COOPERATIVE ORGANIZATION FOR
THE DEVELOPMENT OF EMPLOYEE
SELECTION PROCEDURES

Annual Financial Report
June 30, 2025

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES
(A Joint Powers Entity)

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Cooperative Organization for the
Development of Employee Selection Procedures
Huntington Beach, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Cooperative Organization for the Development of Employee Selection Procedures (the Authority), which comprise the statements of net position as of June 30, 2025, and the related statements of revenues, expenses and change in net position, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basis financial statements. Such information, although not part of the basis financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operation, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user of the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of changes in the Authority's schedule of the Authority's proportionate share of the net pension liability - CalPERS and schedule of the Authority's contributions - CalPERS be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Local Authority Organization Structure but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

Silva & Silva CPA's

Brea, California
February 13, 2026

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES
(A Joint Powers Entity)

STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS		
Current Assets		
Cash in Bank	$	119,714
Revolving Cash Fund		4,000
Investments		1,533,631
Receivables - Interest		5,368
Prepaid Expenses		33,831
Total Current Assets		1,696,544
Deferred Outflows of Resources		
Deferred outflows related to Pensions, net		77,055
Capital Assets		
Office Equipment		46,132
Accumulated Depreciation		(46,132)
Total, Net Capital Assets		-
Total Assets	$	1,773,599
LIABILITIES		
Current Liabilities		
Accrued Salaries and Benefits	$	78,901
Accounts Payable		3,083
Deferred Income		46,265
Total Current Liabilities		128,249
Long-Term Liabilities		
Net Pension Liability		600,767
Compensated Absences Payable		88,996
Total Long-term Liabilities		689,763
Deferred Inflows of Resources		
Deferred Inflows related to Pensions		87,014
Total Liabilities		905,026
NET POSITION		
Unrestricted		868,573
Total Liabilities & Net Position	$	1,773,599

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES
(A Joint Powers Entity)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
JUNE 30, 2025

		Percentage of Total Revenue	Percentage of Total Expenses
OPERATING REVENUES			
Member Fees	$ 990,283	77.47%	
Other fees and contracts	202,968	15.88%	
Other local revenues	1,964	0.15%	
Total Operating Revenues	1,195,215	93.50%	
OPERATING EXPENSES			
Salaries and Benefits			
Classified Salaries	864,361		64.93%
Employee Benefits	356,410		26.77%
Total Salaries and Benefits	1,220,771		91.71%
Other Expenses			
Travel and Conferences	5,137		0.39%
Insurance	9,026		0.68%
Utilities	2,919		0.22%
Office lease	21,540		1.62%
Office Expenses	2,419		0.18%
Professional Services	10,109		0.76%
Marketing	6,271		0.47%
Software & maintenance contracts	52,977		3.98%
Total Other Expenses	110,398		8.29%
Total Operating Expenses	1,331,169		
OPERATING LOSS	(135,954)		
NON-OPERATING REVENUES			
Interest Income	83,132	6.50%	
CHANGE IN NET POSITION	(52,822)		
NET POSITION, BEGINNING OF YEAR	921,395		
NET POSITION, END OF YEAR	$ 868,573	100.00%	100.00%

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES
(A Joint Powers Entity)

STATEMENT OF CASH FLOWS
JUNE 30, 2025

Operating Activities		
Change in net assets	$	(52,822)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Changes in operating assets and liabilities		
Accounts receivable		604
Prepaid expenses		909
Accounts payable		4,000
Accrued compensated absences		88,996
Deferred revenue		(1,483)
Net Pension Liability		47,679
Net Cash Provided By Operating Activities		87,883
Net Change in Cash and Cash Equivalents		87,883
Cash and Cash Equivalents, Beginning of Year		1,569,462
Cash and Cash Equivalents, End of Year	$	1,657,345
Supplemental Cash Flow Disclosure		
Cash paid during the period in interest	$	-

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Cooperative Organization for the Development of Employee Selection Procedures (the "Authority") conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants.

Financial Reporting Entity

The Authority has elected to formalize participation by its members through formation of a joint powers authority. Funding for the Authority membership will continue to flow from the individual members' districts. The Authority includes all funds and account groups that are controlled by or dependent on the Authority's Executive Committee for financial reporting purposes. The Authority has considered all potential component units in determining how to define the reporting entity using criteria set forth in generally accepted accounting principles. The Authority determined that there are not potential component units that meet the criteria for inclusion within the reporting entity.

Fund Accounting

The accounts of the Authority are organized on the basis of a fund. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Authority resources are allocated to and accounted for in a fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Authority's accounts are organized into categories, which include one fund type as follows:

Proprietary Funds Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the local education agency, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting and are classified as enterprise or internal service. The Authority has the following proprietary funds:

- **Enterprise Fund** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the Authority accounts for the financial transactions related to the operations of the Authority.

