

**ARCH FORD EDUCATION SERVICE COOPERATIVE**

**REGULATORY BASIS FINANCIAL STATEMENTS**

**AND OTHER REPORTS**

**Year Ended June 30, 2024**

# ARCH FORD EDUCATION SERVICE COOPERATIVE

## TABLE OF CONTENTS

	<u>Page</u>
<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>1</b>
<b>REGULATORY BASIS FINANCIAL STATEMENTS</b>	
Balance Sheet – Regulatory Basis	5
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds - Regulatory Basis	6
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General and Special Revenue Funds – Regulatory Basis	7
Notes to Financial Statements	8
<b>OTHER REPORTS AND SUPPLEMENTARY INFORMATION</b>	
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 <i>Government Auditing         Standards</i>	17
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required By the Uniform Guidance	19
Schedule of Capital Assets (Unaudited)	22
Schedule of Expenditures of Federal Awards	23
Schedule of Findings and Questioned Costs	25
Schedule of Prior Year Audit Findings	26
Independent Auditors’ Report on Compliance with Arkansas State Requirements	27
Schedule of Statutes Required by Arkansas Department of Education to be addressed in Independent Auditors’ Report on Compliance	28
Supplemental Data Sheet	29



**Doug Dobbs, CPA, P.A.**

*Certified Public Accountant*

2123 W. Colonel Glenn Road

Little Rock, AR 72210

(501) 821-2600

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Arch Ford Education Service Cooperative  
Plumerville, Arkansas

### **Report on the Financial Statements**

I have audited the accompanying financial statements of each major governmental fund of the Arch Ford Education Service Cooperative (the "Cooperative") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Cooperative's regulatory basis financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-413 (c) as provided in Act 2201 of 2005, as described in Note A, to meet the reporting requirements of the State of Arkansas. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 Cooperatives 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 my opinions. Reasonable assurance is a high level of assurance but is not absolute 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:

1. Exercise professional judgment and maintain professional skepticism throughout the audit.
2. 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.
3. 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 Cooperatives internal control. Accordingly, no such opinion is expressed.
4. Evaluate the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
5. Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperatives ability to continue for a reasonable period of time.

I am 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 I identified during the audit.

### **Basis for Opinions**

I conducted my audit 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*). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the financial statements of our report. We are required to be independent of the District and to meet other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I 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 more fully in Note A to the financial statements, to meet the financial reporting requirements of the State of Arkansas, the financial statements are prepared by the Cooperative on the basis of the financial reporting provisions of Ark. 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.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In my opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United

States of America, the financial position of the Cooperative as of June 30, 2024, or the changes in financial position for the year then ended.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective regulatory basis financial position of each major governmental fund of the Cooperative as of June 30, 2024, 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 Ark. Code Ann. § 10-4-413 (c) as provided in Act 2201 of 2005 described in Note A.

### **Other Matters**

#### **Supplementary and Other Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cooperative's regulatory basis financial statements. The Schedule of Capital Assets, 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*, and Schedule of State Assistance – ABC and the Supplemental Data Sheet as required by Arkansas Department of Health and Human Services Audit Guidelines, Section IX-C are presented for purposes of additional analysis and are not a required part of the regulatory basis financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. Such 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 my opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the regulatory basis financial statements taken as a whole.

The Schedule of Capital Assets and the Supplemental Data Sheet as required by Arkansas Department of Health and Human Services Audit Guidelines, Section IX-C has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated March 27, 2024 on my consideration of the Cooperative's internal control over financial reporting and my 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 my 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 Cooperatives 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 Cooperative's internal control over financial reporting and compliance.

