



**The Varnett
Public School**
A LEGACY OF EXCELLENCE

Dr. Nita White
Superintendent of School
A TEXAS OPEN-ENROLLMENT CHARTER SCHOOL

**Working Board Agenda Monday
May 19, 2025| 10:30 A.M.**

AGENDA ITEM	AGENDA DESCRIPTION	ACTION TO BE TAKEN
A-1	Consider approval of the Minutes to the Regular Board Meeting on April 28, 2025	
A-2	Consider approval of Investment Reports – April 2025	
A-3	Consider approval of the Attorney fee bills for payment – April 2025	
A-4	Consider approval of the Audit Engagement for the 2024-2025 Annual Financial Report and Single Audit Report	
A-5	Consider approval of the CIPA Children's Internet Protection Act 2024-2025	
A-6	Consider approval of TEA attendance waiver	
B	Board Items	
C	Superintendent's Report	
C-1	TEA Correspondence	
D	Attorney's Report	
E	Executive Director of Business Finance Report - (Information Item) Board Update-	
F	Executive Director of Teaching & Learning Report - (Information Item)	
G	Executive Director of Human Resources Report - (Information Item)	
H	General Manager Facilities, Maintenance, Operations and Transportation (FMOT) Report	
I	Other Reports	
J	Follow Up on Prior Requests	
K	Announcements and Adjournment	

The Varnett Public School

BOARD OF DIRECTOR MEETING AGENDA

Monday| May 19, 2025 | 10:30 AM

Administration Conference Room

5025 S. Willow Drive

Houston, Texas 77035

Google Meet joining info

Video call link: <https://meet.google.com/ghc-uzeo-pes>

Or dial: (US) +1 747-202-5700 PIN: 621 256 263#

TABLE OF CONTENTS

1. Opening Items

A. Call to Order

B. Declaration of Quorum Stated for the record, the names of trustees representing the quorum and the notice will be posted in the time and manner required by law.

C. Invocation and Pledges to the United States Flag and Texas Flag.

2. Citizen Inquiries will be allocated at each regular meeting. Citizens may register with the Board by emailing varnettboard@varnett.org. After registering at least 24-hours prior to the meeting, a school district resident, parent, employee, vendor, or potential vendor shall have an opportunity to address the Board of Trustees for three (3) minutes for any of the four specific purposes listed below, as dictated by the state laws governing open meetings:

- 1) to discuss an item that appears on the agenda/notice of meeting,
- 2) to make a request for specific factual information,
- 3) to ask for a recitation of existing policy, and
- 4) to redress grievances.

In accordance with the law, no deliberation, discussion or decision will be made other than to consider a proposal to place the subject on the agenda for a subsequent meeting, unless the subject is listed on the board agenda, in which case it may be discussed by the board.

Factual information only in regard to a citizen inquiry may be shared at any point by the superintendent. Oral comments are limited to five minutes in length, unless extended by a majority of the trustees, and must not mention any individuals by name or position or contain any personally identifiable reference.

3. Closed Session and/or Executive Session

Executive Session

Tex. Gov't Code § 551.071: § 551.072 Consultation with Board attorney regarding all matters as authorized by law and legal advice; including but not limited to pending litigation.

Tex. Gov't Code § 551.074: deliberation regarding appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public school official or employee.

Reconvene after Closed Session and/or Executive Session.

4. Approve Action on items from closed session, if any, without limitation.

A. Approve Action Items:

- A-1** Consider approval of the Minutes to the Regular Board Meeting on
- A-2** Consider approval of Investment Reports –
- A-3** Consider approval of Attorney fee bills for payment –
- A-4** Consider approval of the Weaver and Tidwell, L.L.P., to prepare the Form 990 Return of Organization Exempt from Income Tax.
- A-5** Consider approval of the Audit Engagement for the 2024-2025 Annual Financial Report and Single Audit Report
- A-6** Consider approval of the CIPA Children's Internet Protection Act 2024-2025
- A-7** Consider approval of
- A-8** Consider approval of
- A-9** Consider approval of
- A-10** Consider approval of

Approve action on items from Closed Session, if any, including, without limitation: action appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public school official or employee.

B. Board Items

C. Superintendent's Report

C-1 TEA Correspondence

- DVA Report

D. Attorney's Report

E. Executive Director of Business Finance Report

- Board Update-

F. Executive Director of Teaching & Learning Report – (Information Item)

- G.** Executive Director of Human Resources Report
- H.** General Manager Facilities, Maintenance, Operations and Transportation (FMOT) Report
- I.** Other Reports
- J.** Follow Up on Prior Requests
- K.** Announcements and Adjournment

A-1

A-2



The Varnett Public School

Monthly Investment Report
April 30, 2025
(Unaudited)

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025

(Unaudited)

Table of Contents

DESCRIPTION	SCHEDULE NO.
Compliance Statement.....	1
General Funds:	
<i>Pie Chart: <u>Portfolio by Investment Type</u></i>	2
<i>Schedule <u>Summary of Weighted Average Maturity by Investment Type</u></i>	3
<i>Graph: <u>Portfolio by Maturity Dates</u></i>	4
Investment Earnings Reports:	5
(A) Interest Earned by Fund by Source-For This Quarter	
(B) Interest Earned by Fund-Comparison of Quarters	
(C) Budget v Actual Summary of Interest Earned Year-to-Date	
<i>Schedule: <u>Summary Report</u></i>	6
<i>Schedule: <u>All funds - Inventory Report</u></i>	7
Glossary of Terms	8
 Detail Account Statements available for review:	
Stellar Bank Account activity	
Raymond James Bank	

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

Compliance Statement

In accordance with Texas Government Code, Section 2256, Public Funds Investment Act, The Varnett Public School (Varnett) has adopted written investment policy, Other Revenues: Investments requiring the investment officers to prepare and submit a written report of investment transactions for the preceding reporting period to the Board of Directors. The report must be prepared at least on a quarterly basis and must:

- Describe in detail the investment position of Varnett on the date of the report.
- Contain a summary statement of each investment type including beginning market value for the reporting period; additions and changes to the market value during the period and ending market value for the period.
- State the book value and market value of each invested asset at the beginning and end of the reporting period by type of asset and fund type invested.
- State the account, fund or pooled fund group for which each asset was acquired.
- State compliance of the investment portfolio with the Varnett investment policy and investment strategies and with state law.

Varnett is in compliance with the Public Funds Investment Act. All investments purchased must meet the three basic tenets included in the investment policy: safety, liquidity, and yield.

The day-to-day cash management and Varnett's investments are the responsibility of the Executive Director of Business and Finance.

