October 7, 2026

Dear Clopton (Pike County R-III) Community:

To be transparent with our community, the Clopton (Pike County R-III) Board of Education is sharing the following information and timeline regarding recent financial activity. You can find the timeline of recent Board activity on the district's website homepage: https://www.clopton.k12.mo.us.

At the end of the 2025–26 fiscal year, a standard third-party audit informed the Board of Education that the district's financial position had changed unexpectedly and did not meet expectations.

The Board understands that our community provides the resources that fund our school, and we are committed to stewarding those funds responsibly. We want our community to know that the Board is taking this situation very seriously. We have taken several initial steps to address the financial concerns and minimize the impact on the students served by our exceptional staff.

The Board of Education has approved engaging a third party to provide financial oversight and conduct a comprehensive evaluation of the district's finances. As part of this financial oversight, the third party recommended that the district utilize a Tax Anticipation Note (TAN).

A Tax Anticipation Note is a short-term loan secured against local property tax revenue that the district expects to receive beginning in December or January. The TAN will provide the district with additional cash flow to support operating expenses until it receives those tax revenues.

The Board of Education approved a Tax Anticipation Note for $1,450,000. The district will pay interest on the borrowed funds, with options to repay early and reduce total interest paid.

As part of the comprehensive financial analysis, the third party is working with district leadership to develop and approve an amended 2026–27 budget. Financial oversight and analysis are ongoing.

As this process continues, the Board will provide additional information to our community as it becomes available. We appreciate the continued support of our students, staff, families, and community as we work through these challenges and remain focused on maintaining the quality of education provided to our students.

Sincerely,

The Clopton (Pike County R-III) Board of Education

PIKE COUNTY R-III

BOARD OF EDUCATION

Recent Activity Regarding

FINANCES AND LEADERSHIP

June 2026 • October 2026

JUNE 18, 2026

26/27 Preliminary Budget

- Presented to and approved by the Board of Education (BOE)
- Operating reserve presented as **20%–25%**

August 11, 2026 – ONGOING

Annual 3rd Party Audit

- Annual third-party financial audit conducted

AUGUST 18, 2026

4:00 PM

Financial Concern Identified

- BOE President and VP met with Superintendent
- Open version of the 25/26 ASBR made available
- Operating reserve discovered to be **12.93%**
- All BOE members notified immediately

AUGUST 18, 2026

BOE Attorney Contacted

- Emily Omohundro — EdCouncil
- Follow-up call scheduled for August 24, 2026

AUGUST 19, 2026

Audit Company (KPM) Contacted

- BOE President requested a phone call with assigned auditor
- Follow-up call scheduled for August 21, 2026

AUGUST 21, 2026

Call with KPM Regarding Audit

- Mykkah Buchanan — KPM CPAs and Advisors

- Audit findings discussed
- Expenditures appeared to be accounted for
- Estimated revenues found to be inaccurate

AUGUST 24, 2026
11:30 AM

Call with BOE Attorney

- Legal Counsel was consulted

AUGUST 24, 2026
2:40 PM

Third-Party Consultant Contacted

- Dr. Jim Hinson — Education, Governance, and Leadership Association (EGL)

AUGUST 27, 2026

"Limited Financial and Internal Control Review" Approved by BOE

- Company: EGL
- Point of Contact: Jim Hinson
- Cost: **$1,350**

SEPTEMBER 9, 2026
6:00 PM

SPECIAL SESSION BOE MEETING

- Limited Financial and Internal Control Review results received
- Financial concerns confirmed
- Questionable internal control practices identified

SEPTEMBER 9, 2026

EGL Recommends Exploring TAN Funding

- **Tax Anticipation Note (TAN):** Funds borrowed in anticipation of local tax revenue
- Used to support cash flow until local tax revenue is received

SEPTEMBER 9, 2026

BOE Attorney Conference Call

- Legal counsel was consulted

SEPTEMBER 10, 2026

TAN Discussion with LJ Hart

- Tom Pisarkiewicz — President, LJ Hart

SEPTEMBER 15, 2026
4:30 PM

Superintendent on leave

- Superintendent on leave
- Building administrators notified over the next 24 hours

SEPTEMBER 16, 2026
6:00 PM

SEPTEMBER REGULAR MONTHLY BOE MEETING

- BOE action placing Superintendent on leave
- BOE addressed building administrators in person

SEPTEMBER 16, 2026

Ongoing “Limited Financial and Internal Control” Approved

- Company: EGL
- Points of Contact: Dr. Jim Hinson and Dr. Tracy Bottoms
- Develop amended 2026/27 budget
- Deliver five-year budget plan
- Present findings at BOE meetings
- Cost: **$6,000 for first 45 days**; **$3,000 for each additional 30-day period** as requested by BOE

SEPTEMBER 16, 2026

EGL Superintendent Search Proposal Accepted

- Proposal includes a one-year professional development and oversight component
- Cost: **$3,950**
- Timeframe: In Progress

SEPTEMBER 17, 2026
10:00 AM

Interim Superintendent Appointed

- Dr. Stephanie Grimes agreed to assume Superintendent duties until the BOE could reconvene
- All program directors were notified of the changes in responsibilities

SEPTEMBER 24, 2026
9:00 AM

BOE Receives Superintendent Letter of Resignation

- Letter of resignation received, and all BOE members informed

SEPTEMBER 24, 2026

EGL On-Site Financial Review

- Dr. Tracy Bottoms
- Met with Central Office staff
- Reviewed financial data

- Analyzed expenses and revenue for TAN acquisition

SEPTEMBER 24, 2026

Special Session Meeting Scheduled

- Special Session scheduled for September 29, 2026

SEPTEMBER 29, 2026

SPECIAL SESSION BOE MEETING

- Presentation by LJ Hart regarding TAN funding - TAN Approval by BOE
- BOE acceptance of Superintendent resignation
- BOE action to make Dr. Stephanie Grimes the Interim Superintendent
- BOE action to make Breanne Clawson the Interim Elementary Principal
- BOE consent on official message to the public

SEPTEMBER 30, 2026

8:49 AM

Public Message Regarding Change in Leadership Roles Distributed

- Message distributed to staff and then to the public through multiple outlets

OCTOBER 1, 2026

TAN Documentation Finalized

- **$1,450,000** of TAN funds to be accessible on October 6, 2026

OCTOBER 8, 2026

EGL On-Site for Budget Analysis

- Dr. Jim Hinson and Dr. Tracy Bottoms
- Budget analysis in an effort to build an accurate 2026/27 budget for BOE approval

OCTOBER 14, 2026

6:00 PM

OCTOBER REGULAR MONTHLY BOE MEETING

- Regular monthly Board of Education meeting