

FARMINGTON SCHOOL DISTRICT #6

**Financial Statements
June 30, 2025**

(With Independent Auditor's Report Thereon)

FARMINGTON SCHOOL DISTRICT #6

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INDEPENDENT AUDITOR'S REPORT

To the School Board
Farmington School District #6
Farmington, 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 **Farmington School District #6** (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 basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and fund balances of each fund as presented of the District as of June 30, 2025, and their respective revenues, expenditures, and changes in fund balances and budgetary results for the year then ended in accordance with the basis of accounting practices prescribed or permitted by the State of Arkansas (the State) as described in Note 2.

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 do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the District as of June 30, 2025, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Unmodified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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.

Farmington School District #6

Farmington, Arkansas

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

As described in Note 2 of the financial statements, the financial statements are prepared by the District on the basis of accounting practices prescribed or permitted by the State to demonstrate compliance with the State's regulatory basis of accounting and budget laws, 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 the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by the State of Arkansas (the "State") to demonstrate compliance with the State's regulatory basis of accounting and budget laws. 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.

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 judgment made by a reasonable user based on 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 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.

Farmington School District #6

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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 practices prescribed or permitted by the State which practices differ from accounting principles generally accepted in the United States of America, require that the schedule of capital assets (unaudited) 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 auditing standards generally accepted in the United States of America, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The Schedule of Expenditures of Federal Awards required by the audit requirements of Title 2 U.S. Code of Federal Regulations (“CFR”) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) and the Schedule of State Assistance required by the Department of Health and Human Services are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Farmington School District #6

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of the District'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 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.

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, flowing style.

Rogers, Arkansas

January 29, 2026

Regulatory Basis
Financial Statements

Farmington School District #6

Balance Sheet – Regulatory Basis
June 30, 2025

	Governmental Funds				Total
	Major			Fiduciary Funds	
	General Fund	Special Revenue Fund	Other Funds in Aggregate		
ASSETS					
Cash and cash equivalents	\$ 1,881,896	\$ 132,065	\$ 6,908,568	\$ 457,337	\$ 9,379,866
Receivables	82,095	115,673	470,198	-	667,966
Total Assets	\$ 1,963,991	\$ 247,738	\$ 7,378,766	\$ 457,337	\$ 10,047,832
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 885	\$ -	\$ -	\$ -	\$ 885
Due to student groups	-	-	-	457,337	457,337
Total Liabilities	885	-	-	457,337	458,222
Fund balances					
Restricted	952,736	247,738	7,378,766	-	8,579,240
Assigned	45,920	-	-	-	45,920
Unassigned	964,450	-	-	-	964,450
Total Fund Balances	1,963,106	247,738	7,378,766	-	9,589,610
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,963,991	\$ 247,738	\$ 7,378,766	\$ 457,337	\$ 10,047,832

See accompanying notes to financial statements.

Farmington School District #6

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – Regulatory Basis Year ended June 30, 2025

