Application for Charter Activation
The Excel Center – Bartholomew County

March 2024

Goodwill Education Initiatives, Inc.
1635 W. Michigan Street
Indianapolis, IN 46222

Exhibit B

Proposal Overview

The applicant group's **designated representative** will serve as the contact for all communications, interviews, and notices from the ICSB regarding the submitted application.

> ***IMPORTANT NOTE:*** *The full application, including this form, will be posted on the ICSB website. Applicants are advised that local community members, including members of the media, may contact the designated representative for questions about the proposed school(s).*

Name of proposed Charter School: The Excel Center- Bartholomew County

Proposed Charter School location:* Columbus, Indiana
(Specific location TBD)

**Please indicate the city/town and, if known, potential address or neighborhood of the school location. Virtual operators should indicate the relevant geographies the operator intends to serve.*

School district of proposed location: Bartholomew Consolidated School Corporation

Legal name of group applying for Charter: Goodwill Education Initiatives, LLC

Designated representative: Betsy Delgado, Senior Vice President, Mission & Education

Contact Information (Phone & Email): (317) 524-4380, bdelgado@goodwillindy.org

Planned opening year for the school: 2024-25 School Year

Model or focus of proposed school: Adult High School
(e.g., arts, college prep, dual-language, etc.)

Proposed Grade Levels and Student Enrollment

Indicate the grade levels the school intends to serve. Specify both the planned and maximum number of enrolled students by grade level for each year.

Academic Year	Grade Levels	Student Enrollment (Planned/Maximum)
Year 1	9-12	200/250
Year 2	9-12	200/250
Year 3	9-12	225/250
Year 4	9-12	225/250
Year 5	9-12	250/250
At Capacity	9-12	250/250

Target student population (if any): Adults

Will an application for the same charter school be submitted to another authorizer in the near future?

- ☐ Yes
- ☑ No

If yes, identify the authorizer(s): N/A

Planned submission date(s): N/A

Please list the number of previous submissions (including withdrawn submissions) for request to authorize any charter school(s) over the past five years, as required under IC § 20-24-3-4. Include the following information:

Authorizer(s): ICSB; Mayor's Office of Education Innovation (OEI)

Submission date(s): Fall 2022, Fall 2018

For Experienced Operator Applications:

Does the school expect to contract or partner with an ESP or other organization for Charter School management/operation? Yes ☐ No X

If Yes, please provide the following information:
Identify the ESP or partner organization. N/A
Is Charter School proposing to replicate a proven school model? Yes X No ☐

If yes, provide the name and location of at least one school where the model is in use. The Excel Center – Anderson (Anderson, Indiana)

If the applicant or its ESP or other partner organization currently operates one (1) or more Charter Schools within or without Indiana, please provide the name(s) and phone number(s) of the authorizer(s) for the existing Charter Schools:

- Indiana Charter School Board
- Office of Education and Innovation

Signature of Applicant's Designated Representative

March 7, 2024

Signature Date

Application for Charter Activation

In the spring of 2017, the Indiana Charter School Board (ICSB) awarded Goodwill Education Initiatives (GEI), through The Excel Centers, LLC, four additional charters to open Excel Centers in communities in the coming years. Goodwill Education Initiatives seeks to activate the fourth charter it holds to open The Excel Center – Bartholomew County in July of 2024, for the The Excel Center 2024-25 school year. The Excel Center, LLC would be the charter holder responsible for implementing The Excel Center in the Bartholomew County community.

Question 1: A resolution from the governing board of the organizer approving the activation

See Attachments:

- “Charter Activation Letter signed by GEI Board Chair”
- “Excel Center Board Meeting Minutes from January”
- “Email Receipt - Activation of ICSB Charters”

Question 2: A completed Budget and Staffing Workbook

See Attachment:

- “ICSB Budget Projections Workbook 2023_2024-Bartholomew County”

Question 3: The last three years of consolidated audited financial statements and management letters for the organizer including all schools operated by the organizer within Indiana

See Attachments:

- “2021 Excel Centers - FS Audit (Final)”
- “2021 Excel Centers Board Letter”
- “2022 Excel Centers - FS Audit (Final)”
- “2022 Excel Centers Board Letter”
- “2023 Excel Centers - FS Audit (Final)”
- “2023 Excel Centers Board Letter”

Question 4: A detailed budget narrative that describes assumptions and revenue estimates, including but not limited to the basis for per-pupil revenue projections, staffing levels, facilities expenses, and technology costs. The narrative should specifically address: a. The degree to which the school (and network) budget relies on variable income (e.g., grants, donations, fundraising). b. The school’s contingency plans to meet financial needs if anticipated revenues at the proposed school or network are not received or are lower than the estimated budget. c. How the school will ensure it has sufficient funds to cover all anticipated expenses, including but not limited to: (a) startup costs, (b) special population subgroup costs, (c) transportation costs necessary to ensure the school will be accessible for all enrolled students, and (d) required retirement plan contributions. d. The impact on the network (if one exists) of opening an additional school.

See Attachment:

- “Budget Narrative - Bartholomew County”

Question 5: A description of the organizer's current or planned capacity to manage multiple schools. Specify how the organizer will ensure the governing board incorporates community input and access if the schools are located in different geographical locations across the state

Goodwill Education Initiatives (GEI) exhibits a great capacity to execute and sustain an Excel Center within a new community, leveraging a wide array of centralized resources and expertise. Central Office support coupled with ongoing on-site guidance from the Regional and Senior Director ensures that the school will receive the assistance it needs to meet goals and be successful. All Excel Centers are equipped with a standardized network-approved curriculum and access to network-wide standard operating procedures (SOPs) for each position and role. This ensures operations are consistent across Excel Center schools. By engaging in further collaborative training sessions and exchanging knowledge with nearby Excel Centers like Shelbyville, University Heights, and Clarksville, the newly established school will tap into a vast pool of best practices and cutting-edge approaches. This will not only enhance the educational journey for students but foster empowerment within the broader community as well. Additionally, The Excel Center creates community partnerships and taps into community resources to help remove barriers for students including housing, food insecurity, mental health, etc. In addition to the Excel Center board, each Excel Center develops a locally driven Community Advisory Team meant to provide and solicit feedback for the school to best serve the students and community. The Community Advisory Team ensures each Excel Center is meeting the needs of its local community. This holistic approach and framework underscores Goodwill Education Initiatives' commitment to its students and individual communities by nurturing academic excellence and fostering sustainable growth in underserved areas.

Ability to manage multiple schools
As the operator of the largest network of adult high schools in the state and the founder of The Excel Center model, GEI is well-positioned to manage multiple Excel Centers within its territory. In fact, GEI has been so successful with The Excel Center model that it created The Excel Center National Office which leverages its historical expertise to support Goodwill's across the country to open and operate their own adult high schools using the same model as GEI. Since opening the first Excel Center in 2010, GEI has opened a total of 16 Excel Centers across central and southern Indiana.

GEI has leaders throughout its organization who have been with The Excel Center for many years. These leaders have a deep depth of experience running successful schools and a strong understanding of how to make The Excel Center model operate effectively. Every single member of GEI's leadership team, all three regional directors, both senior directors, its Vice President and Senior Vice President have all served as The Excel Center school directors at some point in their career with GEI. They bring this knowledge with them to ensure The Excel Center - Bartholomew County has the support it needs to open while still managing multiple other Excel Center locations. In addition to a strong leadership team, GEI has a robust central office team that will provide the additional support a new school needs to be successful. Some of GEI's central office areas of expertise include:

- accounting, bookkeeping, and payroll,
- curriculum and instruction
- data analytics, data collection, and state reporting
- scheduling and registrar
- leadership development training,
- best practices for special student populations

Additionally, as part of Goodwill, GEI schools are able to access additional resources that serve the entire organization including:

- Facilities department
- Marketing
- Finance department

- HR
- IT/Data

Some of the supports these departments provide are listed below:

Human Resources (HR)
The Goodwill HR team will support GEI leaders with posting job positions for The Excel Center - Bartholomew County, reviewing resumes, phone screens, and scheduling interviews. The Goodwill HR team has extensive experience hiring educators.

Facilities and Real Estate
As mentioned in the facilities section, the Goodwill facilities team will support the buildout of The Excel Center - Bartholomew County and future facility needs.

IT Systems
The IT team provides tech support to each school and ensures teachers, staff and students have access to the technological resources they need. The IT staff has extensive experience overseeing the installation of the necessary hardware for The Excel Center to operate at the highest level.

Marketing
The Goodwill marketing team will support GEI leaders with student recruitment through social media campaigns, press releases, billboards, and other information geared toward raising awareness within the larger Bartholomew County community. Marketing will support GEI leaders by ensuring they have fliers, slide decks, and other informational handouts needed to engage in the targeted community outreach described below.

Student Information System
A critical component of managing performance at scale is having access to relevant data in order to help leaders make informed decisions about how to improve processes and outcomes. GEI utilizes Edupoint's Synergy Student Information System and Analytics data modules to heavily invest in its ability to gain value from its schools' data. This is used to equip GEI administration to monitor performance across all of its locations and to empower its leaders and staff to use data to make decisions to improve school operations, instructional quality, and – ultimately – student outcomes.

Question 6: A completed Academic Performance Workbook with academic data (where applicable) starting with the 2020-21 SY including ILEARN, IREAD-3, SAT, PSAT, as well as both CCR and graduation rates from the organizer's other Indiana schools

See Attachment:

- "ICSB_Academic_Peformance_Workbook"

Question 7: If you are in the process of identifying a facility, describe with as much detail as possible the viable facility options that your team has identified. If you have already identified a facility, or plan to locate the new school within a facility currently owned or leased by the applicant, please indicate the street address and the school district in which the building is located. Describe the facility, including whether it is new construction, part of an existing public or private school building, or part of another type of facility. Provide a detailed list of any anticipated construction or renovation costs (these should be described in the budget narrative and reflected in the budget). If possible, provide a layout and description of the proposed facility. Include the number and size of classrooms, common areas, recreational space, any community facilities, and any residential facilities. Explain how the facility will meet the needs of any students who are physically challenged. Will students

be able to walk to school or will all students require transportation of some type? If transportation is needed, what options will be provided?

The Excel Center – Bartholomew County location and facility

Over the last thirteen years, GEI has opened 16 Excel Centers located in both urban and rural communities and has used a variety of buildings. Some were formerly schools, formerly retail space, or co-located with other schools, institutions and organizations. GEI is able to choose a building based on what is available in the community and what is going to meet the needs of students. The facilities team at Goodwill has a clear understanding of the size, specifications and type of space needed to successfully operate The Excel Center model. This highly experienced facilities team is helping with the identification and screening of potential school sites in Bartholomew County.

GEI and the facilities team have been actively looking for locations to open The Excel Center-Bartholomew County. Nearly 20 locations have been reviewed for viability. Site visits have been conducted to evaluate different locations suitable for hosting students for the upcoming school year and foreseeable future. These locations consisted of a former medical center situated at 940 N Marr Rd, a storefront within a shopping center located at 3136 N. National Rd, and a former furniture warehouse at 1720 17th Street, all located throughout Columbus, IN to name a few. Each of these sites proposed to offer a minimum of 12,000 square feet to accommodate students, families, and staff.

GEI and the facilities team have also been working with community partners in Bartholomew County to help navigate the local landscape and gain understanding about things like zoning requirements, opportunity zones and high traffic bus lines. The team has also traveled with community partners to help identify locations that will allow easy access to other community resources and potential employers that can help ensure The Excel Center - Bartholomew County is able to wrap around students and meet their needs.

Question 8: Please provide evidence of demand from the community, evidence of community engagement, and evidence of support from community partners. This may include documentation of public forums held, meetings with community leaders (e.g., mayors, council members, neighborhood leaders), letters of intent and/or memoranda of understanding, and should specify the resources to be committed or contributed from the partner, as applicable. Please prepare a detailed plan to accomplish successful community engagement after ICSB approval, during the school's pre-opening period, and leading into the school's first year.

Goodwill Education Initiatives (GEI) identified Bartholomew County as a community of need in 2017 when the charter was originally approved. As an Adult High School, the Excel Center is allotted a certain number of seats to be utilized each year. During the 2023-2025 Indiana biennium, The Excel Center was allotted an additional 1650 seats to be used across GCSI Excel Centers and Excel Centers operated by Wabash Valley Goodwill, Goodwill Industries of Michiana and Evansville Goodwill Incorporated. To ensure GCSI is filling all of its allotted seats for the biennium, it is crucial that The Excel Center-Bartholomew County open before the next biennium begins. Now, with the additional seats, increased capacity at GEI's central office and community need, 2024-2025 is the ideal time to activate the charter for The Excel Center-Bartholomew County.

Need for The Excel Center in Columbus and Bartholomew County

There is a high level of need in Columbus and Bartholomew County
Over 6% of the Bartholomew County adult population is without a high school diploma, and within that larger community, over 8% of the population living within Columbus is without a high school diploma.[1] Although high school graduation rates in Columbus and Bartholomew County remain relatively high according to data provided by the Indiana Department of Education website, within the last five years the graduation rate for the Bartholomew County Community School Corporation has fluctuated between 86% and 89%. Of that range, the graduation rate (86%) was reported during the most recent graduation data (SY 2019-20) for Bartholomew Consolidated School Corporation.[2]

Columbus and the Bartholomew County community need The Excel Center® as a means to reconnect the 6% of the population over age 18 without a diploma to their educational goals. Additionally, nearly 9.5% of the collective population in the surrounding 4 counties without an Excel Center does not have a high school diploma. The data for those aged 18-24 is bleak at almost 20% of the population living without a diploma in Brown, Jennings, Decatur, and Jackson County. Without a high school diploma, a large portion of Bartholomew County is unprepared to participate in the 21st century workforce; a workforce that requires additional skills beyond high school, whether through an industry certification or postsecondary degree. Consequently, poor educational attainment severely limits career and income potential. When comparing the poverty rates of individuals over age 25 in Columbus and Bartholomew County who hold a high school diploma to those who do not, the poverty rate is 10.8% greater for those individuals who do not hold a diploma.[3] By establishing The Excel Center in Columbus and Bartholomew County, individuals will be able to pursue post-secondary education and careers with family-sustaining wages.

The educational options currently available to adults are insufficient to meet the needs of adult learners.
Bartholomew County has over 3,200 adults without a high school diploma but currently have limited options for continuing their education. The only options currently available are non-diploma bearing Adult Basic Education programs and an online-only academy, Graduation Alliance, which only serves students at a 10th grade level or higher offering a non-Core 40 diploma without the additional supports required by this population (childcare, transportation assistance, coaching) that are included in the Excel Center model.

Economic Impact

The economic impact of The Excel Center stands as a testament to its robust commitment to evidence-based research and its partnership network with esteemed academic institutions. Over the past decade, The Excel Center, in collaboration with research teams from Ball State University, Indiana University, and the University of Notre Dame, has rigorously analyzed its impact. Presently, the institution maintains a robust affiliation with the Laboratory for Economic Opportunity (LEO) at the University of Notre Dame, conducting diverse ongoing research projects nationwide.

Key research findings reveal compelling statistics:

- Excel Center graduates witness a remarkable 40% surge in employment compared to their pre-enrollment status, along with a notable 20% higher workforce participation rate than their counterparts.

[1] U.S. Census Bureau, American Community Survey, 2017-2021 5-year Estimates, Table S1501. Retrieved from https://data.census.gov
[2] Indiana Department of Education, IDOE Compass (2020). Retrieved from https://inview.doe.in.gov/schools/1003650397/graduation
[3] U.S. Census Bureau, American Community Survey, 2022 1-year Estimates, Table S1501. Retrieved from https://data.census.gov

- The economic benefits to the state of indiana are significant, as highlighted by an 8-month return on investment to the state post-graduation for Excel Center students, juxtaposed with a 34-month return for non-graduates, according to research from Ball State University in 2014.
- The data emphasizes a significant 39% increase in earnings for graduates in comparison to individuals without a diploma.
- Notably, the graduates also showcase a 100% equitable employment and wage outcomes, underlining the institution's success in fostering both economic empowerment and equity among its graduates.

In essence, The Excel Center not only underscores its dedication to evidence-based analysis but also promises a considerable economic ripple effect. The institution's collaborations with esteemed research entities have yielded substantial insights into the enhanced employability and economic prosperity of its graduates. The documented statistics - a surge in employment rates, higher workforce participation, increased earnings, and equitable outcomes - not only validate the efficacy of The Excel Center's programs but also underline its pivotal role in fostering economic growth and equity within communities.

Community Engagement

Goodwill of Central and Southern Indiana (GCSI) is deeply committed to uplifting the Bartholomew County community through initiatives spanning across health, employment, and education. Leveraging programs such as the Nurse-Family Partnership alongside the dedicated services of Goodwill Mission Coaches and Retail, GCSI has been instrumental in effecting positive change. These endeavors are designed to assist families in areas ranging from prenatal care to career advancement, with a strong emphasis on educational empowerment. Collaboration with The Excel Center, when located in the same community, further strengthens educational opportunities for existing participants.

Since 2013, the Nurse-Family Partnership has been a cornerstone of support for families in Bartholomew County now serving nearly 40 families. Nurses work alongside families from the onset of pregnancy through early childhood, guiding them toward economic independence while fostering educational pursuits. Similarly, Goodwill Mission Coaches provide invaluable assistance in cultivating job readiness, financial literacy, and educational attainment. All of these efforts extend to facilitating connections with resources like The Excel Center, ensuring comprehensive wrap-around support for individuals.

The establishment of The Excel Center in Columbus represents an exciting opportunity for GCSI and Goodwill Education Initiatives (GEI) to amplify its impact on educational and economic impact. By leveraging existing programs and forging strong community partnerships, GEI is positioned to provide robust support to graduates, facilitating their transition into higher education and meaningful careers. This strategic approach underscores GCSI's commitment to empowering the Marion community through holistic support and educational advancement.