*Doug Dobbs, CPA, P.A.*

Doug Dobbs, CPA, P.A.  
Little Rock, Arkansas  
March 29, 2025

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**BALANCE SHEET - REGULATORY BASIS**  
**JUNE 30, 2024**

		<b>Governmental Funds</b>	
		<b>Major</b>	
		<b>General</b>	<b>Special Revenue</b>
<b>ASSETS</b>			
Cash	\$	7,992,212	\$ (208,820)
Accounts receivable		390,964	398,759
Inventories - resale		1,038,150	
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>9,421,326</b>	<b>\$ 189,939</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$	36,703	\$ 1,313
<b>TOTAL LIABILITIES</b>		<b>36,703</b>	<b>1,313</b>
<b>Fund balances:</b>			
Restricted			188,626
Assigned		1,038,150	
Unassigned		8,346,473	
<b>TOTAL FUND BALANCES</b>		<b>9,384,623</b>	<b>188,626</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$</b>	<b>9,421,326</b>	<b>\$ 189,939</b>

The accompanying notes are an integral part of these financial statements

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS - REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Governmental Funds</b>	
	<b>Major</b>	
	<b>General</b>	<b>Special Revenue</b>
<b>REVENUES</b>		
Tuition and services to other LEA's	\$ 4,215,019	\$
Cooperative sales	1,398,536	
State assistance	8,080,919	
Federal assistance		3,262,041
Investment income	150,790	
Other revenues	9,871,088	
<b>TOTAL REVENUES</b>	<b>23,716,352</b>	<b>3,262,041</b>
<b>EXPENDITURES</b>		
Regular programs	479,217	1,680
Special education	1,048,024	1,221
Compensatory education	907,285	
Other instructional programs	2,873,284	
Pupil support services	1,636,885	1,792,949
Staff support services	11,896,810	1,043,011
General administration support services	737,617	4,185
Business support services	840,866	14,401
Operation and maintenance of plant	886,985	123,348
Cost of Cooperative sales	885,495	
Other support services	18,949	
Food service	2,457	
Building acquisition and construction services	27,531	
Non-programmed costs	1,492,670	
<b>TOTAL EXPENDITURES</b>	<b>23,734,075</b>	<b>2,980,795</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(17,723)</b>	<b>281,246</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Refund of prior year expenses	859	
Indirect cost	150,447	(150,447)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>151,306</b>	<b>(150,447)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>133,583</b>	<b>130,799</b>
<b>FUND BALANCE - BEGINNING</b>	<b>9,251,040</b>	<b>57,827</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 9,384,623</b>	<b>\$ 188,626</b>

The accompanying notes are an integral part of these financial statements

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS - REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund			Special Revenue Fund		
	Budgeted Amounts	Actual	Variance Favorable (Unfavorable)	Budgeted Amounts	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
Tuition and services to other LEA's	\$ 4,550,751	\$ 4,215,019	\$ (335,732)			
Cooperative sales	1,515,500	1,398,536	(116,964)			
State assistance	8,638,996	8,080,919	(558,077)			
Federal assistance				\$ 3,523,470	\$ 3,262,041	\$ (261,429)
Investment income	138,029	150,790	12,761			
Other revenues	9,884,154	9,871,088	(13,066)			
<b>TOTAL REVENUES</b>	<b>24,727,430</b>	<b>23,716,352</b>	<b>(1,011,078)</b>	<b>3,523,470</b>	<b>3,262,041</b>	<b>(261,429)</b>
<b>EXPENDITURES</b>						
Regular programs	476,272	479,217	(2,945)	1,680	1,680	0
Special education	1,144,138	1,048,024	96,114	1,300	1,221	79
Compensatory education	1,054,890	907,285	147,605			
Other instructional programs	3,306,316	2,873,284	433,032			
Pupil support services	1,753,426	1,636,885	116,541	2,111,893	1,792,949	318,944
Staff support services	12,755,360	11,896,810	858,550	1,152,031	1,043,011	109,020
General administration support services	855,887	737,617	118,270	4,185	4,185	0
Business support services	1,017,207	840,866	176,341	14,401	14,401	0
Operation and maintenance of plant	1,254,508	886,985	367,523	126,320	123,348	2,972
Student transportation services				10,000	0	10,000
Cost of Cooperative sales	947,223	885,495	61,728			
Food service	0	2,457	(2,457)			
Building acquisition and construction services	127,828	27,531	100,297			
Other support services	20,000	18,949	1,051			
Non-programmed costs	1,401,548	1,492,670	(91,122)		0	0
<b>TOTAL EXPENDITURES</b>	<b>26,114,603</b>	<b>23,734,075</b>	<b>2,380,528</b>	<b>3,421,810</b>	<b>2,980,795</b>	<b>441,015</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,387,173)</b>	<b>(17,723)</b>	<b>1,369,450</b>	<b>101,660</b>	<b>281,246</b>	<b>179,586</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Refund of prior year expenses		859	859			
Indirect cost	281,141	150,447	(130,694)	(150,447)	(150,447)	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>281,141</b>	<b>151,306</b>	<b>(129,835)</b>	<b>(150,447)</b>	<b>(150,447)</b>	<b>0</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>\$ (1,106,032)</b>	<b>\$ 133,583</b>	<b>\$ 1,239,615</b>	<b>\$ (48,787)</b>	<b>\$ 130,799</b>	<b>\$ 179,586</b>