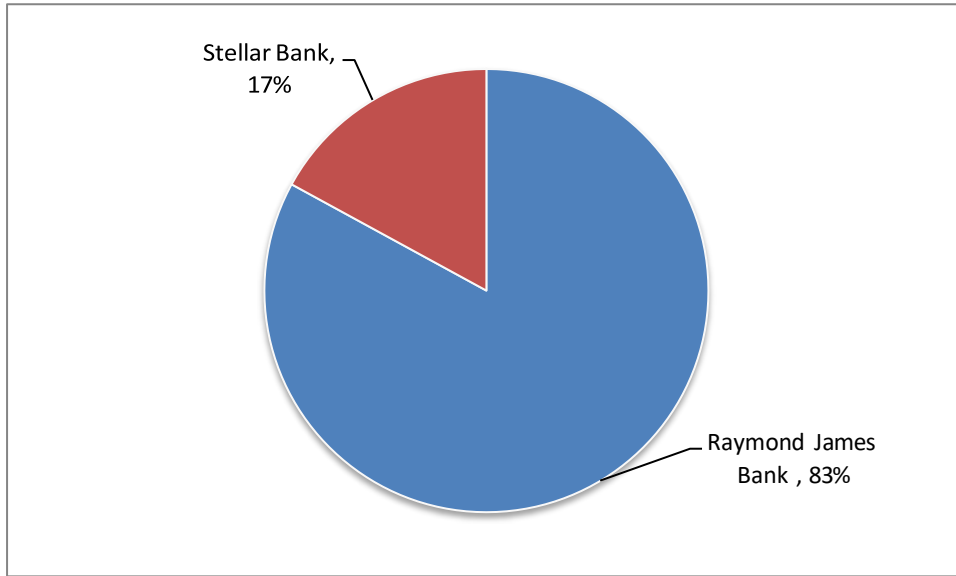
As the approved investment officer of The Varnett Public School, I hereby certify that the preceding Investment Report represents the investment position of Varnett as of the date above is in compliance with the Board-approved Investment Policy, the Public Funds Investment Act, and generally accepted accounting principles.

Dr. Nita White, Superintendent _____ /s/

Wanda Richardson,
Executive Director of Business and Finance _____ /s/

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

\$14,222,408
Varnett- Portfolio by Investment Type



	Unrestricted	Restricted (Food Service)	Total Invested	Percent of Total
Raymond James Bank - Cash	\$ 11,798,957		\$ 11,798,957	83%
Stellar Bank	2,007,107	416,344	\$ 2,423,451	17%
Totals:	\$ 13,806,064	\$ 416,344	\$ 14,222,408	100%

Footnote: 3M CD used to collateralize secure loan for construction projects.

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

Summary Schedule of Weighted Average Maturity * by Investment Type
All funds

(#1) INVESTMENT TYPE	(#2) BOOK VALUE	(#3) DAYS TO MATURITY	(#4) BOOK VALUE X DAYS (2) x (3)
Raymond James Bank	11,798,957	1	11,798,957
Stellar Bank -Cash	2,423,451	1	2,423,451
Totals:	\$14,222,408		\$14,222,408

* Weighted Average Maturity Calculation:
'Total Column #4-BOOK X DAYS' divided by 'Total Column #2-BOOK VALUE' = # DAYS
\$14,222,408/ \$14,222,408day

* Weighted Average Maturity (commonly called WAM) is a measure that is useful in determining the degree of market or interest rate risk. In essence, it is the weighted number of number of days that investments are held. The longer the WAM, the more exposure to market risk and the more potential for capital gains or losses.

Varnett holds investments to maturity, which minimizes this market/interest rate exposure.

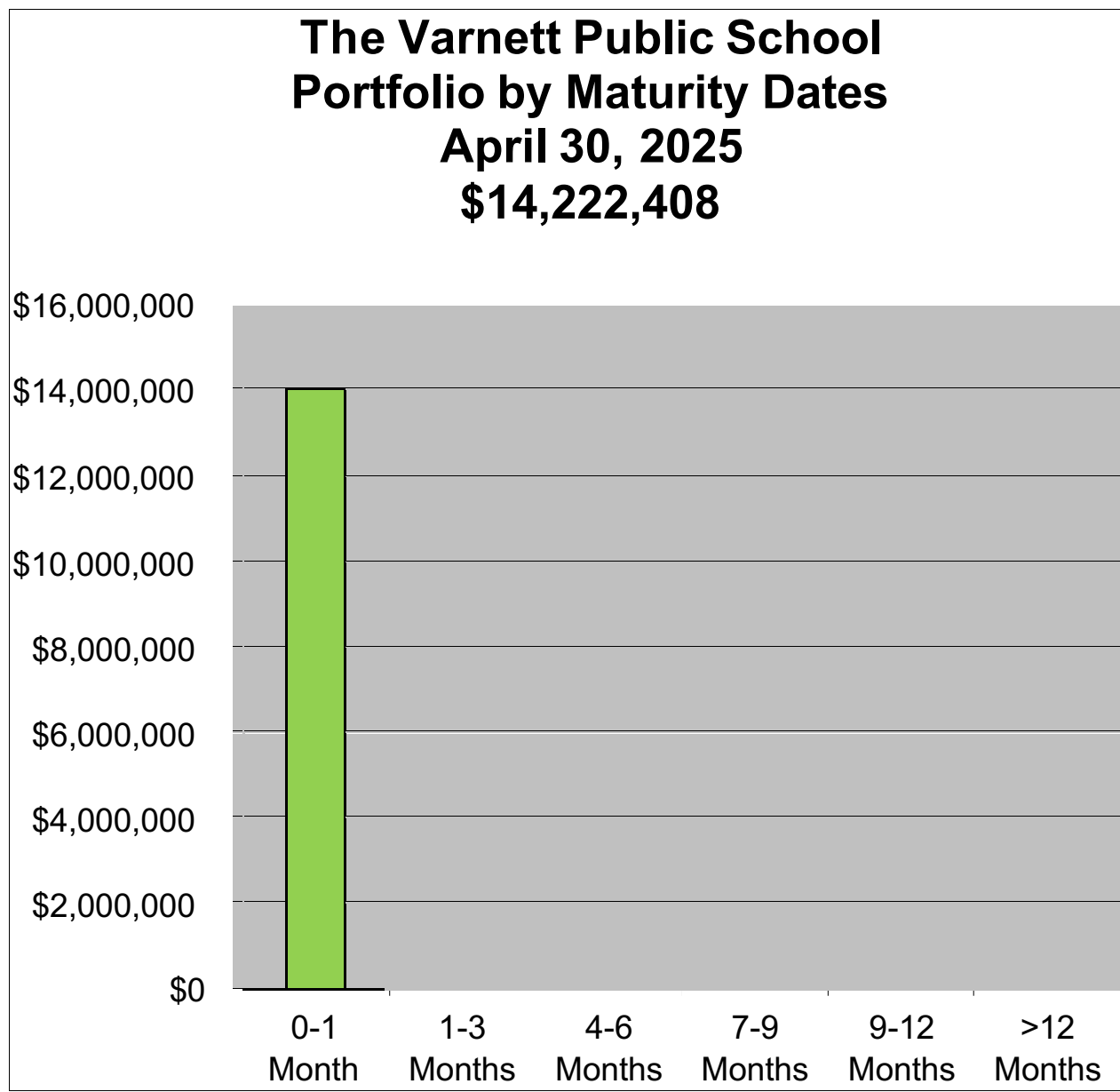
Weighted Average Maturity at April 30, 2025 is 1 day

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

All funds- Portfolio by Maturity Dates

Investments are purchased to meet the cash flow needs of Varnett. The bar graph on this page depicts the maturity schedule of Varnett's investments by monthly intervals. As of the end of this quarter, investments will mature:

- 100 % within one month,
- 100.0 %



THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

Investment Earnings Reports

(A) Interest Earned by Fund by Source-For This Quarter

	Ur restricted Fund	Restricted Food Service Fund	Total Interest Earned
Stellar Bank Cash	\$ 2,515	-	\$ 2,515
Raymond James Bank	\$ 75,904		\$ 75,904
Totals:	\$ 78,419	\$ -	\$ 78,419

(B) Interest Earned by Fund-Comparison of Quarters for FY 2024-2025

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Earned Y-T-D
Unrestricted Funds	\$ 129,145	\$ 116,709	\$ 78,419	\$ -	\$ 324,273
Restricted (Food Service) Funds			-	-	-
Totals:	\$ 129,145	\$ 116,709	\$ 78,419	\$ -	\$ 324,273

First quarter is Sept, Oct and Nov;

Second quarter is Dec, Jan and Feb;

Third quarter is Mar, April and May;

Fourth quarter is June, July and August.