	Major			Total
	General Fund	Special Revenue Fund	Other Funds in Aggregate	
REVENUES				
Local property taxes	\$ 13,921,434	\$ -	\$ -	\$ 13,921,434
Other local revenues	603,732	550,048	-	1,153,780
State assistance	17,003,609	59,789	532,103	17,595,501
Federal aid	-	2,479,194	-	2,479,194
Food services	-	9,757	-	9,757
	<u>31,528,775</u>	<u>3,098,788</u>	<u>532,103</u>	<u>35,159,666</u>
EXPENDITURES				
Regular programs	11,501,022	15,006	-	11,516,028
Special education	1,600,774	486,935	-	2,087,709
Vocational education	1,029,392	-	-	1,029,392
Compensatory education	218,220	789,562	-	1,007,782
Other instructional programs	1,604,204	14,746	-	1,618,950
Facilities acquisition and construction	222,530	-	1,102,119	1,324,649
Food service	-	1,518,526	-	1,518,526
Operation and maintenance	3,832,261	45,822	-	3,878,083
Student transportation	1,094,549	-	-	1,094,549
Support services	5,158,299	334,682	-	5,492,981
Debt service				
Principal	-	-	1,310,000	1,310,000
Interest and fiscal charges	-	-	1,484,348	1,484,348
	<u>26,261,251</u>	<u>3,205,279</u>	<u>3,896,467</u>	<u>33,362,997</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,267,524</u>	<u>(106,491)</u>	<u>(3,364,364)</u>	<u>1,796,669</u>
OTHER FINANCING SOURCES (USES)				
Gain on sale of fixed assets	3,581	-	-	3,581
Transfers, net	(5,132,445)	-	5,132,445	-
	<u>(5,128,864)</u>	<u>-</u>	<u>5,132,445</u>	<u>3,581</u>
NET CHANGE IN FUND BALANCES	138,660	(106,491)	1,768,081	1,800,250
FUND BALANCES, BEGINNING OF YEAR	<u>1,824,446</u>	<u>354,229</u>	<u>5,610,685</u>	<u>7,789,360</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,963,106</u>	<u>\$ 247,738</u>	<u>\$ 7,378,766</u>	<u>\$ 9,589,610</u>

See accompanying notes to financial statements.

Farmington School District #6

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund – Regulatory Basis Year ended June 30, 2025

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local property taxes	\$ 13,266,761	\$ 13,921,434	\$ 654,673
Other local revenues	83,000	603,732	520,732
State assistance	15,940,259	17,003,609	1,063,350
	29,290,020	31,528,775	2,238,755
EXPENDITURES			
Regular programs	11,608,866	11,501,022	107,844
Special education	1,608,531	1,600,774	7,757
Vocational education	1,096,770	1,029,392	67,378
Compensatory education	215,132	218,220	(3,088)
Other instructional programs	1,586,261	1,604,204	(17,943)
Facilities acquisition and construction	297,480	222,530	74,950
Operation and maintenance	3,504,567	3,832,261	(327,694)
Student transportation	1,200,216	1,094,549	105,667
Support services	5,033,605	5,158,299	(124,694)
	26,151,428	26,261,251	(109,823)
EXCESS OF REVENUES OVER EXPENDITURES	3,138,592	5,267,524	2,128,932
OTHER FINANCING SOURCES (USES)			
Gain on sale of fixed assets	-	3,581	3,581
Transfers, net	(3,382,846)	(5,132,445)	(1,749,599)
	(3,382,846)	(5,128,864)	(1,746,018)
NET CHANGE IN FUND BALANCE	\$ (244,254)	\$ 138,660	\$ 382,914

See accompanying notes to financial statements.

Farmington School District #6

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Regulatory Basis Year ended June 30, 2025

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Other local revenues	\$ 579,200	\$ 550,048	\$ (29,152)
State assistance	7,500	59,789	52,289
Federal aid	2,346,273	2,479,194	132,921
Food services	-	9,757	9,757
	2,932,973	3,098,788	165,815
EXPENDITURES			
Regular programs	-	15,006	(15,006)
Special education	602,020	486,935	115,085
Compensatory education	807,263	789,562	17,701
Other instructional programs	19,963	14,746	5,217
Food service	1,288,396	1,518,526	(230,130)
Operation and maintenance	41,131	45,822	(4,691)
Support services	301,978	334,682	(32,704)
	3,060,751	3,205,279	(144,528)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(127,778)	(106,491)	21,287
NET CHANGE IN FUND BALANCE	\$ (127,778)	\$ (106,491)	\$ 21,287

See accompanying notes to financial statements.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

NOTE 1: NATURE OF ACTIVITIES

Farmington School District #6 (the "District") is a political subdivision of the Arkansas Department of Education, governed by an elected five-member school board and the Superintendent of the District. The financial statements reflect all funds and accounts directly under the control of the District. Using the criteria of financial accountability, there are no component units that are or should be included in the District's reporting entity.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

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

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *special revenue fund* accounts for and reports 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 and projects, including the District's food services operations. The special revenue fund also includes transfers from the general fund to supplement such programs.