Efforts that have taken place

In preparation for opening The Excel Center – Bartholomew County, the Senior Vice President of Mission and Education and Education Leadership have started the process of leading community engagement efforts throughout the Columbus and greater Bartholomew County community. Meetings with community leaders (listed below) have been taking place for several months, as a means of introducing The Excel Center to the community, as well as developing an in-depth understanding of the community and its specific needs.

Community Education Coalition (Met 10.20.21 and (9.14.23)
Chamber of Commerce
Ivy Tech (Met 8.31.2023)
Indiana University Columbus (Met 9.14.23)

Purdue Polytechnic University Columbus (Met 9.14.23)
United Way
Cummins (Met 10.20.21) -
Dr. Bartels (Met 3.27.24)
Columbus Regional Health (Met 4.6.23)
The Heritage Fund (Met 4.6.23)

GEI leadership will also be meeting with local high school principals and superintendents to gain support for bringing The Excel Center to Columbus and Bartholomew County. The goal is to help the schools see The Excel Center as an asset to the community in raising the educational attainment of the whole family, instead of just the school-aged children and youth being served by the local schools.

Plan for additional and continued community engagement
Upon approval to open The Excel Center – Bartholomew County, GEI staff will increase its community engagement efforts to meet the following goals:

1. Further raise community awareness of The Excel Center and engage community partners;
2. Ensure The Excel Center is seen as a valuable resource for self-sufficiency and that it will have an impact on the local economy;
3. Meet enrollment goals at the start of the school year; and
4. Maintain a waitlist of prospective students to continue to meet enrollment goals throughout the year.

To that end, GEI staff plan to meet with public school districts and community employers. GEI staff will also meet with elected city and county officials, administration, and staff, as well as social service agencies and other organizations that will act as referral sources for potential students.

The strategies that GEI staff will use to engage the community include the following:

- **Public information sessions** – Host public information sessions to give prospective students and the public a firsthand look at The Excel Center. Sessions will include small-group presentations and one-on-one meetings.
    - Local libraries:
        - Bartholomew County Public Library
        - Hope Branch Library
        - Clifty Creek Branch Library
    - Rotary Groups
        - Columbus Rotary Club
- **Partnerships with adult education program providers and high school registrars** – Contact adult education programs and registrars at local high schools to educate them about The Excel Center, encouraging them to identify individuals and families who would benefit from the school.
    - Ivy Tech Community College - Columbus
    - Purdue Polytechnic Columbus
    - McDowell Education Center
    - Bartholomew Consolidated School Corporation
- **Presentations to community groups and social service organizations** – Present to organizations to educate them about The Excel Center, encouraging them to refer prospective students to the school and to identify individuals and families who would benefit from the school.
    - The Commons
    - Columbus Area Visitors Center

- Turning Point Domestic Violence Services
    - Columbus Regional Health Foundation
    - CAMEO (Columbus Area Multi-Ethnic Organization)
    - Heritage Fund
    - Family Service, Inc.
    - Donner Center
    - Lincoln Park Community Center
    - Aspire Indiana Health
    - Centra Credit Union
- **Outreach to service industry employers** – Initiate contact with service industry employers such as employment placement services, retailers, human resources departments and others to be identified for material distribution, on-site information sessions and other available avenues to inform employees about The Excel Center.
    - Cummins Inc.
    - Columbus Regional Health
    - Envisage Technologies
    - Taylor Bros. Construction Co., Inc.
    - Columbus Area County Chamber of Commerce
    - WorkOne Columbus
- **Collaborate with Goodwill programs (retail, employment services)** – Collaborate with Goodwill community workplace initiatives to identify opportunities to talk about The Excel Center with targeted adults already receiving Goodwill services.

Question 9: What other school options exist in the targeted location for your proposed school? In list or table format, describe all other public schools, traditional and charter, in the immediate vicinity with the same or a similar grade level configuration. In the list or table, include the following information for each school: the distance from your proposed location, the most recent enrollment figures by grade level, and school level performance data for the most recently completed school year with valid data

The exact location of The Excel Center - Bartholomew County is yet to be determined, however, it is expected to be located within the 47201 or 47203 zip codes. The list below shows the public schools in the area that serve traditional-age high school students. The exact distance of the schools from the location is unknown. Since The Excel Center - Bartholomew County will be an adult high school, the comparison rate used in this chart is the graduation rate and Inview's College & Career Readiness measure.

SCHOOL NAME	ENROLLMENT[4]	GRADUATION RATE[5]	INview COLLEGE & CAREER READINESS[6]
Columbus East High School	9th: 402	83.5%	78%
	10th: 368		
	11th: 350		
	12th: 398		

[4] Indiana Department of Education. Data Center & Reports. *School Enrollment by Grade Level.* 3.29.24. Retrieved from https://www.in.gov/doe/it/data-center-and-reports/
[5] Indiana Department of Education. Data Center & Reports. *2023 State Graduation Rate Data.* 3.29.24. Retrieved from https://www.in.gov/doe/it/data-center-and-reports/
[6] Indiana Department of Education. InView 2018-2019 Cohort Data. 3.5.24. https://inview.doe.in.gov

Columbus North High School	9th: 594	83.4%	73%
	10th: 601		
	11th: 569		
	12th: 503		

Question 10: A completed Experienced Operators Proposal Overview

- “Operator Overview” complete above on pages 2-3

Question 11: A completed Enrollment Plan (Tab 1), which may be found on ICSB’s Application Documents webpage under the Heading “Charter School Application for Experienced Operators”

- See Attachment: “School Enrollment Plan_AHS for Bartholomew Co”

Question 12: A description of the educational changes to the proposed school given current statutory requirements, the selected community, and adjustments to or lessons learned from the school model(s) approved in the organizer’s original Charter Application

The Excel Center model has seen several changes since the original charter application for The Excel Center - Bartholomew County back in 2017. These changes include:

- Utilizing a different Student Information System from Harmony to Synergy
- Early adoption of Graduation Pathways requirements to provide a more robust set of standards for graduation for adult to students to meet
- Ongoing communication with graduates starting 30 days after graduation to ensure placement in college or employment, check for any barriers the student may have, and connect them with Goodwill Mission Coaches to attain goals
- Revising all curriculum courses to align with updated Indiana State Academic Standards and add the following standards: Diversity, Equity and Inclusion, Employability Skills and Social Emotional Learning.
- Adopting a new online credit-recovery program from Odysseyware to Edmentum’s Courseware

Question 13: A detailed start-up plan for opening the new school, including specific planning tasks by month, and the individual or individuals responsible for each task.

MONTH	ACTIVITY	RESPONSIBLE
Jan-March 2024	Excel Center board approval for charter activation	GEI Leadership Team
Jan-March 2024	Develop school budget	GCSI Team
Mar-24	Conduct community outreach connections	GEI Leadership Team
April 24	Submit materials charter activation to ICSB	GEI Leadership Team
April 24	Finalize lease negotiations	GEI Leadership Team/GCSI Team
April 24	Offer to school director candidate	GEI Leadership Team
April 24	Develop school marketing plan (plan for community presentations, door-to-door, brochures, direct mailing, open	GCSI Team

	houses, and answering inquiry phone calls)	
April 24-Sept 24	Conduct community outreach connections	GEI Leadership Team
May 24	Architect complete floor plans	GC SI Team
May 24	School Director onboarding and training	GEI Leadership Team/School Director
May 24	Public hearing with ICSB	GEI Leadership Team
May 24	Begin renovations to building	GCSI Team
May 24	Begin due diligence on purchases (technology, SIS, furniture, etc)	GCSI Team
May 24	Post school team job profiles	GCSI Team
May 24	Meet with local superintendents and school leaders to share recruitment information	GEI Leadership Team/School Director
May 24	Purchase technology, furniture, etc	GEI Leadership Team
May 24	Incorporate Bartholomew County into GEI accounting system	GCSI Team
May 24	Select leadership team	School Director
May 24	Excel Center board approval for any 2024-2025 policies and procedures	GEI Leadership Team
May 24	ICSB board hearing for activation	GEI Leadership Team/School Director
June 24	Leadership team onboarding	GEI Leadership Team/School Director
June 24	Launch social media campaign and add to website	GCSI Team
June 24	Execute marketing and community outreach plans	School Director
June 24	Begin in store marketing	GEI Leadership Team/GCSI Team
June 24	Purchase marketing related needs (direct mail, billboard, radio ads)	GEI Leadership Team/GCSI Team
June 24	Participate in community recruitment events	School Director
June 24	Begin accepting student applications	School Director
June 24	Identify employment and college pipelines for graduates in Bartholomew Co.	School Leadership
June 24	Select school staff	School Leadership
June 24	Execute marketing and community outreach plans	School Director
June 24	Participate in community recruitment events	School Staff
June 24	Begin adding transcripts into student information system	School Staff
July 24	School staff onboarding	School Leadership
July 24	Participate in community recruitment events	School Staff
July 24	Meet with Ivy tech and certification providers to plan CCR options	School Leadership
July 24	Staff training on curriculum, model elements, processes and procedures	School Leadership/GEI Leadership
July 24	Staff training on special education, solidify plans for supporting students with disabilities or Multi-language	School Leadership

	learners	
Aug 24	All needed parties sign off to move in (health department, fire marshall, etc)	GEI Leadership Team
Aug 24	Formalize school emergency plan, weather notification plan, etc	School Director
Aug 24	Set-up network infrastructure	GCSI Team
Aug 24	Set-up technology hardware with all necessary software and programming	GCSI Team
Aug 24	Move into building	GCSI Team
Aug 24	Begin orientation events	School Staff
Aug 24	Host school open house/block part for recruitment and awareness	School Director
Aug 24	Create school schedule	School Staff
Aug 24	Create individual school schedules and graduation plans	School Staff
Aug 24	Create and execute staff development plans	School Leadership
Aug 24	Complete renovations	GCSI Team
Sept 24	First day of school	School Staff

Instructions

= Information should be entered into l

Name of Proposed Charter School:
Planned Opening School Year (YYYY):
Planned Location (School Corporation):

1. Instructions
2. Enrollment Projection
3. Staffing Plan
4. Year 0 - Budget and Cash Flow
5. 5-Year Budget

Notes:

; for 5-Year Budget Projections Workbook

ight gray shaded cells.

The Excel Center - Bartholomew County
2024
Bartholomew Con School Corp

• All organizers submitting a charter application to the Indiana Charter School Board must complete all four BLUE tabs of the Budget Projections Workbook. No information is required to be entered into WHITE cells, they will autofill as information is entered into GREY cells. • Column and Row references in these instructions are to the Excel spreadsheet Column or Row.
• Please provide a summary of the school's projected enrollment for the proposed grade span for the next five years.
• Please provide a list of administrative, instructional, and other staff along with estimates of proposed salaries and benefits. Please include both full and part-time employees and contractors. Projected salary and benefits should align with Year 0 and 5-Year budgets. • The estimated "average salary" for each position should include all taxable amounts (including taxable fringe benefits, stipends, bonuses, awards, and allowances). • "Other Insurance" includes health care, long-term care, life, disability. • "Other Benefits" are non-taxable benefits (e.g., educational assistance, dependent care assistance, transportation benefits, non-taxable fringe benefits, etc.).
• Please provide budget and cash flow projections for the start-up year (Year 0).
• Please provide 5-year budget projections (Year 1 - Year 5). Year 0 data will automatically populate once Tab 4 is completed. Note that the information provided in Tab 3 must align with the personnel expenses provided in Tab 5 or Tab 5 will throw an ERROR.

• Applicants proposing to operate a network of schools should add a worksheet or attach a separate file reflecting the consolidated network's 5-Year pro-forma budget, reflecting all components - including the regional back office/central office - of the Indiana network.

• This template is not intended to be exhaustive. If it is unclear to which line a particular item of revenue or expense belongs, add it to the closest approximation or to one of the "other" categories and make a note in the budget narrative.

Ver. 7.20.23

School Enrollment Projections

(must align with Charter Application Enrollment Pla

School Name: **The Excel Center - Bartholomew Co**
Planned Opening Year: **2024**
Planned Location: **Bartholomew Con School Corp**

Is the proposal for an Adult High School (please see requirements below):

Enrollment	**Year 1**	**Year 2**	**Year 3**
Kindergarten			
Grade 1			
Grade 2			
Grade 3			
Grade 4			
Grade 5			
Grade 6			
Grade 7			
Grade 8			
Grade 9			
Grade 10			
Grade 11			
Grade 12			
Total K-12 Enrollment:	0	0	0
Adult Learners (1)	200	200	225
Total Adult Enrollment:	200	200	225
Estimated Percentage (%) of Students:			
Special Education			
English Learners			
Free/Reduced Priced Lunch			
Virtual Students (2)			
K-12 Distribution (3)	$ -	$ -	$ -
Adult Distribution (4)	$ 1,350,000.00	$ 1,350,000.00	$ 1,518,750.00

n)

unty

REQUIRED

REQUIRED

Select from drop-down list →

Year 4	Year 5
0	0
225	250
225	250
$ -	$ -
$ 1,518,750.00	$ 1,687,500.00

Notes & D

1) An "adult high school" is a charter school that has
graduation cohort that has already graduated; or (2)
time the student was first enrolled at the school. ICSE
unless the general assembly has made a specific appr
Code 20-24-7-13.5. If your proposal is for an adult hig

2) A "virtual student" is defined as a student for whor
services received from the school is virtual instructio
provided in an interactive learning environment crea
separated from their teacher by time or space, or bo
instruction virtually generate eighty-five percent (85
100%. The analysis is applicable on a per student basi

3) The "basic" tuition support grant for K-12 schools i

(Foundation Amount X ADM) + ((Complexity Multi

The Distribution calculations are an estimate based o
support in the amounts as set forth in the most recer
for the 2023-24 SY and $6,681 for the 2024-25 SY (an
2023-24 SY and $4,024 for the 2024-25 SY. The schoo
ADM count of eligible pupils enrolled in the school or
multiplied by the basic tuition support calculation. Th
corporation in which the proposed charter school wi
amount will likely differ. The Special Education Grant
amount for moderate disabilities ($2,930 for the 202
$11,695 for the 2024-25 SY).

4) The Adult Learner Grant amount for adult high sch
multiplying Total Enrollment by the Adult Grant.

)efinitions

a majority of enrolled students that: (1) belong to a
are over the age of eighteen (18) years of age; at the
3 is prohibited from authorizing an adult high school
·opriation for the high school pursuant to Indiana
<u>;h school, complete Row 31 only</u>.

n at least fifty percent (50%) of the instructional
n. Virtual instruction means instruction that is
ted through technology in which students are
th. Students receiving more than 50% of their
%) of the foundation formula amount rather than
is.

s equal to the following formula:

plier X Complexity Index) X ADM)

n projected enrollment multiplied by basic tuition
ıtly passed (2024-25 FY) budget- Foundation = $6,590
ıd beyond) and Complexity Multiplier = $3,983 for the
ɔl's actual distribution will be based on the school's
ı two count dates (in October and February)
ıe calculation uses the Complexity Index for the school
l be located- the school's actual Complexity Index
amount is calculated on Tab 4 and uses the grant
4-25 SY). The grant amount for severe disabilities is

ıools is $6,750. The Adult Distribution is calculated by

School Name: **The Excel Center - Bartholomew County**
Planned Opening Year: **2024**

- Complete all relevant Grey Shaded areas -> Name of Position, Number of Positions, Average Sala
- Projected salary and benefits should align with Year 0 and 5-Year budgets.
- **Please read footnotes below for additional information before completing the worksheet**.

	Year 0		
	Number	Average Salary (1)	Total Expense
INSTRUCTIONAL STAFF			
English/Humanities Instructor	0.0	$ -	$ -
Math Instructor	0.0	$ -	$ -
Math Instructor	0.0	$ -	$ -
Lead Instructor	0.1	$ 55,000.00	$ 4,400.00
Special Education Instructor		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
Total Instructional Staff:	**0.1**		**$ 4,400.00**
ADMIN & SUPPORT			
Director	0.1	$ 80,000.00	$ 6,400.00
Manager, Office Administration	0.1	$ 40,000.00	$ 3,200.00
College & Career Readiness Spec.		$ -	$ -
Lead Coach	0.1	$ 50,000.00	$ 4,000.00
Life Coach		$ -	$ -
Drop-In Center Manager		$ -	$ -
Drop-In Center Attendant-PT		$ -	$ -
Drop-In Center Attendant-FT		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -
		$ -	$ -

		$ -	$ -
Total Admin & Support Staff:	**0.2**		**$ 13,600.00**
		Rate/Per Employee Expense	**Total Expense**
BENEFITS			
Health Insurance (2)		$ 6,884.06	$ 2,202.90
Retirement Contributions (3)		$ 2,937.42	$ 939.97
Social Security		6.2%	$ 1,116.00
Medicare		1.45%	$ 261.00
Unemployment		2.5%	$ 450.00
Other Compensation (4)			$ -

SUMMARY

Year 0		
Total Staff		**0.3**
Total Salaries:	**$**	**18,000.00**
Total Benefits:	**$**	**4,969.87**
Total Salaries + Benefits:	**$**	**22,969.87**
Student/teacher ratio		**N/A**
Student/staff ratio		**N/A**

Footnotes:

This information does not constitute legal advice. You must consult an attorney and/or accountant fo

Generally, an individual who performs services for you is your "employee" if you have the right to cont
what will be done and how it will be done. An employee's wages are subject to employment tax withho
independent contractor. See, https://www.irs.gov/businesses/small-businesses-self-employed/indepe
teacher should be considered to be an employee and not an independent contractor. Misclassification
Compensation" on Row 57, and explained in the budget narrative. Do not include payments made to

(1) Amounts paid to "employees" regardless of whether they are full-time, part-time, or limited-time s
stipends, commissions, and taxable fringe benefits. For more information, see https://www.irs.gov/pul

(2) **Health Insurance** includes Group Life Insurance, Group Health Insurance, Group Accident Insurance

(3) **Retirement Contributions** includes Severance/Early Retirement Pay, Public Employees Retirement I

(4) **Other Compensation** - Includes any other benefits not otherwise classified above, including paymer

5-Year Project

ry, Health Insurance, Retirement Contribution, and Other Benefits.