(C) Budget v Actual Summary of Interest Earned Year-to-Date

	Eudgeted	Actual	Bal to Rec	% Rec'd
Unrestricted Funds	\$ 324,000	\$ 324,273	\$ (273)	100.00%
Restricted (Food Service) Funds	-	-	-	0.00%
Totals:	\$ 324,000	\$ 324,273	\$ (273)	100.00%

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025

Summary Report

Beginning Book Value	\$ 14,409,452
Beginning Market Value	\$ 14,409,452
Beginning Weighted	1 Day
Ending Book Value	\$14,222,408
Ending Market Value	\$14,222,408
Earnings for Period	39,329.93
Change in Book Value	(\$187,044)
Change in Market Value	(\$187,044)
Ending Weighted Average to Maturity - Days	1
Period Average Yield	2.80%
Period Average Benchmark **	4.293%

** Benchmark = 4 Week Treasury-Bill at Maturity

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
(Unaudited)

All funds - Inventory Report

(unaudited)

		Gain/(Loss)	Interest	At 03/31/2025		4/30/2025	
	YIELD	In Market Value	Paid	MARKET	BOOK	MARKET	BOOK
<u>Certificate of Deposit - Stellar Bank *</u>			%				
CDARs^	0.00%		-	-	-	-	-
Total Certificate of Deposit			-	-	-	-	-
<u>Investments</u>							
USD Investment Account (Selected Sw eep)	0.05%	\$ 0	-	15	15	15	15
Raymond James Bank Enhanced Savings Program	4.00%	\$ 37,952	37,952	11,760,990	11,760,990	11,798,942	11,798,942
			37,952	11,761,005	11,761,005	11,798,957	11,798,957
<u>Stellar Bank Funds *</u>							
Operating Fund^ 3173			-	704,382	704,382	351,920	351,920
Food Service Fund 3757			-	416,344	416,344	417,424	417,424
Payroll Fund^ 3781			-	89,148	89,148	89,148	89,148
Money Market Fund^ 7915	1.55%	\$ 117,998	1,378	1,369,417	1,369,417	1,487,415	1,487,415
Expense Account+ 5874			-	16,827	16,827	25,215	25,215
Construction Account+ 9938			-	51,916	51,916	51,916	51,916
SHARS 3564				413	413	413	413
Total Stellar Bank			1,378	2,648,447	2,648,447	2,423,451	2,423,451
Totals:	2.80%	\$ 155,950	39,330	14,409,452	14,409,452	14,222,408	14,222,408

Note: ^ Unrestricted Funds

* Stellar Bank - formerly Allegiance Bank

+ Expense Account and Construction Account were added

Interest amounts are rounded

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
Glossary of Investment Terms

Accretion	The daily book value earned daily (on a straight line basis) on securities purchased at a discount. At maturity, a discount security will be worth the face value. The types of securities involved are usually treasury bills, discount notes, commercial paper, and bankers' acceptances.
Amortization	The daily book value earned daily (on a straight line basis) on securities purchased at a premium. To correctly account for premium amortization, it must be subtracted from the coupon interest either monthly or at maturity.
Benchmark for Investments	Varnett uses the 13-week (90 day) Treasury-Bill investment rate of the maturity date closest to the end of the month; off 'www.treasurydirect.gov'.
Book Value	The face amount minus any un-accreted discount or plus any unamortized premium. See Accretion and Amortization.
Cash	Cash includes readily available cash, current bank accounts and certificates of deposit. Cash is considered to be the most liquid asset.
CDARS	Certificate of Deposit Account Registry Service (CDARS)-Everything is handled through a CDARS Network member of your choice. Financial institutions that can offer CDARS are members of a unique network. When you place a large deposit with a CDARS Network member, that institution uses the CDARS service to place your funds into CDs issued by other members of the CDARS Network. This occurs in increments below the standard FDIC insurance maximum (\$250,000) so that both principal and interest are eligible for FDIC insurance. By working directly with just one institution, you can receive insurance coverage from many. And, you receive just one regular, consolidated account statement.
Commercial Paper	An unsecured promissory note issued by a corporation with a fixed maturity. The issuer (such as Coca Cola, General Electric, Kimberly Clark) promises to pay the buyer a fixed amount on some future date but pledges no assets, only his liquidity and established earning power, to guarantee that promise. These investment instruments usually yield 10-15 basis points above comparative agency investments. HCDE will not invest in commercial paper with less than A1 or P1 or an equivalent rating.
Credit Risk	The risk of issuer failure; mitigated by selecting high quality investment vehicles.

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
Glossary of Investment Terms, Continued

CUSIP #	The <u>C</u> ommittee on <u>U</u> niform <u>S</u> ecurities <u>I</u> dentification <u>P</u> rocedures Number: the identification number on all securities (often nine digits in length).
Diversification	To invest in a variety of different Board-authorized investment types (sector): treasuries, agencies, certificates of deposit, commercial paper, investment pools, and money market funds.
Face Value	Redemption value printed on the face of the certificate; same as par value.
FHLB	<u>F</u> ederal <u>H</u> ome <u>L</u> oan <u>B</u> ank System, established in 1932, includes 12 banks and their member institutions. Federal Home Loan Banks are instrumentalities of the United State government.
FHLMC	<u>F</u> ederal <u>H</u> ome <u>L</u> oan <u>M</u> ortgage <u>C</u> orporation < Freddie Mac > is a stock-holder-owned corporation chartered by Congress in 1970 to keep money flowing to mortgage lenders in support of homeownership and rental housing.
FICO	F inancial C orporation was set up to fund the bailout of Savings and Loans in the 1980's. It was an offshoot of the F ederal S avings and L oan I nsurance C orporation (FSLIC).
Fiduciary Responsibility	The Board retains the ultimate responsibility as fiduciaries of the assets of the District. Also see Standard of Care.
FNMA	<u>F</u> ederal <u>N</u> ational <u>M</u> ortgage <u>A</u> ssociation < Fannie Mae > is a federally chartered and stockholder owned corporation. It is the largest investor in home mortgages in the United States. FNMA provides funds to the mortgage market by purchasing mortgages.
Investment Pool	An entity created under government code to invest public funds jointly on behalf of entities participating in the pool and whose investment objectives, in order of priority, are: preservation and safety of principal; liquidity; and yield.
Interest Rate Risk	The uncertainty that the value of the instrument may fluctuate in value in response to changes in interest rates; mitigated by holding the instrument whenever possible to maturity.
Investments	Securities and other assets acquired primarily for the purpose of obtaining income or profit.
Lone Star Investment Pool	The Lone Star Investment Pool (LSIP) is a public funds investment pool administered by First Public, LLC.