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

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.

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 Funds – Account for assets held by the District in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the District under the terms of a formal trust agreement.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the District held for others in an agency capacity.

Farmington School District #6

Notes to Financial Statements Year ended 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), as provided in Act 2201 of 2005, 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 and debt 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. 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 capital leases are reported as other financing sources. Changes in private-purpose trust funds, if any, will be reflected in the notes to financial statements.

Revenue Recognition Policies

Revenues are recognized when they become susceptible to accrual in accordance with the RBA, except for property taxes (see below).

Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less which are readily convertible to known amounts of cash and have maturities that present insignificant risk of changes in value because of changes in interest rates. At June 30, 2025, cash equivalents consisted of money market funds.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

Capital Assets

Information on capital assets and 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 capital assets purchased and an estimated useful life of one year. Library holdings are not capitalized.

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 Lives in Years</u>
Improvements / infrastructure	20
Building	50
Equipment	5-20

Property Taxes

Property taxes are levied in November based on property assessments 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. Ark Code 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 three classifications:

Restricted – Amounts that can be spent only for specific purposes stipulated by external parties, constitutional provisions, or enabling legislation. The Restricted for Federal Programs balance reflects amounts restricted for specific federal programs mandated by respective federal grant or funding agreements. The Restricted for Capital Projects balance reflects unspent bond proceeds that are intended for construction projects.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

Assigned – Amounts intended for a specific purpose the Board of Education or by a District official that has been delegated authority to assign amounts. The District has assigned portions of its fund balance for construction or other capital outlay projects.

Unassigned – 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.

For the purposes of fund balance classification, the District's policy is to have expenditures spent from restricted fund balance first, followed in order by committed fund balance, if any, assigned fund balance (if any) and lastly unassigned fund balance.

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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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 variance 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 transfers are reported at the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – Regulatory Basis.

Budgetary perspective difference 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 Directors has not formally set aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

NOTE 3: DEPOSITS IN FINANCIAL INSTITUTIONS

Deposits are carried at cost (carrying value). Cash deposits include cash and cash equivalents as well as assets held in trust. A comparison of the bank balance and carrying value at June 30, 2025 is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 415,492	\$ 425,938
Collateralized:		
Collateral held by the District's agent, pledging bank or pledging bank's trust department or agent in the District's name		
	8,964,374	9,757,436
 Total Deposits	 \$ 9,379,866	 \$ 10,183,374

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable for the District's individual major funds and non-major funds as of June 30, 2025 are as follows:

	General	Special Revenue	Other Funds in	Total
Federal Awards				
E.S.E.A. Title I, Part A				
Grants to Local Education Agencies	\$ -	\$ 21,356	\$ -	\$ 21,356
IDEA Grants to States, Part B	-	29,328	-	29,328
E.S.E.A. Title VI, Part B				
Early Childhood	-	13,991	-	13,991
ESSER III	-	50,980	-	50,980
Facilities Partnership	-	-	470,198	470,198
Other	82,095	18	-	82,113
	\$ 82,095	\$ 115,673	\$ 470,198	\$ 667,966

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

NOTE 5: COMMITMENTS

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition, construction and operation of major capital facilities. General obligation bonds have been issued for the general government and to refund general obligation bonds. General obligation bonds are direct obligations and are secured by the full faith credit and resources of the District and all its revenues from whatever source derived (which are legally pledgeable). Each issue contains an option allowing bonds to be called in inverse numerical order on or after a specific date for redemption prior to maturity.