Year 1			Year 2	
Number	Average Salary	Total Expense	Number	Average Salary
2.0	$ 48,000.00	$ 96,000.00	2.0	$ 49,440.00
1.0	$ 49,000.00	$ 49,000.00	1.0	$ 50,470.00
1.0	$ 50,000.00	$ 50,000.00	1.0	$ 51,500.00
1.0	$ 55,000.00	$ 55,000.00	1.0	$ 56,650.00
1.0	$ 49,000.00	$ 49,000.00	1.0	$ 50,470.00
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
6.0		**$ 299,000.00**	**6.0**	
1.0	$ 80,000.00	$ 80,000.00	1.0	$ 82,400.00
1.0	$ 40,000.00	$ 40,000.00	1.0	$ 41,200.00
1.0	$ 50,000.00	$ 50,000.00	1.0	$ 51,500.00
1.0	$ 50,000.00	$ 50,000.00	1.0	$ 51,500.00
2.0	$ 46,000.00	$ 92,000.00	2.0	$ 47,380.00
1.0	$ 37,440.00	$ 37,440.00	1.0	$ 38,563.00
0.5	$ 24,960.00	$ 12,480.00	0.5	$ 25,708.00
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -
	$ -	$ -		$ -

	$ -	$ -
7.5		$ 361,920.00

Rate/Per Employee Expense	Total Expense
$ 6,884.06	$ 92,934.81
$ 2,937.42	$ 39,655.17
6.2%	$ 40,977.04
1.45%	$ 9,583.34
2.5%	$ 16,523.00
	$ 4,000.00

	$ -
7.5	

Rate/Per Employee Expense
$ 7,090.59
$ 3,025.54
6.2%
1.45%
2.5%

Year 1		
Total Staff		**13.5**
Total Salaries:	**$**	**660,920.00**
Total Benefits:	**$**	**203,673.36**
Total Salaries + Benefits:	**$**	**864,593.36**
Student/teacher ratio		**33:1**
Student/staff ratio		**27:1**

Year 2
Total Staff
Total Salaries:
Total Benefits:
Total Salaries + Benefits:
Student/teacher ratio
Student/staff ratio

ɔr any questions about employment and employment tax matters, including worker classifi

rol what work will be done and how it will be done. An individual who performs services for y
ɔlding (by the employer) while an independent contractor is subject to self-employment tax (
ɛndent-contractor-self-employed-or-employee. The IRS has issued a number of rulings and ad
of an employee as an independent contractor may result in additional payroll taxes due, as w
independent contractors on Rows 15-47.

ꞩhould be listed in the **Average Salary** column (Rows 15-47) for each year. All pay provided to
blications/p15.

, Other Authorized Group Insurance, and Workers Compensation Insurance.

Fund, Teachers Retirement Fund, Public Employees Retirement Fund (Optional Contribution),

nts made to independent contractors. This cell should reflect the sum total of all Other Comp

ted Staffing Plan

Total Expense	Year 3 Number	Year 3 Average Salary	Year 3 Total Expense	Number
$ 98,880.00	2.0	$ 50,923.00	$ 101,846.00	2.0
$ 50,470.00	1.0	$ 51,984.00	$ 51,984.00	1.0
$ 51,500.00	1.0	$ 53,045.00	$ 53,045.00	1.0
$ 56,650.00	1.0	$ 58,350.00	$ 58,350.00	1.0
$ 50,470.00	1.0	$ 51,984.00	$ 51,984.00	1.0
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ 307,970.00	**6.0**		**$ 317,209.00**	**6.0**
$ 82,400.00	1.0	$ 84,872.00	$ 84,872.00	1.0
$ 41,200.00	1.0	$ 42,436.00	$ 42,436.00	1.0
$ 51,500.00	1.0	$ 53,045.00	$ 53,045.00	1.0
$ 51,500.00	1.0	$ 53,045.00	$ 53,045.00	1.0
$ 94,760.00	2.0	$ 48,801.00	$ 97,602.00	2.0
$ 38,563.00	1.0	$ 39,720.00	$ 39,720.00	1.0
$ 12,854.00	0.5	$ 26,480.00	$ 13,240.00	0.5
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	
$ -		$ -	$ -	

$ -	$ -		$ -	
$ 372,777.00	7.5		$ 383,960.00	7.5
Total Expense		Rate/Per Employee Expense	Total Expense	
$ 95,722.97		$ 7,303.31	$ 98,594.69	
$ 40,844.79		$ 3,116.31	$ 42,070.19	
$ 42,206.31		6.2%	$ 43,472.48	
$ 9,870.83		1.45%	$ 10,166.95	
$ 17,018.68		2.5%	$ 17,529.23	
$ 4,120.00			$ 4,244.00	

	Year 3		
13.5	Total Staff	13.5	Total Staff
$ 680,747.00	Total Salaries:	$ 701,169.00	Total Salarie
$ 209,783.58	Total Benefits:	$ 216,077.52	Total Benefit
$ 890,530.58	Total Salaries + Benefits:	$ 917,246.52	Total Salarie
33:1	Student/teacher ratio	33:1	Student/teac
27:1	Student/staff ratio	27:1	Student/staf

cation before completing this worksheet.

/ou is an "independent contractor" if the you have the right to control or direct only the result of
by the individual). There are many factors used by the IRS to determine whether an individual is a
visory opinions holding that, under many factual situations, an individual rendering services as a s
vell as possible interest and penalties. **Payments made to "independent contractors" should be li**

an employee for services performed should be included, including salaries, vacation allowances,

. Teacher Retirement Fund (Optional Contribution).

ensation for the year.

Year 4	
Average Salary	**Total Expense**
$ 52,451.00	$ 104,902.00
$ 53,544.00	$ 53,544.00
$ 54,636.00	$ 54,636.00
$ 60,100.00	$ 60,100.00
$ 53,544.00	$ 53,544.00
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
	$ 326,726.00
$ 87,418.00	$ 87,418.00
$ 43,709.00	$ 43,709.00
$ 54,636.00	$ 54,636.00
$ 54,636.00	$ 54,636.00
$ 50,265.00	$ 100,530.00
$ 40,912.00	$ 40,912.00
$ 27,274.00	$ 13,637.00
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -

Year 5		
Number	**Average Salary**	**Total Expense**
2.0	$ 54,025.00	$ 108,050.00
1.0	$ 55,150.00	$ 55,150.00
1.0	$ 56,275.00	$ 56,275.00
1.0	$ 61,903.00	$ 61,903.00
1.0	$ 55,150.00	$ 55,150.00
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
6.0		**$ 336,528.00**
1.0	$ 90,041.00	$ 90,041.00
1.0	$ 45,020.00	$ 45,020.00
1.0	$ 56,275.00	$ 56,275.00
1.0	$ 56,275.00	$ 56,275.00
2.0	$ 51,774.00	$ 103,548.00
1.0	$ 42,139.00	$ 42,139.00
0.5	$ 28,092.00	$ 14,046.00
1.0	$ 31,200.00	$ 31,200.00
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -
	$ -	$ -

$ -	$ -	$ -		$ -
	$ 395,478.00	8.5		$ 438,544.00

Rate/Per Employee Expense	Total Expense	Rate/Per Employee Expense	Total Expense
$ 7,522.41	$ 101,552.54	$ 7,499.79	$ 108,746.96
$ 3,209.80	$ 43,332.30	$ 3,201.57	$ 46,422.77
6.2%	$ 44,776.65	6.2%	$ 48,054.46
1.45%	$ 10,471.96	1.45%	$ 11,238.54
2.5%	$ 18,055.10	2.5%	$ 19,376.80
	$ 4,371.00		$ 4,502.00

Year 4		
		13.5
s:	**$**	**722,204.00**
s:	**$**	**222,559.54**
s + Benefits:	**$**	**944,763.54**
her ratio		**33:1**
f ratio		**27:1**

Year 5		
Total Staff		**14.5**
Total Salaries:	**$**	**775,072.00**
Total Benefits:	**$**	**238,341.53**
Total Salaries + Benefits:	**$**	**1,013,413.53**
Student/teacher ratio		**33:1**
Student/staff ratio		**24:1**

the work and not
in employee or
substitute
isted as "Other

bonuses,

School Name: **The Excel Center - Bartholomew County**
Planned Opening Year: **2024**

Special Instructions for Schools Cc

Please include a note in the assumptions column and budget narrative if any of of the listed amounts include additional service, consulting, facility, or licen
any additional fees for instructional or support supplies and resources; license fees for materials, software, or educational programming; or fees related to
management company.

**If a line item is completed that includes the words "(please describe)" a specific description of the item must be provided in the appropriat
Failure to provide a description as requested may result in rejection of the submission.**

REVENUE	July	August	September	October
Federal Revenue - See Footnotes				
Public Charter School Program Grant (1)	$ -	$ -	$ -	$ -
Other Federal Revenue (please describe on Tab 5)	$ -	$ -	$ -	$ -
Total Federal Revenue:	$ -	$ -	$ -	$ -
Other Revenue				
Contributions and Donations from Private Sources	$ -	$ -	$ -	$ -
Interest Income	$ -	$ -	$ -	$ -
Other Revenue (please describe on Tab 5)	$ -	$ -	$ -	$ -
Total Other Revenue:	$ -	$ -	$ -	$ -
TOTAL REVENUE:	$ -	$ -	$ -	$ -
EXPENSES				
Personnel Expenses				
Wages, Benefits, & Payroll Taxes	$ -	$ -	$ -	$ -
Total Personnel Expenses:	$ -	$ -	$ -	$ -
Instructional Supplies and Resources				

REVENUE	July	August	September	October
Curricular Materials	$ -	$ -	$ -	$ -
Library/Media Services (Other than Staff)	$ -	$ -	$ -	$ -
Technology Supporting Instruction (computers, tablets, etc.)	$ -	$ -	$ -	$ -
Student Assessment	$ -	$ -	$ -	$ -
Instructional Software	$ -	$ -	$ -	$ -
Professional Development	$ -	$ -	$ -	$ -
Enrichment Programs (athletics or extra-curricular activities)	$ -	$ -	$ -	$ -
Other Instruction Supplies (not including technology)	$ -	$ -	$ -	$ -
Total Instructional Supplies and Resources:	$ -	$ -	$ -	$ -
Administrative Resources				
Administrative Technology - Computers & Software (not SiS)	$ -	$ -	$ -	$ -
Other Administrative Expenses (please describe on Tab 5)	$ -	$ -	$ -	$ -
Total Administrative Resources:	$ -	$ -	$ -	$ -
Governing Board Expenses				
Legal Services	$ -	$ -	$ -	$ -
Other Governing Board Expenses (please describe on Tab 5)	$ -	$ -	$ -	$ -
Total Governing Board Expenses:	$ -	$ -	$ -	$ -
Purchased or Other Services (do not include staff expenses)				
Audit Services	$ -	$ -	$ -	$ -
Payroll Services	$ -	$ -	$ -	$ -
Financial Accounting	$ -	$ -	$ -	$ -
Printing, Publishing, Duplicating Services	$ -	$ -	$ -	$ -
Telecommunication & IT Services	$ -	$ -	$ -	$ -
Insurance (non-facility)	$ -	$ -	$ -	$ -
Travel	$ -	$ -	$ -	$ -
Mail Services	$ -	$ -	$ -	$ -
Special Education Administration	$ -	$ -	$ -	$ -
Student Information Services or Systems	$ -	$ -	$ -	$ -
Food Services	$ -	$ -	$ -	$ -
Transportation Services	$ -	$ -	$ -	$ -
Marketing Expenses	$ -	$ -	$ -	$ -

REVENUE	July	August	September	October
Other Services (please describe on Tab 5)	$ -	$ -	$ -	$ -
Total Professional Purchased or Other Services:	$ -	$ -	$ -	$ -
Facilities Expenses (do not include staff expenses, e.g. custodian)				
Facility Lease/Mortgage Payments (please describe)	$ -	$ -	$ -	$ -
Capital Improvements	$ -	$ -	$ -	$ -
Other Principal Payments	$ -	$ -	$ -	$ -
Operating Leases	$ -	$ -	$ -	$ -
Interest Payments	$ -	$ -	$ -	$ -
Interest Expense	$ -	$ -	$ -	$ -
Depreciation Expense	$ -	$ -	$ -	$ -
Insurance (Facility)	$ -	$ -	$ -	$ -
Purchase of Furniture, Fixtures, & Equipment	$ -	$ -	$ -	$ -
Electric & Gas	$ -	$ -	$ -	$ -
Water & Sewage	$ -	$ -	$ -	$ -
Repair and Maintenance Services (including cost of supplies)	$ -	$ -	$ -	$ -
Custodial Services (including cost of suppliesl)	$ -	$ -	$ -	$ -
Waste Disposal	$ -	$ -	$ -	$ -
Security Services	$ -	$ -	$ -	$ -
Other Facility Expenses (please describe)	$ -	$ -	$ -	$ -
Total Facilities Expenses:	$ -	$ -	$ -	$ -
Other Expenses - See Footnotes				
Management Fee (2)	$ -	$ -	$ -	$ -
Bank Fees	$ -	$ -	$ -	$ -
Other Expenses (please describe)	$ -	$ -	$ -	$ -
Total Other Expenses:	$ -	$ -	$ -	$ -
TOTAL EXPENSES:	$ -	$ -	$ -	$ -
CHANGE IN NET ASSETS:	$ -	$ -	$ -	$ -

Footnotes:

REVENUE	July	August	September	October

(1) This is a competitive grant. Funding is not guaranteed. The funding for the PCSP grant is distributed through a reimbursement process. Contact IDOE's C

(2) Include only those fees (per-pupil, contingent, or fixed) paid to a management company for educational or management services and describe how the "management fee" paid to a management company or an affiliate of the management company must be included elsewhere in the worksheet (e.g., lease p "Additional Information" Column.

ontracting with a Management Company:

sing fees paid to a management company or affiliate of a management company that are not included in Line 97 (CMO/EMO fee). For example, you should note the management, sale, or lease of real estate. Please also state whether your facility is leased or purchased from a management company or affiliate of a

:e box in Column N on Tab 5.

November	December	January	February	March	April	May	June	Year 0 Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000.00	$ 25,000.00
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000.00	$ 25,000.00
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000.00	$ 25,000.00
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,969.87	$ 22,969.87
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,969.87	$ 22,969.87

November	December	January	February	March	April	May	June	Year 0 Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
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November	December	January	February	March	April	May	June	Year 0 Totals
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$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,969.87	$ 22,969.87
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,030.13	$ 2,030.13

November	December	January	February	March	April	May	June	Year 0 Totals

ffice of Title Grants and Support for more information.

fee is calculated in the budget narrative. All amounts separate from a specific
ayments, instructional supplies, software, technology, etc.) and described in the

Projected New Sch

School Name: **The Excel Center - Bartholomew County**
Planned Opening Year: **2024**

Spec

Please include a note in the assumptions column and budget narrative if any of of the listed amounts include
For example, you should note any additional fees for instructional or support supplies and resources; license
purchased from a management company or affiliate of a management company.