The accompanying notes are an integral part of these financial statements

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The Arch Ford Education Service Cooperative Board of Directors, a twenty seven member group, is the basic level of government which has oversight responsibility and control over all activities within the jurisdiction of the Cooperative. The Cooperative serves Cleburne, Conway, Faulkner, Perry, Pope, Van Buren and Yell counties in Arkansas. There are no component units included within the reporting entity.

**DESCRIPTION OF FUNDS**

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

**General Fund** – The General Fund is the primary operating fund of the Cooperative and accounts for all revenues and expenditures of the Cooperative not encompassed within other funds.

**Special Revenue Fund** – The Special Revenue Fund is used to account for federal funding received by the Cooperative that is restricted for specified purposes. The Special Revenue Fund consists of federal revenues and related expenditures, restricted for specific educational programs or projects. 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.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The financial statements are prepared in accordance with a regulatory basis of accounting (RBA). This basis of accounting is prescribed by Ark. Code Ann. § 10-4-413, 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 the 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 require that basic financial statements present government-wide financial statements. Additionally, GAAP require 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,

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (CONTINUED)**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)**

separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, inclusion of the 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. 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.

**REVENUE RECOGNITION POLICIES**

Revenues are recognized when they become susceptible to accrual in accordance with the RBA.

**INVENTORIES**

Inventories consist of various school supplies and equipment held for sale to the schools served by the Cooperative and are valued at cost using the first-in/first-out (FIFO) method.

**CAPITAL ASSETS**

Buildings and equipment are stated on the basis of historical costs or estimated cost. Assets acquired through gifts or donations are recorded at their estimated or market value at time of acquisition. The Cooperative defines capital assets as assets with an initial, individual cost of \$ 1,000 or greater and an estimated useful life in excess of two years.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend lives are not capitalized. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed. Depreciable capital assets are depreciated using the straight-line method over useful lives of 5-20 years for furniture and equipment and 50 years for buildings and improvements.

**FUND BALANCE CLASSIFICATIONS**

- (1) **Restricted Fund Balance** – represents amounts that are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through bond covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (CONTINUED)**

**FUND BALANCE CLASSIFICATIONS (CONTINUED)**

- (2) **Assigned Fund Balance** – represents amounts that are constrained by the Cooperative’s *intent* to be used for specific purposes, but are neither restricted or committed.
- (3) **Unassigned Fund Balance** – represents amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. 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.

**BUDGET AND BUDGETARY ACCOUNTING**

The Cooperative is required by state law to prepare an annual budget. The annual budget is prepared on a fiscal year basis. The Cooperative 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. However, the majority of the education cooperatives employ the cash basis method.

The Cooperative 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.

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. Additionally, the Cooperative routinely budgets restricted federal programs as part of the special revenue fund. Significant variances may result in the budgetary comparison of the revenues and expenditures of the special revenue fund because of the reclassification of those federal programs primarily utilized for capital projects to the other aggregate funds for reporting purposes.

**STABILIZATION ARRANGEMENTS**

The Cooperative’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 Cooperative’s Board of Education has not formally adopted a minimum fund balance policy.

**FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES**

The Director, in conjunction with other management and accounting personnel, is authorized to assign amounts to a specific purpose. The Cooperative’s Board of Education has not formally adopted a policy addressing this authorization.

