requesting an audit of the St. Louis Public Schools (SLPS). In addition, the SAO received numerous phone calls, letters, news articles, and other communications outlining concerns about the district and detailing questionable practices by the district under former Superintendent Dr. Keisha Scarlett. The State Auditor determined an audit was warranted and announced an audit under the authority granted in Section 29.205, RSMo.

The following events are significant to our review of the school district's general operations.

- Dr. Scarlett was employed with the district from July 1, 2023, through October 14, 2024, when the School Board terminated her 3-year employment contract. On July 25, 2024, Dr. Millicent Borishade was appointed Interim Superintendent after Dr. Scarlett was placed on a paid temporary leave of absence. On February 18, 2025, Dr. Borishade was appointed Superintendent by the Board with a term extending through June 30, 2028. On October 17, 2025, the Board appointed Dr. Myra Berry Interim Superintendent after the Board terminated Dr. Borishade's 3-year employment contract without cause.

- On March 26, 2024, the district's primary transportation vendor for the 2023-2024 school year terminated its 3-year contract with the district, effective June 30, 2024, after months of negotiations with the district. Prior to this, in December 2023, the vendor notified the district of its intent to terminate the contract along with a request for additional payments due to unanticipated staffing costs and not being able complete all bus routes agreed upon in the contract.

- In August 2025, the SAO released Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*. The report noted a declining financial condition, significant deficiencies in internal controls, noncompliance with legal provisions, the need for improvement in management practices and procedures, and the need for improvement in the district's budget process.

Subsequent Event

In October 2025, subsequent to our initial fieldwork, the Board terminated Dr. Borishade, without cause. Dr. Borishade's contract stated that in the event of termination without cause, the district was required to pay the salary and health care benefits that would have been paid to, or on behalf of, the Superintendent during the remaining term of the contract. As a result, the district is expected to pay a total of $721,539 in severance compensation, in addition to health benefits[1] through June 30, 2028.

Scope and Methodology

The scope of our audit included, but was not necessarily limited to, July 1, 2023, through July 31, 2024. We also applied limited procedures to certain events and information related to enrollment, graduation rates, comprehensive schools qualifications, timekeeping, and federal grant oversight for the period July 1, 2021, through December 31, 2025. The school district's fiscal year is July 1 through June 30.

Our methodology included reviewing Board and committee meeting agendas and minutes, written policies and procedures, financial records, and other pertinent documents; gathering information for district operations through discussions with district personnel, as well as certain external parties; and performing sample testing using judgmental and haphazard selection, as appropriate. The results of our sample testing cannot be projected to the entire populations from which the test items were selected.

We obtained an understanding of internal control that is significant to the audit objectives and planned and performed procedures to assess internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

To evaluate (1) the district's internal control system, (2) compliance with district and Board procedures and statutory requirements, and (3) the economy and efficiency of certain management practices and procedures, we performed the following tests and procedures:

- We reviewed Board and committee (Governance, Audit, Legislative, Real Estate, and Proposition S committees) meeting agendas and minutes for compliance with the Missouri Sunshine Law and applicable Board policies. During our audit scope, the Board typically met twice per month, the Governance committee once a year, the Audit and Proposition S committees quarterly, the Legislative committee twice per year, and the Real Estate committee monthly, for a total of approximately 50 open meetings annually.
- We reviewed the district's procedures for recording student attendance and discussed procedures with 5 haphazardly selected schools. We

[1] If the Superintendent is employed by another employer during the period the Superintendent is receiving severance payments, any payment of health care benefits shall cease.

reviewed attendance records for 5 haphazardly and 1 judgmentally selected schools[2] (1 elementary school, 2 middle schools, and 3 high schools) for the 2023-2024 school year and compared the records to data submitted to the Missouri Department of Elementary and Secondary Education (DESE).

- In response to constituent concerns, we reviewed the district's purchasing and providing of textbooks; student Reading Success Plans; staffing, including the use of uncertificated teachers; and Pre-K enrollment for the 2025-2026 school year.

- We reviewed the district's procedures for developing curriculum and monitoring of sponsored charter schools.

- We reviewed the district's procedures for managing buildings and real estate, and we reviewed school safety drills for compliance with district policies and relevant state statutes. We also reviewed the district's projects funded by money from Proposition S.[3]

- We reviewed the district's procedures for managing Student Support Services[4] offered by the district and third-party organizations, as well as the St. Louis Public Schools Foundation.

- We reviewed the Board's processes and procedures for identifying and hiring outside consultants, and the Board's compliance with district policies for training expenditures for the period July 1, 2023, through July 31, 2024.

- We reviewed how the Board and central office administration fostered the culture within the district. Our review involved observation of the internal control environment and various Board and committee meetings, as well as discussion with district personnel and some Board members.

- We inquired with personnel at all of the district schools to gain an understanding of district-wide cash-handling procedures. We judgmentally selected 6 schools (3 elementary schools, 2 middle schools, and 1 high school) to review 2 months of bank statements to evaluate bank account activity and performed cash counts for 4 of the selected schools.[5]

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[2] In response to constituent concerns, we judgmentally selected 1 school.

[3] Proposition S is a $160 million bond issue passed by voters in August 2022 to support facilities work, including security improvements; lead removal; and heating, ventilation, and air conditioning improvements.

[4] Student Support Services are programs and services offered by the district and third-party organizations that work to ensure each student receives the academic, social-emotional, and support services needed to be successful.

[5] While 6 schools were selected, we could not review procedures or perform cash counts at 2 schools due to the May 2025 tornado.

- We reviewed the district's debt service tax levy calculation and bond process, including the use of a financial advisor, method of bond sale, and the procurement of a bond underwriter.

- We reviewed the district's transportation contract with the primary transportation vendor for the 2023-2024 school year, and contracts for transportation vendors for the 2024-2025 and 2025-2026 school years. We compared various contractual provisions, such as termination clauses and forms of recourse, and compared costs for transportation vendors for the 2023-2024 through 2025-2026 school years. We also reviewed the district's safety and maintenance inspection records related to transportation for calendar years 2023 and 2024.

- We reviewed the Board's decision to terminate Dr. Borishade's 3-year employment contract.

In response to additional concerns raised in 2026 in a lawsuit filed against the district by Dr. Borishade following her termination, we performed the following tests and procedures to evaluate certain controls, policies, and procedures over graduation rates,[6] enrollment, comprehensive schools qualifications, timekeeping, and federal grant oversight:

- We analytically reviewed graduation and dropout data for the district and schools for school years 2021-2022 through 2024-2025.

- We reviewed 60 randomly selected school year 2024-2025 graduates for appropriate coding and school association. In addition, we reviewed 60 randomly selected dropout or transfer students who were included in the 2025 graduate calculation for appropriate coding and school association.

- We analytically reviewed MAP test scores for the district and schools for school years 2021-2022 through 2024-2025. In addition, we obtained relevant data on students qualified as English Learners, as defined by Title IX of the Education Amendments of 1972, for school years 2022-2023 through 2024-2025 regarding attainment of Academic English Proficiency (AEP)[7] and growth towards AEP.

- We reviewed a random sample of 15 central office employees to determine if timecard adjustments were properly approved and supported, and to determine if overtime was reasonable and approved.

[6] Section 160.011(4), RSMo, defines graduation rate as the quotient of graduates in the current year divided by the sum of graduates in the current year plus the students who dropped out of the 9th through 12th grades during the preceding years.
[7] AEP is the standard measure used by DESE to indicate that a student has achieved proficiency in the English language.

1. Board of Education

The Board of Education does not act as an effective governing body. Its failure to provide necessary oversight of district operations and to spend money in the best interest of students has put the district's internal control structure, employee morale, and public trust at risk.

1.1 District culture

The Board allowed a culture of lax oversight of high level staff and restricted internal communication. As a result, the internal control system was not always effective and public trust was eroded.

Inadequate "tone at the top"

The Board and Dr. Scarlett did not demonstrate a commitment to integrity and ethical values or a "tone at the top" necessary to effectively lead the district. The Board and Dr. Scarlett's failure to comply with Board and district hiring and travel practices and policies as discussed in section 1.2 and Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*, issued in August 2025, indicates neither was committed to following established guidelines intended for the best interest of the district and its students. For example, Dr. Scarlett approved salaries for cabinet members[8] in excess of the Board-approved salary schedules,[9] and Board and cabinet members spent $1,460 in unallowed travel upgrades, including upgraded boarding and early flight check-in.[10] Additionally, district personnel indicated Dr. Scarlett stated she had "an appetite for litigation." This statement is indicative of a control environment in which management intends to challenge established procedures and employees could be coerced into following management directives out of fear of retaliation or loss of a job.

Paragraph 1.04 of the *Standards for Internal Control in the Federal Government* (also known as the Green Book), states the oversight body's and management's directives, attitudes, and behaviors reflect the integrity and ethical values expected throughout the entity. Paragraph 1.05 of the Green Book indicates, "Tone at the top can be either a driver. . . or a barrier to internal control. Without a strong tone at the top to support an internal control system, the entity's risk identification may be incomplete, risk responses may be inappropriate, control activities may not be appropriately designed or implemented, information and communication may falter, and results of monitoring may not be understood or acted upon to remediate deficiencies."

Poor internal communication

Employees were not allowed to speak directly with the Superintendent or the Board, and information and communication within the district was not always

[8] The cabinet includes the Superintendent, the Deputy Superintendent, and employees with any job title containing "Chief." There were 13 cabinet positions during our audit period.

[9] This is explained further in Management Advisory Report (MAR) finding number 4.2 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices.*

[10] This is explained further in MAR finding number 2.1 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices.*

adequate, complete, or timely; which limited the Board's ability to effectively serve staff and students.