If a line item is completed that includes the words "(p
Failure to pro

REVENUES	Year 0
State Revenue - See Footnotes	
Basic Tuition Support / Adult Learners Grant - From Tab 2	
Special Education Grant - From Tab 2	
Honors Diploma/Academic Performance Grant	
Career and Technical Education	
Non-English Speaking Program	
Charter and Innovation Network School Grant ($1,400 per student)	
Formative (Interim) Assessment Grant	
State Matching Funds for School Lunch Program	
Curricular Material Reimbursement Program ($150 per student)	
Remediation Testing Grant	
Teacher Appreciation Grant	
Other State Grants (please describe) (1)	
Total State Revenue:	
Federal Revenue - See Footnotes	
Public Charter School Program Grant (2)	$ -
Charter Facilities Assistance Program Grant (2011)	
IDEA- Part B Grant (Special Education)	
Title I	
Title II	
Federal Lunch Program	
Federal Breakfast Reimbursement	
Other Federal Revenue (please describe)	$ -
Total Federal Revenue:	**$ -**
Other Revenue - See Footnotes	
Contributions and Donations from Private Sources	$ 25,000.00
Student Fees	

Other Fees	
Interest Income	$ -
Other Revenue (please describe)	$ -
Total Other Revenue:	**$ 25,000.00**
TOTAL REVENUE:	**$ 25,000.00**
EXPENSES	
Administrative Staff - See Footnote (3)	
Executive Administration: Office of Superintendent	
School Administration: Office of the Principal	
Other School Administration	
Business Manager/Director of Finance	
Total Administrative Staff:	
Instructional Staff	
Teachers - Regular	
Teachers - Special Education	
Substitutes, Assistants, Paraprofessionals, Aides	
Summer School Staff	
Total Instructional Staff:	
Non-Instructional/Support Staff - See Footnotes	
Social Workers, Guidence Counselors, Therapists	
Instructional Support Staff (4)	
Other Support Staff (please describe) (5)	
Nurse	
Librarian	
Information Technology	
Maintenance of Buildings, Grounds, Equipment (including Custodial Staff)	
Security Personnel	
Athletic Coaches	
Total Non-Instructional/Support Staff:	
Subtotal Wages and Salaries:	
Payroll Taxes and Benefits - From Tab 3	
Social Security/Medicare/Unemployment	
Health Insurance	
Retirement Contributions	
Other Compensation (please describe)	
Total Payroll Taxes and Benefits:	**$ 22,969.87**

Total Personnel Expenses:	**$ 22,969.87**
Instructional Supplies and Resources	
Curricular Materials	$ -
Library/Media Services (Other than Staff)	$ -
Technology Supporting Instruction (computers, tablets, etc.)	$ -
Student Assessment	$ -
Instructional Software	$ -
Professional Development	$ -
Enrichment Programs (athletics or extra-curricular activities)	$ -
Other Instruction Supplies (not including technology)	$ -
Total Instructional Supplies and Resources:	**$ -**
Administrative Resources	
Administrative Technology - Computers & Software (not SiS)	$ -
Other Administrative Expenses (please describe)	$ -
Total Administrative Resources:	**$ -**
Governing Board Expenses	
Legal Services	$ -
Other Governing Board Expenses (please describe)	$ -
Total Governing Board Expenses:	**$ -**
Purchased or Other Services (do not include staff expenses)	
Audit Services	$ -
Payroll Services	$ -
Financial Accounting	$ -
Printing, Publishing, Duplicating Services	$ -
Telecommunication & IT Services	$ -
Insurance (non-facility)	$ -
Travel	$ -
Mail Services	$ -
Special Education Administration	$ -
Student Information Services or Systems	$ -
Food Services	$ -
Transportation Services	$ -
Marketing Expenses	$ -
Other Services (please describe)	$ -
Total Professional Purchased or Other Services:	**$ -**
Facilities Expenses (do not include staff expenses, e.g. custodian)	
Facility Lease/Mortgage Payments (please describe)	$ -
Capital Improvements	$ -
Other Principal Payments	$ -

Operating Leases	$ -
Interest Payments	$ -
Interest Expense	$ -
Depreciation Expense	$ -
Insurance (Facility)	$ -
Purchase of Furniture, Fixtures, & Equipment	$ -
Electric & Gas	$ -
Water & Sewage	$ -
Repair and Maintenance Services (including cost of supplies)	$ -
Custodial Services (including cost of suppliesl)	$ -
Waste Disposal	$ -
Security Services	$ -
Other Facility Expenses (please describe)	$ -
Total Facilities Expenses:	**$ -**
Other Expenses - See Footnotes	
Indiana Charter School Board Administrative Fee (6)	
Management Fee (7)	$ -
Bank Fees	$ -
Escrow	
Other Expenses (please describe)	$ -
Total Other Expenses:	**$ -**
TOTAL EXPENSES:	**$ 22,969.87**
CHANGE IN NET ASSETS:	**$ 2,030.13**

Footnotes:

(1) Including, but not limited to: alternative education program grants (IC 20-30-8); educational technology p
43-3); student and parent support services grants (IC 20-34-9); etc.

(2) This is a competitive grant. Funding is not guaranteed. The funding for the PCSP grant is distributed throu

(3) Office of Superintendent includes the Head of School, School Leader, Executive Director, Chief Executive (
Officers; Directors, Deans, and Coordinators of: Curriculum, Instruction, Faculty, Students, Assessment, Stude

(4) Includes Staffing for Instruction and Curriculum Development, Instructional Staff Training, etc.

(5) Secretary; Receptionist; Attendance Clerk; Office Manager, Cafeteria Worker, and other full or part-time e

(6) Three-Quarters of a percent (0.75%) of basic tuition support or adult learner grant amount received by th

(7) Include only those fees (per-pupil, contingent, or fixed) paid to a management company for educational c
or an affiliate of the management company must be included elsewhere in the worksheet (e.g., lease paymer

ıool Annual Operating Budget -- YEARS 1 - 5 (Fiscal Year July 1-June 30)

cial Instructions for Schools Contracting with a Management Company:

additional service, consulting, facility, or licensing fees paid to a management company or affiliate of a managemen fees for materials, software, or educational programming; or fees related to the management, sale, or lease of real e

ɔlease describe)" a specific description of the item must be provided in the appropriate box in Column N ɔvide a description as requested may result in rejection of the submission.

Year 1	Year 2	Year 3	Year 4	Year 5
$ 1,350,000.00	$ 1,350,000.00	$ 1,518,750.00	$ 1,518,750.00	$ 1,687,500.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
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$ 1,350,000.00	**$ 1,350,000.00**	**$ 1,518,750.00**	**$ 1,518,750.00**	**$ 1,687,500.00**
$ 200,000.00	$ 100,000.00	$ 40,000.00	$ -	$ 30,000.00
$ -	$ -	$ -	$ -	$ -
$ -	$ 15,000.00	$ 27,000.00	$ 27,000.00	$ 29,000.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ 200,000.00	**$ 115,000.00**	**$ 67,000.00**	**$ 27,000.00**	**$ 59,000.00**
$ 90,000.00	$ 80,000.00	$ -	$ 75,000.00	$ 55,000.00
$ -	$ -	$ -	$ -	$ -

$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ 204,000.00	$ 229,000.00	$ 229,000.00	$ 254,000.00

$ 90,000.00	**$ 284,000.00**	**$ 229,000.00**	**$ 304,000.00**	**$ 309,000.00**

$ 1,640,000.00	**$ 1,749,000.00**	**$ 1,814,750.00**	**$ 1,849,750.00**	**$ 2,055,500.00**

$ -	$ -	$ -	$ -	$ -
$ 120,000.00	$ 123,600.00	$ 127,308.00	$ 131,127.00	$ 135,061.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

$ 120,000.00	**$ 123,600.00**	**$ 127,308.00**	**$ 131,127.00**	**$ 135,061.00**

$ 250,000.00	$ 257,500.00	$ 265,225.00	$ 273,182.00	$ 281,378.00
$ 49,000.00	$ 50,470.00	$ 51,984.00	$ 53,544.00	$ 55,150.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

$ 299,000.00	**$ 307,970.00**	**$ 317,209.00**	**$ 326,726.00**	**$ 336,528.00**

$ 192,000.00	$ 197,760.00	$ 203,692.00	$ 209,802.00	$ 216,098.00
$ -	$ -	$ -	$ -	$ -
$ 49,920.00	$ 51,417.00	$ 52,960.00	$ 54,549.00	$ 87,385.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
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$ -	$ -	$ -	$ -	$ -

$ 241,920.00	**$ 249,177.00**	**$ 256,652.00**	**$ 264,351.00**	**$ 303,483.00**

$ 660,920.00	**$ 680,747.00**	**$ 701,169.00**	**$ 722,204.00**	**$ 775,072.00**

$ 67,083.38	$ 69,095.82	$ 71,168.65	$ 73,303.71	$ 78,669.81
$ 92,934.81	$ 95,722.97	$ 98,594.69	$ 101,552.54	$ 108,746.96
$ 39,655.17	$ 40,844.79	$ 42,070.19	$ 43,332.30	$ 46,422.77
$ 4,000.00	$ 4,120.00	$ 4,244.00	$ 4,371.00	$ 4,502.00

$ 203,673.36	**$ 209,783.58**	**$ 216,077.52**	**$ 222,559.54**	**$ 238,341.53**

$ 864,593.36	**$ 890,530.58**	**$ 917,246.52**	**$ 944,763.54**	**$ 1,013,413.53**

$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00
$ -	$ -	$ -	$ -	$ -
$ 100,000.00	$ 15,900.00	$ 16,250.00	$ 21,858.00	$ 39,290.00
$ -	$ -	$ -	$ -	$ -
$ 1,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 5,000.00
$ 1,000.00	$ 2,000.00	$ 2,500.00	$ 3,000.00	$ 3,500.00
$ 2,500.00	$ 3,000.00	$ 3,500.00	$ 4,000.00	$ 5,000.00
$ 22,300.00	$ 44,200.00	$ 49,225.00	$ 49,250.00	$ 55,275.00

$ 127,300.00	**$ 69,600.00**	**$ 75,975.00**	**$ 82,608.00**	**$ 108,565.00**

$ 5,000.00	$ 2,000.00	$ 2,000.00	$ 2,000.00	$ 3,000.00
$ 51,000.00	$ 59,150.00	$ 65,388.00	$ 100,538.00	$ 139,664.00

$ 56,000.00	**$ 61,150.00**	**$ 67,388.00**	**$ 102,538.00**	**$ 142,664.00**

$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

$ -	**$ -**	**$ -**	**$ -**	**$ -**

$ 1,000.00	$ 1,200.00	$ 1,500.00	$ 1,500.00	$ 1,750.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ 38,160.00	$ 39,600.00	$ 39,600.00	$ 39,600.00	$ 41,600.00
$ 3,600.00	$ 3,710.00	$ 3,820.00	$ 3,935.00	$ 4,050.00
$ 5,000.00	$ 4,000.00	$ 4,400.00	$ 6,500.00	$ 10,000.00
$ 1,000.00	$ 750.00	$ 750.00	$ 500.00	$ 500.00
$ -	$ 1,800.00	$ 2,400.00	$ 2,400.00	$ 2,400.00
$ -	$ -	$ -	$ -	$ -
$ 740.00	$ 745.00	$ 807.00	$ 1,036.00	$ 1,436.00
$ 10,000.00	$ 10,300.00	$ 10,609.00	$ 12,200.00	$ 14,640.00
$ 70,539.00	$ 39,279.00	$ 30,802.00	$ 20,513.00	$ 16,197.00
$ -	$ -	$ -	$ -	$ -

$ 130,039.00	**$ 101,384.00**	**$ 94,688.00**	**$ 88,184.00**	**$ 92,573.00**

$ 180,000.00	$ 180,000.00	$ 180,000.00	$ 180,000.00	$ 180,000.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

$ 6,000.00	$ 6,000.00	$ 6,000.00	$ 6,000.00	$ 6,000.00
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ 400,000.00	$ 400,000.00	$ 400,000.00	$ 400,000.00	$ 400,000.00
$ -	$ -	$ -	$ -	$ -
$ 6,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 500.00
$ 15,000.00	$ 15,450.00	$ 15,915.00	$ 16,390.00	$ 16,885.00
$ -	$ -	$ -	$ -	$ -
$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
$ 25,000.00	$ 25,800.00	$ 26,654.00	$ 27,564.00	$ 28,531.00
$ -	$ -	$ -	$ -	$ -
$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00

$ 647,000.00	**$ 647,250.00**	**$ 648,569.00**	**$ 649,954.00**	**$ 646,916.00**

$ 4,522.50	$ 10,125.00	$ 11,390.63	$ 11,390.63	$ 12,656.25
$ -	$ -	$ -	$ -	
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

$ 4,522.50	**$ 10,125.00**	**$ 11,390.63**	**$ 11,390.63**	**$ 12,656.25**

$ 1,829,454.86	**$ 1,780,039.58**	**$ 1,815,257.15**	**$ 1,879,438.17**	**$ 2,016,787.78**

$ (189,454.86)	**$ (31,039.58)**	**$ (507.15)**	**$ (29,688.17)**	**$ 38,712.22**

ılan grants (IC 20-20-13); secured school fund grants (IC 10-21-1-2); dual language pilot program grants (IC 20-20-41-

gh a reimbursement process. Contact IDOE's Office of Title Grants and Support for more information.
Officer, as well as associate or assistant executive positions; Office of the Principal includes Vice- and Assistant Princi
nt Affairs, Student Achievement, and similar positions.

employees not specifically described.

ıe school.
or management services and describe how the fee is calculated in the budget narrative. All amounts separate from a
nts, instructional supplies, software, technology, etc.) and described in the "Additional Information" Column.

t company that are not included in Line 97 (CMO/EMO fee).
estate. Please also state whether your facility is leased or

l on Tab 5.

Additional Information

Other State Grants (Row 29)

Other Federal Revenue (Row 41)

Other Revenue (Row 50)

Yrs 2-5 - $4k/year - E-rate reimbursement. All other - anticipated increase in per student funding.

Other Support Staff (Row 78)

Drop-In Center Staffing

Other Compensation (Row 94)

Director Bonus

Other Instructional Supplies and Resources (Row 108)

Other Administrative Expenses (Row 114)

Admin Professional Services, GEI Fees, Graduation, Office Supplies, Dues & Fees, Drop-In Center Expenses

Other Governing Board Expenses (Row 120)

Other Services (Row 138)

Lease, Mortgage, & Other Facilities (Rows 143, 158)

Other Expenses (Row 167)

-2); teacher and student advancement fund grants (IC 20-20-

pals; Other School Administration includes Chief Academic

specific "management fee" paid to a management company

The Excel Center – Bartholomew County

Budget Narrative

State Funding:

Fixed assumptions by ICSB have held funding at the current rate throughout the projection. As we would expect to see some increase in per student funding during the projection period, those amounts have been included in other income.

Federal Funding:

Federal funding includes funding through the CSP grant. Because of the late introduction of the cohort, and the planned timing of opening in Fall 2024, the overall amount is greatly reduced from prior school openings. Part B Federal Special Education grants is assumed in year two and beyond at the level of schools of similar size. The Excel Center – Bartholomew County should also receive some Title II funding during the projection period but not included.

Other Revenue:

Budgeted Other Revenue represents the expected increase in the per student rate as noted above in State Funding and the E-Rate Reimbursement for internet. We have also included some private funding that is already preliminarily awarded. The $25,000 in year 0 may be able to be charged to CSP depending on timing and award.

Inflation:

While certain expenses are likely to increase annually due to inflation. The budget model uses fairly flat expenses (increases of .5-3%) through the 5-year period except for salary and wage costs which were assumed to increase 3% per year.

Salaries/Wages:

As noted above, salaries and wages are assumed to increase approximately 3% per year. In the current job market, we have not seen significant savings when positions turn over, so 3% is assumed on the current staffing mix.

Instructional Supplies and Resources:

Prior year actual and current year budgets for similar sized schools were used to develop the 5-year projection, assuming increases as the school grows to stable enrollment. Expenses, such as internet, were budgeted at full cost rather than the discounted e-rate expense, and the expected reimbursement was recorded in Other Income.

Support Supplies:

As described in the line, this includes any fees to GEI, graduation expenses, office supplies, dues, Drop-In Center, and any administrative professional services. Increases related primarily to increased enrollment.

Purchased or Other Services:

A primary expense in this category is Telcom & IT Services, which is mostly internet. Our experience is that internet is more expensive in smaller communities and have planned accordingly. Marketing is the other significant item in this group and will be reduced if stable enrollment is reached sooner than planned. All other expenses are based on schools of similar size/community and increases are aligned with increases in enrollment.

Facilities Expense:

The lease has been secured for the location, and the rent, utilities, and other facility expense represent the elements in the executed lease.

Depreciation covers the entire expected build-out project ($2,000,000) in this projection period. Funding for the build-out will come from GEI Reserves with planned payback over the first ten years of operation.

Other Expenses:

Only ICSB Fees in this line.

Other Financial Considerations, Depending on Potential State Funding Changes:

If the Indiana General Assembly should not make changes to state funding, GEI has several layers of support for the Excel Center-Bartholomew County that will be enacted as needed once future funding is known. These supports include, use of GEI reserves, applying for grants from the Goodwill Foundation (part of our parent Goodwill organization – Goodwill of Central and Southern Indiana), and the sharing of some specialized staff positions/leadership between two or more of our Excel Centers.

Please complete a row for each school currently or formerly

	School Name	Location	Opening Year	Year Closed (if applicable)
1	The Excel Center - Anderson	2701 Enterprise Dr. Anderson, IN 46013	2012-13	N/A
2	The Excel Center - Bloomington	2088 Liberty Dr. Bloomington, IN 47403	2019-20	N/A
3	The Excel Center - Clarksville	1329 Applegate Ln. Clarksville, IN 47129	2017-18	N/A
4	The Excel Center - Kokomo	101 W. Superior St. Kokomo, IN 46901	2013-14	N/A
5	The Excel Center - Lafayette	615 N. 18th St. Lafayette, IN 47904	2013-14	N/A
6	The Excel Center - Muncie	1023 W. Jackson St. Muncie, IN 47305	2018-19	N/A
7	The Excel Center - Noblesville	300 N. 17th St. Noblesville, IN 46060	2015-16	N/A
8	The Excel Center - Richmond	1215 S. J St. Richmond, IN 47374	2013-14	N/A
9	The Excel Center - Shelbyville	117 N. Harrison St. Shelbyville, IN 46176	2016-17	N/A

Portfolio Summary

operated by the organizer or proposed education service provider. Ins

Grade Levels	Current Enrollment	FRL %	Special Education %	Minority %	ELL %
9 - 12	289	55%	14%	45%	21%
9 - 12	122	56%	11%	42%	10%
9 - 12	340	47%	20%	51%	23%
9 - 12	352	58%	18%	35%	4%
9 - 12	376	62%	20%	54%	21%
9 - 12	270	43%	13%	33%	3%
9 - 12	200	32%	7%	64%	73%
9 - 12	223	56%	16%	32%	31%
9 - 12	144	62%	23%	30%	50%

sert additional rows as needed

School Type	ESP (if applicable)
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A
Adult High School	N/A

Academic Performance:

Provide the three (3) most recent years of academic data for each school currently operated
demographic to the proposed charter school, even if the proposed charter school is not a re

School Name:	The Excel Center - Noblesville

School Year 1:	2020-2021	# of Graduates	Student Retention	College/Career Credential %	Enrollment
		32	81%	91%	188

School Year 2:	2021-2022	# of Graduates	Student Retention	College/Career Credential %	Enrollment
		55	80%	96%	187

School Year 3:	2022-2023	# of Graduates	Student Retention	College/Career Credential %	Enrollment
		46	86%	100%	190

: Comparable Schools AHS

by the organizer or education service provider that has a similar grade-span and serves a similar
eplication of an existing school. Copy additional Tabs and insert additional Rows as necessary.