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises.

Basis of Accounting

The Authority uses the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the related liabilities are incurred. The Authority applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements, unless those pronouncements conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Authority considers all investment instruments purchased with maturity of three months or less to be cash equivalents. The investments are considered cash equivalents as of June 30, 2025. Cash in County is considered to be a cash equivalent.

Capital Assets and Depreciation Methods

Machinery and equipment are stated at cost, less accumulated depreciation computed using accelerated methods. Machinery and equipment are depreciated over five to seven years. There was no depreciation for the year ended June 30, 2025.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Authority is not subject to income taxes pursuant to Section 115 of the Internal Revenue Code and the corresponding section of the California Revenue and Taxation Code.

Prepaid Expenses

Prepaid expenses represent amounts paid in advance of goods or services.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported as a separate financial statement element. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then.

Change in Accounting Principles

Implementation of GASB Statement No. 101

As of July 1, 2024, the Authority adopted GASB statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. There was not a significant impact on the Authority as a result of this change as of June 30, 2025.

Implementation of GASB Statement No. 102

As of July 1, 2024, the Authority adopted GASB statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This Statement requires certain disclosure criteria in the event that a concentration or constraint has an impact on the financial statements. There was not a significant impact on the Authority as a result of this change as of June 30, 2025.

NOTE 2 – CASH

Cash balances held in banks and in revolving funds are fully insured by the National Credit Union Administration.

NOTE 3 – INVESTMENTS

Investments at June 30, 2025, held on behalf of the Authority are presented below:

	Reported Amount	Fair Value
Uncategorized		
Deposits with County Treasurer	$ 1,533,631	$ 1,533,631

Deposits with County Treasurer

Deposits with county treasurer is an external investment pool sponsored by the County of Orange. School districts and the Authority are required to deposit all receipts and collections of monies with their county treasurer (Education Codes Section 41004). Therefore, the Authority is considered to be an involuntary participant in an external investment pool. County deposits are not required to be categorized. The pool sponsor provided fair value for these deposits. There is no limitation of interest rate risk, credit risk that will adversely affect the fair value of this investment.

NOTE 4 – LEASES

The Authority has a short-term lease for office space in Huntington Beach, expiring on August 31, 2025, requiring monthly payments of $1,695 beginning on September 1, 2024. The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

NOTE 5 – EMPLOYEE RETIREMENT SYSTEM

Qualified employees are covered under a multiple employer defined benefit pension plan maintained by agencies of the State of California. Classified employees are members of the California Public Employees' Retirement Systems (CalPERS).

The Authority reported its proportionate share of the net pension liabilities, pension expense, and deferred outflows, inflows of resources as follows:

Pension Plan Expense	Proportionate Share of Net Pension Liability	Proportionate Share of Deferred Outflows	Proportionate Share of Deferred Inflows	Proportionate Share of Pension
CalPERS	$ 600,767	$ 77,055	$ 87,014	$ (140,691)

Plan Description

The Authority cost-sharing multiple-employer public employee retirement system defined benefit pension plan (the Plan or PERFC) is administered by CalPERS. The plan consists of a miscellaneous risk pool, which is comprised of individual employer miscellaneous plans. Individual employers may sponsor more than one miscellaneous plan. Each individual employer rate plan generally has less than 100 active members. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from CalPERS Executive Office, 400 P Street, Sacramento, California 95811, or from their website.

Benefits Provided

The Plan was established to provide retirement, death, and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes) and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2025, Annual Valuation Report (funding valuation).

The CalPERS provisions and benefits in effect at June 30, 2025, are summarized as follows:

	Miscellaneous Employer Pool (CalPERS)
Benefit formula	2% at 62
Benefit vesting schedule	5 years of service
Benefit payments	Monthly for life
Retirement age	62
Required employee contribution rate	7.25%
Required employer contribution rate	14.61%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Total plan contributions through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The Authority's contributions to CalPERS for the fiscal year ended June 30, 2025, was $57,340 and equals 100 percent of the required contribution.

Collective Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2025, the Authority reported collective net pension liabilities of the CalPERS net pension liability totaling $600,767. The net pension liability was measured as of June 30, 2024. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating miscellaneous governmental entities, actuarially determined. As of June 30, 2025, the Authority's proportion was 0.0161 percent.

