



ROGERS
Public Schools
where all belong, all learn, and all succeed

**REGULATORY BASIS FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2025

with

INDEPENDENT AUDITOR'S REPORT

HQI
CPAs & Advisors PLLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Rogers School District No. 30
Rogers, Arkansas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major governmental fund, and the aggregate remaining fund information of the Rogers School District No. 30 (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's regulatory basis financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective regulatory basis financial position of each major governmental fund and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective regulatory basis changes in financial position thereof and the respective regulatory basis budgetary comparison for the general and special revenue funds for the year then ended in accordance with the financial reporting provisions of Arkansas Code Ann. § 10-4-413(c) provided in Act 2201 of 2005 as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2025, or the changes in financial position of the District for the year then ended. Further, the District has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Basis for Opinions

We conducted our audit in accordance with 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. 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 District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the District on the basis of the financial reporting provisions of Arkansas Code Ann. § 10-4-413(c) as provided in Act 2201 of 2005, which is a basis of accounting other than accounting principles generally accepted in the United States of America to meet the financial reporting requirements of the State of Arkansas. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determined, are presumed to be material and pervasive.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting practices prescribed by Arkansas Code Ann. § 10-4-413(c) as provided in Act 2201 of 2005, which is described in Note 1, to meet the requirements of the State of Arkansas. Management is also responsible 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.

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 District'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 generally accepted auditing standards 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 District'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

To the Board of Education
Page Three

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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's regulatory basis financial statements. The schedule of units of service, schedule of state assistance and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the regulatory basis financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of units of service, schedule of state assistance, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

Other Information

The schedule of capital assets has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

In connection with our audit of the regulatory 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 March 13, 2026, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 District'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 the District's internal control over financial reporting and compliance.

HCT CPAs & Advisors, PLLC

Little Rock, Arkansas
March 13, 2026

FINANCIAL STATEMENTS

ROGERS SCHOOL DISTRICT NO. 30**BALANCE SHEET - REGULATORY BASIS****JUNE 30, 2025**

	Governmental Funds			
	Major			Fiduciary Fund Types
	General Funds	Special Revenue Funds	Other Governmental Funds	
ASSETS				
Cash and Cash Equivalents	\$ 8,806,519	\$ 3,254,790	\$ 48,454,445	\$ 345,042
Assets Held with Fiscal Agent	-	-	8,345,589	-
Investments	22,602,162	-	-	-
Accounts Receivable	161,664	1,694,316	-	-
Due from Other Funds	1,488,320	-	290,494	-
Total Assets	<u>\$ 33,058,665</u>	<u>\$ 4,949,106</u>	<u>\$ 57,090,528</u>	<u>\$ 345,042</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 75,487	\$ -	\$ 1,434,833	\$ -
Accrued Expenses	1,560,101	-	-	-
Due to Other Funds	290,494	1,488,320	-	-
Due to Student Groups	-	-	-	345,042
Total Liabilities	1,926,082	1,488,320	1,434,833	345,042
Fund Balances:				
Restricted:				
Federal Programs	-	3,460,786	-	-
Debt Service	-	-	8,345,589	-
State Programs	3,562,608	-	-	-
Other	361,818	-	-	-
Assigned:				
Capital Projects	-	-	47,310,106	-
Unassigned	27,208,157	-	-	-
Total Fund Balances	<u>31,132,583</u>	<u>3,460,786</u>	<u>55,655,695</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 33,058,665</u>	<u>\$ 4,949,106</u>	<u>\$ 57,090,528</u>	<u>\$ 345,042</u>

See accompanying notes.

ROGERS SCHOOL DISTRICT NO. 30

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS - REGULATORY BASIS

YEAR ENDED JUNE 30, 2025

	Major		
	General Funds	Special Revenue Funds	Other Governmental Funds
REVENUES			
Property Taxes	\$ 112,948,148	\$ -	\$ 8,412,687
Interest	4,515,053	3,994	-
State Revenues	66,820,163	213,211	-
Federal Revenues	-	17,972,173	-
Food Services	-	1,565,423	-
Student Activities	88,922	-	-
Net Increase (Decrease) in Fair Value of Investments	(150,618)	-	638,409
Other	1,022,739	150	103,300
	<u>185,244,407</u>	<u>19,754,951</u>	<u>9,154,396</u>
EXPENDITURES			
Current:			
Regular Programs	69,192,124	209,169	-
Special Education	13,416,431	1,676,819	-
Workforce Education Programs	2,414,133	358,077	-
Compensatory Education Programs	1,794,711	980,664	-
Other Instructional Programs	10,187,109	54,945	-
Support Services - Students	8,013,085	1,870,355	-
Support Services - Instructional Staff	13,268,487	5,049,403	3,466,303
Support Services - General Administration	2,654,735	139,133	-
Support Services - School Administration	9,779,080	-	-
Central Support Services	1,261,135	-	34,266
Operating and Maintenance Plant Services	17,086,506	166,379	22,983,055
Student Transportation Services	3,311,541	3,026	-
Other Supporting Services	229,210	-	-
Food Service Operations	-	10,262,587	-
Community Service Operations	-	34,977	-
Debt Service:			
Principal Retirement	-	-	12,610,000
Interest and Fiscal Charges	-	-	5,564,479
Paying Agent's Fees	-	-	12,912
Capital Outlay	<u>997,444</u>	<u>-</u>	<u>37,728,802</u>
	<u>153,605,731</u>	<u>20,805,534</u>	<u>82,399,817</u>
Excess (Deficiency) of Revenues Over Expenditures	31,638,676	(1,050,583)	(73,245,421)
OTHER FINANCING SOURCES (USES)			
Insurance Recoveries	-	-	10,000,000
Transfers, Net	(31,529,753)	79,236	31,450,517
Total Other Financing Sources (Uses)	<u>(31,529,753)</u>	<u>79,236</u>	<u>41,450,517</u>
Net Change in Fund Balances	108,923	(971,347)	(31,794,904)
Fund Balance - Beginning	<u>31,023,660</u>	<u>4,432,133</u>	<u>87,450,599</u>
Fund Balance - Ending	<u>\$ 31,132,583</u>	<u>\$ 3,460,786</u>	<u>\$ 55,655,695</u>