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
Glossary of Investment Terms, Continued

Liquidity	Degree of availability of an asset; ease of converting the asset to cash.
Liquidity Risk	The risk that the investment may not be sold immediately-before it matures- at its market value.
Market Value	Value of an agency security if you were to sell that security on a given date. Market value changes daily, and normally increases as the maturity date of the security instrument approaches.
Market Risk	The risk that market prices will fall and threaten liquidity.
Maturity Date	The date the principal amount of a security becomes due and payable.
Par Value	Redemption value printed on the face of the certificate. Par value = face value; and the par value of a security is different than its market value.
Portfolio Risk	The risk that remains after taking into account the risk-reducing effects of combining securities into a portfolio that efficiently balances its risks with its rate of return.
Purchase Date	The date of the initial purchase of the financial investment.
Risks	<p>[Definitions can be found under individual listings.] Types of risk include:</p> <ul style="list-style-type: none"> • Credit risk • Interest rate risk • Liquidity risk • Market risk • Portfolio risk • Volatility risk
Safety of Principal	The primary concern and responsibility of the District's Board and investment officers is the preservation of assets. Cash is invested with the objective of the probable income to be derived, but, more importantly, the safety of the original capital.
Sold Date	The date the financial instrument is sold prior to the maturity date.
Standard of Care	In the administration of the duties of an investment officer, the designated investment officer(s) shall exercise the judgment and care, under prevailing circumstances that a person of prudence, discretion, and intelligence would exercise in the management of their own affairs.

THE VARNETT PUBLIC SCHOOL
Monthly Investment Report at April 30, 2025
Glossary of Investment Terms, Continued

TexPool	The Texas Local Government Investment Pool is a public fund investment pool overseen by the State Comptroller's office and currently managed by Lehman Brothers and Federated Investors.
Treasury Zero	Treasury bills are short-term obligations issued with a term of one year or less. Treasury Zero bills are sold at a discount from face value and do not pay interest until maturity.
U.S. Agency Securities	The federal government has established approximately 20 different agencies and instrumentalities to channel funds to particular sectors of the economy. U.S. Agency securities are purchased directly by the district from investment brokerage firms registered to do business with the District. These securities are issued in the District's name, cleared through the Federal Reserve Bank system, and held in safekeeping by a third party.
Volatility Risk	The risk that market prices will move significantly and increase market risk.
Weighted Average to Maturity (WAM)	The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Weighted average maturity measures the sensitivity of fixed-income portfolios to interest rate changes. Portfolios with longer WAMs are more sensitive to changes in interest rates because the longer an investment is held, the greater the opportunity for interest rates to move up or down and affect the performance of the investment.
Wells Fargo Money Market Funds	Wells Fargo Money Market Funds are unsecured money market accounts where the Public Facilities Corporation funds are kept unless otherwise invested.
Yield-Current	Rate of return on investment as a % of market price including accrued interest.
Yield to Maturity	The current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

A-3

**Attorney Bill Update and Summary
As of May 19, 2025**

Invoice Date	Invoice#	Matter ID	Mtr Description 1	Total Balance	Board Approval
04/24/2025	3725381*		General	\$ 4,427.50	Pending - May 19, 2025
03/31/2025	49659**		Federal and State Manual, TEA Federal Compliance Review Process; FASRG Requirements; Parental Consent and Policies	\$ 4,541.25	Pending - May 19, 2025
04/30/2025	53815		Board Budget and Budget Amendment Requirements; Executive Compensation	\$ 525.00	Pending - May 19, 2025
04/30/2025	53816		EECO Charge	\$ 297.50	Pending - May 19, 2025
05/01/2025	53249		Strong Foundations Rollout/Implementation	\$ 7,000.00	Pending - May 19, 2025
Total (USD)				\$ 16,791.25	

Paid May 1, 2025

\$ (3,225.00)

Revised Outstanding Balance

\$ 13,566.25

* Includes invoice for \$3,225.

** Inadvertently excluded from April 2025 Agenda

+IUSCH BLACKWELL

P.O. BOX 790379, SAINT LOUIS, MISSOURI 63179, (314) 480-1500, Federal ID No. 26-1688286

Husch Blackwell values your feedback in the delivery of our legal services. Please use the link below to provide us with feedback on the matter related to this invoice.
<https://www.surveymonkey.com/r/53H9V8H>

The Varnett Schools Inc.
5025 S. Willow Dr.
Houston, TX 77035

Invoice Date: April 24, 2025
Invoice Number: 3725381

Sent by Email to:
wrichardson@varnett.org
vpsinvoice@varnett.org

INVOICE SUMMARY

For Professional Services Rendered and Costs Advanced Through March 31, 2025

Currency: USD

Our Reference No. 0543340-0000001
General

Total Professional Services	1,202.50
-----------------------------	----------

Amount Due	\$1,202.50
-------------------	-------------------

+IUSCH BLACKWELL

P.O. BOX 790379, SAINT LOUIS, MISSOURI 63179, (314) 480-1500, Federal ID No. 26-1688286

Husch Blackwell values your feedback in the delivery of our legal services. Please use the link below to provide us with feedback on the matter related to this invoice.
<https://www.surveymonkey.com/r/53HQV8H>

The Vamett Schools Inc.
5025 S. Willow Dr.
Houston, TX 77035

PAYMENT DUE UPON RECEIPT

Invoice Date: April 24, 2025
Invoice Number: 3725381

Sent by Email to:
wrichardson@vamett.org
vpsinvoice@vamett.org

For Professional Services Rendered and Costs Advanced Through March 31, 2025

Currency: USD

Our Reference No. 0543340-0000001
General

Date	Professional Services	Hours	Amount
03/17/25	Prepare for and attend board meeting. S. Hellums-Gomez	2.50	\$1,037.50
03/24/25	Reviewed and analyzed the latest PIR state filing to assess the need for a new filing. O. De Ochoa	0.30	\$165.00
Total Hours and Fees		2.80	\$ 1,202.50

CONFIDENTIAL INFORMATION

PROTECTED BY ATTORNEY-CLIENT PRIVILEGE

Client: The Varnett Schools Inc.
Matter: General
Page3

Our Reference No. : 0543340 -0000001
Invoice Number: 3725381

Timekeeper	Timekeeper Title	Rate	Hours	Amount
O. De Ocho a	Associate Lvl1	550.00	0.30	\$165.00
S. Hellums-Go mez	Fixed Partner	415.00	2.50	\$1,037.50
		Total	2.80	\$ 1,202.50
		Current Invoice Due	\$1,202.50	
Other Outstanding Invoices				\$3,225.00
Total Balance Due				\$4,427.50

CONFIDENTIAL INFORMATION
PROTECTED BY ATTORNEY-CLIENT PRIVILEGE

+IUSCH BLACKWELL

P.O. BOX 790379, SAINT LOUIS, MISSOURI 63179, (314) 480-1500, Federal ID No. 26-1688286

Husch Blackwell values your feedback in the delivery of our legal services. Please use the link below to provide us with feedback on the matter related to this invoice.
<https://www.surveymonkey.com/r/53HQV8H>