School Name:	The Excel Center - Shelbyville

2020-2021	# of Graduates	Student Retention	College/Career Credential %	Enrollment
	22	86%	98%	170

2021-2022	# of Graduates	Student Retention	College/Career Credential %	Enrollment
	34	82%	100%	157

2022-2023	# of Graduates	Student Retention	College/Career Credential %	Enrollment
	35	82%	100%	147

Provide the three (3) most recent years of academic da
demographic to the proposed charter school,even if t

School Name:	

School Year 1:

Grade Level	ELA Proficiency

School Year 2:

Grade Level	ELA Proficiency

School Year 3:

Grade Level	ELA Proficiency

Academic Performance: Comparable Schools

ıta for each school currently operated by the organizer or education service provider that has a
the proposed charter school is not a replication of an existing school. Copy additional Tabs anc

ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument/ Assessment Used	College/Career Credential %

ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument/ Assessment Used	College/Career Credential %

ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument/ Assessment Used	College/Career Credential %

similar grade-span and serves a similar
d insert additional Rows as necessary.

4-Year Grad Rate	3rd Grade Reading Pass Rate	Attendance Rate

4-Year Grad Rate	3rd Grade Reading Pass Rate	Attendance Rate

4-Year Grad Rate	3rd Grade Reading Pass Rate	Attendance Rate

Enrollment Plan for Adult High Schools Authorized by the Indiana Cha

1. Please complete all appropriate grey cells. The first seven (7) lines are required.
2. The Enrollment Plan Approval Date on line 13 is the date the initital Enrollment Plan was approved as part of a Charter Application.
3. Enrollment Plan Amendments list the amendments, effective year, and approval date of those amendments to the school's Enrollment Plan that are

Charter School Network:	Excel Centers for Adult Learners
Name of Charter School:	The Excel Center - Bartholomew County
Designated Representative:	Betsy Delgado
Contact Information:	bdelgado@goodwillindy.org
Grade Span (Format: "X-X"):	AHS
Maximum Enrollment:	250
Year 1 (Format: "YYYY"):	2024
Initial Approval Date:	

Yearly Enrollment By Grade Level

Approval Date:

Grade Level	Year 1 2024-25	Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29	Maximum
9						
10						

11							
12							
AHS	200	200	225	225	250	250	
Total Enrollment (School):	200	200	225	225	250	250	0

arter School Board

approved pursuant to ICSB's Enrollment Plan Amendment Policy.

Approved Amendments
(Completed by ICSB)

Amendment Notes

Amended Enrollment

0	0	0

Proposed

1. Complete this worksheet only as part of a request to amend your existing Enrollment Plan.
2. Complete all applicable grey cells. The first seven (7) lines are required.
3. Amendment requests must fit within the maximum enrollment for the Network as set fort

Charter School Network:	
Name of Charter School:	
Designated Representative:	
Contact Information:	
Grade Span (Format: "X-X"):	
Maximum Enrollment:	
Year 1 (Format: "YYYY"):	

Current Yearly Enrollment By Grade Level
(Should be the same as the information on Sheet 1)

Grade Level	Year 1	Year 2	Year 3	Year 4	Year 5
9					
10					
11					
12					
AHS					
Total Enrollment:	0	0	0	0	0

l Amendment to Enrollment Plan

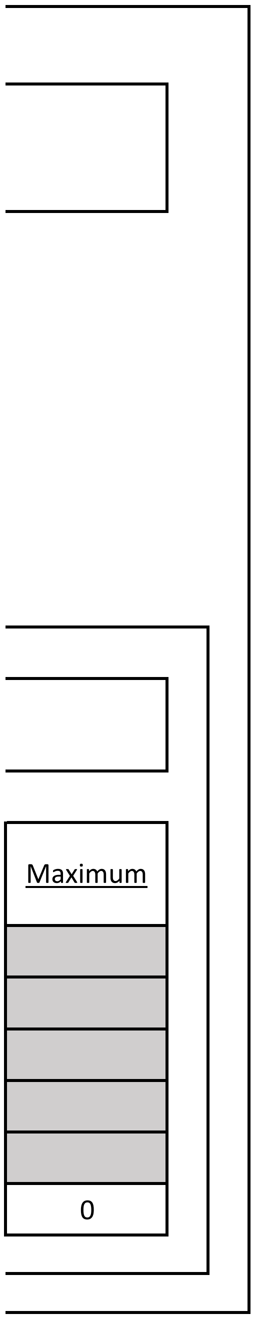
Approved amendments will be reflected on your official Enrollment Plan on Sheet 1.

n in the State Budget for the appropriate year.

	Proposed Yearly Enrollment By Grade Level				

Maximum
0

Grade Level	Year 1	Year 2	Year 3	Year 4	Year 5
9					
10					
11					
12					
AHS					
Total Enrollment:	0	0	0	0	0


Maximum
0

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2021 AND 2020

CPAs / ADVISORS

blue

EXCEL CENTERS, LLC

TABLE OF CONTENTS
JUNE 30, 2021 AND 2020

Page

CPAS / ADVISORS

blue

Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

We have audited the accompanying financial statements of Excel Centers, LLC (Excel Centers), a wholly-owned subsidiary of Goodwill Education Initiatives, Inc., a nonprofit organization, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

<u>Management's Responsibility for the Financial Statements</u>

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

<u>Auditor's Responsibility</u>

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Excel Centers as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as mentioned within the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as mentioned within the table of contents, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is also not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021, on our consideration of Excel Centers' 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 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 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 Excel Centers' internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
November 22, 2021

EXCEL CENTERS, LLC

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS

	2021	2020
Current assets		
Cash	$ 8,468,284	$ 7,291,433
Support receivables	109,256	276,410
Related party receivables	-0-	425,000
Prepaid expenses	106,275	104,448
Total current assets	8,683,815	8,097,291
Related party receivables	3,042,457	-0-
Investments	-0-	2,289,074
Property and equipment, net	4,837,970	5,591,548
Total assets	$ 16,564,242	$ 15,977,913

LIABILITIES AND NET ASSETS

	2021	2020
Current liabilities		
Accounts payable	$ 363,050	$ 321,136
Accrued expenses	676,393	771,114
Total liabilities	1,039,443	1,092,250
Net assets		
Without donor restrictions		
Undesignated	15,284,799	14,655,663
Board-designated	240,000	230,000
Total net assets	15,524,799	14,885,663
Total liabilities and net assets	$ 16,564,242	$ 15,977,913

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Revenues and support		
State support	$ 28,972,620	$ 28,956,875
Federal support	1,059,667	1,182,937
Contributions	297,145	157,967
Other	259,843	242,943
Investment return, net	12,627	154,089
Total revenues and support	30,601,902	30,694,811
Expenses		
Wages and benefits	15,590,143	15,723,171
Professional fees	9,378,043	7,068,810
Supplies and materials	304,891	477,350
Student transportation	51,562	154,600
Drop-in center	19,236	35,669
Rent	1,871,848	1,894,864
Occupancy	1,147,027	1,080,574
Depreciation	1,271,134	1,311,836
Other	328,882	382,273
Total expenses	29,962,766	28,129,147
Change in net assets without donor restrictions	639,136	2,565,664
Net assets		
Beginning of year	14,885,663	12,319,999
End of year	$ 15,524,799	$ 14,885,663

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 13,155,538	$ 2,434,605	$ 15,590,143
Professional fees	629,286	8,748,757	9,378,043
Supplies and materials	223,255	81,636	304,891
Student transportation	51,562	-0-	51,562
Drop-in center	19,236	-0-	19,236
Rent	1,871,848	-0-	1,871,848
Occupancy	-0-	1,147,027	1,147,027
Depreciation	1,271,134	-0-	1,271,134
Other	197,504	131,378	328,882
	$ 17,419,363	$ 12,543,403	$ 29,962,766

	2020		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 13,200,091	$ 2,523,080	$ 15,723,171
Professional fees	857,417	6,211,393	7,068,810
Supplies and materials	346,077	131,273	477,350
Student transportation	154,600	-0-	154,600
Drop-in center	35,669	-0-	35,669
Rent	1,894,864	-0-	1,894,864
Occupancy	-0-	1,080,574	1,080,574
Depreciation	1,311,836	-0-	1,311,836
Other	248,522	133,751	382,273
	$ 18,049,076	$ 10,080,071	$ 28,129,147

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Operating activities		
Change in net assets	$ 639,136	$ 2,565,664
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	1,271,134	1,311,836
Loss on disposal of property and equipment	-0-	13,494
Realized and unrealized (gains) losses on investments	52,828	(69,616)
Changes in operating assets and liabilities		
Support receivables	167,154	99,596
Related party receivables	(381,211)	175,000
Prepaid expenses	(1,827)	46,319
Accounts payable and accrued expenses	55,579	(205,654)
Accrued salaries, wages and other liabilities	(94,721)	307,088
Net cash flows from operating activities	1,708,072	4,243,727
Investing activities		
Purchases of property and equipment	(531,221)	(1,560,454)
Purchases of investments	-0-	(78,081)
Net cash flows from investing activities	(531,221)	(1,638,535)
Change in cash	1,176,851	2,605,192
Cash		
Beginning of year	7,291,433	4,686,241
End of year	$ 8,468,284	$ 7,291,433
Supplemental cash flows information		
Property and equipment included in accounts payable	$ 13,665	$ -0-
Investments transferred to Goodwill Education Initiatives, Inc.	$ 2,236,246	$ -0-

See accompanying notes to the financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Excel Centers, LLC (Excel Centers) operates Indiana public charter high schools under the ownership and control of Goodwill Education Initiatives, Inc. (GEI). GEI, an Indiana non-profit corporation, provides educational opportunities designed to enable young people and adults to prepare for productive adult lives. GEI operates public charter high schools (Excel Centers and Indianapolis Metropolitan High School (Indianapolis Met), interchangeably referred to herein as "the schools") in central and southern Indiana under the provisions of the Indiana Charter School laws. Excel Centers located in Anderson, Bloomington, Clarksville, Kokomo, Lafayette, Muncie, Noblesville, Richmond, and Shelbyville operate under charters issued by the Indiana Charter School Board. Excel Centers located in Indianapolis operate under charters issued by the Mayor of Indianapolis. GEI is a wholly owned subsidiary of Goodwill of Central and Southern Indiana, Inc. (Goodwill), also an Indiana non-profit corporation.

Excel Centers operated in fifteen locations throughout Indiana during 2021, leasing space at Goodwill's Indianapolis headquarters building and in fourteen other locations. In the Schedules of Financial Position – by School Level and Schedules of Activities and Changes in Net Assets – by School Level, each column represents one location with the exception that Excel Center for Adult Learners consists of accounts of four locations. GEI provides business support services, as further described in Note 6, to all Excel Centers' locations. Excel Centers receives the majority of its funding from the Indiana Department of Education. Its revenues are supplemented with funds from the United States Department of Education, private grants, and gifts. Excel Centers commenced initial operations in September 2010 with an enrollment of 306 adults who previously dropped out of high school and were seeking their high school diplomas rather than a GED. Due to high demand for Excel Centers services, enrollment has grown to more than 4,200 students.

Since its inception, Excel Centers has graduated 6,244 students. Demographics of Excel Centers' students include approximately 56% minorities, and over 74% in poverty, defined as being eligible for free or reduced lunch. Excel Centers' students range in age from 16 to 77, with the average age of 27 and median age of 24. All students have varying degrees of academic credits and capabilities when they enroll, with most needing significant remediation. Excel Centers' students connect with a life coach who helps them navigate the barriers that stand in the way of their educational attainment. During 2021, Excel Centers reported the following September and February enrollments:

School	Corp #	Enrollment Budget	September 2020	February 2021
The Excel Center - Anderson	9750	285	305	305
The Excel Center - Bloomington	8655	155	156	172
The Excel Center - Clarksville	9050	300	306	316
The Excel Center - Kokomo	9355	340	366	348
The Excel Center - Lafayette	9345	330	325	342
Excel Centers for Adult Learners	9910	1,240	1,289	1,276
The Excel Center - Muncie	9160	255	274	244
The Excel Center - Noblesville	9855	185	187	188
The Excel Center - Richmond	9305	230	219	202
The Excel Center - Shelbyville	9995	150	163	176
The Excel Center - University Heights	9840	390	353	353
The Excel Center - West	9335	340	345	344
		4,200	4,288	4,266

Basis of Accounting

Excel Centers prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Excel Centers maintains its cash in accounts, which at times, may exceed federally insured limits. Excel Centers has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Investments

Investments consist of corporate bonds and fixed income securities recorded at fair value. In May 2021, all investments were transferred to GEI to keep reserves at the network level. This allows GEI to grant funds back to the schools and help eliminate interschool receivables and payables.

Support Receivables

Support receivables are amounts due from federal, state, or local government agencies or other organizations for amounts billed for services and not yet paid. The government agencies or other organizations are billed in the period in which services are rendered. Support receivables are reported at the net realizable amount due from the government agencies or other organizations.

Support receivables are recognized at the net amount Excel Centers expects to collect based on established collection history. Excel Centers recognizes a separate allowance only when it determines there has been an unforeseeable change in the organization's ability to pay subsequent to the delivery of goods and services resulting in an impairment loss. Such account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is considered remote. Excel Centers did not record an allowance for doubtful accounts as of June 30, 2021 and 2020.

Related Party Receivables

As of June 30, 2020, the related party receivable represented amounts due from Indianapolis Met for cash advances provided to maintain minimum cash balances. During 2021, these amounts were paid in full to Excel Centers. As of June 30, 2021, related party receivables represented amounts due from GEI of approximately $3,042,000 that will be paid back to Excel Centers, as needed, to maintain minimum cash balances. These items are included in related party receivables in the statements of financial position.

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor renewals are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-10 years, and is computed on the straight-line method. Depreciation expense was approximately $1,271,000 and $1,312,000 for 2021 and 2020, respectively.

Net Assets

Net assets, support, revenues, gains, and losses are classified based on the absence or existence of donor restrictions. Accordingly, the net assets of Excel Centers are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.

Board-Designated Net Assets

Excel Centers operates eight schools which received their authorization through the Indiana Charter School Board (ICSB). The ICSB requires that each school establish an account held in escrow of $30,000 no later than December of the third year of operations. The escrow account is designated for any potential dissolution of the school. The Excel Centers held the following amounts in escrow which have been presented as board designated net assets in the statement of financial position at June 30:

	2021	2020
The Excel Center - Anderson	$ 30,000	$ 30,000
The Excel Center - Kokomo	30,000	30,000
The Excel Center - Lafayette	30,000	30,000
The Excel Center - Noblesville	30,000	30,000
The Excel Center - Richmond	30,000	30,000
The Excel Center - Shelbyville	30,000	30,000
The Excel Center - Clarksville	30,000	30,000
The Excel Center - Muncie	20,000	20,000
The Excel Center - Bloomington	10,000	-0-
	$ 240,000	$ 230,000

State and Federal Support

Excel Centers' revenue is primarily derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by Excel Centers as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Amounts received are recognized as revenue when Excel Centers has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. There were no refundable advances as of June 30, 2021 and 2020. Amounts due after incurring qualifying expenditures are reported as support receivables in the statements of financial position. Support receivables were approximately $109,000 and $276,000 as of June 30, 2021 and 2020.

Excel Centers receives state funds that have been designated for charter schools from the Indiana Department of Education. The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Excel Centers receives. Excel Centers also receives federal support through a variety of programs administered by the Indiana Department of Education.

Excel Centers derives a significant portion of its revenues and support from state and federal funding programs (approximately 98% in 2021 and 2020). The receipt of future revenues by Excel Centers is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Contributions

Contributions, including unconditional promises to give, are recognized when received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If a restriction is fulfilled in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, applicable net assets with restriction are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current year or is received with restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Excel Centers also evaluates whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions.

Advertising

Excel Centers uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. Advertising expense totaled approximately $200,000 and $296,000 during 2021 and 2020, respectively, and is included within professional fees expenses within the statements of activities and changes in net assets.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a natural basis in the statements of activities and changes in net assets and have been summarized on a functional basis in the statements of functional expenses. Expenses have been classified as education services and management and general based on actual direct expenditures incurred and cost allocations. Certain costs have been allocated among education services and management and general categories based on an estimate of time and effort spent by Excel Centers' personnel. These expenses include wages and benefits. Although the methods used were appropriate, alternative methods may provide different results.

Income Taxes

Excel Centers is a wholly owned LLC of GEI, and as a result, the Internal Revenue Service disregards Excel Centers as a separate taxable entity and considers Excel Centers as part of GEI for tax reporting purposes. GEI is an Indiana non-profit corporation and is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. However, if income was generated from certain activities not directly related to GEI's tax-exempt purposes, such income would be subject to taxation as unrelated business income. GEI is not considered a private foundation as defined in Section 509(a) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Excel Centers and recognize a tax liability if Excel Centers has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Excel Centers, and has concluded that as of June 30, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. GEI is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

GEI filed its federal and state income tax returns for periods through June 30, 2020. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about Excel Centers' ability to continue as a going concern for a period of one year from the date the financial statements were available to be issued. Management's evaluation as of June 30, 2021 identified no conditions or events raising substantial doubt.

Subsequent Events

Excel Centers has evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued which is November 22, 2021.

Recently Issued Accounting Standard

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This new standard, which Excel Centers is not required to adopt until its year ending June 30, 2023, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's statement of financial position.

Excel Centers is presently evaluating the effects that this ASU will have on its future financial statements, including related disclosures.

2. PROPERTY AND EQUIPMENT

Property and equipment at June 30 consisted of the following:

	2021	2020
Furniture	$ 2,016,698	$ 1,974,326
Equipment	2,427,268	2,392,594
Computers	2,791,251	2,576,990
Software	967,697	967,697
Leasehold improvements	6,958,983	6,369,142
Work in process	69,210	432,130
	15,231,107	14,712,879
Accumulated depreciation	(10,393,137)	(9,121,331)
Property and equipment, net	$ 4,837,970	$ 5,591,548

3. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Excel Centers has the ability to access.

- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during 2021 and 2020:

- *Corporate bonds*: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

- *Fixed income securities*: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

All assets were transferred to GEI as of June 30, 2021. Assets measured at fair value on a recurring basis as of June 30, 2020 and are as follows:

	June 30, 2020			
	Total	Level 1	Level 2	Level 3
Assets				
Investments				
Corporate bonds				
Consumer services	$ 80,641	$ -0-	$ 80,641	$ -0-
Financial services	51,974	-0-	51,974	-0-
Healthcare	55,724	-0-	55,724	-0-
Real estate	105,855	-0-	105,855	-0-
Technology	56,217	-0-	56,217	-0-
Fixed income securities				
Basic materials	48,177	-0-	48,177	-0-
Communication services	92,701	-0-	92,701	-0-
Consumer products	206,659	-0-	206,659	-0-
Financial services	384,929	-0-	384,929	-0-
Healthcare	259,887	-0-	259,887	-0-
Industrials	498,570	-0-	498,570	-0-
Real estate	56,929	-0-	56,929	-0-
Technology	172,357	-0-	172,357	-0-
Utilities	209,805	-0-	209,805	-0-
		$ -0-	$ 2,280,425	$ -0-
Cash	8,649			
Total investments at fair value	$ 2,289,074			

Realized gains and losses are reported in the statements of activities and changes in net assets as a component of investment return. Realized gains recorded were $-0- during both 2021 and 2020. Differences between market value and cost of investments are classified as unrealized gains or losses. Unrealized gains or losses are included in earnings for the period attributable to the change in unrealized gains relating to assets held as of June 30, 2021 and 2020 and are reported in the statements of activities and changes in net assets in investment return. Unrealized losses approximated $53,000 during 2021 and unrealized gains approximated $70,000 during 2020.

Excel Centers hold investments which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in value, it is at least reasonably possible that changes in various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

4. RETIREMENT PLANS

Excel Centers' employees are employed and paid by GEI. Certain Excel Centers' employees (licensed teachers, counselors and certain administrative staff) are eligible to participate in the Indiana Teachers Retirement Fund (TRF) Defined Benefit Plan (TRF DB) and TRF Defined Contribution Plan (TRF DC). TRF DB is a cost-sharing multiple-employer defined benefit retirement plan governed by the State of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. TRF DC is a cost-sharing multiple-employer defined contribution plan governed by the State of Indiana and administered by the INPRS Board. By statute, employers are required to contribute 7.5% of an employee's pretax gross income to TRF DB. Employers may also elect to contribute an additional 3% to TRF DC in lieu of the employee's own contributions. GEI has elected to make the voluntary contribution to TRF DC on behalf of its eligible employees, including employees of Excel Centers. Excel Centers contributed approximately $481,000 and $470,000 to TRF on behalf of its employees for 2021 and 2020, respectively. Should Excel Centers elect to withdraw from TRF, Excel Centers could be subject to a withdrawal fee. Excel Centers contributions represent an insignificant percentage of the total contributions received by TRF. A copy of the complete annual report for the year ended June 30, 2020 can be obtained at: www.in.gov/inprs.

Excel Centers' employees not eligible for TRF may elect to participate in Goodwill's discretionary thrift plan. For employees not eligible for TRF, Goodwill matches 100% of eligible employees' pre-tax contributions, up to 6% of gross income. Goodwill may also make additional discretionary contributions to the plan. Employer matching contributions vest immediately, and employer discretionary contributions vest after three years or in the event of death or disability. Excel Centers' expense relating to contributions to the Goodwill thrift plan for 2021 and 2020 was approximately $100,000 and $166,000, respectively.

5. RELATED PARTY TRANSACTIONS

Excel Centers is owned and operated by GEI. GEI provides employees, certain school-specific administrative services, and general management and oversight of the Excel Centers. GEI charges Excel Centers for its expenses related to the services provided. No markup is added to the fees charged to the schools. During 2021 and 2020, Excel Centers paid approximately $6,797,000 and $4,769,000, respectively, to GEI for administrative services and capital recovery charges, which are included in professional fees within the statements of activities and changes in net assets.

Goodwill also pays certain operating expenses, including certain employee benefits, of Excel Centers, for which Excel Centers fully reimburses Goodwill. No markup is charged. In 2021 and 2020, Excel Centers paid Goodwill approximately $3,005,000 and $3,166,000, respectively. At June 30, 2021 and 2020, Excel Centers owed Goodwill $385,000 and $376,000 for reimbursable operating expenses, which are included in accounts payable and accrued expenses on the statements of financial position.

Excel Centers employees participate in Goodwill's health care benefits plan. Goodwill self-insures for employee and dependent medical benefits up to a per-individual annual maximum of $500,000, and no aggregate maximum. Goodwill purchases reinsurance which pays individual claims that exceed $500,000 per year. The reinsurer reviews claims annually and upon renewal of the reinsurance policy each year may establish higher specific maximums on selected individuals with high claims risks. Goodwill purchases claims administration services from a third-party administrator. Excel Centers paid premiums to the Goodwill health care plan of approximately $1,852,000 and $1,956,000 for 2021 and 2020, respectively.

6. RISKS AND UNCERTAINTIES

The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Excel Centers. Additionally, Excel Centers is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Excel Centers.

7. COMMITMENTS AND CONTINGENCIES

Operating Leases

Excel Centers leases space from Goodwill and from third parties. The leases are treated as operating leases and have terms that correspond to the duration of Excel Centers' charters. The leases have varying expiration dates through June 2031. Rent expense for 2021 and 2020, including common area maintenance charges, totaled approximately $1,872,000 and $1,895,000, respectively. Certain leases contain renewal options that allow the Excel Centers, at its discretion, to extend the leases for additional terms. Excel Centers' management is unable to determine at this time whether it will exercise its lease renewal options. Excel Centers paid Goodwill approximately $137,000 for rent in 2021 and 2020.

GEI leases its Decatur Township Excel Center location for $1 per year plus a capital recovery fee not to exceed $20,000 annually. The lease expires June 2024. In-kind revenue and expense have been recorded within the statements of activities and changes in net assets at the estimated in-kind contribution and corresponding expense of $123,000 in 2021 and $121,000 2020. Future minimum lease payments for operating leases are as follows:

Year Ending June 30,	
2021	$ 1,740,044
2022	1,302,474
2023	1,301,980
2024	1,258,957
2025	1,090,946
Thereafter	3,779,869
	$ 10,474,270

COVID-19

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may continue to adversely impact the local, regional, national and global economies. The extent to which COVID-19 continues to impact Excel Centers' operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, potential shortages of supplies, loss of, or reduction to, revenue, and investment portfolio declines. Management believes Excel Centers is taking appropriate actions to respond to the pandemic. However, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.

8. LIQUIDITY AND AVAILABILITY OF RESOURCES

Excel Centers' financial assets available within one year of the June 30, 2021 and 2020 statements of financial position for general expenditure are as follows:

	2021	2020
Financial assets		
Cash	$ 8,468,284	$ 7,291,433
Less board-designated cash	(240,000)	(230,000)
Cash, net	8,228,284	7,061,433
Support receivables	109,256	276,410
Related party receivables	3,042,457	425,000
Total financial assets	$ 11,379,997	$ 7,762,843

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Support receivables are subject to implied time restrictions but are expected to be collected within one year. Excel Centers has a policy to structure is financial assets to be available as is general expenditures, liabilities, and other obligations come due.

SUPPLEMENTARY INFORMATION

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – SCHOOL LEVEL
JUNE 30, 2021

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
ASSETS														
Current assets														
Cash	$ 595,498	$ 665,984	$ 838,203	$ 707,541	$ 1,140,946	$ 269,782	$ 833,736	$ 2,193,630	$ 317,770	$ 349,710	$ 297,588	$ 257,896	$ -0-	$ 8,468,284
Support receivables	1,563	4,356	7,645	-0-	22,716	7,702	6,096	39,917	1,561	5,141	632	11,927	-0-	109,256
Prepaid expenses	11,034	11,125	9,157	10,292	8,190	9,762	-0-	11,099	6,947	2,935	18,352	7,382	-0-	106,275
Total current assets	608,095	681,465	855,005	717,833	1,171,852	287,246	839,832	2,244,646	326,278	357,786	316,572	277,205	-0-	8,683,815
Related party receivables	955,306	872,509	244,000	538,573	1,922,360	-0-	-0-	1,566,333	-0-	-0-	-0-	-0-	(3,056,624)	3,042,457
Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Property and equipment, net	78,815	36,812	74,838	79,250	38,220	30,338	573,011	1,463,353	50,268	1,351,704	396,920	664,441	-0-	4,837,970
Total assets	$ 1,642,216	$ 1,590,786	$ 1,173,843	$ 1,335,656	$ 3,132,432	$ 317,584	$ 1,412,843	$ 5,274,332	$ 376,546	$ 1,709,490	$ 713,492	$ 941,646	$ (3,056,624)	$ 16,564,242
LIABILITIES AND NET ASSETS														
Current liabilities														
Accounts payable	$ 23,366	$ 26,865	$ 30,270	$ 16,849	$ 35,046	$ 35,727	$ 19,275	$ 96,298	$ 25,095	$ 26,417	$ 19,698	$ 8,144	$ -0-	$ 363,050
Accrued expenses	34,494	40,679	47,800	57,692	49,844	28,246	81,051	192,596	28,399	46,572	26,893	42,127	-0-	676,393
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,640,000	506,624	910,000	(3,056,624)	-0-
Total liabilities	57,860	67,544	78,070	74,541	84,890	63,973	100,326	288,894	53,494	1,712,989	553,215	960,271	(3,056,624)	1,039,443
Net assets (deficit)														
Without donor restrictions														
Undesignated	1,554,356	1,493,242	1,065,773	1,231,115	3,047,542	223,611	1,312,517	4,985,438	293,052	(33,499)	140,277	(28,625)	-0-	15,284,799
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	20,000	10,000	-0-	240,000
Total net assets (deficit)	1,584,356	1,523,242	1,095,773	1,261,115	3,047,542	253,611	1,312,517	4,985,438	323,052	(3,499)	160,277	(18,625)	-0-	15,524,799
Total liabilities and net assets	$ 1,642,216	$ 1,590,786	$ 1,173,843	$ 1,335,656	$ 3,132,432	$ 317,584	$ 1,412,843	$ 5,274,332	$ 376,546	$ 1,709,490	$ 713,492	$ 941,646	$ (3,056,624)	$ 16,564,242

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – SCHOOL LEVEL
YEAR ENDED JUNE 30, 2021

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
Revenues and support														
State support	$ 2,062,316	$ 2,414,795	$ 2,258,336	$ 1,420,761	$ 2,343,236	$ 1,280,950	$ 2,390,267	$ 8,691,312	$ 1,146,872	$ 2,105,277	$ 1,750,870	$ 1,107,628	$ -0-	$ 28,972,620
Federal support	50,090	48,141	68,991	52,555	33,168	33,909	35,007	334,292	54,113	92,674	68,446	188,281	-0-	1,059,667
Contributions	-0-	-0-	-0-	-0-	2,009	-0-	2,009	292,991	-0-	136	-0-	-0-	-0-	297,145
Other	21,448	21,448	11,086	27,743	7,725	19,204	19,344	44,088	15,606	19,204	20,658	32,289	-0-	259,843
Investment return, net	1,578	-0-	-0-	1,578	6,314	-0-	-0-	3,157	-0-	-0-	-0-	-0-	-0-	12,627
Interfund transfer	775,000	485,000	360,000	140,000	95,000	-0-	790,000	917,000	140,000	210,000	260,000	-0-	(4,172,000)	-0-
Total revenues and support	2,910,432	2,969,384	2,698,413	1,642,637	2,487,452	1,334,063	3,236,627	10,282,840	1,356,591	2,427,291	2,099,974	1,328,198	(4,172,000)	30,601,902
Expenses														
Wages and benefits	1,021,633	1,314,495	1,296,840	920,277	1,300,480	827,355	1,314,401	4,222,841	669,428	1,067,178	1,050,099	585,116	-0-	15,590,143
Professional fees	699,604	829,642	662,528	378,231	792,440	302,111	657,102	3,518,866	309,097	502,969	409,730	315,723	-0-	9,378,043
Supplies and materials	29,028	17,887	25,431	7,335	23,931	17,991	17,826	72,707	24,367	33,963	8,081	26,344	-0-	304,891
Student transportation	637	2,250	4,533	-0-	50	180	-0-	29,024	673	9,440	-0-	4,775	-0-	51,562
Drop-in center	2,581	1,434	2,566	487	2,123	515	1,391	2,765	1,158	3,094	120	1,002	-0-	19,236
Rent	141,860	126,000	109,883	124,500	98,245	116,532	193,903	547,025	83,364	36,640	211,219	82,677	-0-	1,871,848
Occupancy	85,605	98,489	129,627	38,862	78,242	9,283	112,254	324,157	50,278	158,323	6,163	55,744	-0-	1,147,027
Depreciation	78,518	18,527	36,773	33,820	29,147	45,085	120,883	309,754	40,567	132,763	221,603	203,694	-0-	1,271,134
Interfund transfer	775,000	485,000	360,000	140,000	95,000	-0-	790,000	917,000	140,000	210,000	260,000	-0-	(4,172,000)	-0-
Other	28,068	25,977	20,934	21,377	19,010	15,818	33,070	98,694	8,106	18,427	20,448	18,953	-0-	328,882
Total expenses	2,862,534	2,919,701	2,649,115	1,664,889	2,438,668	1,334,870	3,240,830	10,042,833	1,327,038	2,172,797	2,187,463	1,294,028	(4,172,000)	29,962,766
Change in net assets without donor restrictions	47,898	49,683	49,298	(22,252)	48,784	(807)	(4,203)	240,007	29,553	254,494	(87,489)	34,170	-0-	639,136
Net assets														
Beginning of year	1,536,458	1,473,559	1,046,475	1,283,367	2,998,758	254,418	1,316,720	4,745,431	293,499	(257,993)	247,766	(52,795)	-0-	14,885,663
End of year	$ 1,584,356	$ 1,523,242	$ 1,095,773	$ 1,261,115	$ 3,047,542	$ 253,611	$ 1,312,517	$ 4,985,438	$ 323,052	$ (3,499)	$ 160,277	$ (18,625)	$ -0-	$ 15,524,799

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – SCHOOL LEVEL
JUNE 30, 2020

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
ASSETS														
Current assets														
Cash	$ 498,321	$ 519,945	$ 570,649	$ 615,306	$ 1,274,078	$ 198,593	$ 696,396	$ 2,005,223	$ 270,538	$ 288,174	$ 216,702	$ 137,508	$ -0-	$ 7,291,433
Support receivables	3,582	-0-	3,708	11,959	-0-	3,750	4,536	48,399	77	-0-	56,815	143,584	-0-	276,410
Related party receivables	674,762	973,002	425,305	327,039	576,432	-0-	325,000	805,719	-0-	-0-	-0-	-0-	(3,682,259)	425,000
Prepaid expenses	12,729	10,500	9,157	10,292	8,155	9,150	-0-	11,099	6,947	1,435	17,602	7,382	-0-	104,448
Total current assets	1,189,394	1,503,447	1,008,819	964,596	1,858,665	211,493	1,025,932	2,870,440	277,562	289,609	291,119	288,474	(3,682,259)	8,097,291
Investments	286,133	-0-	-0-	286,134	1,144,538	-0-	-0-	572,269	-0-	-0-	-0-	-0-	-0-	2,289,074
Property and equipment, net	149,466	44,490	111,612	87,089	62,628	87,029	508,923	1,586,123	51,133	1,431,490	618,521	853,044	-0-	5,591,548
Total assets	$ 1,624,993	$ 1,547,937	$ 1,120,431	$ 1,337,819	$ 3,065,831	$ 298,522	$ 1,534,855	$ 5,028,832	$ 328,695	$ 1,721,099	$ 909,640	$ 1,141,518	$ (3,682,259)	$ 15,977,913
LIABILITIES AND NET ASSETS														
Current liabilities														
Accounts payable	$ 31,450	$ 27,309	$ 27,811	$ 17,962	$ 26,954	$ 18,889	$ 24,641	$ 88,778	$ 12,113	$ 16,979	$ 25,725	$ 2,525	$ -0-	$ 321,136
Accrued expenses	57,085	47,069	46,145	36,490	40,119	25,215	193,494	194,623	23,083	46,382	29,763	31,646	-0-	771,114
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,915,731	606,386	1,160,142	(3,682,259)	-0-
Total liabilities	88,535	74,378	73,956	54,452	67,073	44,104	218,135	283,401	35,196	1,979,092	661,874	1,194,313	(3,682,259)	1,092,250
Net assets (deficit)														
Without donor restrictions														
Undesignated	1,506,458	1,443,559	1,016,475	1,253,367	2,998,758	224,418	1,316,720	4,745,431	263,499	(287,993)	227,766	(52,795)	-0-	14,655,663
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	20,000	-0-	-0-	230,000
Total net assets (deficit)	1,536,458	1,473,559	1,046,475	1,283,367	2,998,758	254,418	1,316,720	4,745,431	293,499	(257,993)	247,766	(52,795)	-0-	14,885,663
Total liabilities and net assets	$ 1,624,993	$ 1,547,937	$ 1,120,431	$ 1,337,819	$ 3,065,831	$ 298,522	$ 1,534,855	$ 5,028,832	$ 328,695	$ 1,721,099	$ 909,640	$ 1,141,518	$ (3,682,259)	$ 15,977,913

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – SCHOOL LEVEL
YEAR ENDED JUNE 30, 2020