District personnel indicated there was a communication bottleneck in which cabinet members could only relay messages to Dr. Scarlett through the former Deputy Superintendent. Dr. Scarlett then communicated with only the former Board President and former Board Vice-President, who, according to other Board members, sometimes shared only partial information with the remainder of the Board.

Board members indicated they would frequently receive only a portion of, or not receive any, materials related to the consent agenda until the day before or the day of Board meetings, which left insufficient time to make informed decisions. In a January 14, 2025, Board meeting, a Board member resigned citing, "leadership stepping outside of their bounds as Board members [by] getting involved in the operations of the district," lack of information being shared with the Board, and not receiving sufficient responses to requests for certain information.

Effective information and communication processes are critical for an entity to achieve its objectives. According to Board Bylaw B9356, a written agenda, reports, and background materials will be provided to each Board member at least five days prior the administrative and regular business meetings. In the event of an emergency, the materials are to be distributed to members as soon as possible or at the meeting at which action is requested. Paragraphs 14.01 and 14.05 of the Green Book indicate management should internally communicate quality information to achieve the entity's objectives, and it is necessary for good internal controls for the oversight body to obtain relevant and quality information that flows up the reporting lines from management and other personnel.

Deficient internal control monitoring

The Board's response to potential complaints and monitoring of internal processes was lax. We noted the district's whistleblower hotline phone number was out of service from at least November 19, 2024, through December 23, 2024, but the district is unsure how long the phone number was out of service. While individuals could still report concerns via email, not having the ability to call the whistleblower hotline hindered the district's ability to hear and review credible concerns without fear of retaliation. In addition, without knowledge of concerns, district leadership cannot address any ongoing issues.

Also, the district's internal auditor position was vacant from March 2024 through December 2024. This vacancy illustrates a lack of urgency to fill a key position that assists in managing internal controls and compliance, and providing oversight.

A whistleblower hotline and internal auditor are key components to a strong internal control system and can assist with identification and resolution of internal control deficiencies. Paragraph 15.06 of the Green Book indicates that external parties should use separate reporting lines, such as whistleblower and ethics hotlines, for communicating confidential information. In addition, Paragraph 16.07 of the Green Book states that management should use the results of separate evaluations performed by internal auditors to help identify issues in the internal control system. Separate evaluations provide greater objectivity when performed by reviewers who do not have responsibility for the activities being evaluated.

Conclusion

The inadequate tone at the top, lack of internal communications, and deficient internal control monitoring has fostered a culture that lacked accountability and eroded public trust. Without such trust and community support, it is difficult for the Board to effectively serve its students, employees, and district stakeholders. The Government Finance Officers Association (GFOA) indicates the governing body, upper-level management, and all levels of staff throughout the organization should set the "tone at the top" by prioritizing integrity and ethical values.[11] In addition, the GFOA indicates the governing body should actively oversee management's implementation of internal controls that function as part of the internal control framework. The Board and district officials have a responsibility to taxpayers and students to ensure the district is run transparently with integrity and a strong internal control system. A supportive "tone at the top" and strong communication among decision makers are generally needed to establish trust and maintain district support.

1.2 Board travel

The Board spends an unnecessary amount on travel, has not acted in a fiscally prudent manner while traveling, and does not always obtain approval to attend conferences as required.

Unnecessary and questionable expenses

The Board unnecessarily spent approximately $75,000[12] during the period July 1, 2023, through July 31, 2024, for 2 in-state conferences and 7 out-of-state conferences for Board members. The following table includes a summary of the expenses incurred.

[11] Government Finance Officers Association, Internal Control Environment, September 2022, <https://www.gfoa.org/materials/internal-control-environment>, accessed August 6, 2026.

[12] Includes conference registration for 1 additional in-state conference, which occurred in June 2023, and was not paid until February and June 2024, and does not include conference registration for 1 in-state conference for June 2024 that was paid after our review period.

Category	Amount
Conference registration	$ 31,041
Hotel	19,276
Airfare	15,920
Per diem	4,500
Mileage reimbursement	1,670
Car rental	1,114
Travel upgrade	785
Ride share	367
Meals	263
Train	73
Miscellaneous (1)	83
Total	$ 75,092

(1) Includes charges for fuel and a gift card (noted in MAR finding number 2.1 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*).

During our 13-month review period, the Board attended 7 out-of-state conferences. Expenses, totaling $52,103,[13] were incurred for conferences in Washington, D.C. (3 conferences); Boston, Massachusetts (2 conferences); San Diego, California; and Dallas, Texas. In addition, Board members attended conferences in Kansas City and Branson, Missouri, with expenses totaling $7,732. We noted the following concerns:

- For a trip to Boston, the district paid a total of $16,200 in registration fees for 4 Board members to attend the 2024 Accelerated Board Capacity Summer Institute: Harvard Business School Executive Education Program. In addition, the district paid a total of $8,100 in registration fees for 2 Board members to attend the 2023 conference.

- During a trip to Branson, the 3 Board members attending drove separate cars and all received mileage reimbursement totaling $1,019. District personnel indicated the Board members left at different times and/or on different days. The district could operate more economically by limiting the number of personal cars for which mileage will be paid, and the GFOA emphasizes that travel funded by public resources must be a "reasonable and prudent use of public funds."[14] The Board's travel expenses policy, effective February 2025, now requires individuals who are traveling to the same destination to share transportation unless an

[13] Does not include expenses for some airfare and hotels because district personnel could not identify a conference related to the transactions.
[14] Government Finance Officers Association, *Resource Tool: Development of a Travel Policy*, May 2018, <https://www.gfoa.org/materials/development-of-a-travel-policy>, accessed August 6, 2026.

exception is granted or the individual is willing to travel at his or her own expense.

- District personnel could not locate documentation for 2 transactions for hotels in Palm Springs, California, and Chicago, Illinois, totaling $649 and were unable to identify a reason for the travel. Without such documentation, it is unclear if these were appropriate and necessary expenditures.

- During a trip to San Diego, 5 Board members attended and spent $263 at a restaurant on a district credit card while each member also received a $50 daily meal per diem. District personnel indicated the Board members attending the conference held a meeting to discuss the conference topics. While there was a quorum, Board members did not take minutes during the meeting and it does not appear necessary for Board members to incur meal costs beyond their per diem for such a meeting.

- Board member airfare exceeded the $500 maximum airfare cost by $21 to $511 in 15 instances.[15] The Travel Policy requires all coach airfares not to exceed $500. District personnel could not locate any documentation of approval given or exceptions made for the transactions.

No approval for conferences

Board members did not obtain approval to attend 5 out of 9 conferences during the period July 1, 2023, through July 31, 2024, as required by Board policy. District personnel could not provide documentation of approval in meeting minutes, meeting agendas, or other support for 2 conferences in Washington, D.C.; 2 conferences in Boston, Massachusetts; and 1 conference in Branson, Missouri. The district did not have processes in place to ensure this information was retained and district personnel did not provide an explanation of why the Board members attending the conferences did not seek prior approval.

Board Policy P8220 requires Board members wishing to attend a conference, workshop, meeting, etc. to request approval from the Board for attendance and expenses at a scheduled regular business meeting; or if timelines do not permit, a Board member may apply to the Board President for authorization with ratification by the Board at the next scheduled meeting. In addition, Board Bylaw B9270 requires a majority vote of the Board to approve Board member attendance or participation in any public event, conference, professional development, etc. requiring the expenditure (or Board member reimbursement) of district funds.

[15] Includes 2 transactions noted in MAR finding number 2.1 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*.

Conclusion

While Board training is appropriate, it is necessary for the Board to continually review and evaluate its travel and conference costs for such training to ensure taxpayer money is used in the most beneficial way for students, such as teacher training, classroom resources, and technology for students. District residents have placed a fiduciary trust in their public officials to spend district revenues in a prudent and necessary manner, which is especially important given the projected financial stress of the district, as noted in MAR finding number 1.1 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*.

Recommendations

The Board of Education:

1.1 Reinforce its commitment to integrity and ethical values, enhance internal communications, and strengthen oversight and risk monitoring practices to support a more effective internal control system.

1.2 Ensure costs incurred by the Board for training are a necessary and prudent use of taxpayer money, and implement procedures to ensure compliance with Board policies and bylaws.

Auditee's Response

1.1 The Board will implement a policy review cycle to examine its governance policies and procedures/administrative regulations on a regular cadence in conjunction with SLPS administration, as well as with stakeholder input and public participation. The Board plans to prioritize Codes of Conduct and Ethics policies and procedures. The Board is also taking several specific measures to partner with Missouri School Board Association (MSBA) and other external parties to consider best practices and has appointed a new General Counsel, effective February 12, 2026, to support compliance and governance efforts.

1.2 The Board will be implementing a policy review cycle to review its own governance policies and procedures/administrative regulations on a regular cadence in conjunction with SLPS administration and with stakeholder input and public participation. The Board plans to prioritize Codes of Conduct/Ethics policies and procedures. The Board is taking several specific measures to partner with MSBA and other external parties to consider best practices and has appointed a new General Counsel as of February 12, 2026, to support compliance and governance efforts. The Board has updated several policies including an updated Travel Policy in February of 2025.

2. Real Estate

The district has not effectively managed its inventory of closed school buildings and has not sold property in compliance with state law, resulting in lost opportunities to maximize property value and increased costs associated with maintaining vacant facilities. Additionally, the district limited available buyers by including inapt conditions in its Administration Campus property listing and not adequately updating its surplus property website. In fiscal year 2024, the district spent $70.8 million for building maintenance and upkeep costs for all of its buildings (open and closed properties). As of December 11, 2025, the district operated 68 schools. See Appendix B for details about district real estate properties listed for sale and/or closed as of August 4, 2025. In 2026, after our inquiries with district personnel and discussions with the Board of Education, the Board sold 2 properties, listed 5 properties for sale, and voted to demolish 3 properties.