The Vamett Schools Inc.
5025 S. Willow Dr.
Houston, TX 77035

PAYMENT DUE UPON RECEIPT

Invoice Date: April 24, 2025

Invoice Number: 3725381

Sent by Email to:
wrichardson@vamett.org
vpsinvoice@vamett.org

For Professional Services Rendered and Costs Advanced Through March 31, 2025

Currency: USD

Our Reference No. 0543340-0000001
General

Total Professional Services 1,202.50

Total Current Invoice \$1,202.50

Other Invoices Outstanding

Our records indicate that the following invoices are outstanding. For your convenience, a list of these outstanding invoice is below. If payment has been remitted, please disregard. If not, we would appreciate your payment as soon as possible. Should you need a copy of the invoice(s) faxed or e-mailed, please call (314) 480-1500 or email ARinfo@HuschBlackwell.com

<u>Date</u>	<u>Invoice</u>	<u>Balance</u>
02/28/25	3692853	\$3,225.00
Prior Balance Due		\$3,225.00



To pay online in minutes, visit our payment portal at <https://www.huschblackwell.com/paymentportal>

If you have questions or need help, call 314-480-1500 or email us at ARInfo@huschblackwell.com

To pay by mail* return this page with payment. Mail checks to:

Husch Blackwell LLP, P.O. Box 790379, St. Louis, MO 63179

** Paying by check presents certain risks, such as the potential for checks to be lost or stolen in transit and the threat of fraudulent activity. To safeguard your transaction, we recommend using a more secure payment method by visiting our new payment portal above.*

We want your feedback. Use the link below to provide us feedback on our services or the matter related to this

invoice.

<https://www.surveymonkey.com/r/53HqV8H>

+IUSCH BLACKWELL

P.O. BOX 790379, SAINT LOUIS, MISSOURI 63179, (314) 480-1500, Federal ID No. 26-1688286

Husch Blackwell values your feedback in the delivery of our legal services. Please use the link below to provide us with feedback on the matter related to this invoice.
<https://www.surveymonkey.com/r/53HQV8H>

The V amett Schools Inc.
5025 S. Willow Dr.
Houston, TX77035

PAYMENT DUE UPON RECEIPT

Invoice Date: April24,2025
Invoice Number: 3725381

Sent by Email to:
wrichardson@vamett.org
vpsinvoice@vamett.org

Current Invoice

04/24/25

3725381

\$1,202.50

Total Balance Due

\$4,427.50



To pay online in minutes, visit our payment portal at <https://www.huschblackwell.com/paymentportal>



If you have questions or need help, call 314-480-1500 or email us at ARInfo@huschblackwell.com

To pay by mail* return this page with payment. Mail checks to:

Husch Blackwell LLP, P.O. Box 790379, St. Louis, MO 63179

** Paying by check presents certain risks, such as the potential for checks to be lost or stolen in transit and the threat of fraudulent activity. To safeguard your transaction, we recommend using a more secure payment method by visiting our new payment portal above.*

We want your feedback. Use the link below to provide us feedback on our services or the matter related to this invoice.

<https://www.surveymonkey.com/r/53HQV8H>

845 Proton Rd
San Antonio, TX 78258
Phone: 210-538-5385

Varnett Public School
5025 S Willow Dr
Houston, TX 77035

03225-Varnett Public School

General

Date	Timekeeper	Description	Hours	Rate	Discount	Total
03/11/2025	JEH	Advise Ms. Wells on TPCSA and data sharing agreement; coordinate review of board resolution and good cause exception with Ms. Levenson.	0.25	\$350.00	-	\$87.50
03/11/2025	MKL	Receive and review draft documents regarding good cause exception for armed security officers; prepare additions, revisions, and comments to same.	1.50	\$350.00	-	\$525.00
03/12/2025	JEH	Coordinate policy and procedures review with Ms. Wells, confer with Mr. Lanni on same.	0.25	\$350.00	-	\$87.50
03/12/2025	MKL	Prepare further additions and revisions to draft good cause exception resolution and proposal to the Board; conduct legal research regarding direct employment of Level III security officers; prepare and send follow-up inquiry regarding security officer hiring structure to Ms. Wells and Dr. White.	1.75	\$350.00	-	\$612.50
03/13/2025	JL	Review correspondence from client and partner Mr. Hoffer, confer with School Finance Expert Mr. Medina on revisions required and context for	0.50	\$275.00	-	\$137.50

		reviewing client's Accounting Manual.				
03/13/2025	JL	Begin review of materials from Texas Education Agency auditor and revising client's accounting manual using corresponding guidance.	1.50	\$275.00	-	\$412.50
03/13/2025	JEH	Discuss and direct Associate on policy and procedure manual review.	0.25	\$350.00	-	\$87.50
03/13/2025	JL	Confer with partner Mr. Hoffer on client's scope of work and particulars of review, confer with school finance expert Mr. Medina on initial findings and draft correspondence to client requesting further clarification.	0.50	\$275.00	-	\$137.50
03/13/2025	JL	Begin review of materials from Texas Education Agency auditor and revising client's accounting manual using corresponding guidance.	1.75	\$275.00	-	\$481.25
03/13/2025	RRM	Confer with Mr. Lanni regarding review of Federal and State Manual. (NO CHARGE)	0.25	\$265.00	100.0%	\$0.00
03/13/2025	RRM	Confer with Mr. Lanni regarding revision of Federal and State Manual to address TEA requirements and expectations; walk through cash management and grant reporting requirements; provide illustrative manual for consideration; discuss approach to requested review; review Firm files for additional reference material; convey same to Mr. Lanni.	0.75	\$265.00	-	\$198.75
03/13/2025	RRM	Confer with Mr. Lanni regarding clarification to Ms. Wells concerning Federal and State Manual, TEA federal compliance review process, and potential Agency enforcement actions for noncompliance.	0.50	\$265.00	-	\$132.50
03/13/2025	RRM	Review draft correspondence from Mr. Lanni requesting clarification of requested scope of work and conveying observations for same; edit same; convey revised draft correspondence to Mr. Lanni.	0.25	\$265.00	-	\$66.25
03/14/2025	JL	Confer with school finance expert Mr. Medina, complete additions and recommendations for client's highlighted areas of concern in it Federal and State Manual, review requirements for 2 CFR 200	1.50	\$275.00	-	\$412.50

		Subchapter E, send recommendations to Me. Medina for review.				
03/14/2025	JL	Review School Finance Expert Mr. Medina's review of draft recommendations for client regarding Federal and State Manual and Organizational Purchasing Manual, implement feedback, modify and send correspondence to client.	0.75	\$275.00	-	\$206.25
03/14/2025	RRM	Confer with Mr. Lanni regarding TEA requirements for Federal and State Manual; walkthrough FASRG requirements; reference Firm content.	0.50	\$265.00	-	\$132.50
03/14/2025	RRM	Review draft recommendations for edits to Federal and State Manual prepared by Mr. Lanni; review TEA publications and Code of Federal Regulations for relevant content and requirements; edit draft recommendations; convey revisions to Mr. Lanni.	0.50	\$265.00	-	\$132.50
03/14/2025	RRM	Confer with Mr. Lanni regarding edits to draft recommendations for Federal and State Manual.	0.25	\$265.00	-	\$66.25
03/14/2025	MKL	Prepare further proposed additions and revisions to good cause exception documents; forward same to Ms. Wells.	0.75	\$350.00	-	\$262.50
03/19/2025	JEH	Work on google required parental consent and policies for Ms. Wells; direct associate to modify acceptable use and internet policies for use and customization.	0.25	\$350.00	-	\$87.50
03/19/2025	NG	Receipt and review of google policy correspondence forwarded by Mr. Hoffer; draft parent consent form and forward to Mr. Hoffer for review.	1.00	\$275.00	-	\$275.00
Line Item Discount Subtotal						-\$66.25

Time Keeper	Hours	Rate	Discount	Total
Nanette Gardipee	1.0	\$275.00	-	\$275.00
Joe Hoffer	1.0	\$350.00	-	\$350.00
Jacob Lanni	6.5	\$275.00	-	\$1,787.50

Maia Levenson	4.0	\$350.00	-	\$1,400.00
Ramon Medina	3.0	\$265.00	-\$66.25	\$728.75
Subtotal				\$4,541.25
Total				\$4,541.25

Payment due upon receipt. Please make all amounts payable to: Schulman Lopez Hoffer & Adelstein LLP

The information contained in this invoice is privileged and/or confidential information intended solely for the use of the entity named above. If the reader of this invoice is not an intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.