See accompanying notes.

ROGERS SCHOOL DISTRICT NO. 30

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS - REGULATORY BASIS

YEAR ENDED JUNE 30, 2025

	General Funds		
	Budget	Actual	Variance
REVENUES			
Property Taxes	\$ 114,558,747	\$ 112,948,148	\$ (1,610,599)
Interest	500,000	4,515,053	4,015,053
State Revenues	64,860,574	66,820,163	1,959,589
Federal Revenues	-	-	-
Food Services	-	-	-
Student Activities	-	88,922	-
Net Increase (Decrease) in Fair Value of Investments	-	(150,618)	(150,618)
Other	1,065,490	1,022,739	(42,751)
	<u>180,984,811</u>	<u>185,244,407</u>	<u>4,259,596</u>
EXPENDITURES			
Current:			
Instruction and Instructional-Related Services	104,357,099	97,004,508	7,352,591
Support Services	57,423,805	55,603,779	1,820,026
Non-Instructional Services	-	-	-
Other	-	-	-
Capital Outlay	<u>904,000</u>	<u>997,444</u>	<u>(93,444)</u>
	<u>162,684,904</u>	<u>153,605,731</u>	<u>9,079,173</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>18,299,907</u>	<u>31,638,676</u>	<u>13,338,769</u>
OTHER FINANCING SOURCES (USES)			
Transfers, Net	(18,750,977)	(31,529,753)	(12,778,776)
Total Other Financing Sources (Uses)	<u>(18,750,977)</u>	<u>(31,529,753)</u>	<u>(12,778,776)</u>
Net Change in Fund Balances	<u>\$ (451,070)</u>	<u>\$ 108,923</u>	<u>\$ 559,993</u>

See accompanying notes.

Special Revenue Funds

Budget	Actual	Variance
\$ -	\$ -	\$ -
-	3,994	3,994
50,000	213,211	163,211
21,674,768	17,972,173	(3,702,595)
400,000	1,565,423	1,165,423
-	-	-
-	-	-
-	150	150
<u>22,124,768</u>	<u>19,754,951</u>	<u>(2,369,817)</u>
4,166,790	3,279,674	887,116
7,528,857	7,228,296	300,561
11,309,822	10,297,564	1,012,258
-	-	-
-	-	-
<u>23,005,469</u>	<u>20,805,534</u>	<u>2,199,935</u>
(880,701)	(1,050,583)	(169,882)
85,364	79,236	(6,128)
<u>85,364</u>	<u>79,236</u>	<u>(6,128)</u>
<u>\$ (795,337)</u>	<u>\$ (971,347)</u>	<u>\$ (176,010)</u>

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The Rogers School District No. 30 (the "District") operates schools for students in grades Pre-Kindergarten through twelfth in Rogers, Arkansas. The District operates under current standards prescribed by the Arkansas Department of Education in accordance with the provision of the School Laws of Arkansas. The Board of Education, a seven (7) member group, is the level of government which has responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the District. There are no component units.

Fund Accounting

Major governmental funds (per the regulatory basis of accounting) are defined as General and Special Revenue.

General Fund - The General Fund is the general operating fund and is used to account for all financial resources, except those required to be reported in another fund.

Special Revenue Fund - The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Fund includes federal revenues and related expenditures, restricted for specific educational programs or projects, including the District's food services operations. The Special Revenue Fund also includes required matching for those federal programs, program income required to be used to further the objectives of those programs and transfers from the general fund to supplement such programs.

Other governmental funds, presented in the aggregate, consist of the following:

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund excludes those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Fiduciary Fund types include the following:

Private Purpose Trust Fund - Private Purpose Trust Fund accounts for activities that are not District programs, but are programs sponsored by private districts or other governments. Although the District serves as fiscal agent, the funds received and held under these programs are not available to support the District's activities and programs but are received and held for the benefit of individuals, private districts or other governments participating in the sponsored programs. The programs accounted for within this are expendable trust funds. The District does not have any private purpose accounts at year end.

Agency Funds - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Measurement Focus and Basis of Accounting

The financial statements are prepared in accordance with a regulatory basis of accounting (RBA), which is an Other Comprehensive Basis of Accounting (OCBOA). This basis of accounting is prescribed by Ark. Code Ann. § 10-4-413 (c) and requires that financial statements be presented on a fund basis with, as a minimum, the general fund and special revenue fund presented separately and all other funds included in the audit presented in the aggregate. The law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to the actual expenditures for the general fund and special revenue funds of the entity; notes to financial statements; and a supplemental schedule of capital assets, including land, buildings, and equipment. The law further stipulates that the State Board of Education shall promulgate the rules necessary to administer the regulatory basis of presentation.