For the year ended June 30, 2025, the Agency recognized pension expense of $(140,691). At June 30, 2025, the Authority reported collective deferred outflows of resources and collective deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumption	$ -	$ -
Difference between expected and actual experience	77,055	87,014
Net differences between projected and actual earnings on plan investments	-	-
Total	$ 77,055	$ 87,014

Actuarial Methods and Assumptions

Total pension liability for the MEP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2024, and rolling forward the total pension liability to June 30, 2025. The financial reporting actuarial valuation as of June 30, 2024, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2024
Measurement date	June 30, 2025
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	6.90%
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by Entry Age & Services

The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2021 Published by the Society of Actuaries. For more details, please refer to the 2023 experience study report that can be found on the CalPERS website.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target asset allocation and best estimates of arithmetic real rates of return of each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity - cap-weighted	30.00%	4.54%
Global equity - noncap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.20%
Leverage	-5.00%	-0.59%

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Miscellaneous Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the Authority's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.90%)	$1,064,471
Current discount rate (6.90%)	600,767
1% increase (7.90%)	220,442

NOTE 6 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 13, 2026, the date that the financial statements were available for issue and has determined (except for the item noted below) that there are no additional adjustments and/or disclosures required.

The Authority entered into a two-year operating lease for office space in Huntington Beach, expiring on August 31, 2027, requiring monthly payments of $1,815 beginning on September 1, 2025.

Future minimum lease payments are as follows:

Fiscal Year Ending June 30,		
2026	$	21,780
2027		21,780
2028		3,630
Total	$	47,190

Required Supplementary Information

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES (A Joint Powers Entity)

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CalPERS JUNE 30, 2025

CalPERS	2025	2024	2023	2022	2021	2020	2019
Proportion of the net pension liability	0.0161%	0.0153%	0.0153%	0.0193%	0.0145%	0.0145%	0.0000%
Proportionate share of the net pension liability	$ 600,767	$ 689,208	$ 737,683	$ 700,286	$ 525,896	$ 561,826	$ 565,836
Covered payroll	$ 392,471	$ 306,667	$ 437,221	$ 421,506	$ 424,006	$ 545,785	$ 545,785
Proportionate share of the net pension liability as a percentage of its covered payroll	153.07%	224.74%	168.72%	166.14%	124.03%	102.94%	103.67%
Plan fiduciary net position as a percentage of the total pension liability	72%	70%	70%	81%	70%	70%	71%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

Note: In the future, as data becomes available, ten years of information will be presented.

COOPERATIVE ORGANIZATION FOR THE DEVELOPMENT OF EMPLOYEE SELECTION PROCEDURES
(A Joint Powers Entity)

SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - CalPERS
JUNE 30, 2025

CalPERS	2025	2024	2023	2022	2021	2020	2019
Contractually required contribution	$ 57,340	$ 44,804	$ 63,878	$ 60,369	$ 60,727	$ 69,866	$ 69,866
Less contributions in relation to the contractually required contribution	57,340	44,804	63,878	60,369	60,727	69,866	69,866
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 392,471	$ 306,667	$ 437,221	$ 421,506	$ 424,006	$ 545,785	$ 545,785
Contributions as a percentage of covered payroll	14.610%	14.610%	14.610%	14.322%	14.322%	12.801%	12.801%

Note : In the future, as data becomes available, ten years of information will be presented.

Note 1 - Purpose of Schedules

Schedule of the Authority's Proportionate Share of the Net Pension Liability

This schedule presents information on the Authority's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the Authority. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in benefit terms for the CalPERS plans since the previous valuations.
- *Changes of Assumptions* – There were no changes in economic assumptions for the CalPERS plans since the previous valuations.

Schedule of the Authority's Contributions

This schedule presents information on the Authority's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

Other Information

GOVERNING BOARD

MEMBER	PARTICIPANT	OFFICE
Darlene Avalos	San Rafael City Schools	President of the Board
Eliana Ceja	Garden Grove Unified School District	Vice President of the Board
Paul Deines	Buena Park School District	Member
Eric Malmquist	Garden Grove Unified School District	Member
Danelle Bautista	La Habra City School District	Member
Jode Howard	Rowland Unified School District	Member
Jessica Glover	San Diego County Office of Education	Member
John Linke	Santa Monica Community College District	Member
Rachel Robinson-Vang	San Luis Coastal Unified School District	Member
Jolie Napier-Vea	Oceanside Unified School District	Member

ADMINISTRATION

Jonathan Koch	Executive Director

ORGANIZATION

Federal and State laws require that all public agencies be able to demonstrate that their employment selection procedures do not discriminate on the basis of sex, age, race, creed, national origin or disability which may be reasonably accommodated. In 1973, the Cooperative Organization for the Development of Employee Selection Procedures was formed to provide school and college districts with essential services in developing and providing selection materials used in testing candidates for district classified employment. Currently, Cooperative Organization for the Development of Employee Selection Procedures serves over four hundred customers.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

Executive Committee
Cooperative Organization for the
Development of Employee Selection Procedures
Huntington Beach, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the Cooperative Organization for the Development of Employee Selection Procedures (the Authority), which comprise the statement of net position as of June 30, 2025, and the related statement of revenues, expenses, and changes in net position, and cash flows for the year ended June 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated February 13, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Silva + Silva CPA's

Brea, California
February 13, 2026