845 Proton Rd
San Antonio, TX 78258
Phone: 210-538-5385

Varnett Public School
5025 S Willow Dr
Houston, TX 77035

INVOICE

Invoice# 53815

Date: 04/30/2025

03225-Varnett Public School

General

Date	Timekeeper	Description	Hours	Rate	Total
04/02/2025	JEH	Conference call with Dr. White on board budget and budget amendment requirements; prepare email regarding legal requirements.	0.50	\$350.00	\$175.00
04/24/2025	JEH	Advise Ms. Wells on TPIA request.	0.25	\$350.00	\$87.50
04/24/2025	JEH	Prepare and provide a guidance letter on executive compensation.	0.50	\$350.00	\$175.00
04/25/2025	JEH	Provide resources and legal requirements to Superintendent for board consideration around executive compensation.	0.25	\$350.00	\$87.50

Time Keeper	Hours	Rate	Total
Joe Hoffer	1.5	\$350.00	\$525.00
Subtotal			\$525.00
Total			\$525.00

Payment due upon receipt. Please make all amounts payable to: Schulman Lopez Hoffer & Adelstein LLP

The information contained in this invoice is privileged and/or confidential information intended solely for the use of the entity named above. If the reader of this invoice is not an intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.



845 Proton Rd
San Antonio, TX 78258
Phone: 210-538-5385

Varnett Public School
5025 S Willow Dr
Houston, TX 77035

INVOICE

Invoice# 53816

Date: 04/30/2025

03227-Varnett Public School

Personnel

Date	Timekeeper	Description	Hours	Rate	Total
04/15/2025	CHS	Telephone conference with Dr. White regarding EEOC charge filed.	0.25	\$350.00	\$87.50
04/15/2025	ECB	Confer with Mr. Schulz regarding A. Pineda EEOC Charge.	0.25	\$350.00	\$87.50
04/15/2025	TRT	Receive and review Notice of Charge of Discrimination regarding A. Pineda; save the same to the server and update the EEOC portal.	0.25	\$210.00	\$52.50
04/23/2025	ECB	Multiple emails with Ms. Graham regarding Varnett case status.	0.20	\$350.00	\$70.00

Time Keeper	Hours	Rate	Total
Emily Boney	0.45	\$350.00	\$157.50
Chris Schulz	0.25	\$350.00	\$87.50
Taylor Temple	0.25	\$210.00	\$52.50
Subtotal			\$297.50
Total			\$297.50

Payment due upon receipt. Please make all amounts payable to: Schulman Lopez Hoffer & Adelstein LLP

The information contained in this invoice is privileged and/or confidential information intended solely for the use of the entity named above. If the reader of this invoice is not an intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

845 Proton Rd
San Antonio, TX 78258
Phone: 210-538-5385

SLHA ADVISORY SERVICES

Invoice # 53249
Date: 05/01/2025

Varnett Public School
5025 S Willow Dr
Houston, TX 77035

03753-Varnett Public School

LASO Cycle 2

Date	Timekeeper	Description	Units	Rate	Total
05/01/2025	PM	Strong Foundations Grant Planning (Rollout/ Implementation Support)	1.00	\$7,000.00	\$7,000.00

Time Keeper	Units	Rate	Total
Pedro Martinez	1.0	\$7,000.00	\$7,000.00
Subtotal			\$7,000.00
Total			\$7,000.00

Detailed Statement of Matter

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
53249	05/31/2025	\$7,000.00	\$0.00	\$7,000.00
Outstanding Balance				\$7,000.00
Total Amount Outstanding				\$7,000.00

Payment due upon receipt. Please make all amounts payable to: SLHA Advisory Services

The information contained in this invoice is privileged and/or confidential information intended solely for the use of the entity named above. If the reader of this invoice is not an intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

A-4

**SUBJECT: CONSIDER APPROVAL OF AUDIT ENGAGEMENT FOR THE 2024-2025
ANNUAL FINANCIAL REPORT AND SINGLE AUDIT REPORT**

Section 44.008 of the Texas Education Code requires all school districts to be audited annually by a firm licensed by the Texas State Board of Public Accountancy. The Varnett Public School (VPS) Board of Education Audit Committee recommends engaging the professional auditing services of Weaver and Tidwell, L.L.P. for the audit of financial records for the fiscal year ended August 31, 2025. Two audit reports will be prepared by Weaver and Tidwell, L.L.P. the Annual Financial Report and the Single Audit Report. The Annual Financial Report contains the fiscal year-end financial schedules, whereas the Single Audit Report contains the auditors' report on the district's internal control over compliance and compliance with federal regulations related to each major federal program. Both audit reports must be completed within 150 days after the end of the fiscal year, approved by the Board of Education, and filed with the Texas Education Agency by January 28, 2026.

Fees for the audits shall approximate \$59,500.00 for the financial statement audit, \$3,250.00 per major program for the compliance audit, and \$500 for preparation of the schedules related to ASC Topic 842, "Leases". The engagement fees do not include consulting on the adoption of new accounting standards and any future increased duties because of any regulatory body, auditing standard or an unknown or an unplanned significant transaction. The Audit Engagement Letter will be maintained on file in the Business Office.

The Board of Education Audit Committee recommends the engagement of the professional auditing services of Weaver and Tidwell, L.L.P. for the 2024-2025 Annual Financial Report and Single Audit Report.

March 17, 2025

To the Board of Directors and Management of
The Varnett Schools, Inc. dba The Varnett Public School
5025 South Willow Drive
Houston, Texas 77035

Dear Board of Directors and Management:

Weaver and Tidwell, L.L.P. ("our", "us", and "we") will perform an audit of the financial statements of The Varnett Schools, Inc. dba The Varnett Public School (the "Charter Holder"), which comprise the statement of financial position as of August 31, 2025, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In addition, we will audit the entity's compliance over major federal award programs for the period ended August 31, 2025.

The following accompanying supplementary information will also be subjected to our auditing procedures, as well as certain additional procedures:

1. Schedule of Expenditures of Federal Awards
2. Supplementary Information

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

1. Schedule of Real Property Ownership Interest
2. Schedule of Related Party Transactions
3. Schedule of Related Party Compensation and Benefits

We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

Applicable Standards and Framework

The auditing standards applicable to this engagement will be U.S. GAAS (generally accepted auditing standards in the United States of America) and, if applicable, the Government Auditing Standards ("GAGAS"), any state or regulatory audit requirements, the Single Audit Act Amendments of 1996, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance").