The RBA is not in accordance with generally accepted accounting principles (GAAP). GAAP requires that basic financial statements present government-wide financial statements. Additionally, GAAP requires the following major concepts: Management's Discussion and Analysis, accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate financial statements for fiduciary fund types, separate identification of special and extraordinary items, inclusion of capital assets, leases, and debt in the financial statements, inclusion of net pension liability in the financial statements, specific procedures for the identification of major governmental funds and applicable note disclosures. The RBA does not require government-wide financial statements or the previously identified concepts.

The accompanying financial statements are presented on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for purposes of recording specific activities or attaining certain objectives. Major governmental funds are defined as general and special revenue, and such funds are presented separately in the financial statements. All other governmental funds are presented in the aggregate. Fiduciary fund types are presented in a separate column in the Balance Sheet – Regulatory Basis. Revenues are reported by major sources and expenditures are reported by major function. Other transactions, which are not reported as revenues or expenditures, are reported as other financing sources and uses. Transactions related to the recording of installment contracts and financed purchases are reported as other financing sources. Changes in private-purpose trust funds, if any, will be reflected in the notes to the financial statements.

Revenue Recognition Policies

Revenues are recognized when they become susceptible to accrual in accordance with the RBA, except for property taxes (see Property Taxes subtitle on page 9).

Cash Equivalents

The District considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Capital Assets

Information on capital assets and related depreciation is reported in the accompanying schedule of capital assets. Capital assets are capitalized at historical cost or estimated historical cost, if actual data is not available. Capital assets purchased are recorded as expenditures in the applicable fund at the time of purchase. Donated capital assets are reported at fair value when received. The District maintains a threshold level of \$1,000 for capitalizing equipment. Library holdings are not capitalized.

ROGERS SCHOOL DISTRICT NO. 30

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

No salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life in Years</u>
Improvements/Infrastructure	20
Buildings	50
Machinery and Equipment	5 - 20

Property Taxes

Property taxes are levied in November based on property assessments (real and personal) made between January 1 and May 31 and are an enforceable lien on January 1 for real property and June 1 for personal property. The tax records are opened on the first business day of March of the year following the levy date and are considered delinquent after October 15 of the same calendar year.

Amendment No. 74 to the Arkansas Constitution established a uniform minimum property tax millage rate of 25 mills for maintenance and operation of public schools. Arkansas Code Ann. § 26-80-101 provides the uniform rate of tax (URT) shall be assessed and collected in the same manner as other school property taxes, but the net revenues from the URT shall be remitted to the State Treasurer and distributed by the State to the county treasurer of each county for distribution to the school districts in that county. For reporting purposes, URT revenues are considered property taxes.

Fund Balance Classifications

Fund balance is reported under the following five classifications:

1. **Nonspendable Fund Balance** - includes amounts that are not in a spendable form or are required to be maintained intact. The District does not have any nonspendable fund balance at year end.
2. **Restricted Fund Balance** - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. The Restricted for State Programs and Restricted for Federal Programs balances reflect amounts restricted for specific state and federal programs as mandated by respective state and federal grant or funding agreements. The Restricted for Capital Projects balance reflects unspent bond proceeds that are intended for construction projects. The Restricted for Debt Service balance reflects payments made to sinking funds to service future bond payments. The Restricted for Other balance reflects unspent private grant funds for specific purposes.
3. **Committed Fund Balance** - includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority (the Board of Education) and does not lapse at year end. The District does not have any committed fund balance at year end.
4. **Assigned Fund Balance** - includes amounts *intended* for a specific purpose by the Board of Education or by a District official that has been delegated authority to assign amounts but are neither restricted nor committed. The District has assigned portions of its fund balance for construction or other capital outlay projects.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. **Unassigned Fund Balance** - includes any remaining fund balance that has not been reported in any other classification. This classification can also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

The District's revenues, expenditures, and fund balances are tracked in the accounting system by numerous sources of funds. The fund balances of these sources of funds are combined to derive the District's total fund balances by fund. It is common for an individual source of funds to contain restricted and unrestricted (committed, assigned or unassigned) funds. The District has a policy addressing whether it considers restricted or unrestricted amounts to have been spent when expenditures are incurred for purposes for which both restricted and unrestricted amounts are available. The District's policy is to have expenditures spent from restricted amounts first at the time expenditures are incurred. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The District has a policy addressing which resources to use within the unrestricted fund balances when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed fund balance (if any) is reduced first, followed by assigned fund balance, and lastly unassigned fund balance.

Interfund Receivables and Payables

Interfund receivables and payables result from services rendered from one fund to another or from interfund loans.

Budget and Budgetary Accounting

The District is required by state law to prepare an annual budget. The annual budget is prepared on a fiscal year basis. The District does not prepare and submit amended budgets during the fiscal year. The State Department of Education's regulations allow for the cash basis or the modified accrual basis.

The District budgets intra-fund transfers. Significant variances may result in the comparison of transfers at the Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Special Revenue Funds - Regulatory Basis because only interfund transfers are reported at the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Regulatory Basis. Additionally, the District routinely budgets restricted federal programs as part of the special revenue fund.