The following is a summary of the District's bond transactions for the year ended June 30, 2025:

<u>Date of Issue</u>	<u>Bonds Payable June 30, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Bonds Payable June 30, 2025</u>
December 12, 2017	\$ 3,905,000	\$ -	\$ 120,000	\$ 3,785,000
September 4, 2018	25,845,000	-	715,000	25,130,000
May 4, 2021	16,035,000	-	160,000	15,875,000
November 9, 2021	2,315,000	-	115,000	2,200,000
March 10, 2022	2,575,000	-	200,000	2,375,000
	<u>\$ 50,675,000</u>	<u>\$ -</u>	<u>\$ 1,310,000</u>	<u>\$ 49,365,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,350,000	\$ 1,442,699	\$ 2,792,699
2027	1,385,000	1,407,039	2,792,039
2028	1,420,000	1,370,264	2,790,264
2029	1,455,000	1,331,926	2,786,926
2030	1,495,000	1,293,946	2,788,946
2031-2035	8,120,000	5,832,661	13,952,661
2036-2040	9,395,000	4,967,573	14,362,573
2041-2045	10,280,000	3,034,944	13,314,944
2046-2050	11,890,000	1,262,313	13,152,313
2051	2,575,000	57,938	2,632,938
	<u>\$ 49,365,000</u>	<u>\$ 22,001,303</u>	<u>\$ 71,366,303</u>

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

A summary of each bond issue is as follows:

<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate Percent</u>	<u>Date of Final Maturity</u>	<u>Debt Outstanding June 30, 2025</u>
December 12, 2017	\$ 4,500,000	2.00 / 3.50	6/30/2048	\$ 3,785,000
September 4, 2018	29,500,000	3.00 / 3.75	6/30/2048	25,130,000
May 4, 2021	16,490,000	2.00 / 5.00	2/1/2051	15,875,000
November 9, 2021	2,530,000	1.05 / 2.15	2/1/2041	2,200,000
March 10, 2022	2,885,000	1.15 / 2.10	2/1/2036	2,375,000

Qualified Zone Academy Bond (QZAB)

On September 1, 2005, the District obtained funding through the QZAB program, a financial arrangement authorized under the Taxpayer Relief Act of 1997. A QZAB does not generally require interest payments from the borrower. The eligible financial institution holding the bond receives a tax credit in lieu of interest payments. The principal is not due until the end of the term. The District borrowed \$120,000 through this program by issuing a second lien commercial bond.

Construction Contracts

At June 30, 2025, the District has several construction and repair and maintenance projects in various stages of completion. These projects include the continuation of energy upgrades, additions to both junior high schools and construction of a new school. Payments of approximately \$181,000 as of June 30, 2025, have been made related to construction in progress.

Operating Leases

The District has entered into agreements to lease various pieces of office equipment. Future minimum payments under these non-cancelable leases in effect as of June 30, 2025 are as follows:

Year ended June 30,	
2026	\$ 202,967
2027	148,533
2028	<u>251,276</u>
	<u>\$ 602,776</u>

Rental expense associated with these lease commitments was approximately \$364,000 for the year ended June 30, 2025.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

NOTE 6: PRIVATE PURPOSE TRUST FUND

The District maintains a private purpose trust fund used to issue scholarships. The District received \$15,000 in contributions to the trust fund in the current year and \$19,065 in scholarships and fees were paid. The balance remaining in this fund at June 30, 2025 is \$6,404.

NOTE 7: INTERFUND TRANSFERS

Transfers are used to (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Amount of interfund transfers between funds during the year ended June 30, 2025 are summarized as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 5,132,445
Special Revenue Fund	-	-
Other Funds in Aggregate	<u>5,132,445</u>	<u>-</u>
	<u>\$ 5,132,445</u>	<u>\$ 5,132,445</u>

NOTE 8: EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Arkansas Teacher Retirement System

Plan Description – The District contributes to ATRS, a cost-sharing multiple-employer defined benefit plan administered by the ATRS. Section 24-7-301 of the Arkansas Code of 1987 Annotated assigns the authority to establish and amend benefit provisions to the ATRS’ Board of Trustees. The ATRS provides retirement, death and disability benefits and annual cost-of-living adjustments to plan members. The ATRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to ATRS, 1400 West Third Street, Little Rock, Arkansas 72201 or by calling (800) 666-2877.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

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 authority to establish and amend contribution requirements of plan members and the District is set forth in state law and is vested in the ATRS's Board of Trustees. The contributions from the District for the year ended June 30, 2024 were \$2,392,946, equal to the required contributions.