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES (CONTINUED)**

The Cooperative’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 Cooperative’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 Cooperative does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which restricted or unrestricted amounts are available. Cooperative personnel decide which resources (source of funds) to use at the time expenditures are incurred. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The Cooperative does not have a policy addressing which resources to use within the unrestricted fund balance 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 amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

**ENCUMBRANCES**

The Cooperative does not utilize encumbrance accounting.

**NOTE B – 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:

	Carrying Amount		Bank Balance
Insured (FDIC)	\$ 250,000	\$	250,000
Collateralized:			
Collateral held by the pledging bank or pledging bank’s trust department in the Cooperative’s name	7,533,392		7,740,371
<b>Total Deposits</b>	<b>\$ 7,783,392</b>	<b>\$</b>	<b>8,190,371</b>

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE C – RECEIVABLES**

The accounts receivable balance of \$ 789,723 at June 30, 2024 was comprised of the following:

<b>Description</b>	<b>Governmental Funds</b>		<b>Total</b>
	<b>Major</b>		
	<b>General</b>	<b>Special Revenue</b>	
State assistance	\$ 358,618	\$	358,618
Federal assistance		398,759	398,759
Due from customers	32,346		32,346
<b>Totals</b>	<b>\$ 390,964</b>	<b>\$ 398,759</b>	<b>\$ 789,723</b>

**NOTE D – ACCOUNTS PAYABLE**

The accounts payable balance of \$ 38,016 at June 30, 2024 was comprised of the following:

<b>Description</b>	<b>Governmental Funds</b>		<b>Total</b>
	<b>Major</b>		
	<b>General</b>	<b>Special Revenue</b>	
Vendor payables	\$ 36,703	\$ 1,313	\$ 38,016

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE E – RETIREMENT PLANS**

**Arkansas Teacher Retirement System**

**Plan Description.** The Cooperative 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 non-teaching school employees. ATRS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit 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 1-800-666-2877.

**Funding Policy.** ATRS has contributory and non-contributory plans. Contributory members are required by law to contribute 7% of their salary. Each participating employer is required by State law to contribute at a rate determined by the Board of Trustees, based on the annual actuarial valuation. The current employer rate is 15.00% of covered salaries. The employer contribution was paid by the Department of Education from the Public School Fund, except for those employees paid from federal funding. The Department of Education determines the amount funded. The Department of Education's contributions to ATRS for the Cooperative during the year ended June 30, 2024 were \$ 2,244,784 equal to the required contributions. The Cooperative's contributions to ATRS for federally funded employees for the year ended June 30, 2024 were \$ 231,312 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 Governmental Accounting Standards Board Statement no. 68 would be limited to disclosure of the Cooperative's proportionate share of the collective net pension liability. The Cooperative's proportionate share of the collective net pension liability at June 30, 2024 (actuarial valuation date and measurement date) is \$ 18,895,988.

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE F - ON-BEHALF PAYMENTS**

Health insurance premiums were paid by the Arkansas Department of Education in the amount of approximately \$ 533,019 on behalf of the Cooperative's employees.

**NOTE G – EMPLOYEE FRINGE BENEFITS**

The Cooperative has an IRS code section 125 cafeteria plan offering health, dental and vision insurance and medical and child care reimbursement to current employees. Approximately \$ 1,004,924 wages were withheld under the plan.

**NOTE H – RISK MANAGEMENT**

The Cooperative is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Cooperative carries commercial insurance for board liability, student accidents, building and contents and vehicle coverage. 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 Cooperative 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 Cooperatives. The Cooperative contributes annually to this program.

**NOTE I – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 30, 2025, the date the financial statements were available to be issued.

**NOTE J– CONTINGENCIES**


The Cooperative participates in federally assisted grant programs. The Cooperative 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 noncompliance which would result in the disallowance of program expenditures.