Budgetary perspective differences are not considered to be significant, because the structure of the information utilized in preparing the budget and the applicable fund financial statements is essentially the same.

Stabilization Arrangements

The District's Board of Education has not formally set aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise.

Minimum Fund Balance Policies

The District's Board of Education has not formally adopted a minimum fund balance policy.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Encumbrances

The District does not utilize encumbrance accounting.

Subsequent Events

The District has evaluated all subsequent events for potential recognition and disclosure through March 13, 2026, the date these financial statements were available to be issued.

Note 2: Assets Held with Fiscal Agent

Assets held with fiscal agent include funds held in escrow with banks totaling \$8,345,589 at June 30, 2025. The balance includes sinking fund deposits that are required to be used for future principal or interest payments on some of the District's long-term debt.

Note 3: Cash Deposits with Financial Institutions

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	\$ 31,719,819	\$ 31,719,819
Collateralized - held by pledging bank or pledging bank trust department in the District's name	<u>29,140,977</u>	<u>17,414,782</u>
Total deposits	<u>\$ 60,860,796</u>	<u>\$ 49,134,601</u>

Note 4: Investments

At June 30, 2025, the District's investments consisted of the following debt securities measured at fair value reported in General and Other Governmental Funds as Investments and Assets Held with Fiscal Agent:

U.S. Treasury Bonds	\$ 29,549,340
U.S. Treasuries	229,858
State and Local Government Securities	<u>1,168,553</u>
	<u>\$ 30,947,751</u>

Fair Value of Investments

Fair value measurements are based on the fair value hierarchy as follows:

- Level 1 - Quoted prices on active markets for identical assets
- Level 2 - Significant other observable inputs
- Level 3 - Significant unobservable inputs

All the above investments are traded on active markets and are classified as Level 1. There are no investments classified as Level 2 or 3.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Interest Rate Risk

The District does not have a formal policy limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The average time to maturity of the District's investments was 1.65 years at June 30, 2025.

Credit Risk

The District does not have a formal investment policy addressing credit risk. At June 30, 2025, all debt securities held had AAA ratings. The United States government guarantees the U.S. Treasuries and U.S. Treasury Bonds.

Concentration of Credit Risk

The District does not have a formal investment policy addressing concentration of credit risk. At June 30, 2025, 97% of the District's investments were held in U.S. Treasuries and U.S. Treasury Bonds.

Note 5: Accounts Receivable

The accounts receivable balance consists of the following at June 30, 2025:

	General Fund	Special Revenue Funds	Total
Federal Assistance	\$ -	\$ 1,973,689	\$ 1,973,689
Other	161,664	-	161,664
Total Accounts Receivable	<u>\$ 161,664</u>	<u>\$ 1,973,689</u>	<u>\$ 2,135,353</u>

Note 6: Accounts Payable and Accrued Expenses

The accounts payable balance of \$1,510,320 is fully comprised of vendor payables at June 30, 2025. Accrued expenses totaling \$1,560,101 include insurance and payroll benefits payable at June 30, 2025.

	General Fund	Special Revenue Fund	Capital Projects Fund	Fiduciary Fund Types	Total
Vendor Payables	\$ 75,487	\$ -	\$ 1,434,833	\$ -	\$ 1,510,320
Insurance/Payroll Benefits	1,560,101	-	-	-	1,560,101
	<u>\$ 1,635,588</u>	<u>\$ -</u>	<u>\$ 1,434,833</u>	<u>\$ -</u>	<u>\$ 3,070,421</u>

Note 7: Commitments

Construction Commitments

At June 30, 2025, the District was contractually obligated for three construction contracts related to construction and renovation projects within the District, with remaining contract balances totaling approximately \$45,460,000. Two of the three projects are estimated to be completed in January 2026, with the remaining project estimated to be completed in September 2026.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Long-Term Debt Issued and Outstanding

The District is presently paying on the following long-term debt:

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding June 30, 2025	Maturities to June 30, 2025
Bonds payable:					
12/21/2010	12/1/2029	5.50%	\$ 10,880,000	\$ 10,880,000	\$ -
8/1/2017	2/1/2033	3.00 – 3.375%	38,275,000	22,805,000	15,470,000
8/1/2017	2/1/2038	2.00 – 3.25%	17,925,000	12,850,000	5,075,000
6/1/2019	2/1/2033	3.00 – 5.00%	55,055,000	36,805,000	18,250,000
10/1/2019	2/1/2033	2.50 – 5.00%	14,855,000	9,670,000	5,185,000
10/1/2019	2/1/2038	2.00 – 5.00%	59,050,000	45,930,000	13,120,000
7/7/2022	2/1/2038	4.00 – 5.00%	16,500,000	13,960,000	2,540,000
6/6/2024	2/1/2038	4.00 – 5.00%	29,545,000	28,840,000	705,000
Totals			<u>\$ 242,085,000</u>	<u>\$ 181,740,000</u>	<u>\$ 60,345,000</u>

Changes in long-term debt as follows:

Description	Balance July 1, 2024	Issued	Retired	Balance June 30, 2025
Bonds payable	<u>\$194,350,000</u>	<u>\$ -</u>	<u>\$ 12,610,000</u>	<u>\$ 181,740,000</u>