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
Revenues and support														
State support	$ 2,071,394	$ 2,398,135	$ 2,256,647	$ 1,689,882	$ 2,342,543	$ 1,318,502	$ 2,671,876	$ 8,338,590	$ 1,086,826	$ 2,210,185	$ 1,743,496	$ 828,799	$ -0-	$ 28,956,875
Federal support	45,029	48,478	39,871	46,486	25,707	29,963	24,329	129,490	16,926	28,204	283,567	464,887	-0-	1,182,937
Contributions	2,500	150	-0-	176	-0-	-0-	4,536	121,000	77	-0-	-0-	29,528	-0-	157,967
Other	19,297	21,908	16,399	34,521	6,832	19,288	18,400	40,431	15,874	23,324	26,645	24	-0-	242,943
Investment return, net	19,260	-0-	-0-	19,261	77,045	-0-	-0-	38,523	-0-	-0-	-0-	-0-	-0-	154,089
Interfund transfer	1,310,000	1,290,000	1,220,000	1,130,000	1,127,500	570,000	1,195,000	4,261,000	595,000	2,190,000	1,275,000	1,335,000	(17,498,500)	-0-
Total revenues and support	3,467,480	3,758,671	3,532,917	2,920,326	3,579,627	1,937,753	3,914,141	12,929,034	1,714,703	4,451,713	3,328,708	2,658,238	(17,498,500)	30,694,811
Expenses														
Wages and benefits	1,009,014	1,292,594	1,279,932	966,774	1,294,326	800,029	1,361,771	4,335,089	677,183	1,056,037	1,052,652	597,770	-0-	15,723,171
Professional fees	564,641	572,786	504,019	472,136	559,608	205,768	630,335	2,159,791	191,814	486,611	359,493	361,808	-0-	7,068,810
Supplies and materials	40,245	32,961	35,836	11,603	41,035	17,482	37,780	247,194	20,268	43,130	(104,493)	54,309	-0-	477,350
Student transportation	1,431	1,850	9,307	4,300	11,633	835	13,171	79,214	3,222	21,227	600	7,810	-0-	154,600
Drop-in center	3,977	1,113	2,891	346	853	265	4,125	5,882	551	3,154	1,345	11,167	-0-	35,669
Rent	139,898	126,000	110,281	110,263	98,280	109,800	320,000	464,475	83,364	36,640	211,219	84,644	-0-	1,894,864
Occupancy	84,491	100,885	179,344	47,850	68,771	2,026	80,089	265,001	41,236	160,173	4,395	46,313	-0-	1,080,574
Depreciation	90,893	26,620	46,499	46,853	37,857	99,229	153,330	300,613	36,589	117,876	217,082	138,395	-0-	1,311,836
Interfund transfer	1,310,000	1,290,000	1,220,000	1,130,000	1,127,500	570,000	1,195,000	4,261,000	595,000	2,190,000	1,275,000	1,335,000	(17,498,500)	-0-
Other	31,113	26,015	28,197	24,474	24,579	14,702	35,038	99,968	13,442	32,248	26,998	25,499	-0-	382,273
Total expenses	3,275,703	3,470,824	3,416,306	2,814,599	3,264,442	1,820,136	3,830,639	12,218,227	1,662,669	4,147,096	3,044,291	2,662,715	(17,498,500)	28,129,147
Change in net assets without donor restrictions	191,777	287,847	116,611	105,727	315,185	117,617	83,502	710,807	52,034	304,617	284,417	(4,477)	-0-	2,565,664
Transfer of net assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Change in net assets	191,777	287,847	116,611	105,727	315,185	117,617	83,502	710,807	52,034	304,617	284,417	(4,477)	-0-	2,565,664
Net assets														
Beginning of year	1,344,681	1,185,712	929,864	1,177,640	2,683,573	136,801	1,233,218	4,034,624	241,465	(562,610)	(36,651)	(48,318)	-0-	12,319,999
End of year	$ 1,536,458	$ 1,473,559	$ 1,046,475	$ 1,283,367	$ 2,998,758	$ 254,418	$ 1,316,720	$ 4,745,431	$ 293,499	$ (257,993)	$ 247,766	$ (52,795)	$ -0-	$ 14,885,663

EXCEL CENTERS, LLC

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant ID Number	Expenditures
Major programs			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE)			
Expanding Opportunity through Quality Charter Schools Program	84.282	U282A170017	$ 422,564
Non-major programs			
DOE - through IDOE - Special Education Cluster - Grants to States	84.027	H027A190084	475,178
DOE - through IDOE - Supportive Effective Instruction State Grants	84.367	S367A190013	1,873
DOE - through IDOE - CARES Act - Elementary and Secondary School Emergency Relief Fund - COVID-19	84.425	S425D200013	160,052
Total non-major programs			637,103
Total federal expenditures			$ 1,059,667

Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Excel Centers, LLC (Excel Centers) under programs of the federal government for the year ended June 30, 2021. The information in this SEFA 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). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Summary of Significant Accounting Policies

Expenditures reported on this SEFA are reported on the accrual 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. Excel Centers has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Sub-Recipient Pass Through

Excel Centers did not pass through any federal awards to subrecipients during 2021.

Fair Market Value of Donated Personal Protective Equipment (Unaudited)

During 2021, Excel Centers did not receive donated personal protected equipment from federal sources.

See report of independent auditors on pages 1 and 2.

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REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Excel Centers, LLC (Excel Centers) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Excel Centers' internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Excel Centers' internal control. Accordingly, we do not express an opinion on the effectiveness of Excel Centers' 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 Excel Centers' financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Excel Centers' 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance *with Government Auditing Standards* in considering Excel Centers' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
November 22, 2021

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

We have audited Excel Centers, LLC's (Excel Centers) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Excel Centers' major federal programs for the year ended June 30, 2021. Excel Centers' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Excel Centers' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Excel Centers' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Excel Centers' compliance.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Opinion on Each Major Federal Program

In our opinion, Excel Centers complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Excel Centers is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Excel Centers' 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 Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Excel Centers' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

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.

Blue & Co., LLC

Indianapolis, Indiana
November 22, 2021

EXCEL CENTERS, LLC

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards

Internal controls over major programs:		
Material weakness(es) identified?	____ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	____ yes	X none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	____ yes	X no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
84.282	Expanding Opportunity through Quality Charter Schools Program

Dollar threshold used to distinguish between type A and B programs:	$750,000	
Auditee qualified as low-risk auditee?	X yes	____ no

Section II – Findings related to financial statements reported in accordance with *Government Auditing Standards:*

None reported.

Section III – Findings and questioned costs relating to Federal awards:

None reported.

Section IV – Summary schedule of prior audit findings:

None reported.

OTHER REPORT
YEAR ENDED JUNE 30, 2021

The report presented herein was prepared in addition to another official report prepared for Excel Centers as listed below:

Supplemental Audit Report of Excel Centers, LLC

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.

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November 22, 2021

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Dear Board Member:

We have audited the financial statements of Excel Centers, LLC (Excel Centers) for the year ended June 30, 2021, and have issued our report thereon dated as of the date of this letter. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance),* and *Guidelines for the Audits of Charter Schools Performed by Private Examiners,* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you. Professional standards also require that we communicate to you the following information related to our audit.

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Excel Centers are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no transactions entered into by Excel Centers during the year for which there is a lack of authoritative guidance or consensus. We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based upon management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements include the collectability and valuation of accounts receivable and the depreciation of property and equipment. None of these areas involve estimates that we consider to be particular sensitive for the purposes of our report.

We believe the disclosures in the financial statements are neutral, consistent and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements for the current year.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principle to Excel Centers' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all of the relevant facts. To our knowledge, there were no such consultations.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Excel Centers' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * * *

This communication is intended solely for the information and use of management, the board of directors, and others within Excel Centers, and is not intended to be and should not be used by anyone other than those specified parties.

We appreciate this opportunity to be of service and extend our thanks to everyone at Excel Centers for their cooperation and assistance. We would be pleased to discuss any of the above matters with you at your convenience.

Sincerely,

Blue & Co., LLC

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2022 AND 2021

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EXCEL CENTERS, LLC

TABLE OF CONTENTS
JUNE 30, 2022 AND 2021

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REPORT OF INDEPENDENT AUDITORS

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

<u>Report on the Audit of Financial Statements</u>

Opinion

We have audited the accompanying financial statements of Excel Centers, LLC (Excel Centers), a wholly-owned subsidiary of Goodwill Education Initiatives, Inc., a nonprofit organization, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Excel Centers as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. 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 Excel Centers 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 opinion.

Responsibilities of Management for the Financial Statements

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

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 Excel Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Excel Centers' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Excel Center's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules by school level as listed in the accompanying table of contents is presented for purposes of additional analysis of the financial statements rather than to present the financial position, results of operations, changes in net assets and cash flows of the individual schools and is not a required part of the financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated, December 14, 2022, on our consideration of Excel Center'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 Excel Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Excel Center's internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
December 14, 2022

EXCEL CENTERS, LLC

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

ASSETS

	2022	2021
Current assets		
Cash	$ 6,465,464	$ 8,468,284
Support receivables	317,908	109,256
Prepaid expenses	118,424	106,275
Total current assets	6,901,796	8,683,815
Related party receivables	5,042,457	3,042,457
Property and equipment, net	4,888,759	4,837,970
Total assets	$ 16,833,012	$ 16,564,242

LIABILITIES AND NET ASSETS

	2022	2021
Current liabilities		
Accounts payable	$ 362,831	$ 363,050
Accrued expenses	785,283	676,393
Total liabilities	1,148,114	1,039,443
Net assets		
Without donor restrictions		
Undesignated	15,424,898	15,284,799
Board-designated	260,000	240,000
Total net assets	15,684,898	15,524,799
Total liabilities and net assets	$ 16,833,012	$ 16,564,242

EXCEL CENTERS, LLC

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Revenues and support		
State support	$ 27,442,122	$ 28,972,620
Federal support	1,604,567	1,059,667
Contributions	2,015	176,145
Contributions, in-kind	121,000	121,000
Other	185,982	259,843
Investment return, net	-0-	12,627
Total revenues and support	29,355,686	30,601,902
Expenses		
Wages and benefits	16,046,714	15,590,143
Professional fees	7,111,284	9,116,831
Supplies and materials	966,672	304,891
Student transportation	113,468	51,562
Drop-in center	26,064	19,236
Rent	1,881,976	1,871,848
Occupancy	1,296,451	1,408,239
Depreciation	1,291,438	1,271,134
Other	461,520	328,882
Total expenses	29,195,587	29,962,766
Change in net assets without donor restrictions	160,099	639,136
Net assets		
Beginning of year	15,524,799	14,885,663
End of year	$ 15,684,898	$ 15,524,799

See accompanying Notes to the Financial Statements.

EXCEL CENTERS, LLC

STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 13,309,548	$ 2,737,166	$ 16,046,714
Professional fees	753,273	6,358,011	7,111,284
Supplies and materials	882,427	84,245	966,672
Student transportation	113,468	-0-	113,468
Drop-in center	26,064	-0-	26,064
Rent	1,881,976	-0-	1,881,976
Occupancy	-0-	1,296,451	1,296,451
Depreciation	1,291,438	-0-	1,291,438
Other	314,503	147,017	461,520
	$ 18,572,697	$ 10,622,890	$ 29,195,587

	2021		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 13,155,538	$ 2,434,605	$ 15,590,143
Professional fees	629,286	8,487,545	9,116,831
Supplies and materials	223,255	81,636	304,891
Student transportation	51,562	-0-	51,562
Drop-in center	19,236	-0-	19,236
Rent	1,871,848	-0-	1,871,848
Occupancy	-0-	1,408,239	1,408,239
Depreciation	1,271,134	-0-	1,271,134
Other	197,504	131,378	328,882
	$ 17,419,363	$ 12,543,403	$ 29,962,766

EXCEL CENTERS, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Operating activities		
Change in net assets	$ 160,099	$ 639,136
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	1,291,438	1,271,134
Realized and unrealized losses on investments	-0-	52,828
Changes in operating assets and liabilities		
Support receivables	(208,652)	167,154
Related party receivables	(2,000,000)	(381,211)
Prepaid expenses	(12,149)	(1,827)
Accounts payable and accrued expenses	(219)	55,579
Accrued salaries, wages and other liabilities	108,890	(94,721)
Net cash flows from operating activities	(660,593)	1,708,072
Investing activities		
Purchases of property and equipment	(1,342,227)	(531,221)
Net cash flows from investing activities	(1,342,227)	(531,221)
Change in cash	(2,002,820)	1,176,851
Cash		
Beginning of year	8,468,284	7,291,433
End of year	$ 6,465,464	$ 8,468,284
Supplemental cash flows information		
Property and equipment included in accounts payable	$ -0-	$ 13,665
Investments transferred to Goodwill Education Initiatives, Inc.	$ -0-	$ 2,236,246

See accompanying Notes to the Financial Statements.

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Excel Centers, LLC (Excel Centers) operates Indiana public charter high schools under the ownership and control of Goodwill Education Initiatives, Inc. (GEI). GEI, an Indiana non-profit corporation, provides educational opportunities designed to enable young people and adults to prepare for productive adult lives. GEI operates public charter high schools (Excel Centers and Indianapolis Metropolitan High School (Indianapolis Met), interchangeably referred to herein as "the schools") in central and southern Indiana under the provisions of the Indiana Charter School laws. Excel Centers located in Anderson, Bloomington, Clarksville, Kokomo, Lafayette, Muncie, Noblesville, Richmond, and Shelbyville operate under charters issued by the Indiana Charter School Board. Excel Centers located in Indianapolis operate under charters issued by the Mayor of Indianapolis. GEI is a wholly owned subsidiary of Goodwill of Central and Southern Indiana, Inc. (Goodwill), also an Indiana non-profit corporation.

Excel Centers operated in fifteen locations throughout Indiana during 2022, leasing space at Goodwill's Indianapolis headquarters building and in fourteen other locations. In the Schedules of Financial Position – by School Level and Schedules of Activities and Changes in Net Assets – by School Level, each column represents one location with the exception that Excel Center for Adult Learners consists of accounts of four locations. GEI provides business support services, as further described in Note 4, to all Excel Centers' locations. Excel Centers receives the majority of its funding from the Indiana Department of Education. Its revenues are supplemented with funds from the United States Department of Education, private grants, and gifts. Excel Centers commenced initial operations in September 2010 with an enrollment of 306 adults who previously dropped out of high school and were seeking their high school diplomas rather than a GED. Due to high demand for Excel Centers services, enrollment has grown to more than 4,000 students.

Since its inception, Excel Centers has graduated 7,114 students. Demographics of Excel Centers' students include approximately 60% minorities, and over 49% in poverty, defined as being eligible for free or reduced lunch. Excel Centers' students range in age from 16 to 77, with the average age of 27 and median age of 23. All students have varying degrees of academic credits and capabilities when they enroll, with most needing significant remediation. Excel Centers' students connect with a life coach who helps them navigate the barriers that stand in the way of their educational attainment. During 2022, Excel Centers reported the following September and February enrollments:

School	Corp #	Enrollment Budget	September 2021	February 2022
The Excel Center - Anderson	9750	285	283	298
The Excel Center - Bloomington	8655	160	106	95
The Excel Center - Clarksville	9050	300	304	308
The Excel Center - Kokomo	9355	335	342	352
The Excel Center - Lafayette	9345	330	332	334
Excel Centers for Adult Learners	9910	1,220	1,133	1,131
The Excel Center - Muncie	9160	275	272	282
The Excel Center - Noblesville	9855	185	188	185
The Excel Center - Richmond	9305	200	203	201
The Excel Center - Shelbyville	9995	155	155	158
The Excel Center - University Heights	9840	385	371	415
The Excel Center - West	9335	335	328	340
		4,165	4,017	4,099

Basis of Accounting

Excel Centers prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Excel Centers maintains its cash in accounts, which at times, may exceed federally insured limits. Excel Centers has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Investments

Investments consist of corporate bonds and fixed income securities recorded at fair value. In May 2021, all investments were transferred to GEI to keep reserves at the network level. This allows GEI to grant funds back to the schools and help eliminate interschool receivables and payables.

Support Receivables

Support receivables are amounts due from federal, state, or local government agencies or other organizations for amounts billed for services and not yet paid. The government agencies or other organizations are billed in the period in which services are rendered. Support receivables are reported at the net realizable amount due from the government agencies or other organizations.

Support receivables are recognized at the net amount Excel Centers expects to collect based on established collection history. Excel Centers recognizes a separate allowance only when it determines there has been an unforeseeable change in an organization's ability to pay subsequent to the delivery of goods and services resulting in an impairment loss. Such account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is considered remote. Excel Centers did not record an allowance for doubtful accounts as of June 30, 2022 and 2021.

Related Party Receivables

As of June 30, 2022 and 2021, related party receivables represented amounts due from GEI of approximately $5,042,000 and $3,042,000, respectively, that will be paid back to Excel Centers, as needed, to maintain minimum cash balances. These items are included in related party receivables in the statements of financial position.

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor replacements are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-10 years, and is computed on the straight-line method. Depreciation expense was approximately $1,291,000 and $1,271,000 for 2022 and 2021, respectively.

Net Assets

Net assets, support, revenues, gains, and losses are classified based on the absence or existence of donor restrictions. Accordingly, the net assets of Excel Centers are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.

Board-Designated Net Assets

Excel Centers operates eight schools which received their authorization through the Indiana Charter School Board (ICSB). The ICSB requires that each school establish an account held in escrow of $30,000 no later than December of the third year of operations. The escrow account is designated for any potential dissolution of the school. The Excel Centers held the following amounts in escrow which have been presented as board designated net assets in the statement of financial position at June 30:

	2022	2021
The Excel Center - Anderson	$ 30,000	$ 30,000
The Excel Center - Kokomo	30,000	30,000
The Excel Center - Lafayette	30,000	30,000
The Excel Center - Noblesville	30,000	30,000
The Excel Center - Richmond	30,000	30,000
The Excel Center - Shelbyville	30,000	30,000
The Excel Center - Clarksville	30,000	30,000
The Excel Center - Muncie	30,000	20,000
The Excel Center - Bloomington	20,000	10,000
	$ 260,000	$ 240,000

State and Federal Support

Excel Centers' revenue is primarily derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by Excel Centers as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Amounts received are recognized as revenue when Excel Centers has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. There were no refundable advances as of June 30, 2022 and 2021. Amounts due after incurring qualifying expenditures are reported as support receivables in the statements of financial position. Support receivables were approximately $318,000 and $109,000 as of June 30, 2022 and 2021.