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE K – DETAILS OF GOVERNMENTAL FUND BALANCE CLASSIFICATIONS  
DISPLAYED IN THE AGGREGATE**

Description	Major		Total
	General	Special Revenue	
<b>Fund Balances:</b>			
Restricted for:			
State programs	\$ 4,722,605	\$	\$ 4,722,605
Federal programs		188,626	188,626
<b>Total Restricted</b>	<u><b>4,722,605</b></u>	<u><b>188,626</b></u>	<u><b>4,911,231</b></u>
Assigned to:			
Inventory for resale	<u><b>1,038,150</b></u>		<u><b>1,038,150</b></u>
Unassigned:	<u><b>3,323,868</b></u>		<u><b>3,323,868</b></u>
<b>Totals</b>	<u><b>\$ 9,384,623</b></u>	<u><b>\$ 188,626</b></u>	<u><b>\$ 9,273,249</b></u>

**OTHER REPORTS AND SUPPLEMENTARY INFORMATION**



**Doug Dobbs, CPA, P.A.**

*Certified Public Accountant*  
2123 W. Colonel Glenn Road  
Little Rock, AR 72210  
(501) 821-2600

---

**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***

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Arch Ford Education Service Cooperative  
Plumerville, Arkansas

I 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 each major governmental fund of the Arch Ford Education Service Cooperative (the "Cooperative"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Cooperative's regulatory basis financial statements, and have issued my report thereon dated March 27, 2024. I issued an adverse opinion because the Cooperative prepared the financial statements using accounting practices prescribed or permitted by the Arkansas Code, which differ from 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 regulatory basis financial position of each major governmental fund of the Cooperative as of June 30, 2024, and the respective regulatory basis changes in financial position thereof and the respective regulatory basis budgetary comparison for the general fund and special revenue funds for the year then ended, on the basis of accounting described in Note A.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the regulatory basis financial statements, I considered the Cooperative's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the regulatory basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, I do not express an opinion on the effectiveness of the Cooperative'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 Cooperative's regulatory basis 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.

My 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 those limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Cooperative's regulatory basis financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of the state constitution, state and federal laws and regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cooperative'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 Cooperative's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Doug Dobbs, CPA, P.A.  
Little Rock, Arkansas  
March 29, 2025



**Doug Dobbs, CPA, P.A.**

*Certified Public Accountant*  
2123 W. Colonel Glenn Road  
Little Rock, AR 72210  
(501) 821-2600

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Arch Ford Education Service Cooperative  
Plumerville, Arkansas

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Program**

I have audited the Arch Ford Education Service Cooperative (the "Cooperative") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024. The Cooperative's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In my opinion, the Cooperative 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, 2024.

**Basis for Opinion on Each Major Program**

I conducted my audit of compliance 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 auditing 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 of our report.

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

## **Responsibilities of Management for Compliance**

Management is responsible for compliance with 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 Cooperatives federal programs.

## **Auditor's Responsibility for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Cooperatives compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about the Cooperatives compliance with the requirements of each major federal program as a whole.

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

1. Exercise professional judgment and maintain professional skepticism throughout the audit.
2. 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 Cooperatives compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
3. Obtain an understanding of 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 Cooperatives internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 matter weaknesses in internal control over compliance that I identified during the audit.

## **Report on Internal Control Over Compliance**

Management of the Cooperative is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Cooperative's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guide, but not for the purpose of expressing an opinion on effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Cooperative's 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.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider material weaknesses. However, material weaknesses may exist that have not been identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, this report is not suitable for any other purpose.

*Doug Dobbs, CPA, P.A.*

Doug Dobbs, CPA, P.A.  
Little Rock, Arkansas  
March 29, 2025

**ARCH FORD EDUCATION SERVICE COOPERATIVE**  
**SCHEDULE OF CAPITAL ASSETS**  
**(UNAUDITED)**  
**JUNE 30, 2024**

	<b>Balance</b> <b><u>June 30, 2024</u></b>
<i>Nondepreciable assets:</i>	
Land	\$ <u>22,412</u>
<b>Total nondepreciable cost</b>	<b><u>22,412</u></b>
 <i>Capital assets that are depreciated:</i>	
Buildings and leasehold improvements	1,428,622
Equipment	<u>1,098,280</u>
<b>Total depreciable historical cost</b>	<b><u>2,526,902</u></b>
 <i>Less accumulated depreciation for:</i>	
Buildings and leasehold improvements	416,314
Equipment	<u>488,726</u>
<b>Total accumulated depreciation</b>	<b><u>905,040</u></b>
<b>Capital assets, net</b>	<b>\$ <u><u>1,644,273</u></u></b>