Total long-term debt principal and interest payments are as follows:

Year ended June 30	Principal	Interest	Debt Sinking Fund	Total
2026	\$ 12,715,000	\$ 5,433,313	\$ 572,632	\$ 18,720,945
2027	13,215,000	4,936,313	572,632	18,723,945
2028	13,605,000	4,545,263	572,632	18,722,895
2029	14,000,000	4,151,188	572,632	18,723,820
2030	25,285,000	3,745,025	(4,581,056)	24,448,969
2031 - 2035	68,580,000	12,101,706	-	80,681,706
2036 - 2038	<u>34,340,000</u>	<u>2,451,938</u>	<u>-</u>	<u>36,791,938</u>
	<u>\$ 181,740,000</u>	<u>\$ 37,364,746</u>	<u>\$ (2,290,528)</u>	<u>\$216,814,218</u>

Security for Debt Payments

Arkansas Code § 6-20-1204 specifies procedures to be followed if a school district is delinquent in payment to the paying agent for bonded debt. As additional security, any delinquent payment for bonded debt will be satisfied by the Arkansas Department of Education (ADE). ADE will recover the amount of any delinquent payment by withholding of a school district's state funding or a direct payment from the school district. The District had no delinquent payments during the period of audit.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Operating Leases

The District leases copiers and internet cables under non-cancelable operating leases with terms up to 5 years which will be charged to expense over the lease term as it becomes payable. Lease expense totaled approximately \$210,000 for the year ending June 30, 2025.

At June 30, 2025, the minimum rental commitments for noncancelable operating leases are as follows:

2026	\$ <u>52,356</u>
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Note 8: Interfund Transfers

The following details the transfers between governmental and fiduciary funds for operating purposes:

	<u>General Fund</u>	<u>Other Governmental Funds</u> <u>Capital</u> <u>Project Fund</u>	<u>Debt Service</u> <u>Fund</u>	<u>Special Revenue</u> <u>Fund</u>	<u>Total</u>
Transfer In	\$ -	\$ 12,690,495	\$ 18,760,022	\$ 79,236	\$ 31,529,753
Transfer Out	(31,529,753)	-	-	-	(31,529,753)
	<u>\$ (31,529,753)</u>	<u>\$ 12,690,495</u>	<u>\$ 18,760,022</u>	<u>\$ 79,236</u>	<u>\$ -</u>

Note 9: Retirement Plans

Arkansas Teacher Retirement System

Plan description: The District contributes to the Arkansas Teacher Retirement System (ATRS), a cost-sharing multiple-employer defined benefit pension plan that covers all Arkansas public school employees, except certain nonteachers hired prior to July 1, 1989. ATRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Teacher Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for ATRS. That report may be obtained by writing to Arkansas Teacher Retirement System, 1400 West Third Street, Little Rock, Arkansas 72201 or by calling 1-501-682-1517, or by visiting the ATRS website at www.artrs.gov.

Funding policy: ATRS has contributory and non-contributory plans. Contributory members are required by law to contribute 7.00% of their salary. Each participating employer is required by law to contribute at a rate established by the Arkansas General Assembly. The current employer rate is 15.00%.

The District's contributions to ATRS for non-federally funded employees for the years ended June 30, 2025, 2024 and 2023 were \$15,615,513, \$15,162,818, and \$14,570,931, respectively. The District's contributions to ATRS for federally funded employees for the years ended June 30, 2025, 2024 and 2023 were \$858,352, \$941,485, and \$1,360,625, respectively, equal to the required contributions for each year.

Net Pension Liability

The Arkansas Department of Education has stipulated that, under the regulatory basis of accounting, the requirements of Governmental Accounting Standards Board Statement No. 68 would be limited to disclosure of the District's proportionate share of the collective net pension liability. The District's proportionate share of the collective net pension liability at June 30, 2024 (actuarial valuation date and measurement date) was \$125,775,861.

ROGERS SCHOOL DISTRICT NO. 30
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Note 10: Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. The District also carries commercial insurance for coverage of buildings' contents, board liability, theft, student accidents, bus drivers, and business trip accidental death and dismemberment. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There were no significant reductions in insurance coverage from the prior year in the major categories of risk.

The District is a member of the Arkansas School Board Association Workers' Compensation Trust (the Trust), a self-insurance trust voluntarily established on July 1, 1994, pursuant to state law. The fund was created by members to formulate, develop and administer a program of self-funding for its membership, obtain lower Workmen's Compensation coverage and develop a comprehensive loss control program. The District pays an annual premium to the fund for its Workmen's Compensation Coverage. The Trust is responsible for obtaining and administering workers' compensation insurance coverage for its members, as well as obtaining reinsurance for monitoring, negotiating and settling claims that have been filed on behalf of and against member districts. The Trust's governing agreement specifies that the Trust will be self-sustaining through the member premiums and will reissue through commercial carriers for claims in excess of specified stop loss amounts.

Note 11: Litigation and Contingencies

The District is subject to claims and lawsuits that arise primarily in the ordinary course of business. Neither the ultimate outcome nor an estimated range of potential loss can be determined. Management and legal counsel are of the opinion that the likelihood of a financially material outcome is small and, thus, no provision has been made in the financial statements for any potential liabilities.