Net Pension Liability

The Arkansas Department of Education has stipulated that, under the regulatory basis of accounting, the requirements of GASB 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 \$18,462,702.

NOTE 9: ON-BEHALF PAYMENTS

During the year ended June 30, 2025, health insurance premiums of \$580,153 were paid by the Arkansas Department of Education to the Arkansas Employees Benefits Division on behalf of District Employees.

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks of loss from tort, theft of, damage to and destruction of assets, business interruption, errors and omissions, natural disasters, employee injuries and illnesses, and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than employee health and dental benefits and worker's compensation claims. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

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 \$250,000 with a \$1,000 deductible. Premiums for coverage are paid by the Chief Fiscal Officer of the State of Arkansas from funds withhold from the Public School Fund.

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 member districts, a program of insurance to obtain lower costs for property and vehicles 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.

Farmington School District #6

Notes to Financial Statements Year ended June 30, 2025

The District participates in the Arkansas School Boards Association – Workers’ Compensation Trust (the “Trust”), a self-insurance trust voluntarily established on July 1, 1994 pursuant to state law. The Trust is responsible for obtaining and administering workers’ compensation insurance coverage for its members, as well as obtaining reinsurance coverage for those claims that exceed the standard policy limits. In its administrative capacity, the Trust is responsible for monitoring, negotiating, and settling claims that have been filed on behalf of and against member districts. The District contributes annually to this program.

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 adverse or negative outcome is small and, thus, no provision has been made in the financial statements for any potential liabilities.

The District participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for any expenditures, which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any items of noncompliance which would result in the disallowance of program expenditures.

NOTE 11: SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 29, 2026, the date that the financial statements were available to be issued.

Required Supplementary Information

Farmington School District #6

Schedule of Capital Assets (Unaudited) June 30, 2025

Non-depreciable capital assets	
Land	<u>\$ 4,115,383</u>
Depreciable capital assets	
Buildings	89,860,464
Improvements	1,482,725
Equipment	<u>4,247,315</u>
	95,590,504
Less accumulated depreciation	<u>25,424,056</u>
Total depreciable capital assets	<u>70,166,448</u>
Capital assets, net	<u><u>\$ 74,281,831</u></u>

See Independent Auditor's Report.

**Other Reports and
Supplementary Information**

Farmington School District #6

Schedule of Expenditures of Federal Awards Year ended June 30, 2025

Federal Agency / Pass-Through Entity / Program	Pass-Through Entity Identifying Number	Assistance Listing Number	Amount Expended
<u>U.S. Department of Agriculture</u>			
Child Nutrition Cluster			
Passed Through Arkansas Department of Education:			
School Breakfast Program	7202	10.553	\$ 158,682
Passed Through AR Department of Health and Human Services			
Food Distribution	7202	10.555	23,096
National School Lunch Program	7202	10.555	589,638
Commodities	7202	10.555	86,748
Total Child Nutrition Cluster			858,164
Total U.S. Department of Agriculture			858,164
<u>U.S. Department of Treasury</u>			
Phone-Free Schools	7202	21.027	23,161
Total Department of Treasury			23,161
<u>U.S. Department of Health and Human Services</u>			
Other Programs			
Passed Through Arkansas Department of Workforce Education:			
School Health Surveillance Services	7202	93.079	32
Total U.S. Department of Health and Human Services			32
<u>U.S. Department of Education</u>			
Special Education Cluster (IDEA)			
Passed Through Arkansas Department of Education:			
Title VI-B Pass Through Funding	7202	84.027	539,274
Title VI-B Early Childhood	7202	84.173	13,991
Total Special Education Cluster (IDEA)			553,265
Other Programs			
Passed Through Arkansas Department of Education:			
Title I Grants to Local Education Agencies	7202	84.010	288,592
Title II, Part A - Improving Teacher Quality Grant	7202	84.367	49,656
Comprehensive Literacy Development	7202	84.371	17,981
Arkansas Comprehensive Literacy State Development Grants	7202	84.371	14,974
Title IV Student Support	7202	84.424	21,131
Arkansas THRIVE	7202	84.425	21,437
ESSER III	7202	84.425U	507,914
Total Other Programs			921,685
Total U.S. Department of Education			1,474,950
Total Federal Awards Expended			\$ 2,356,307