The financial reporting framework applicable to this engagement is U.S. GAAP (generally accepted accounting principles in the United States of America).

Engagement Objectives

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion and to report on the fairness of the supplementary information referred to above when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with applicable auditing standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud

Weaver and Tidwell, L.L.P.

or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the financial statements.

Our Responsibilities

We will conduct our engagement in accordance with the applicable standards described above. As part of an engagement conducted in accordance with the applicable standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

We also do the following:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls.
- Obtain an understanding of the system of internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the system of internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit that we have identified during the engagement.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability to continue as a going concern for a reasonable period of time.

If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of assets, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we may request written representations from your attorneys, and they may bill you for responding.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may exist and not be detected, even though the audit is properly planned and performed in accordance with applicable standards.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

The accompanying supplementary information referred to above will be presented for purposes of additional analysis and is not a required part of the financial statements. Such information will be subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with

applicable standards. Our auditor's report will provide an opinion on the supplementary information in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

Our responsibilities for this engagement are limited to the period covered by our engagement and do not extend to any other periods.

Matt Rogers is the engagement partner or equivalent for the attest services specified in this letter and is responsible for supervising our services performed as part of this engagement and signing or authorizing another qualified firm representative to sign our report.

We expect to begin our procedures in June 2025. We will issue a written report only upon completion of our engagement. Our report will be addressed to the Charter Holder's Board of Directors.

We cannot provide assurance that an unmodified audit opinion will be expressed. Circumstances may arise in which it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraphs, delay the initiation or completion of our engagement, or withdraw from the engagement. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance.

If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from the engagement.

GAGAS

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will consider the entity's internal control over financial reporting and perform tests of the entity's compliance with the provisions of applicable laws, regulations, contracts, and grant agreements that could have a direct and material effect on the determination of financial statement amounts.

In accordance with the requirements of GAGAS, we will also issue a written report describing the scope of our testing over internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and grant agreements, including the results of that testing. However, providing an opinion on internal control over financial reporting and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Uniform Guidance

Our audit of the entity's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the provisions of the Uniform Guidance (including the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs).

Our procedures will include tests of accounting records and a determination of major federal award programs in accordance with the Uniform Guidance. We will also perform other procedures we consider necessary to enable us to obtain reasonable assurance about whether the entity complied with applicable laws, regulations, and provisions of contracts and grant agreements applicable to major federal award programs, so that we may express an opinion or disclaimer of opinion on major federal award program compliance and render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

Also, as required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our report will include

any significant deficiencies and material weaknesses identified. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

Non-Attest Services

We will perform this additional non-attest (non-audit services) as part of this engagement.

- Preparation of financial statements and related notes
- Preparation of schedule of expenditures of federal awards (as applicable)
- Prepare the Data Collection Form
- Prepare reports required by TEA Data Feed Standards
- Preparation of schedules related to ASC Topic 842 "Leases"
- Preparation of tax return (Form 990)

GAGAS require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the financial statements and related schedules or disclosures as these actions are deemed a non-attest service. The entity has designated Wanda Richardson, Executive Director of Business and Finance, to oversee these services.

These non-attest services do not constitute an audit under GAGAS and such services will not be conducted in accordance with GAGAS.

Data Collection Form on Reporting for Single Audits

It is expected that prior to the conclusion of the engagement, sections of the Data Collection Form will be completed by our firm. The sections that we will complete summarize our audit findings by federal grant or contract. Management is responsible to submit the reporting package (defined as including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. The instructions to the Data Collection Form require that the reporting package be an unlocked, unencrypted, text searchable portable document file (PDF) or else it will be rejected by the Federal Audit Clearinghouse. We will be available to assist management in creating the PDF if needed.

We will coordinate with you the electronic submission and certification upon the reporting package completion. If applicable, we will provide copies of our report for you to include with the reporting package if there is a need to submit the package to pass-through entities.

The Data Collection Form and the reporting package must be submitted within the earlier of thirty (30) days after receipt of our reports or nine (9) months after the end of the audit period.

Third-Party Service Providers

Depending on the requirements of this engagement, we may use the services of our affiliate, Weaver and Tidwell India LLP, a limited liability partnership incorporated in India, or one or more other third-party service providers to assist us. Before sharing confidential information with those service providers, we will (i) secure agreements to maintain the confidentiality of confidential information and ensure the confidential information is only used for the purpose of assisting us with the performance of this engagement and (ii) take commercially reasonable precautions to determine the service providers have appropriate procedures in place to prevent the unauthorized disclosure of confidential information. If we use such service providers, we will remain responsible for all work performed and any breach of our confidentiality arrangements by those service providers.

Management's Responsibilities

Our engagement will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility for:

- a. the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework described above;
- b. the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- c. the design, implementation, and maintenance of programs and controls to prevent and detect fraud;
- d. informing us of any known or suspected fraud involving management, employees with significant roles in the system of internal control and others where fraud could have a material effect on the financial statements (including any allegations of fraud or suspected fraud received in communications from employees, former employees, regulators, or others);
- e. providing us with:
 1. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including the disclosures, such as records, documentation, and other matters;
 11. additional information that we may request from management for the purpose of the engagement; and
 111. unrestricted access to persons from whom we determine it necessary to obtain evidence;
- f. including our report, and our report on any supplementary information if described above, in any document containing financial statements that indicates that such financial statements have been audited by us;
- g. identifying and ensuring compliance with the laws and regulations applicable to activities;
- h. adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- i. maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- j. the accuracy and completeness of all information provided;
- k. with regard to the supplementary information referred to above: (a) the preparation of the supplementary information in accordance with the applicable criteria; (b) providing us with the appropriate written representations regarding supplementary information; (c) including our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) presenting the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon;

- l. the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to violations of laws, governmental regulations, grant agreements, or contractual agreements;
- m. identifying all federal awards expended during the period including federal awards and funding increments received prior to December 26, 2014, and those received in accordance with the Uniform Guidance generally received after December 26, 2014;
- n. providing us with access to all information of which management is aware that is relevant to federal award programs;
- o. preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
- p. the design, implementation, and maintenance of internal control over compliance;
- q. identifying and ensuring that entity complies with laws, regulations, grants, and contracts applicable to its activities and its federal award programs;
- r. following up and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- s. following up and taking corrective action on current period audit findings and preparing a corrective action plan for such findings;
- t. submitting the reporting package and data collection form to the appropriate parties;
- u. making us aware of any significant vendor relationships where the vendor is responsible for program compliance;
- v. informing us of facts that may affect the financial statements of which you may become aware during the period from the date of our report to the date the financial statements are issued; and
- w. confirming your understanding of your responsibilities in this letter to us in your management representation letter.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we request.

If we agree herein or otherwise to perform any non-attest services (such as tax services or any other non-attest services), you agree to assume all management responsibilities for those services; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. We will perform any such non-attest services in accordance with applicable professional standards.