Properties for sale

The district's requirements for buyers to be eligible to purchase the Administration Campus and its failure to update the district surplus real estate website may be limiting potential buyers. As of August 4, 2025, the district had 16 buildings for sale, which included 15 closed buildings and the Administration Campus that is actively in use. The 15 closed buildings have been decommissioned for 4 to 22 years. The following table details the condition of the 16 buildings as determined by the district.

Condition	Number of Buildings
Poor	9
Fair	3
Good	4

According to the Administration Campus property listing, under any sale, the Board would retain use of up to 40% of the office space in the Administration building for 10 years and 200 parking spaces in the parking garage for $50 per space for 5 years, and the buyer would commit to "developing and operating an innovation-focused education facility at no cost to SLPS students." District personnel indicated the district did not have a specific buyer in mind when identifying these requirements. However, it is unlikely there are many buyers that would be able to meet these requirements while meeting their own needs for the property.

In addition, the district does not adequately update its surplus real properties website to effectively market properties for sale. As of September 16, 2025, the district did not include 2 buildings for sale on its website. The buildings include a school building originally listed for sale in 2019 and the Administration Campus, which the district listed in 2021. Additionally, the website listed 2 schools' status as under contract, but the buildings were sold in 2024.

District personnel indicated the website errors were an oversight and they are working on updating the website. The GFOA indicates that governments should ensure the public obtains the maximum consideration and competition for the sale of the property by marketing properties for sale or lease and requiring interested parties to submit proposals for evaluation.[16] Failure to ensure surplus properties for sale are properly disclosed could result in a decrease in interested parties.

Figure 1 shows the condition of Farragut School, a school building listed for sale in 2019 and closed in 2021, during an open house of the vacant property on April 24, 2026. The picture shows old computers and monitors sitting in water along with a smart board in an old classroom.

Figure 1: Farragut School condition image

Source: <https://www.stltoday.com/news/multimedia/pictures/collection_ea6a6aba-23ce-4b1e-914b-c3abdc72b2d8.html#6>, accessed July 2, 2026.

Property sales not compliant with state law

The district sold 4 properties in violation of state law from June 2022 through June 2025. During this period, the district did not solicit open bids for properties sold and did not publicize the sales as required by state law when selling property without a real estate broker. District personnel explained that open bids were not solicited because each property sold received a single offer, and the purchasing entities met the exemptions defined in the law. However, the district did not perform an independent verification of the purchasing entities to ensure they met the exemption provisions, and instead relied on the information submitted by the entities in "good faith." In addition, even if the entities met the bid exemption requirements, there is no exemption for publishing notice of the real estate property listing.

[16] Government Finance Officers Association, *Public Private Partnership for the Sale or Lease of Assets* , <https://www.gfoa.org/p3-asset-sale>, accessed August 6, 2026.

The district has not had a real estate broker since June 2022 and, as a result, the district may not be effectively managing or publicizing its properties for sale. A real estate broker would be responsible for listing, marketing, and showing properties, along with analyzing market conditions to recommend a list price to the Real Estate committee for consideration and Board approval. The broker would also give recommendations to the Real Estate committee to consider price decreases on listed properties based on market conditions. No price decreases have been considered since 15 of the properties (See Appendix B) were listed in 2019.

On September 13, 2022, the Board voted to approve an agreement with a brokerage firm for the period September 14, 2022, through June 30, 2023, with an option to renew for 2 additional 1-year terms. District personnel explained that although the Board approved the agreement, a fully executed contract was never finalized or received by the district. Therefore, no services were initiated under the agreement, and no payments were made to the brokerage firm.

Section 177.073, RSMo, provides that real property not sold or leased through a real estate broker shall be sold or leased to the highest bidder, except when sold or leased to a community group, city, state agency, municipal corporation, or other governmental subdivision of the state located wholly or partially within the boundaries of the district, for public uses and purposes, to be purchased or leased after public notice is provided. In addition, if real property is not sold or leased through a real estate broker, notice that the Board is holding real property for sale or offering it for lease, shall be given by publication in a newspaper.

Inventory buildings

The district was holding 7 of its 22 closed buildings[17] for future use despite decommissioning the buildings between 4 to 22 years ago and classifying 4 of the 7 buildings in fair or poor condition. These buildings are currently incurring costs to maintain and would require significant investment to be recommissioned. According to district personnel, these buildings "represent the most well-maintained of our decommissioned schools and are held in reserve to serve as contingency sites for emergency relocations. This strategic approach ensures instructional continuity with minimal disruption." However, the district classified 3 of these buildings as poor condition and 1 building as fair condition, and personnel indicated the buildings considered to be in fair or poor condition would require significant time and funding to bring to a usable condition.

Figure 2 is an image taken by the SAO during a September 2025 site visit showing one of the 7 buildings, closed in 2009, that the district has classified

[17] As of August 4, 2025.

as being in poor condition. The image shows a damaged roof, missing windows, and damaged fencing.

Figure 2: September 2025 condition image

Source: State Auditor's Office (SAO) during a September 2025 site visit.

Figure 3 shows the same building's condition in September 2011, approximately 2 years after the building was decommissioned. The building appears to be in considerably better condition, indicating that if the district had sold the building sooner it may have had more value and less upkeep.

Figure 3: September 2011 condition image

Source: <https://maps.app.goo.gl/7H5os6Pw65gwaZt39>, accessed August 6, 2026.

During the July 21, 2025, Real Estate committee meeting, the Chief Operations Officer (COO) indicated cleanup costs for dumping on district properties ranged from $1,500 to $2,000 for each instance. The COO also indicated there is no budget for the cleanup costs for, or boarding up of, closed school buildings. During the meeting, Dr. Borishade indicated the district needs to develop a plan for cleaning up closed buildings. In addition, during the August 18, 2025, Real Estate committee meeting, the COO stated ". . . we spend approximately over $100,000 [annually] just to maintain our [closed] facilities," including costs associated with vandalism, debris cleanup, and mowing.

Because of the current neglected conditions of some of the inventory buildings, the buildings cannot fulfill their purpose to "serve as contingency sites for emergency relocations." The district currently has no plans to restore the buildings to usable condition, and in the event of an emergency relocation, district personnel indicated they would prioritize combining schools into one building (as done following the May 2025 tornado) or use an inventory building that is considered to be in good condition.

Conclusion

The Board's failure to effectively manage surplus real properties is significantly increasing costs to the district, leaving less funds available for maintaining operational buildings and educating students. By not effectively managing its unused real properties, the district is not able to maximize the value of those properties. Government assets are property of the public, and disposal of them should maximize public value.[18] Effectively managing surplus properties and realizing whatever market value is available is especially important given the costs to maintain the properties, the budgeted deficit spending by the district, and the volume of the district's operational school buildings.

Recommendation

The Board of Education continue to evaluate real estate condition and usage, consider selling unused buildings, ensure actions are taken to maximize the available buyers and sale price of listed properties, and ensure future property sales are compliant with state law. In addition, the Board should timely update the surplus properties website to ensure the accuracy of publicly available information.

Auditee's Response

The Real Estate webpage has been updated (https://www.slps.org/realestate) and is being maintained to ensure accurate and timely information regarding surplus properties. We will continue to evaluate real estate conditions and usage, consider the sale of unused buildings, and take actions to maximize

[18] Government Finance Officers Association, *Public Private Partnership for the Sale or Lease of Assets*, <https://www.gfoa.org/p3-asset-sale>, accessed August 6, 2026.

buyer interest and sale value while ensuring all transactions remain compliant with state law.

3. Transportation

The district did not adequately monitor the primary transportation vendor for the 2023-2024 school year to ensure the vendor fulfilled its required contractual obligations, including meeting safety inspection result quotas and required reporting. The district did not pursue all potential forms of recourse prior to this contractor's termination, resulting in a rushed request for proposal (RFP), increased transportation costs for the district, and difficulties for families. Additionally, the district did not require a performance bond for its new transportation contracts to allow sufficient remedies if the district encountered similar issues with the new contractors.

The district entered into a contract with its 2023-2024 school year primary bus vendor for the period July 1, 2022, through June 30, 2025.[19]

Contract monitoring

District officials did not adequately enforce contract provisions or impose contract penalties for noncompliance, which allowed performance issues to continue. In May 2023, officials sent a letter to the transportation vendor providing formal notice of unsatisfactory performance. Deficiencies and concerns identified included inadequate percentage of on-time performance of buses; consistent shortage of drivers resulting in missed or uncovered routes; untimely or no communication about tardy, doubled, or uncovered routes; frequency of bus breakdowns; and incomplete data reporting. While the district identified and communicated various instances of contract noncompliance with the transportation vendor, the district did not assess the related performance penalties to hold the vendor accountable for the non-performance of a vital service owed to the district.

Additionally, on January 9, 2024, prior to the termination of the contract, the Council of Greater City Schools (CGCS) presented a review of the district's Transportation Department to the Board, which indicated district officials were not sufficiently monitoring compliance with the transportation contract.

Safety inspections

The district did not enforce contract penalties for the vendor's failure to meet safety inspection requirements, resulting in students riding in potentially unsafe buses. The contract required the vendor's bus fleet to achieve at least a 90% first-time satisfactory pass during the annual inspections[20] conducted by the Missouri State Highway Patrol (MSHP). The contract indicated if the

[19] The vendor terminated its contract on March 26, 2024, effective June 30, 2024.

[20] Annual inspections are publicly available on the MSHP website at <https://www.mshp.dps.missouri.gov/MSHPWeb/PatrolDivisions/DVSD/MVI/index.html>, accessed August 6, 2026.

vendor did not meet this requirement, the district could assess a performance penalty of 5% of the current month's total invoice.