The District participates in the Arkansas Fidelity Bond Trust Fund administered by the Governmental Bonding Board. This program provides coverage for actual losses sustained by its members through fraudulent or dishonest acts committed by officials or employees. Each loss is limited to \$300,000 with a \$2,500 deductible. Premiums for coverage are paid by the Chief Fiscal Officer of the State of Arkansas from funds withheld from the Public-School Fund.

The District participates in federally assisted grant programs. This District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of non-compliance which would result in the disallowance of program expenditures.

The District participates in the Public School Property and Vehicle Insurance Trust Fund Program administered by the Risk Management Division of the Arkansas Insurance Department. The program's general objectives are to formulate, develop and administer, on behalf of the member districts, a program of insurance to obtain lower costs for property and vehicle coverage, and to develop a comprehensive loss control program. The fund uses a reinsurance policy to reduce exposure to large losses on insured events. The District pays an annual premium for its coverage of vehicles.

Note 12: On-Behalf Payments

During the year ending June 30, 2025, health insurance premiums of \$3,790,224 were paid by the Arkansas Department of Education to the Arkansas Employee Benefits Division on behalf of District Employees.

OTHER REPORTS AND SUPPLEMENTARY INFORMATION

ROGERS SCHOOL DISTRICT NO. 30

SCHEDULE OF CAPITAL ASSETS

YEAR ENDED JUNE 30, 2025

(Unaudited)

Nondepreciable Capital Assets:

Land	\$ 11,653,572
Construction in Progress	57,914,948
Total Nondepreciable Capital Assets	<u>69,568,520</u>

Depreciable Capital Assets:

Buildings	261,980,012
Site Improvements	40,209,998
Machinery and Equipment	29,072,618
Total Depreciable Capital Assets	<u>331,262,628</u>

Less Accumulated Depreciation for:

Buildings	91,128,848
Site Improvements	6,193,498
Machinery and Equipment	18,712,598
Total Accumulated Depreciation	<u>116,034,944</u>

Total Depreciable Capital Assets, Net	<u>215,227,684</u>
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Capital Assets, Net	<u>\$ 284,796,204</u>
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ROGERS SCHOOL DISTRICT NO. 30

SCHEDULE OF UNITS OF SERVICE - CHILD AND ADULT CARE FOOD PROGRAM

YEAR ENDED JUNE 30, 2025

Month	Meals Served			
	Breakfast	Lunch	Dinner	Snack
July 2024	-	-	-	4,252
August 2024	-	-	-	1,745
September 2024	-	-	-	4,450
October 2024	-	-	-	4,780
November 2024	-	-	-	3,792
December 2024	-	-	-	3,305
January 2025	-	-	-	4,105
February 2025	-	-	-	3,651
Mach 2025	-	-	-	3,686
April 2025	-	-	-	5,757
May 2025	-	-	-	5,027
June 2025	-	-	-	-
Total	-	-	-	44,550

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 *GOVERNMENT AUDITING STANDARDS*

To the Board of Education
Rogers School District No. 30
Rogers, Arkansas

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, the financial statements of each major governmental fund and the aggregate remaining fund information of the Rogers School District No. 30 (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's regulatory basis financial statements, and have issued our report thereon dated March 13, 2026.

We issued an adverse opinion because the District prepared the financial statements in conformity with accounting practices prescribed or permitted by the Arkansas Code §10-4-413(c) as provided in Act 2201 of 2005, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, the financial statements present fairly, in all material respects, the respective financial position of each major governmental fund and the aggregate remaining fund information of the District as of June 30, 2025, and the respective changes in financial position thereof and the respective budgetary comparison for the general and special revenue funds for the year then ended, on the basis of accounting described in Note 1.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 opinions on the regulatory basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

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To the Board of Education
Page Two

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 may exist that have not been identified.

Report on Compliance and other matters

As part of obtaining reasonable assurance about whether the District's regulatory basis financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of the state constitution, state and federal laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 *Government 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 result of that testing, and not to provide an opinion on the effectiveness of the District'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.

HCJ CPAs & Advisors, PLLC

HCJ CPAs & Advisors, PLLC
Little Rock, Arkansas
March 13, 2026

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Education
Rogers School District No. 30
Rogers, Arkansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the Rogers School District No. 30 (the "District") with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

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Auditor's Responsibilities of Management for Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