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards.

Farmington School District #6

Notes to Schedule of Expenditures of Federal Awards Year ended June 30, 2025

Scope of Audit Pursuant to the Uniform Guidance

All federal financial award programs of Farmington School District #6 (the "District") are included in the scope of the Uniform Guidance audit. For purposes of this schedule, federal awards include those received from other agencies, the original source of which was a federal agency.

Summary of Significant Accounting Policies

The District's grant funds are accounted for on the regulatory basis of accounting. Under the regulatory basis, grant revenues are recognized when received and expenditures are recorded when paid. These grant funds are included in the "Restricted federal aid" line of the Statement of Revenues, Expenditures, and Changes in Fund Balance – Regulatory Basis. The District is the recipient of federal grant awards. The grant programs are administered by various departments within the District. The activities of these departments are monitored by District staff to ensure compliance with the requirements of grants.

Relationship to Federal Financial Reports

Grant expenditures reports as of June 30, 2025, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of the year-end accruals. The reports will agree at termination of the grant as the discrepancies noted are timing differences.

10% De Minimis Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Medicaid Reimbursements

Medicaid reimbursements are defined as contracts for services and not federal awards; therefore, they are not covered by the reporting requirements of the Uniform Guidance. Total Medicaid funding for the year ended June 30, 2025 was \$169,374 of which \$51,808 was received from the Arkansas Department of Human Services.

See Independent Auditor's Report.

Farmington School District #6

Schedule of State Assistance Year ended June 30, 2025

Pass-Through Entity Program	Pass-Through Entity Identifying Number	Amount Awarded
Passed Through AR Department of Education:		
98% URT ACT Collection Adjustment	7202	\$ 144,124
Academic Facilities Partnership	7202	470,200
Alternative Learning	7202	103,427
Arkansas Better Chance Grant	7202	102,100
Assessment End of Learning	7202	10,326
Bond Assisted Debt	7202	61,903
Computer Science Initiative	7202	4,978
Early Childhood Special Education	7202	51,672
Early Intervention Day Treatment (EIDT)	7202	18,353
Educator Compensation Reform	7202	108,186
Governor's Computer Science Grant	7202	4,906
Learns Act Teacher Minimum	7202	692,933
Limited English Proficiency	7202	51,240
National Board Certification Teacher Bonus	7202	24,530
National School Lunch Match	7202	25,548
National School Lunch Program	7202	477,543
Professional Development Funding	7202	106,200
Professional Learning Grant	7202	98,780
Project Lead the Way	7202	46,309
Special Education - Catastrophic Occurrences	7202	24,865
Special Education Supervisor	7202	14,215
State Child Nutrition Match	7202	7,981
State Foundation Funding	7202	13,895,296
Student Growth Funding	7202	750,834
State School Safety Grant	7202	180,423
Teacher Incentive Pay	7202	65,618
Total AR Department of Education		<u>17,542,490</u>
Passed Through AR Department of Health and Human Services:		
Foster Care - Title IV-E	7202	51,808
Total AR Department of Health and Human Services		<u>51,808</u>
Passed Through AR Game & Fish Commission:		
Arkansas Game & Fish	7202	1,203
Total AR Game & Fish Commission		<u>1,203</u>
Total State Assistance		<u>\$ 17,595,501</u>

See Independent Auditor's Report.