See notes to the financial statements

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024**

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY IDENTIFYING NUMBER	TOTAL FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<b><u>Passed Through Arkansas Department of Education</u></b>			
Special Education – Grants to States	84.027	15-20	<b>2,436,454</b>
Career and Technical Education – Basic Grants to States	84.048	15-20	<b>462,353</b>
Supporting Effective Instruction State Grants	84.367	15-20	<b>55,011</b>
COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief Fund	84.425U	15-20	166,439
COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief – Homeless Children and Youth	84.425W	15-20	4,185
<b>TOTAL COVID-19 FUNDING</b>			<b>170,624</b>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>3,124,442</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b><u>Passed Through Arkansas Department of Education</u></b>			
Medical Assistance Program	93.778	15-20	<b>6,800</b>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>6,800</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>3,131,242</b>

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. Basis of Presentation - This schedule includes the federal grant activity of the Cooperative under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the Cooperative, it is not intended to and does not present the financial position or changes in financial position of the Cooperative.

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS-CONTINUED**

2. Summary of Significant Accounting Policies – Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
  
3. The Cooperative has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.
  
4. Medicaid reimbursements are defined as contracts for services and not federal awards, therefore such reimbursements totaling \$ 67,918 are not included in the above schedule.

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
FEDERAL AWARD PROGRAMS  
FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. My report expresses an adverse opinion on the GAAP basis of reporting and an unqualified opinion on the regulatory basis opinion units.
2. There were no material weaknesses identified in internal control over financial reporting.
3. There were no significant deficiencies identified in internal control over financial reporting.
4. There was no noncompliance material to the financial statements noted.
5. There were no material weaknesses identified in internal control over major federal programs.
6. There were no significant deficiencies identified in internal control over major federal programs.
7. My report on compliance for the major federal award programs for Arch Ford Education Service Cooperative expresses an unqualified opinion.
8. There were no audit findings relative to the major federal award programs required to be reported in accordance with 2 CFR 200.516(a).
9. The program tested as a major program was: Special Education – Grants to States, AL # 84.027.
10. The threshold for distinguishing types A and B programs was \$ 750,000.
11. Arch Ford Education Service Cooperative was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

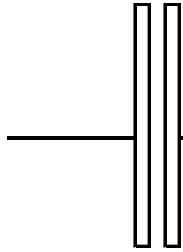
No findings.

**C. FINDINGS – FEDERAL AWARDS AUDIT**

No findings.

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
FEDERAL AWARD PROGRAMS  
SUMMARY OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023**

There were no findings in the prior audit.



**Doug Dobbs, CPA, P.A.**

*Certified Public Accountant*

2123 W. Colonel Glenn Road

Little Rock, AR 72210

(501) 821-2600

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

To the Board of Education  
Arch Ford Education Service Cooperative  
Plumerville, Arkansas

I have examined management's assertions, included in its representation letter dated March 29, 2025 that Arch Ford Education Service Cooperative substantially complied with the requirements of Arkansas Code Annotated 6-1-101 and the applicable laws and regulations listed on Arkansas Department of Education form OCI 95-96 during the year ended June 30, 2024. As discussed in that representation letter, management is responsible for the Cooperative's compliance with those requirements. My responsibility is to express an opinion on management's assertions about the Cooperative's compliance based on my examination.

My examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Cooperative's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my examination provides a reasonable basis for my opinion. My examination does not provide a legal determination on the Cooperative's compliance with specified requirements.

In my opinion, management's assertions that Arch Ford Education Service Cooperative complied with the aforementioned requirements for the year ended June 30, 2024, are fairly stated, in all material respects.

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. However, this report is a matter of public record, and its distribution is not limited.