During the course of our engagement, we will request information and explanations from management regarding operations, internal controls, future plans, specific transactions and accounting systems and procedures. At the conclusion of our engagement, we will also require, as a precondition to the issuance of our report, that management provide certain representations in a written letter concerning representations made to us in connection with our engagement. You agree that as a condition of our engagement, management will, to the best of its knowledge and belief, be truthful, accurate and complete in all representations made to us during the course of the engagement and in the written representation letter. The procedures we perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. False or misleading representations could cause us to expend unnecessary efforts in the engagement; or, worse, could cause a material error or a fraud to go undetected by our procedures.

The hiring of, or potential employment discussions with, any of our personnel could impair our independence. Accordingly, you agree to inform the engagement partner prior to any such potential employment discussions taking place.

Fees and Invoicing

We estimate the fee for this engagement will be \$59,500 for the financial statement audit, \$3,250 for the compliance audit of each major program, as applicable, and \$500 for preparation of the schedules related to ASC Topic 842 "Leases". The total fee for our services will be determined by the complexity of the work performed and the tasks required. Individual hourly rates vary according to the degree of responsibility involved and the skills required. It is understood that neither our fees nor the payment thereof will be contingent upon the results of this engagement.

Our fee estimate is based on anticipated cooperation from all involved and the assumption that unexpected circumstances will not be encountered during the engagement. Our fee estimate does not contemplate our consultation with you on the adoption of new accounting standards or any future increased duties we may have because of the actions of any regulatory body, implementation of any new auditing standard, or occurrence of an unknown or unplanned significant transaction. If significant additional time is necessary, we will discuss the reasons with you and arrive at a new fee estimate before we incur the additional costs.

Our invoices are payable on presentation and will be rendered (generally monthly) as work progresses.

Documentation and Deliverable

The documentation we prepare pertaining to and in support of this engagement is our property and constitutes confidential information.

If you intend to make reference to our firm or include a report or portion of a report we issue in a published document or other reproduction that includes a modified version of the report or financial information to which it was attached, you agree to provide us with printers' proofs or masters for our review and approval before reproducing. You also agree to provide us with a copy of the final reproduced material for our written approval before it is distributed. If, in our professional judgment, the circumstances require, we may withhold our approval. This requirement does not pertain to distributing unmodified reports along with the attached financial information or dissemination of your financial information as a standalone document, such as on your website.

Unless we provide you with written consent in advance of such use, reports we issue are not intended to and should not be provided or otherwise made available for use in connection with the sale of debt or other securities. If, in our professional judgment, the circumstances require, we may withhold our consent.

Consistent with professional standards, our firm is subject to peer review and inspection by the PCAOB. Those programs require that our system of quality management and a sample of our work be periodically examined by another independent accounting firm or the PCAOB, respectively. A copy of our latest external peer review report is available at peerreview.aicpa.org. The work we perform for you may be selected for review. If it is, we will provide the reviewers with the required information without notice to you. Professional standards and PCAOB regulations provide the applicable confidentiality requirements.

[Signatures on Next Page]

March 17, 2025

Incorporated General Terms

Attached are our General Terms that provide additional terms (including but not limited to provisions on confidentiality, limitations on liability, indemnifications, dispute resolution, jury waiver, etc.) for this engagement. Those terms are incorporated and apply to all services described herein.

We appreciate the opportunity to assist you and look forward to working with you and your team.

Sincerely,

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

The Woodlands, Texas

Please sign and return a copy of this letter to indicate acknowledgment of, and agreement with, the arrangements for our engagement as described herein, including each party's respective responsibilities. By signing below, the signatory also represents that they have been authorized to execute this agreement.

The Varnett Schools, Inc. dba The Varnett Public School

By: _____

Printed Name: _____

Title: _____

Date: _____

GENERAL TERMS

1. Expenses.

In addition to the fee for our services, reasonable and necessary out-of-pocket expenses we incur (such as parking, reproduction and printing, postage and delivery, and out-of-market travel, meals, and accommodations) will be invoiced at cost. The total amount stated on each invoice will include a separate administrative and technology charge. The charge represents an estimated allocation of our support personnel, telecommunication, and technology infrastructure expenses. The amount stated on each invoice will also include any sales, use, gross receipts, excise, or other transaction tax imposed on our fees or expenses.

2. Payment.

Any disagreement with the charges must be communicated to us in writing within thirty (30) days of the invoice date, after which any right to contest the invoices will be waived. For invoices not paid within sixty (60) days of the invoice date, a late charge will be added to any uncontested outstanding balance. The late charge will be assessed at a rate of half a percent (0.5%) of the unpaid balance per month. If invoices are not paid within ninety (90) days of the invoice date, this engagement (and any other engagements for the same party) will be placed on hold and we will stop work until the balance is brought current, or we may withdraw, and we will not be liable for any damages that may result.

3. Term.

A. This engagement ends at the earlier of the completion of our services described above, the provision of any deliverables described above, or the termination of this engagement. Any party may earlier terminate this engagement at any time with ten (10) days' written notice to the other party. If the engagement is terminated, our engagement will be deemed to have been completed upon written notification of termination, and we will be paid for our time expended and expenses incurred through the date of termination.

B. If we are requested to perform additional services not addressed in this engagement letter, we will communicate our ability to perform the services, the scope of additional services we agree to perform, and the fee arrangements we would use. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting the arrangement for performance of such additional services, those services will continue to be governed by the terms of this engagement letter.

4. Ethical Conflict Resolution.

In the unlikely event that circumstances occur which we in our sole discretion believe could create a conflict with either

the ethical standards of our firm or the ethical standards of our profession in continuing our engagement, we may suspend our services until a satisfactory resolution can be achieved or we may resign from the engagement. We will provide notice of such conflict as soon as practicable and discuss any possible means of resolving the conflict prior to suspending our services.

5. Non-Solicitation of Our Staff.

We value every one of our partners, employees, and contractors and have spent a great deal of time and resources to locate, train, and retain those individuals. Accordingly, during the term of this engagement letter and for two (2) years after the later of the termination of this engagement letter or conclusion of the performance of all of our services performed hereunder, no party, whether voluntarily or involuntarily, directly or indirectly, will solicit to employ or engage, on a partner, employee, contractor, or other basis, any of our partners, employees, or contractors who perform these services, without obtaining the prior written consent of our CEO or COO. This section shall not apply to a solicitation by general advertisement (e.g. website, social media posting, newspaper, etc.) or any employment or engagement resulting therefrom.

6. Confidentiality.

A. During the course of this engagement, the parties may disclose to each other, orally, in writing, or otherwise, information that is identified as or which is otherwise categorized by law as proprietary, confidential, or privileged ("Confidential Information"). Confidential Information does not include material which (i) is in the public domain through no fault of the receiving party, (ii) was already known to the receiving party before it was first disclosed to the receiving party by or on behalf of the disclosing party related to this engagement, (iii) is received by the receiving party from third-parties without confidentiality restrictions, unless those third-parties were acting for or on behalf of the disclosing party related to this engagement, or (iv) is developed by the receiving party independently of, and without reference to, any Confidential Information communicated to the receiving party by or on behalf of the disclosing party. We will use the Confidential Information disclosed to us during this engagement solely to perform services for which we have been engaged.

B. We may be requested to make the Confidential Information available to regulators and other government agencies, pursuant to authority given by law or regulation. Responding to many such requests is mandatory. In those cases, access to such Confidential Information will be provided under our supervision and we may, upon their request, provide the regulator or agency with copies of all