**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***

The School Board
Farmington School District #6
Farmington, Arkansas

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Farmington School District #6 (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 basic financial statements, and have issued our report thereon dated January 29, 2026. We issued an adverse opinion because the District prepared the financial statements using accounting practices prescribed or permitted by the State of Arkansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting 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 assets, liabilities, and fund balances of the funds as presented of the District as of June 30, 2025, and their respective revenues, expenditures, and changes in fund balances and budgetary comparisons for the year then ended, in accordance with the financial reporting provisions prescribed by the State described in Note 2.

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 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 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’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.

Farmington School District #6

Farmington, Arkansas

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 or significant deficiencies. However, material weaknesses and significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’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 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 results 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 District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, flowing style.

Rogers, Arkansas
January 29, 2026



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The School Board
Farmington School District #6
Farmington, Arkansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Farmington School District #6 (the “District”) compliance 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 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 of 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.

Farmington School District #6

Farmington, Arkansas

Auditor's Responsibilities for the Audit of 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 GAAS, *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 GAAS, *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 a 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.

Farmington School District #6

Farmington, Arkansas

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Landmark PLC". The word "Landmark" is written in a cursive script, and "PLC" is written in a simpler, blocky font.

Rogers, Arkansas
January 29, 2026

Farmington School District #6

Schedule of Findings and Questioned Costs Year ended June 30, 2025

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

1. The opinion expressed in the independent auditor's report for the GAAP basis of accounting was:

Unmodified Qualified Adverse Disclaimer

The opinion expressed in the independent auditor's report for the regulatory basis of accounting was:

Unmodified Qualified Adverse Disclaimer

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

Significant deficiency(ies)? Yes None reported
Material weakness(es)? 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 that could have a direct and material effect on each major federal awards program disclosed:

Significant deficiency(ies)? Yes None reported
Material weakness(es)? Yes No

5. The opinion expressed in the independent auditor's report on compliance with requirements that could have a direct and material effect on each major federal awards program was:

Unmodified Qualified Adverse Disclaimer

6. The audit disclosed findings required to be reported by the Uniform Guidance?

Yes No

Farmington School District #6

Schedule of Findings and Questioned Costs Year ended June 30, 2025

7. The District's major programs were:

<u>Cluster / Program</u>	<u>Assistance Listing Number</u>
Child Nutrition Cluster	
School Breakfast Program	10.553
Food Distribution	10.555
National School Lunch Program	10.555
Commodities	10.555

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.

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

Yes No

II. FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS*

None

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Farmington School District #6

Summary Schedule of Prior Year Audit Findings Year ended June 30, 2025

There were no prior year audit findings for the year ended June 30, 2024.



**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH ARKANSAS STATE REQUIREMENTS**

The School Board
Farmington School District #6
Farmington, Arkansas

We have examined management's assertions that the Farmington School District #6 (the "District") substantially complied with the requirements of Arkansas Code Annotated 6-1-101 and applicable laws and regulations listed on Arkansas Department of Education form OCI 95-96 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 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 and, accordingly, including examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2025.

This report is intended solely for the information and use of the School Board, 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.

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, flowing style.

Rogers, Arkansas
January 29, 2026

Farmington School District #6

**Supplemental Data Sheet Required by the
Department of Health and Human Services
June 30, 2025**

Name and address:	Farmington Public Schools #6 42 South Double Springs Road Farmington, AR 72730
Employer Identification Number:	71-6038635
Telephone Number:	479-266-1803
Superintendent:	Jon Laffoon
Contact Person:	Mandy Uher
Cost of Audit:	Available upon request.