To the Board of Education
Page Three

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HCJ CPAs & Advisors, PLLC

HCJ CPAs & Advisors, PLLC
Little Rock, Arkansas
March 13, 2026

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

Federal Grant/Pass-Through Grantor/Program Title	Pass Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
CHILD NUTRITION CLUSTER			
<u>U.S. Department of Agriculture</u>			
Passed through Arkansas Department of Education:			
School Breakfast Program - Cash Assistance	0405	10.553	\$ 2,057,048
National School Lunch Program - Cash Assistance	0405	10.555	4,733,043
National School Lunch Program - Non-Cash Assistance	0405	10.555	356,137
Performance Based Reimbursement	0405	10.555	139,715
Total Child Nutrition Cluster			7,285,943
SPECIAL EDUCATION CLUSTER (IDEA)			
<u>U.S. Department of Education</u>			
Passed through Arkansas Department of Education:			
Title VI, Part B - Special Education Grants to States	0405	84.027	3,466,104
Title VI, Part B - Special Education Preschool Grants	0405	84.173	105,613
Total Special Education Cluster			3,571,717
CCDF CLUSTER			
<u>U.S. Department of Health and Human Services</u>			
Passed through Arkansas Department of Human Services:			
COVID-19 Child Care and Development Block Grant - DHS			
Stabilization - Essential Workers	0405	93.575	30,083
COVID-19 Child Care and Development Block Grant - DHS			
Stabilization - Improvement	0405	93.575	62,634
COVID-19 Child Care and Development Block Grant - DHS			
Stabilization - Operations	0405	93.575	14,807
COVID-19 Child Care and Development Block Grant - DHS			
Sustainability Grant	0405	93.575	140,079
Child Care Mandatory & Matching Funds of the Child Care and Development Fund	0405	93.596	6,584
Total CCDF Cluster			254,187
<u>U.S. Department of Agriculture</u>			
Passed through Arkansas Department of Education:			
Child and Adult Care Food Program	0405	10.558	38,999
<u>U.S. Department of Education</u>			
Passed through Arkansas Department of Education:			
Title I, Part A - Grants to Local Education Agencies	0405	84.010	3,235,665
Stewart B. McKinney Homeless Assistance Act for Children	0405	84.196	6,622
Title III, Part A - English Language Acquisition	0405	84.365	506,789
Title III, Part A - English Language Acquisition - Immigrant Grant	0405	84.365	15,329
Title II, Part A - Improving Teacher Quality Grant	0405	84.367	425,825
Comprehensive Literacy Development	0405	84.371	44,958
COVID-19 Education Stabilization Fund - CTE ARP Start Up	0405	84.425U	6,401
COVID-19 Education Stabilization Fund - ARP ESSER GRT	0405	84.425U	9,429
COVID-19 Education Stabilization Fund - ESSER III	0405	84.425U	1,048,300
Total Arkansas Department of Education			5,299,318
Passed through Arkansas Department of Career Education:			
Career and Technical Education - Basic Grants to States - Carl Perkins	0405	84.048	246,121
Career and Technical Education - Basic Grants to States - CTE Grant	0405	84.048	4,473
Career and Technical Education - Basic Grants to States - Carl Perkins Innovation Grants	0405	84.048	200,012
Total Arkansas Department of Career Education			450,606
Total U.S. Department of Education			5,749,924
<u>U.S. Department of Health and Human Services</u>			
Passed through Arkansas Department of Education:			
Preschool Development Grant Birth Through Five	0405	93.434	5,149
Passed through Arkansas Department of Human Services:			
COVID-19 Cares Act Funds	0405	93.558	74,383
Total U.S. Department of Health and Human Services			79,532
Total expenditures of federal awards			\$ 16,980,302

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. This schedule includes the federal awards activity of the District and is presented on the regulatory basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.
2. The District did not elect to use the 10% de minimis indirect cost rate.
3. Nonmonetary assistance is reported at the approximate value as provided by the Arkansas Department of Education.
4. Medicaid reimbursements are defined as contracts for services and not federal awards, therefore, such reimbursements totaling \$1,317,235 are not covered by the reporting requirements of the Uniform Guidance.
5. The District received approval from the Arkansas Department of Education to transfer \$127,000 Title II, Part A - Improving Teacher Quality Grant and \$246,413 Title IV, Part A - Student Support and Academic Enrichment funds to Title I, Part A - Grants to Local Education Agencies.

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF STATE ASSISTANCE
YEAR ENDED JUNE 30, 2025

Arkansas Department of Education

State Foundation Funding	\$ 49,435,187
98% Uniform Rate of Tax Funding	912,923
LEARNS Act	2,889,086
Flood Control Assistance	198,879
Professional Development Funding	580,624
LEP Allocation	1,566,480
National Board Certified Teacher Bonuses	168,644
Food Service State Matching	213,211
Special Education - Catastrophic Occurrences	1,055,333
Early Childhood Special Education/Medicaid Match	320,113
Preschool Special Education Services	113,697
Alternative Learning	790,477
National School Lunch Student Funding	4,362,104
National School Lunch Student Funding Match	215,987
Gifted and Talented - Advanced Placement	94,112
Arkansas Better Chance Program	1,625,738
Special Extended School Year Services	17,020
Arkansas School Recognition Program	524,337
Children w/ Disabilities - Supervision, Extended Year, Foster Care	74,558
Safe Schools	66,354
High Tech Training Center	6,950
Merit Pay	605,891
Alternative Education	628,094
Professional Learning	540,056
Computer Science Program	27,519
Total State Assistance	\$ 67,033,374

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

A. SUMMARY OF AUDITOR'S RESULTS

1. Our report expresses an adverse opinion based on generally accepted accounting principles and an unmodified opinion based on regulatory basis of accounting on the basic financial statements of Rogers School District No. 30.

2. The independent auditor's report on internal control over financial reporting described:

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Material weakness(es) identified? ☐ Yes ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit? ☐ Yes ☒ No

4. The independent auditor's report on internal control over compliance with requirements applicable to major federal awards programs described:

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Material weakness(es) identified? ☐ Yes ☒ No

5. The opinion expressed in the independent auditor's report on compliance with requirements applicable to major federal awards was:

☒ Unmodified ☐ Modified ☐ Adverse ☐ Disclaimed

6. The audit disclosed findings required to be reported by the Uniform Guidance? ☐ Yes ☒ No

7. The Auditee's major programs were:

Cluster/Program	Assistance listing number(s)
• Title I Grants to Educational Agencies	84.010
• Special Education Cluster	84.027 and 84.173

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in the Uniform Guidance was \$750,000.