The 2024 MSHP school bus safety inspection indicated a first-time satisfactory pass result of only 72% for the 253 buses inspected. The MSHP failed 70 buses and identified defects including a loose steering shaft, emergency exits that would not open, exhaust leaks, leaking brake fluid, and a loose rear shock. The 2023 MSHP school bus safety inspection results reported a first-time satisfactory pass rate of only 51%.

District personnel indicated the district did not assess the penalty for the 2023 inspection results because the vendor did not send the report to the district directly, and the district only became aware of the results during the review of the Transportation Department conducted by the CGCS in May 2023. Personnel also indicated the information for the 2023 and 2024 inspection results were provided to district legal counsel, but "there was no follow up from our legal regarding the assessment of the 5% penalty fee for the failed bus inspections."

Reporting

Additionally, the district did not enforce contract penalties for the vendor failing to provide the required daily and monthly operations reports. According to the contract, the vendor was to provide the Board a daily operations report by 3 p.m. the following day of service. The report was to include various data about on-time percentage, drivers, safety, maintenance, and more. The contract also required the vendor to submit a monthly operations report with the monthly invoice that included number of days operated, number of students transported, number of late runs, vehicle failures/breakdowns, and more. The contract indicated if the vendor failed to meet the reporting requirements on time the district could assess a penalty of 5% of the current month's invoice. District personnel indicated the former Transportation Director notified the vendor of the missing reports and it was discussed during the monthly transportation meetings, but the district did not assess any related penalties.

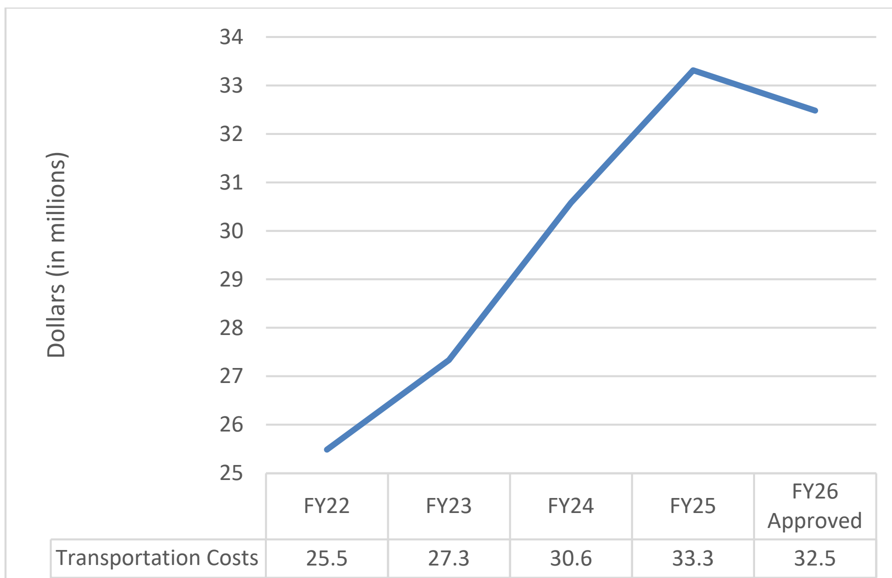
Performance bond

The district did not exercise its right to make a claim on the vendor's performance bond in response to the vendor's failure to meet key contractual obligations, which further contributed to avoidable operational disturbances and additional costs incurred by the district. As noted, the district's primary transportation vendor failed to meet contractual obligations including bus safety and required reporting. The contract allowed the district to declare default under the contract's performance bond, equal to $3.1 million (10% of the contract price), or terminate the contract and be released from further obligations if the vendor did not correct problems brought to its attention by the Board within 7 calendar days. District personnel indicated they did not make a claim on the performance bond because, during the 2022-2023 school year, the district initiated the CGCS review of the district's Transportation

Department. It is unclear how the CGCS review would impact the district's opportunity to make a claim on the performance bond. Additionally, after the vendor informed the district, in December 2023, of its intent to terminate the contract, the district determined that making a claim on the performance bond would not yield additional operational or financial benefit. It is unclear why the district believed that making a claim on the performance bond would not be a financial benefit to the district.

The vendor's noncompliance resulted in the district being forced to rush to find transportation vendors for the 2024-2025 school year. As a result of the changes in transportation vendors, families faced significant challenges getting their students to and from school safely and timely, and the district incurred significant increased transportation expenses, which could have been partially offset if the district had made a claim on the vendor's performance bond. The district hired 2 transportation consultants[21] for a total of $292,200 to assist with the design and execution of the Spring 2024 RFP. Figure 4 shows the increase in transportation costs, which does not include the costs for the consultants, for fiscal years 2022 through 2026.

Figure 4: Transportation costs by fiscal year (FY)



Source: Prepared by the SAO using fiscal year 2022 to 2024 costs obtained from the fiscal year 2023 and 2024 audited financial statements <https://www.slps.org/community/financial-and-community-reports/annual-financial-audit-reports>, fiscal year 2025 costs provided by the district, and fiscal year 2026 costs obtained from the related approved budget <https://www.slps.org/community/financial-and-community-reports/district-budget-information>, accessed August 6, 2026.

[21] The district classified 1 of the transportation consultants as an emergency purchase (noted in MAR finding number 3 of Report No. 2025-045, *St. Louis Public Schools - Procurement, Hiring, and Budgetary Practices*).

Additionally, the district did not adequately protect itself from future transportation issues. We reviewed 18 contracts, including the 17 transportation vendors selected as part of the Spring 2024 RFP for the 2024-2025 school year and the primary bus vendor for the 2025-2026 school year. The contracts for 13 vendors allowed the vendor to terminate the contract early without cause, and only 4 of the 13 contracts required the vendor to complete services through the end of the school year. Additionally, 6 of the 18 contracts did not include liquidated damages and none of the contracts had provisions for performance bonds to protect the district in the event of vendor non-performance. District personnel could not provide a reason as to why the contracts did not include performance bonds.

Conclusion

Closely monitoring contractor performance and compliance with contract terms is important to ensure safe transportation of students, limited district resources and assets are used wisely, and the expectations of the Board and the public are met. If the district had enforced contract requirements through performance penalties for identified deficiencies, it could have added more pressure to the 2023-2024 school year vendor to resolve the issues, had more time to plan for a transition to a new vendor, or made additional funds available to absorb the increased costs. In addition, performance bonds provide assurance for compliance with contracts and could have further offset the district's financial damages resulting from the default of the vendor.

Recommendation

The Board of Education ensure the district obtains necessary reports to effectively monitor contract compliance and assess penalties in accordance with contract terms, and ensure future transportation contract provisions adequately protect the district from relevant risks.

Auditee's Response

Implementation of contract penalties is often based on multiple factors. If pursuing liquidated damages verses other contractual remedies is in the best interests of students, families, and operational effectiveness; the district will pursue them. Per the terms of the district's contract with Zum Services LLC, SLPS was not permitted to assess liquidated damages until November 2025. Since that time, SLPS has issued formal Notices of Intent to Assess Liquidated Damages for service performance in November 2025, December 2025, and January 2026. The Transportation Department has strengthened its internal oversight by hiring a dedicated Compliance Officer responsible for monitoring all transportation contracts, ensuring adherence to contractual obligations, and overseeing compliance activities in alignment with district policy and best practices.

4. Academic Oversight

District policies and procedures for Reading Success Plans and curriculum development are not compliant with applicable state laws and Board policy.

4.1 Reading Success Plan policy

The district has not developed a written Reading Success Plan (RSP) policy, as required by state statute, despite students scoring below grade level in reading assessments. RSPs are required for students who exhibit a substantial reading deficiency[22] or have been identified as being at risk of, or have a formal diagnosis of, dyslexia. During the 2023-2024 school year, there were 2,658 students with RSPs.

Rather than a formal RSP policy, the district has an RSP form. District personnel indicated the district did not adopt a formal policy because personnel thought the act of using the form was sufficient. However, without a written RSP policy, teachers and other district personnel do not have sufficient guidance to identify students who need assistance, including information on screening of dyslexia, how and when parents are notified, preparation of assessments, and strategies for addressing reading deficiencies.

A written RSP policy is especially important given, for the 2023-2024 school year, 5,303 of 8,795 SLPS K-8th grade students (60%) tested one or more grade levels below their current grade on the Star Reading assessment.[23] Additionally, 1,350 of 2,870 SLPS K-8th grade students (47%) tested one or more grade levels below their current grade on the Star Early Literacy assessment. In addition, in 2024 the district had an average American College Testing (ACT) reading score of 16.3 out of a possible 36, and a significant portion of students scored at "below basic" or "basic" on the Missouri Assessment Program (MAP) English Language Arts (ELA) test.

The following table shows the percentage of SLPS students scoring at "below basic" and "basic" for ELA in the 2023-2024 and 2024-2025 school years (78 and 77%) is significantly higher than the state average (57 and 56%).

	2023-2024		2024-2025	
	SLPS	Missouri	SLPS	Missouri
Below basic	44 %	19 %	43 %	19 %
Basic	34	38	34	37
Total	78 %	57 %	77 %	56 %

Section 167.268, RSMo, requires each school district and charter school to have a policy for reading success plans on file, and states the district shall

[22] Section 167.645, RSMo, defines substantial reading deficiency as a student who is one or more grade levels behind in reading or reading readiness, which can be identified through assessment or teacher observation.

[23] Star Reading assesses reading ability and comprehension for students K-12th grade, whereas Star Early Literacy assesses skills needed to become an independent reader for PK-3rd grade students. Some students completed both assessments and others only completed 1 of the 2 assessments. Students tested include students who are new to the United States for whom English is not their first language.

provide all parents and guardians with suggestions for regular parent-guided home reading.