*Doug Dobbs, CPA, P.A.*

Doug Dobbs, CPA, P.A.  
Little Rock, Arkansas  
March 29, 2025

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
SCHEDULE OF STATUTES REQUIRED BY ARKANSAS DEPARTMENT OF EDUCATION TO BE ADDRESSED  
IN INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR THE YEAR ENDED JUNE 30, 2024**

<u>DESCRIPTION</u>	<u>STATUTES</u>
Bonded & Non-bonded Debt, School Bonds	6-20-1201 – 6-20-1208; 6-20-1210
Ethical Guidelines and Prohibitions for Board Members, Administrators, and Employees	6-13-628; 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 <ul style="list-style-type: none"> <li>● Bidding &amp; Purchasing Commodities</li> <li>● Petty Cash</li> <li>● Changes in Pullback (no deferrals - declining accrual percentages)</li> <li>● Investment of Funds</li> </ul>	6-20- 402 6-21- 301 – 6-21-305 6-20-409 6-20-401  19-1-504
Management of Schools <ul style="list-style-type: none"> <li>● Board of Directors</li> <li> </li> <li>● District Treasurer <ul style="list-style-type: none"> <li>○ Warrants/checks</li> </ul> </li> </ul>	6-13-604; 6-13-606; 6-13-608; 6-13-611 – 6-13-613; 6-13-617 – 6-13-620; 6-24-101 et seq.  6-13-701 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.
School Elections	6-13-622; 6-13-630; 6-13-631; 6-13-634; 6-14-106; 6-14-109; 6-14-118
Salary increases 5% or more (certified & Classified) Teachers and Employees <ul style="list-style-type: none"> <li>● Personnel Policies</li> <li>● Employment and Assignment</li> <li>● Teacher's License Requirement</li> <li>● Contracts</li> <li>● Certification Requirements</li> <li>● Fair Dismissal Act</li> <li>● Sick Leave Policies</li> <li>● Salary Laws – Classified</li> <li>● Minimum Wage Act</li> </ul>	6-13-635  6-17-201 et seq., 6-17-2301 6-17-301 et seq. 6-17-401 et seq. 6-17-801 et seq. 6-17-309; 6-17-401 6-17-1501 et seq.; 6-17-1701 et seq. 6-17-1201 et seq.; 6-17-1301 et seq. 6-17-2201 et seq.; 6-17-2301 et seq. 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
Trust Funds (Education Excellence)	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 amount of funds paid by the Arkansas Department of Education to the Employee Benefits Division, on-behalf of District's employees
Regulatory Basis of Accounting	10-4-413 (c)
Real Estate and Personal Property Tax Appeals	26-35-802
Arkansas Procurement Law	19-11-201 et. seq.
Fiscal Accountability	6-20-1901, et. seq.
Limitation on Fund Balance	6-20-2210
Enhanced Student Achievement Funding	6-20-2305 (B)(4)(F)(1)
Cares Act (COVID-19) Education Funding	<a href="https://dese.ade.arkansas/Offices/Federal-Programs/federal-programs/cares-act-crrsa-act-and-american-rescue-plan-arp-act">https://dese.ade.arkansas/Offices/Federal-Programs/federal-programs/cares-act-crrsa-act-and-american-rescue-plan-arp-act</a>
Charter Facilities Funding	6-23-908

**ARCH FORD EDUCATION SERVICE COOPERATIVE  
SUPPLEMENTAL DATA SHEET  
FOR THE YEAR ENDED JUNE 30, 2024**

The following information is being provided to satisfy the requirements of Arkansas Department of Health and Human Services Audit Guidelines, Section IX-C – Special Requirements:

- |                               |  |
|-------------------------------|--|
| 1. Entity's Full Name:        | Arch Ford Education Service Cooperative    |
| 2. Entity's Address:          | 101 Bulldog Drive<br>Plumerville, AR 72127 |
| 3. Entity's FEIN:             | 71-0601521                                 |
| 4. Entity's Telephone Number: | (501) 354-2269                             |
| 5. Name of Director:          | Dr. Mark Taylor                            |
| 6. Name of Contact Person:    | Dr. Mark Taylor                            |