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

A. SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

9. The Auditee qualified as a low-risk auditee as that term is defined in the Uniform Guidance?

☒
Yes

☐
No

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None noted

C. FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS AUDIT

None noted

D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None noted

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ARKANSAS STATE REQUIREMENTS

To the Board of Education
Rogers School District No. 30
Rogers, Arkansas

We have examined management's assertions that Rogers School District No. 30 (the "District") substantially complied with the requirements of Arkansas Code Annotated 6-1-101 and the applicable laws and regulations including those listed in the accompanying schedule of statutes required to be addressed by the Arkansas Department of Education during the year ended June 30, 2025. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the District and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, Rogers School District No. 30 complied with the aforementioned requirements for the year ended June 30, 2025.

This report is intended solely for the information and use of the Board of Education, management, and the Arkansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

HCJ CPAs & Advisors, PLLC

HCJ CPAs & Advisors, PLLC
Little Rock, Arkansas
March 13, 2026

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF STATUTES REQUIRED BY ARKANSAS DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2025

<u>DESCRIPTION</u>	<u>STATUTES</u>
Bidding & Purchasing Commodities	6-21-301 – 6-21-305; 6-13-628
Ethical Guidelines and Prohibitions	6-24-101 et seq.
Collateralization & Investment of Funds	6-20-222; 19-1-504
Deposit of Funds	19-8-104; 19-8-106
District Finances	
• School Debt	6-20-402
• District School Bonds	6-20-1201 – 6-20-1208; 6-20-1210
• Petty Cash	6-20-409
• Investment of Funds	19-1-504
Management of Schools	
• Board of Directors	6-13-608; 6-13-611 – 6-13-613; 6-13-617 – 6-13-620; 6-13-622
• District Treasurer	6-13-701
• Warrants/checks	6-17-918; 6-17-919; 6-20-403
Management Letter for Audit	14-75-101 – 14-75-104
Nonrecurring Salary Payments	6-20-412
Revolving Loan Fund	6-19-114; 6-20-801 et seq.
Classified Employees	6-17-2201 et seq.; 6-17-2301 et seq.
School Elections	6-13-630; 6-13-634; 6-14-106; 6-14-109; 6-14-118
Teachers and Employees	
• Personnel Policies	6-17-201 et seq., 6-17-2301 et seq.
• Employment and Assignment	6-17-301 et seq.
• Teacher's Licensure/Background Checks	6-17-401 et seq.
• Teacher Contracts	6-17-801 et seq.
• Employee Sick Leave	6-17-1201 et seq.; 6-17-1301 et seq.
• Minimum Wage Act	11-4-213; 11-4-218; 11-4-403; 11-4-405
Teacher Salaries and Foundation Funding Aid	6-17-803; 6-17-907; 6-17-908; 6-17-911 – 6-17-913; 6-17-918; 6-17-919; 6-17-2401 et. seq.
Education Excellence Trust Fund	6-5-307
Use of Contractors, Improvement Contracts	22-9-201 – 22-9-205
Use of DM&O Millage	26-80-110
On Behalf Payments	The amounts of funds paid by the Arkansas Department of Education to the Employee Benefits Division, on-behalf of District's employees

ROGERS SCHOOL DISTRICT NO. 30
SCHEDULE OF STATUTES REQUIRED BY ARKANSAS DEPARTMENT OF EDUCATION (CONTINUED)
YEAR ENDED JUNE 30, 2025

<u>DESCRIPTION</u>	<u>STATUTES</u>
Regulatory Basis of Accounting	10-4-413(c)
Real Estate and Personal Property Tax Appeals	26-35-802
School District Procurement Law	6-21-301 et. seq.; 19-11-206; 19-11-249
Fiscal Accountability	6-20-1901, et. seq.
Enhanced Student Achievement Funding ESA	6-20-2305(B)(4)(F)(I)
Limitation on Fund Balances	6-20-2210
CARES Act (COVID-19) Education Funding	https://dese.ade.arkansas.gov/Offices/Federal-Programs/federal-programs/cares-act-crrsa-act-and-american-rescue-plan-arp-act
Charter Facilities Funding	6-23-908

**ROGERS SCHOOL DISTRICT NO. 30
SUPPLEMENTAL DATA SHEET AS REQUIRED BY ARKANSAS
DEPARTMENT OF HUMAN SERVICES AUDIT GUIDELINES
YEAR ENDED JUNE 30, 2025**

The following information is being provided to satisfy the requirements of Arkansas Department of Human Services Audit Guidelines:

- | | |
|--------------------------------------|-----------------------------------|
| 1. <u>Entity's Full Name:</u> | Rogers School District No. 30 |
| 2. <u>Entity's Address:</u> | 500 W. Walnut
Rogers, AR 72756 |
| 3. <u>Entity's FEIN:</u> | 71-6021134 |
| 4. <u>Entity's Telephone Number:</u> | (479) 636-3910 |
| 5. <u>Name of Director:</u> | Dr. Jeff Perry, Superintendent |
| 6. <u>Name of Contact Person:</u> | Jake Haak, Treasurer |