4.2 Board approval of curriculum

The Board did not review or approve district-wide curriculum revisions as required by policy. In June 2023, the district updated all subject curriculum. As part of our review, we compared the 3rd grade English Language Arts curriculum for the 2022-2023 school year to the curriculum for the 2023-2024 school year and noted changes in the structure and content of the curriculum materials. For example, the end-of-year goals for students changed significantly. The Chief Academic Officer and the Executive Director of Curriculum reviewed and approved the revised curriculum plans, but district personnel did not present the updated plans to the Board for review or approval. District personnel explained they thought their approach was sufficient because the curriculum development procedure does not require Board approval. Instead, the procedure (CUR-P001), last revised in 2020, only indicates the Chief Academic Officer will approve the changes and does not mention the Board approving curriculum plans. However, Board policy and state law require the Board to approve curriculum.

Given the student challenges as discussed with the ELA scores in Section 4.1, it is critical the Board take an active role in curriculum oversight. The DESE sets priority learning standards for curriculum used by K-12 schools. Board Policy P6140 requires the written curriculum for each subject area and/or individual course be approved by the Board of Education. In addition, Section 160.514, RSMo, indicates each local school board shall be responsible for the approval and adoption of curriculum used by the school district. While the DESE sets basic curriculum requirements, without Board review and approval of curriculum, the Board cannot ensure the DESE guidelines are followed and the curriculum aligns with the Board's intentions of improving academic achievement.

Recommendations

The Board of Education:

4.1 Establish an RSP policy as required by statute to help address student reading scores.

4.2 Ensure all changes to curriculum are reviewed and approved by the Board and ensure Board policies and district procedures are consistent and appropriately communicated.

Auditee's Response

4.1 The Board has adopted an RSP policy in conformity with the MSBA Model Policy for RSPs.

4.2 Curriculum adoptions are approved by the Board (Board Policy 6140). Pacing guides are regularly updated, which does not change the written curriculum of the district. SLPS pacing guides are not *considered written curriculum and Board approval is not a requirement. We will continue to ensure moving forward that the Board adopts any new written curriculum materials and policies and procedures are consistent and appropriately communicated.*

5. Safety Drills

District schools did not always perform safety drills in accordance with the district's guidance, and guidance is inconsistent and does not address all required drills. The district uses an internal safety drill form and Board regulations to provide guidance to school staff for performing safety drills.

The following table details the required safety drills per school year based on Board regulations, the district's internal safety drill form, and state law.

Drill Type	Board Regulation	Safety Drill Form	State Law
Fire	Conducted at intervals not more than 60 days September through June (1)	2 drills in first 2 weeks of school year and 8 additional drills throughout school year	None
Tornado	At least 2 drills (2)	2 drills	None
Earthquake	None	2 drills	2 drills (3)
Intruder	None	2 drills	None

(1) Board Regulation R6114.1
(2) Board Regulation R6114.4
(3) Section 160.453, RSMo.

Safety drills performed

We reviewed the district's school safety drill log for the 2023-2024 school year. The log includes the name of the school and the number of safety drills completed in the year separated by type: fire, tornado, earthquake, and intruder. During our review of the schools listed,[24] we noted the following safety drills were not completed:

- Of the 63 schools, 12 schools (2 elementary schools, 2 middle schools, 4 high schools, and 4 alternative sites) did not complete all 10 required fire drills.
- Of the 63 schools, 5 schools (2 elementary schools, 1 high school, and 2 alternative sites) did not complete the 2 required tornado drills.
- Of the 63 schools, 4 schools (1 elementary school, 1 middle school, and 2 alternative sites) did not complete the 2 required earthquake drills.

[24] While the district has 68 school sites, 1 school is located in the City of St. Louis Juvenile Detention Center, and the district does not oversee safety drills at that location. Additionally, 2 schools share a building and conduct their drills jointly, and the DESE waived drill requirements for 2 schools in response to an active shooter event in October 2022.

- Of the 63 schools, 7 schools (3 middle schools, 2 high schools, and 2 alternative sites) did not complete the 2 required intruder drills.

District personnel indicated that although the schools did not meet internal district requirements, the district focused on remaining in compliance with state law. For 1 of the alternative sites, the district had no documentation of any safety drills completed for the 2023-2024 school year due to administrative turnover.

District safety drill guidelines

Board regulations for safety drills are inconsistent with the safety drill form, and Board regulations do not reflect all safety drills required by state law. The SLPS Safety Drill form requires at least 2 "fire exit" drills in the first 2 weeks of the school year and 8 additional "fire exit" drills throughout the year; and requires a minimum of 2 tornado, earthquake, and intruder drills with at least 1 per semester. However, Board Regulation R6114.1 requires all principals to conduct a fire drill at intervals of not more than 60 days, September through June, each school year. There is no Board or district policy requiring earthquake or intruder drills, although state law currently requires earthquake drills and will require intruder drills beginning with the 2026-2027 school year.

Conclusion

Board Regulation R6114 provides general safety information for the district, and the SLPS Safety Drill Form specifies the required number and timing of safety drills to be held. Section 160.453, RSMo, requires 2 earthquake emergency exercises each school year. Properly planned, executed, and documented emergency drills are necessary, to the extent possible, to ensure the safety of all students, staff, and visitors in district facilities. Supporting documentation of drills is necessary to demonstrate compliance with Board regulations and state law. Also, to avoid confusion and ensure drills are conducted in accordance with the Board's intentions, consistent safety drill regulations and guidelines are necessary.

Recommendation

The Board of Education ensure safety drills are conducted as required by Board policy and state law and ensure regulations and guidelines are consistent and appropriately communicated to the appropriate school officials.

Auditee's Response

The Board will be implementing a policy review cycle to update its policies and to have SLPS update administrative regulations and procedures associated with those policies on a regular cadence. The SLPS Safety Drill Form reflects the district's actual practice during the audit period, which was in line with state law except with respect to earthquake drills. Earthquake and intruder drills will be added to the Drill Form and policy beginning in the 2026–2027 school year. In addition, the SLPS Safety and Security team will utilize the MSBA K-12 Platform and the Raptor Visitor Management System to capture all drills conducted within the district.

6. Sunshine Law

The Board does not always comply with the Sunshine Law or sufficiently document discussions to demonstrate Sunshine Law compliance.

6.1 Meeting minutes and agendas

The Board does not always adequately document the reason for closed sessions, discussed topics during closed session that were not allowed, approve meeting minutes missing key information, and did not approve past meeting minutes timely. For the period July 1, 2023, through July 31, 2024, the Board and its committees held approximately 90 meetings (open and closed).

Reasons for closed meetings

The Board did not cite the correct statutory reason for closing the 27 closed meetings held from July 1, 2023, to July 31, 2024, and the Real Estate committee did not do so for 7 of its 10 closed meetings. The minutes erroneously referenced Section 610.020, RSMo, instead of Section 610.021, RSMo. In addition, the Board cited the same subsections of Section 610.021, RSMo, as the reasons for the closed meeting for 26 out of 27 meetings, regardless of the topics discussed.

For 3 Real Estate and 2 Audit committee meetings, the minutes did not include any statutory citation as the reason to move into closed session. In addition, the agendas for 6 closed Real Estate committee meetings did not include the reason for the closed meeting or what topic was to be discussed. District personnel indicated these errors were an oversight. Section 610.022, RSMo, requires public bodies to announce the specific reasons allowed by law for going into a closing meeting and to enter the vote and reason into the minutes.

Allowable topics

The Board and Real Estate committee discussed and voted on items in 5 of the 37 (27 Board and 10 Real Estate committee) closed meetings that were not allowable under the Sunshine Law. In the February 13, 2024, closed meeting, the Board voted on a proposal from its primary transportation vendor, and during the January 14, 2025,[25] closed meeting, the Board voted to approve a contract for professional development for $50,000. The Real Estate committee discussed several unallowable items during closed sessions, including an update regarding a job opening, a job description, and the progress of a RFP for real estate broker services. District personnel indicated the discussions were an oversight and explained they were not aware that some discussions were not allowed to be discussed in closed session. Section 610.021, RSMo, provides that the discussion topics and actions in closed meetings are limited to only those specifically allowed by law.

[25] While our review primarily focused on the period July 1, 2023, through July 31, 2024, we judgmentally selected to review this meeting due to the nature of the topics discussed.

Missing and insufficient meeting minutes

The district did not prepare or could not locate meeting minutes for some committee meetings, and some Board and committee meeting agendas and minutes did not include sufficient detail to demonstrate Sunshine Law compliance. Out of the approximately 90 Board and committee meetings we reviewed, we noted the following concerns:

- Personnel did not include the meeting location in 15 committee meeting minutes and 10 committee meeting agendas.

- District personnel did not prepare meeting minutes for the Proposition S and Legislative committee meetings and were unable to locate meeting minutes for 1 open meeting and 2 closed meetings for the Audit committee. In addition, there was not a quorum for the October 7, 2024,[26] Audit committee closed meeting. During this meeting, the former Board Vice-President stated, ". . . if you want to conclude the open session and have an informal discussion, I don't think we're violating any laws." in response to not having enough members present. District personnel indicated minutes are taken for Board subcommittee meetings when a quorum of the Board or committee is present.

- District personnel did not list the members present or absent for 6 committee meeting minutes.

- There was not a sufficient record of votes taken for 5 committee meetings.

- The district posted Real Estate committee minutes that were closed meeting minutes on the district's website before the execution of the lease, purchase or sale of real estate. The minutes contained sensitive information including offers received from interested buyers for properties.

District personnel indicated these errors were oversights. Section 610.020.7, RSMo, requires minutes of open and closed meetings be taken and retained by the public governmental body. Additionally, Section 610.020.1, RSMo, requires all public governmental bodies to give notice of the time, date, place and tentative agenda for each meeting. Maintaining the confidentiality of sensitive information is necessary to ensure real estate transactions are fair and equitable.

Untimely approval of minutes

The Board does not always approve meeting minutes timely. During our review period, the oldest meeting minutes approved were from 5 to 7 months after the actual meeting date. For example, for open session meeting minutes,

[26] While our review primarily focused on the period July 1, 2023, through July 31, 2024, we judgmentally selected to review this meeting due to the nature of the topics discussed.

the Board approved minutes for 7 prior meetings during the November 14, 2023, meeting, and approved minutes for the 5 preceding meetings during the June 11, 2024, meeting. For closed session meeting minutes, the Board approved minutes for the 17 preceding meetings during the April 9, 2024, meeting. District personnel indicated it had been the practice of the Board to approve the meeting minutes in batches for the last 10 years. However, Board Bylaw B9356 states, "minutes for the previous meeting(s) will be provided prior to the regular business meetings," and Board Bylaw 9358.1 includes the approval of minutes of previous sessions as part of the normal order of business for the public meetings.

Conclusion

District adherence to the spirit and letter of the Missouri Sunshine Law is essential to ensure transparency, maintain public trust, and uphold the integrity of governmental operations.

Section 610.010, RSMo, identifies school districts, and their related Boards, and Board committees as subject to the Sunshine Law. Sufficiently detailed meeting minutes are necessary to demonstrate compliance with statutory provisions and support decisions made. Board Bylaw B9359 requires official minutes to be taken and retained for all open and closed meetings of the board or any committee of the board. It requires the minutes to include the date, time, place, members present and absent, and record of votes taken; and a record of each "yea" and "nay" vote for roll call votes. The bylaw also requires written minutes to be taken at all standing and ad hoc committee meetings.

6.2 Record requests

District procedures for record requests were inadequate and personnel did not maintain an adequate Sunshine Law request log. As a result, the district did not always respond to records requests timely, and from June 2023 through August 2024, the district's average number of days between initial record request and fulfillment was 44 days.

We noted the district's records request log contained the date the request was received by the district, requested record(s), and the date the request was closed. The log did not contain information, including important communications related to the requests, such as the date the district initially responded to show compliance with the 3-day Sunshine Law response requirement.

District personnel also did not always respond to requests within the timeframe required by state statute. We identified 4 instances out of 66 requests (6%) in which district personnel did not respond to a records request within 3 business days. The responses were 7 to 19 calendar days late. District personnel explained the former Custodian of Records left the district in October 2023, so the district used in-house counsel to handle the records requests. For 1 of the 4 requests, district personnel indicated the request was emailed to the former Custodian of Records instead of the posted email address, which resulted in a delayed response.

The district hired a new Custodian of Records in October 2024 and now maintains a detailed log of record requests that includes request identifiers, date of initial district response, departments involved in the request, and charges related to the request; in addition to the information maintained in the prior log.

Section 610.023, RSMo, states each request for access to public records shall be acted upon as soon as possible, but in no event later than the end of the third business day following the date the request is received by the custodian of records. A log that documents all required information is necessary to ensure compliance with state law and ensure requests are completed timely.

Recommendations

The Board of Education:

6.1 Ensure specific reasons for closing a meeting are documented in the open minutes and only topics allowed by state law are discussed in closed meetings. In addition, the Board should ensure meeting agendas contain all required information and meeting minutes are complete, accurate, sufficiently detailed, and approved timely.

6.2 Continue to maintain a detailed records request log and ensure records requests are responded to in accordance with state law.

Auditee's Response

6.1 The Board plans to institute a regular process for the review of its own governance policies and procedures and will include additional guidance and commitments regarding Sunshine Law compliance. The Board has appointed a General Counsel who will support compliance with the Sunshine Law moving forward.

6.2 SLPS hired a Senior Compliance Analyst to manage open records requests in compliance with the law. SLPS is currently maintaining a detailed request log that facilitates ongoing compliance.

7. Contracts

The district has not established written agreements with some contractual parties, leaving it susceptible to unnecessary liability and misunderstandings, because parties may not clearly understand their roles and responsibilities. Additionally, the district paid 1 vendor $24,960 in excess of its approved contract.

St. Louis Public Schools Foundation

The district has not had a written agreement with the St. Louis Public Schools Foundation (Foundation) since 2021. The Foundation is a private non-profit organization, governed by a 15-member Board of Directors, that provides financial support for the objectives, purposes, and programs of the district.

For the year ending June 30, 2024, the Foundation had revenues totaling $3.5 million and expenses totaling $3.7 million.

After the 2021 agreement concluded, the district continued to disburse $40,000 annually to the Foundation for overhead costs and provided office space within the SLPS Administration building rent-free. Foundation personnel indicated the district did this to continue operating in the "spirit of partnership." During this time, the Foundation presented written agreements to the Board, but all votes to approve an agreement failed. According to Foundation personnel, the agreements were not approved because the Foundation would not disclose information about anonymous donors included on its annual reports.

A written agreement that clearly indicates the benefit to the district for providing subsidies like the annual payments and office space at no cost is necessary to ensure all parties are aware of their duties and responsibilities and to prevent misunderstandings.

Student Support Services

The district does not have a written agreement[27] with 1 of its Community Partners[28] and paid 1 Student Support Services vendor $24,960 in excess of the agreement. The district partners with organizations to provide services to students in the district such as tutoring, medical services, and after school programs.

The district did not enter into a written agreement with a Community Partner that consulted with the district about automated external defibrillators (AEDs) and cardiac health information. According to district personnel, a vendor representative visited a few schools to inform the district on the number of AEDs needed and the template for cardiac plans required to be submitted by school nurses, but the district did not enter into a written agreement with the partner because it was still in the research phase of the project. However, without a written agreement there was no requirement that partner personnel had background checks prior to performing school visits.

The district's Partnership Handbook requires each Community Partner to complete an agreement before any work begins. Agreements typically require background checks for all staff or volunteers who are in the school representing the organization and contain data sharing agreements to protect the privacy of students.

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[27] Agreements include contracts and Memorandums of Understanding (MOU).

[28] Community Partners are organizations that provide services at no cost to the district and operate through the Student Support Services office.

Additionally, the district contracted with a Student Support Services vendor to provide instruction from professional golf staff to students at 2 elementary schools at a cost not to exceed $10,360. However, the district issued 3 purchase orders that included services for 11 schools totaling $35,320. District personnel indicated Finance Department personnel approved paying amounts in excess of the contract and expanding the scope of the agreement, but they did not obtain Board approval. Additionally, personnel indicated the agreement amount was "below the superintendent's threshold" for approval and would not have gone to the Board for approval. However, the district Procurement Requirements Crosswalk, effective for fiscal year 2024, requires at least a Board Action Report[29] and superintendent's signature for service agreements, regardless of vendor type.

Conclusion

Clear and detailed written agreements are necessary to ensure all parties are aware of their duties and responsibilities, prevent misunderstandings, and ensure district money is used appropriately and effectively. Section 432.070, RSMo, requires contracts for political subdivisions to be in writing.

Recommendation

The Board of Education enter into written agreements defining services provided and benefits received, and monitor the agreements for compliance. In addition, ensure amounts paid agree with contract terms, adequate supporting documentation is retained to support payments made, and payments in excess of contract terms are approved by the Board.

Auditee's Response

Direct services were not provided to the district's schools or staff during the initial communication. At that time, SLPS did not have a contract or memorandum of understanding in place due to no formal partnership being established. The district remained in the research and exploratory phase. The district recognizes that when an engagement involves the provision of direct services to students and/or staff, the appropriate process for establishing a contract or MOU must be followed. In addition, the district will ensure amounts paid are verified per contract terms, adequate supporting documentation is retained to support payments made, and payments in excess of contract terms are approved by the Board.

8. District Financing

The district issued general obligation (GO) bonds using a negotiated sale rather than a competitive sale process and did not solicit proposals for underwriting services. The bonds were also sold in a private sale without advertisement. As of June 30, 2024, the district had outstanding bond debt totaling $258.7 million from GO and GO refunding bond issuances from 2010

[29] A Board Action Report provides supporting documents including background information, performance overviews, financial information, initiatives, and risks of a proposed resolution before a Board vote is taken. A Board Action Report can be approved by the Board without a formal resolution.

to 2023. The district's bond underwriter received fees for the bond issuances, from 2010 to 2023, totaling approximately $1.8 million.

For each sale, the bonds were sold privately through a negotiated sale to the underwriter instead of through a competitive bid process. Furthermore, the Board did not select the bond underwriter using a competitive process, but instead used an underwriter the district had previously used. According to the bond underwriter, the firm had worked with the district for the past 15 years.

While Missouri law does not require competitive sales of these types of financing instruments or competition in selecting bond underwriters, competitive sales may result in lower interest costs for the district. Furthermore, competition in selecting bond underwriters is important to ensure services are obtained from the best qualified providers at a fair price.

The GFOA indicates that issuers should sell their debt using a method of sale (competitive sale or negotiated sale) that is most likely to achieve the lowest cost of borrowing, and recommends issuers select a method of sale based on a thorough analysis of the relevant rating, security, structure, and other factors pertaining to the bond issue,[30] and if the issuer lacks sufficient in-house expertise and access to current bond market information, the analysis and selection should be undertaken with the advice of a financial advisor chosen through a competitive process.[31] The GFOA also indicates the presence of the following factors may favor the use of a competitive sale: (1) the rating of the bonds is single-A category or higher; (2) the bonds are general obligation bonds; (3) the bonds do not include new financing features requiring extensive explanation to the bond market; and (4) the issuer is well-known and regularly in the market, but infrequent issuers meeting the 3 previous factors may also successfully issue debt through a competitive sale.[32] Based on the bond indentures, the district's issuance met the first 3 factors cited by the GFOA. Additionally, the GFOA recommends if the issuer determines that a negotiated sale is more likely to result in the lowest cost of borrowing, the issuer should select the underwriter through a RFP process.[33]

[30] Government Finance Officers Association, *Selecting and Managing the Method of Sale of Bonds*, March 5, 2021, <https://www.gfoa.org/materials/selecting-and-managing-the-method-of-sale-of-bonds>, accessed August 6, 2026.
[31] Government Finance Officers Association, *Selecting and Managing Municipal Advisors*, February 28, 2014, <https://www.gfoa.org/materials/selecting-and-managing-municipal-advisors>, accessed August 6, 2026.
[32] Government Finance Officers Association, *Selecting and Managing the Method of Sale of Bonds*, March 5, 2021, <https://www.gfoa.org/materials/selecting-and-managing-the-method-of-sale-of-bonds>, accessed August 6, 2026.
[33] Government Finance Officers Association, *Selecting and Managing Underwriters for Negotiated Bond Sales*, February 28, 2014, <https://www.gfoa.org/materials/selecting-and-managing-underwriters-for-negotiated>, accessed August 6, 2026.

Recommendation

The Board of Education consider open competition in bond sales and underwriter services in any future bond issues.

Auditee's Response

While open competition in bond sales and underwriting services is not a requirement, we appreciate the suggestion and the perspective it provides. The district has maintained a strong bond portfolio, which continues to position us well in the market. We will take this recommendation under advisement and will consider the potential for open competition in bond sales and underwriting services in connection with any future bond issuances, as appropriate.

9. Attendance

The district did not have sufficient procedures to limit access to attendance records and did not perform sufficient reviews of attendance changes. In addition, the district did not have adequately documented procedures for attendance, resulting in inconsistent practices among schools. The district transitioned to a new attendance system for the 2025-2026 school year.

9.1 Attendance system

Neither the district's prior nor new attendance systems sufficiently limit the time period when changes can be made and there was no review by district officials to ensure changes made to school year attendance records were appropriate. Additionally, some users had more access in the attendance system than required for their job duties.

Board Regulation R5115.4 requires attendance for each school to be recorded on an hourly basis. Teachers record daily student attendance in the system or substitute teachers manually take attendance when a teacher is absent. Each day the school secretary or data processor ensures all attendance has been entered into the attendance system and makes corrections as needed.

Attendance changes

Some district personnel can change attendance records up to the date of submission to the DESE and can change previous year's records. Prior to the new system, employees with edit permissions in the system could change attendance records at any time for any period with no audit trail showing who made the change unless users left comments with their initials. Additionally, district personnel did not routinely review the attendance changes made and indicated the attendance system could not generate a detailed summary report documenting all changes made. To review changes, personnel would have to run 2 reports and compare the data for discrepancies, further limiting the district's ability to monitor this information.

Attendance system access

School principals, assistant principals, in-school suspension monitors, social workers, and virtual facilitators all had access to both view and change data in the system, but their responsibilities for attendance were limited to only a review role. For example, principals had access to change prior attendance entries, but district personnel indicated principals should only be reviewing attendance records or entering attendance if school secretaries or data processors are absent.

New attendance system

The district's new attendance system can provide a report of attendance changes made. Additionally, the new system has an audit trail that includes information such as the original value in the field, date and time of the change, and user identification (ID). While the new system does not limit the time period of changes that can be made, district personnel indicated only school secretaries, data processors, and central office staff will have permission to change historical data in the system.

Conclusion

The risk of erroneous changes or improper activity affecting attendance reports submitted to the DESE is increased with the extended time period allowed for changes and excessive user access. While correcting attendance data is necessary to ensure accuracy in the reporting process and any changes must be made before attendance can be certified to the DESE, review and approval of all changes is necessary to ensure reliability of the data. Additionally, without limiting user access, the district cannot ensure proper segregation of duties over the functions of entering and reporting the data. Good internal controls require that users be allocated the minimum access rights necessary to perform their assigned job functions, and the access to security functions be explicitly assigned.

9.2 Attendance procedures

The district does not provide sufficient guidance on attendance procedures to school personnel, resulting in varied attendance processes at district schools. We discussed attendance procedures with central office personnel and discussed and reviewed procedures with school secretaries or data processors at 5 haphazardly selected schools (1 elementary school, 2 middle schools, and 2 high schools). We noted the following differences in procedures:

- The data processor at one of the middle schools indicated some teachers do not submit attendance in the system. Due to this, she counts students absent after second period for classes if she knows the teacher does not typically submit attendance and the student did not attend the first two periods. The data processor indicated she has made the school principals aware of the teachers not submitting attendance, but this issue has not been resolved.

- The data processor at 1 high school requires the guardian's email address used to notify the school of an absence/reason for absence to match the email address on file before considering an absence excused.

- The data processors at all 5 schools review attendance at different times during the day. For example, the data processor at 1 high school reviews attendance every period starting at the beginning of second period, while the data processor at 1 middle school reviews attendance around 1:30 p.m.

The district attendance procedure manual only gives general guidance to schools for attendance. The manual indicates middle school and high school teachers mark attendance in each period, and school secretaries and data processors are responsible for attendance and should monitor attendance daily. The manual does not specify when the data processors should conduct their reviews and does not specify the procedures for verifying student absences with guardians. District personnel indicated the district conducts annual trainings for attendance and they considered this adequate. Board Policy P5115 indicates the superintendent shall establish specific procedures to be followed by staff to keep and report student data.

Recommendations

The Board of Education:

9.1 Continue to implement additional controls and procedures over attendance data, including restricting the time period when changes can be made without authorization, limiting user access rights to only what is necessary to perform job duties, and reviewing available reports. In addition, the Board of Education should ensure available capabilities in the new attendance system are used to periodically review attendance changes.

9.2 Update the attendance procedure manual to ensure attendance procedures are performed consistently and as the Board intended.

Auditee's Response

9.1 The Family Educational Rights and Privacy Act, specifically 34 CFR Section 99.20, requires a Local Education Agency, such as SLPS, to amend education records, including attendance records, over time. Individuals that are granted access to attendance records are subject to sufficient legal and policy limitations to protect student privacy. Clearly outlining system user roles and procedures will be established as the Board reviews and updates its policies.

9.2 The district acknowledges the Auditor's recommendation to further standardize written attendance procedures. While Board Policy P5115 and existing guidance establish responsibilities for attendance reporting and monitoring, the district will strengthen written operational procedures to ensure consistent implementation across schools. The district will revise and expand its attendance procedures manual to establish districtwide standardized protocols, including required timelines for attendance submission and review, uniform methods for verifying and documenting absences, and clearly defined monitoring and escalation expectations. The updated procedures will *be formally issued to all schools and supported through required staff training and periodic compliance reviews.*

Auditor's Comment

9.1 As the finding and Board's response indicate, attendance changes are necessary. However, those changes should be reviewed and the personnel who make those changes should be limited to only those that need it to ensure attendance data is accurate and reliable.

10. Cash Handling Controls and Procedures

The district has not sufficiently communicated district procedures for handling receipts to schools resulting in inconsistent cash handling procedures for student activity accounts.[34] As a result, these accounts are at greater risk because there is a variety of handling methods throughout schools.

We inquired with officials at all 68 of the district schools about their cash receipting, disbursing, and reconciling procedures. The district has standard administrative procedures for student activity accounts that provide guidance on receipting, depositing, and reconciling.[35] However, personnel at the schools were not always aware of these procedures and the procedures at the schools varied.

Personnel at 20 schools indicated they did not have written procedures for receipting and depositing money. Personnel at 5 of those schools indicated that they had at least 1 cash box on hand, and 2 indicated they had money on the premises at the time of our inquiries. Some school officials surveyed indicated the district did not provide cash handling training or procedures. One school principal indicated the former principal provided procedures when the principal started employment. However, these procedures did not provide for any segregation of duties and resulted in the principal preparing and performing bank deposits, performing bank reconciliations, and entering the reconciliations in the district's online portal.

In addition, cash handling procedures are inconsistent throughout the schools and not in accordance with district administrative procedures. For example, school officials had varying responses on what thresholds they used to make a deposit. Responses included: "as needed," daily, weekly, $150, $500, and "various." Another principal responded, "I know to make deposits in a timely manner." The district standard administrative procedures state, "bank deposits should be made within 3 days of receipt."

[34] Student activity accounts are bank accounts held by each school for fundraising efforts and activities that benefit the students.
[35] These are explained in the SLPS Standard Administrative Procedure - Student Activity Accounts.

Procedures that are clearly communicated to those handling receipts are necessary to ensure consistency and reduce the risk of loss, theft, and misuse of district money.

Recommendation

The Board of Education ensure district procedures are consistent and communicated to all employees responsible for collecting student fees and donations.

Auditee's Response

The district has established formal administrative procedures, communicated a no-cash policy, and taken substantial steps to strengthen controls and ensure consistent implementation districtwide. The enhancements implemented for the 2025–2026 school year include updated procedures, required training for building staff, improved financial systems, and reinforced oversight. These steps directly address the concerns identified in the audit and significantly mitigate the risks cited.

St. Louis Public Schools
General District Operations
Organization and Statistical Information

The St. Louis Public Schools encompasses the entire City of St. Louis. The district operates 2 early childhood centers, 35 elementary schools (grades PK-5), 3 elementary/middle schools (grades PK-8), 8 middle schools (grades 6-8), 13 high schools (grades 9-12), 3 alternative schools (1 for grades PK-8, 1 for grades 5-12, and 1 for ages 17-21), 1 special education school (grades PK-8), 2 English for speakers of other languages schools (1 for grades K-8 and 1 for grades 9-10), and 1 college and career readiness school. The St. Louis Public Schools also sponsors 6 charter schools. Enrollment was 16,542 for the 2023-2024 school year. The district employed 3,162 full-time and 350 part-time employees, at June 30, 2024.

The St. Louis Public Schools had been classified under the Missouri School Improvement Program (MSIP) as "Accredited" by the Missouri Department of Elementary and Secondary Education. On January 13, 2026, the Missouri Board of Education re-classified St. Louis Public Schools as "Provisionally Accredited." A provisionally accredited district has not met enough of the MSIP standards and indicators to be accredited.

School Board

An elected Board acts as the policy-making body for the district's operations. The Board's 7 members serve 4-year terms without compensation. Members of the Board at June 30, 2024, were

Antionette Cousins, President
Matt Davis, Vice-President
Donna Jones, Secretary
Emily Hubbard, Member
Tracy Hykes, Member
Natalie Vowell, Member
Sadie Weiss, Member

Superintendent

The district's superintendent at June 30, 2024, was Dr. Keisha Scarlett. Her annual compensation was $268,000, plus costs associated with life insurance in the amount of one and a half times her base salary at the time of policy issuance and an annual contribution to a retirement program, in the amount of 10% of her annual base salary. In addition, she received a relocation payment of $36,590, and an $800 per month car allowance to carry out her duties as superintendent. The superintendent's compensation is established by the school Board.

Cabinet Members

The cabinet members and their compensation at June 30, 2024, were as follows:

Position	Salary
Superintendent	$ 268,000
Deputy Superintendent	194,175
Chief Operations Officer	194,175
Chief of Staff - Academics	194,175
Chief of Staff - Operations	194,175
Chief of Schools	194,175
Chief Financial Officer	194,175
Interim Chief of Human Resource Operations	194,175
Interim Chief of Human Resource Compliance	194,175
Interim Deputy Chief of Operations	182,070
Chief Technology Officer	175,000
Interim Deputy Chief of Finance	175,000
Deputy Chief of Staff	175,000

Salary Averages - Administrators and Teachers

Average salaries for district administrators and teachers for each of the 5 fiscal years through the year ended June 30, 2024, were as follows:

Year Ended June 30,	Administrators	Teachers
2020	$ 88,016	49,392
2021	89,199	48,385
2022	94,653	50,910
2023	106,594	53,970
2024	112,167	54,424

Source: Missouri Comprehensive Data System, <https://apps.dese.mo.gov/MCDS/Home.aspx>, accessed December 10, 2025.

Financial Activity

A summary of the district's financial activity obtained from the financial statement audit report for the year ended June 30, 2024, follows.

BOARD OF EDUCATION OF THE CITY OF ST. LOUIS
(ST. LOUIS PUBLIC SCHOOLS)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For The Year Ended June 30, 2024

					Capital Projects				
	General	Teachers	Grants	Debt Service	Building	Capital Settlement	Prop S	Non-major Permanent Fund	Total Governmental Funds
Revenues									
Local:									
Current taxes	$ 257,112,914	$ 26,393,085	$ —	$ 31,629,448	$ —	$ —	$ —	$ —	$ 315,135,447
Delinquent taxes	12,908,196	—	—	1,765,601	—	—	—	—	14,673,797
Investment income (loss)	10,855,755	—	—	2,212,325	—	(3,895)	7,785,308	327,104	21,176,597
Other	4,127,439	—	3,186,136	32	—	—	—	223,943	7,537,550
County	4,972,059	318,034	—	762,392	—	—	—	—	6,052,485
State:									
Basic formula	—	12,798,545	—	—	—	—	—	—	12,798,545
Categorical aid	14,570,032	—	5,915,367	—	—	—	—	—	20,485,399
Other	490,032	—	2,802,790	—	—	—	—	—	3,292,822
Federal	2,040,526	205,511	102,755,873	—	—	—	—	—	105,001,910
Total Revenues	307,076,953	39,715,175	114,660,166	36,369,798	—	(3,895)	7,785,308	551,047	506,154,552
Expenditures									
Current:									
Instruction	27,135,358	125,979,575	27,738,970	—	2,500	—	—	31,584	180,887,987
Building service	42,402,242	200,975	9,899,136	—	—	—	11,661,250	—	64,163,603
School administration	21,367,932	17,508,545	15,186,169	—	—	—	—	—	54,062,646
Instructional support	22,102,621	6,314,426	25,299,315	—	—	—	—	—	53,716,362
Noninstructional support	17,686,364	951,142	3,105,385	—	—	—	—		21,742,891
Transportation	27,827,725	—	2,748,659	—	—	—	—	—	30,576,384
Food and community services	2,300,456	3,805,387	25,880,766	—	—	—	—	—	31,986,609
Capital outlay	4,369	—	4,480,496	—	8,108,392	—	13,385,333	—	25,978,590
Debt service:									
Principal retirement	—	—	—	20,275,000	—	—	—	—	20,275,000
Interest charges	—	—	—	9,388,570	—	—	—	—	9,388,570
Write-off of grant receivables	—	—	395,926	—	—	—	—	—	395,926
Total Expenditures	160,827,067	154,760,050	114,734,822	29,663,570	8,110,892	—	25,046,583	31,584	493,174,568
Excess (Deficiency) Of Revenues Over Expenditures	146,249,886	(115,044,875)	(74,656)	6,706,228	(8,110,892)	(3,895)	(17,261,275)	519,463	12,979,984
Other Financing Sources (Uses)									
Transfers in	—	115,044,875	868,484	—	7,769,513	—	—	—	123,682,872
Transfers out	(123,682,872)	—	—	—	—	—	—	—	(123,682,872)
Proceeds from sale of capital assets	—	—	—	—	341,379	—	—	—	341,379
Total Other Financing Source (Uses)	(123,682,872)	115,044,875	868,484	—	8,110,892	—	—	—	341,379
Net Change In Fund Balances	22,567,014	—	793,828	6,706,228	—	(3,895)	(17,261,275)	519,463	13,321,363
Fund Balances - Beginning Of Year	180,306,094	—	10,281,031	35,063,127	—	7,926,189	147,654,117	8,451,331	389,681,889
Prior Period Adjustment	—	—	2,397,991	—	—	—	—	—	2,397,991
Fund Balances - Beginning Of Year - As Restated	180,306,094	—	12,679,022	35,063,127	—	7,926,189	147,654,117	8,451,331	392,079,880
Fund Balances - End Of Year	$ 202,873,108	$ —	$ 13,472,850	$ 41,769,355	$ —	$ 7,922,294	$ 130,392,842	$ 8,970,794	$ 405,401,243

SCOTT FITZPATRICK

MISSOURI STATE AUDITOR

SUBPOENA

To:
Dr. Karen Collins-Adams, Board President
801 N. 11th St.
St. Louis, MO 63101

Via:
Vincent Reese
Mickes O'Toole, LLC

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or his representative Austin Flint-Hinson, Auditor In Charge, at the 1390 Timberlake Manor Parkway, Suite 520, Chesterfield, Missouri 63017, at 8:00am on January 7, 2026, for purposes of providing testimony, and producing for examination, copying, and interrogation the following records and documents listed on Exhibit A attached to this Subpoena.

In lieu of appearance, physical access to the records described in Exhibit A may be granted for State Auditor staff on or before the appearance date listed above. Alternatively, records may be shipped to the Missouri State Auditor to the attention of Austin Flint-Hinson at 1390 Timberlake Manor Parkway, Suite 520, Chesterfield, Missouri 63017, or you may send them electronically to Austin.Flint-Hinson@auditor.mo.gov to be received no later than the appearance date listed above.

ISSUED this 10th day of December, 2025, pursuant to Section 29.235.4(1), RSMo.

Scott Fitzpatrick
Missouri State Auditor

I served the foregoing subpoena by email on this 10th day of December, 2025.

SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

- An explanation of the reasons that led to the Board's decision to terminate Dr. Millicent Borishade's Superintendent contract.
- Documentation representing the Board's consideration of the financial impact of terminating Dr. Borishade's employment contract.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.

Appendix B
St. Louis Public Schools
General District Operations
District Real Estate Properties Listed for Sale and/or Closed as of August 4, 2025

Listed Properties

Year Built	Year Closed	Condition[1]	Number of Years Closed	Year Property Listed for Sale	Years Between Closing and Listing
1900	2003	Poor	22	2019	16[2]
1909	2003	Poor	22	2019	16
1918	2003	Poor	22	2019	16
1928	2003	Poor	22	2019	16[3]
1907	2004	Poor	21	2019	15[3]
1893	2007	Fair	18	2019	12[3]
1915	2007	Poor	18	2019	12[2]
1925	2009	Poor	16	2019	10
1931	2009	Fair	16	2019	10
1967	2009	Poor	16	2019	10
1940	2010	Fair	15	2019	9
1904	2017	Poor	8	2019	2
1964	2017	Good	8	2019	2
1906	2021	Good	4	2019	(2)
1958	2021	Good	4	2019	(2)
1976	Actively in use	Good	N/A	2021	N/A

Inventory Properties

Year Built	Year Closed	Condition[1]	Number of Years Closed	Year Property Listed for Sale	Years Between Closing and Listing
1899	2003	Fair	22	N/A[4]	N/A
1925	2004	Poor	21	N/A[4]	N/A
1912	2009	Poor	16	N/A[4]	N/A
1905	2021	Good	4	N/A[4]	N/A
1908	2021	Good	4	N/A[4]	N/A
1912	2021	Poor	4	N/A	N/A
1962	2021	Good	4	N/A	N/A

[1]As classified by the district.
[2]Sold by the district February 23, 2026.
[3]Board of Education voted to demolish June 9, 2026.
[4]District has listed for sale as of June 15, 2026.