Excel Centers receives state funds that have been designated for charter schools from the Indiana Department of Education. The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Excel Centers receives. Excel Centers also receives federal support through a variety of programs administered by the Indiana Department of Education.

Excel Centers derives a significant portion of its revenues and support from state and federal funding programs (approximately 98% in 2022 and 2021). The receipt of future revenues by Excel Centers is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Contributions

Contributions, including unconditional promises to give, are recognized when received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If a restriction is fulfilled in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, applicable net assets with restriction are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current year or is received with restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Excel Centers also evaluates whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions.

Advertising

Excel Centers uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. Advertising expense totaled approximately $278,000 and $200,000 during 2022 and 2021, respectively, and is included within professional fees expenses within the statements of activities and changes in net assets.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a natural basis in the statements of activities and changes in net assets and have been summarized on a functional basis in the statements of functional expenses. Expenses have been classified as education services and management and general based on actual direct expenditures incurred and cost allocations. Certain costs have been allocated among education services and management and general categories based on an estimate of time and effort spent by Excel Centers' personnel. These expenses include wages and benefits. Although the methods used were appropriate, alternative methods may provide different results.

Income Taxes

Excel Centers is a wholly owned LLC of GEI, and as a result, the Internal Revenue Service disregards Excel Centers as a separate taxable entity and considers Excel Centers as part of GEI for tax reporting purposes. GEI is an Indiana non-profit corporation and is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. However, if income was generated from certain activities not directly related to GEI's tax-exempt purposes, such income would be subject to taxation as unrelated business income. GEI is not considered a private foundation as defined in Section 509(a) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Excel Centers and recognize a tax liability if Excel Centers has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Excel Centers, and has concluded that as of June 30, 2022 and 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. GEI is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

GEI filed its federal and state income tax returns for periods through June 30, 2021. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about Excel Centers' ability to continue as a going concern for a period of one year from the date the financial statements were available to be issued. Management's evaluation as of June 30, 2022 identified no conditions or events raising substantial doubt.

Subsequent Events

Excel Centers has evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued which is December 14, 2022.

Recently Issued Accounting Standard

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This new standard, which Excel Centers is not required to adopt until its year ending June 30, 2023, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's statement of financial position.

Excel Centers is presently evaluating the effects that this ASU will have on its future financial statements, including related disclosures.

2. PROPERTY AND EQUIPMENT

Property and equipment at June 30 consisted of the following:

	2022	2021
Furniture	$ 2,016,677	$ 2,016,698
Equipment	2,427,316	2,427,268
Computers	2,813,221	2,791,251
Software	967,697	967,697
Leasehold improvements	7,850,634	6,958,983
Work in process	495,235	69,210
	16,570,780	15,231,107
Accumulated depreciation	(11,682,021)	(10,393,137)
Property and equipment, net	$ 4,888,759	$ 4,837,970

3. RETIREMENT PLANS

Excel Centers' employees are employed and paid by GEI. Certain Excel Centers' employees (licensed teachers, counselors, and certain administrative staff) are eligible to participate in the Indiana Teachers Retirement Fund (TRF) Defined Benefit Plan (TRF DB) and TRF Defined Contribution Plan (TRF DC). TRF DB is a cost-sharing multiple-employer defined benefit retirement plan governed by the State of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. TRF DC is a cost-sharing multiple-employer defined contribution plan governed by the State of Indiana and administered by the INPRS Board. By statute, employers are required to contribute 7.5% of an employee's pretax gross income to TRF DB. Employers may also elect to contribute an additional 3% to TRF DC in lieu of the employee's own contributions. GEI has elected to make the voluntary contribution to TRF DC on behalf of its eligible employees, including employees of Excel Centers. Excel Centers contributed approximately $503,000 and $481,000 to TRF on behalf of its employees for 2022 and 2021, respectively. Should Excel Centers elect to withdraw from TRF, Excel Centers could be subject to a withdrawal fee. Excel Centers contributions represent an insignificant percentage of the total contributions received by TRF. A copy of the complete annual report for the year ended June 30, 2021 can be obtained at: www.in.gov/inprs.

Excel Centers' employees not eligible for TRF may elect to participate in Goodwill's discretionary thrift plan. For employees not eligible for TRF, Goodwill matches 100% of eligible employees pre-tax contributions, up to 6% of gross income. Goodwill may also make additional discretionary contributions to the plan. Employer matching contributions vest immediately, and employer discretionary contributions vest after three years or in the event of death or disability. Excel Centers' expense relating to contributions to the Goodwill thrift plan for 2022 and 2021 was approximately $178,000 and $100,000, respectively.

4. RELATED PARTY TRANSACTIONS

Excel Centers is owned and operated by GEI. GEI provides employees, certain school-specific administrative services, and general management and oversight of the Excel Centers. GEI charges Excel Centers for its expenses related to the services provided. No markup is added to the fees charged to the schools. During 2022 and 2021, Excel Centers paid approximately $4,590,000 and $6,797,000, respectively, to GEI for administrative services and capital recovery charges, which are included in professional fees within the statements of activities and changes in net assets.

Goodwill also pays certain operating expenses, including certain employee benefits, of Excel Centers, for which Excel Centers fully reimburses Goodwill. No markup is charged. In 2022 and 2021, Excel Centers paid Goodwill approximately $3,026,000 and $3,005,000, respectively. At June 30, 2022 and 2021, Excel Centers owed Goodwill $-0- and $385,000 for reimbursable operating expenses, which are included in accounts payable and accrued expenses on the statements of financial position.

Excel Centers employees participate in Goodwill's health care benefits plan. Goodwill self-insures for employee and dependent medical benefits up to a per-individual annual maximum of $500,000, and no aggregate maximum. Goodwill purchases reinsurance which pays individual claims that exceed $500,000 per year. The reinsurer reviews claims annually and upon renewal of the reinsurance policy each year may establish higher specific maximums on selected individuals with high claims risks. Goodwill purchases claims administration services from a third-party administrator. Excel Centers paid premiums to the Goodwill health care plan of approximately $1,752,000 and $1,852,000 for 2022 and 2021, respectively.

5. RISKS AND UNCERTAINTIES

The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Excel Centers. Additionally, Excel Centers is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Excel Centers.

6. COMMITMENTS AND CONTINGENCIES

Operating Leases

Excel Centers leases space from Goodwill and from third parties. The leases are treated as operating leases and have terms that correspond to the duration of Excel Centers' charters. The leases have varying expiration dates through June 2031. Rent expense for 2022 and 2021, including common area maintenance charges, totaled approximately $1,882,000 and $1,872,000, respectively. Certain leases contain renewal options that allow the Excel Centers, at its discretion, to extend the leases for additional terms. Excel Centers' management is unable to determine at this time whether it will exercise its lease renewal options. Excel Centers paid Goodwill approximately $137,000 for rent in 2022 and 2021.

The FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard is intended to increase transparency around contributed nonfinancial assets (also known as "gifts-in-kind" (GIK)) received by not-for-profit (NFP) organizations, including information on how those assets are used and how they are valued.

GEI leases its Decatur Township Excel Center location for $1 per year plus a capital recovery fee not to exceed $20,000 annually. The lease expires June 2024. In-kind revenue and expense have been recorded within the statements of activities and changes in net assets at the estimated in-kind contribution and corresponding expense of approximately $121,000 in both 2022 and 2021. The in-kind contributions are treated as non-cash transactions are excluded from the accompanying statements of cash flows. In valuing the contributed rent for the building, which is located in Indianapolis, Indiana, Excel Centers estimated the fair value on the basis of comparable rental properties and related prices for similar organizations in the Indianapolis, Indiana real estate market. There are no restrictions on these contributed nonfinancial assets.

Future minimum lease payments for operating leases are as follows:

Year Ending June 30,	
2023	$ 1,302,474
2024	1,301,980
2025	1,258,957
2026	1,090,946
2027	1,003,106
Thereafter	2,605,538
	$ 8,563,001

COVID-19

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may continue to adversely impact the local, regional, national, and global economies. The extent to which COVID-19 continues to impact Excel Centers' operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, potential shortages of supplies, loss of, or reduction to, revenue, and investment portfolio declines. Management believes Excel Centers is taking appropriate actions to respond to the pandemic. However, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.

7. LIQUIDITY AND AVAILABILITY OF RESOURCES

Excel Centers' financial assets available within one year of the June 30, 2022 and 2021 statements of financial position for general expenditure are as follows:

	2022	2021
Financial assets		
Cash	$ 6,465,464	$ 8,468,284
Less board-designated cash	(260,000)	(240,000)
Cash, net	6,205,464	8,228,284
Support receivables	317,908	109,256
Related party receivables	5,042,457	3,042,457
Total financial assets	$ 11,565,829	$ 11,379,997

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Support receivables are subject to implied time restrictions but are expected to be collected within one year. Excel Centers has a policy to structure is financial assets to be available as is general expenditures, liabilities, and other obligations come due.

SUPPLEMENTARY INFORMATION

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – SCHOOL LEVEL
JUNE 30, 2022

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
ASSETS														
Current assets														
Cash	$ 155,936	$ 601,318	$ 609,426	$ 531,671	$ 884,944	$ 302,701	$ 676,211	$ 1,462,467	$ 349,839	$ 371,194	$ 369,430	$ 150,327	$ -0-	$ 6,465,464
Support receivables	39,464	12,682	39,181	14,048	2,536	6,173	21,333	115,530	6,409	8,555	45,771	6,226	-0-	317,908
Prepaid expenses	11,657	10,500	9,157	10,292	8,190	9,762	16,159	10,403	7,320	-0-	17,602	7,382	-0-	118,424
Total current assets	207,057	624,500	657,764	556,011	895,670	318,636	713,703	1,588,400	363,568	379,749	432,803	163,935	-0-	6,901,796
Related party receivables	1,005,306	980,775	544,000	630,307	2,272,360	-0-	-0-	2,166,333	-0-	-0-	-0-	-0-	(2,556,624)	5,042,457
Property and equipment, net	511,827	41,831	39,137	43,045	13,051	12,452	771,611	1,554,499	25,172	1,212,393	202,461	461,280	-0-	4,888,759
Total assets	$ 1,724,190	$ 1,647,106	$ 1,240,901	$ 1,229,363	$ 3,181,081	$ 331,088	$ 1,485,314	$ 5,309,232	$ 388,740	$ 1,592,142	$ 635,264	$ 625,215	$ (2,556,624)	$ 16,833,012
LIABILITIES AND NET ASSETS														
Current liabilities														
Accounts payable	$ 32,588	$ 18,938	$ 43,040	$ 18,566	$ 28,896	$ 13,998	$ 37,851	$ 70,694	$ 17,006	$ 21,491	$ 32,920	$ 26,843	$ -0-	$ 362,831
Accrued expenses	49,408	62,030	63,904	37,730	49,946	35,867	97,706	195,336	29,463	73,019	48,581	42,293	-0-	785,283
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,365,000	281,624	910,000	(2,556,624)	-0-
Total liabilities	81,996	80,968	106,944	56,296	78,842	49,865	135,557	266,030	46,469	1,459,510	363,125	979,136	(2,556,624)	1,148,114
Net assets (deficit)														
Without donor restrictions														
Undesignated	1,612,194	1,536,138	1,103,957	1,143,067	3,102,239	251,223	1,349,757	5,043,202	312,271	102,632	242,139	(373,921)	-0-	15,424,898
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	30,000	20,000	-0-	260,000
Total net assets (deficit)	1,642,194	1,566,138	1,133,957	1,173,067	3,102,239	281,223	1,349,757	5,043,202	342,271	132,632	272,139	(353,921)	-0-	15,684,898
Total liabilities and net assets	$ 1,724,190	$ 1,647,106	$ 1,240,901	$ 1,229,363	$ 3,181,081	$ 331,088	$ 1,485,314	$ 5,309,232	$ 388,740	$ 1,592,142	$ 635,264	$ 625,215	$ (2,556,624)	$ 16,833,012

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – SCHOOL LEVEL
YEAR ENDED JUNE 30, 2022

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
Revenues and support														
State support	$ 1,990,195	$ 2,348,409	$ 2,250,733	$ 1,363,939	$ 2,252,081	$ 1,257,518	$ 2,651,278	$ 7,645,802	$ 1,058,455	$ 2,073,493	$ 1,871,401	$ 678,818	$ -0-	$ 27,442,122
Federal support	100,108	146,531	170,157	146,124	73,064	105,966	63,167	339,937	80,682	145,570	168,011	65,250	-0-	1,604,567
Contributions	122	263	299	85	143	79	167	478	66	128	117	68	-0-	2,015
Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	121,000	-0-	-0-	-0-	-0-	-0-	121,000
Other	11,769	12,009	19,165	26,470	9,847	9,247	9,315	28,237	20,740	9,600	17,514	12,069	-0-	185,982
Interfund transfer	650,000	500,000	500,000	400,000	400,000	97,500	900,000	1,825,000	200,000	350,000	300,000	-0-	(6,122,500)	-0-
Total revenues and support	2,752,194	3,007,212	2,940,354	1,936,618	2,735,135	1,470,310	3,623,927	9,960,454	1,359,943	2,578,791	2,357,043	756,205	(6,122,500)	29,355,686
Expenses														
Wages and benefits	1,111,915	1,418,495	1,307,769	963,358	1,246,473	868,775	1,350,480	4,313,252	708,547	1,075,232	1,073,575	608,843	-0-	16,046,714
Professional fees	467,363	670,810	622,322	297,280	686,096	236,554	730,432	2,191,516	217,722	536,309	354,248	100,632	-0-	7,111,284
Supplies and materials	111,163	85,804	86,048	75,590	93,608	25,131	80,450	221,770	35,442	51,378	70,924	29,364	-0-	966,672
Student transportation	40	8,940	16,859	3,040	3,748	96	1,193	19,071	2,060	53,628	1,868	2,925	-0-	113,468
Drop-in center	4,098	1,172	5,517	1,127	1,022	115	2,075	6,059	978	2,595	311	995	-0-	26,064
Rent	151,167	126,000	109,882	123,500	98,280	117,144	194,755	547,721	82,991	36,640	211,219	82,677	-0-	1,881,976
Occupancy	97,893	106,317	175,726	96,359	108,422	1,093	97,023	333,202	56,118	163,660	15,067	45,571	-0-	1,296,451
Depreciation	62,821	12,055	35,700	35,771	25,090	39,730	188,265	328,952	25,709	139,311	194,459	203,575	-0-	1,291,438
Interfund transfer	650,000	500,000	500,000	400,000	400,000	97,500	900,000	1,825,000	200,000	350,000	300,000	-0-	(6,122,500)	-0-
Other	37,896	34,723	42,347	28,641	17,699	56,560	42,014	116,147	11,157	33,907	23,510	16,919	-0-	461,520
Total expenses	2,694,356	2,964,316	2,902,170	2,024,666	2,680,438	1,442,698	3,586,687	9,902,690	1,340,724	2,442,660	2,245,181	1,091,501	(6,122,500)	29,195,587
Change in net assets without donor restrictions	57,838	42,896	38,184	(88,048)	54,697	27,612	37,240	57,764	19,219	136,131	111,862	(335,296)	-0-	160,099
Net assets														
Beginning of year	1,584,356	1,523,242	1,095,773	1,261,115	3,047,542	253,611	1,312,517	4,985,438	323,052	(3,499)	160,277	(18,625)	-0-	15,524,799
End of year	$ 1,642,194	$ 1,566,138	$ 1,133,957	$ 1,173,067	$ 3,102,239	$ 281,223	$ 1,349,757	$ 5,043,202	$ 342,271	$ 132,632	$ 272,139	$ (353,921)	$ -0-	$ 15,684,898

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – SCHOOL LEVEL
JUNE 30, 2021

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
ASSETS														
Current assets														
Cash	$ 595,498	$ 665,984	$ 838,203	$ 707,541	$ 1,140,946	$ 269,782	$ 833,736	$ 2,193,630	$ 317,770	$ 349,710	$ 297,588	$ 257,896	$ -0-	$ 8,468,284
Support receivables	1,563	4,356	7,645	-0-	22,716	7,702	6,096	39,917	1,561	5,141	632	11,927	-0-	109,256
Prepaid expenses	11,034	11,125	9,157	10,292	8,190	9,762	-0-	11,099	6,947	2,935	18,352	7,382	-0-	106,275
Total current assets	608,095	681,465	855,005	717,833	1,171,852	287,246	839,832	2,244,646	326,278	357,786	316,572	277,205	-0-	8,683,815
Related party receivables	955,306	872,509	244,000	538,573	1,922,360	-0-	-0-	1,566,333	-0-	-0-	-0-	-0-	(3,056,624)	3,042,457
Property and equipment, net	78,815	36,812	74,838	79,250	38,220	30,338	573,011	1,463,353	50,268	1,351,704	396,920	664,441	-0-	4,837,970
Total assets	$ 1,642,216	$ 1,590,786	$ 1,173,843	$ 1,335,656	$ 3,132,432	$ 317,584	$ 1,412,843	$ 5,274,332	$ 376,546	$ 1,709,490	$ 713,492	$ 941,646	$ (3,056,624)	$ 16,564,242
LIABILITIES AND NET ASSETS														
Current liabilities														
Accounts payable	$ 23,366	$ 26,865	$ 30,270	$ 16,849	$ 35,046	$ 35,727	$ 19,275	$ 96,298	$ 25,095	$ 26,417	$ 19,698	$ 8,144	$ -0-	$ 363,050
Accrued expenses	34,494	40,679	47,800	57,692	49,844	28,246	81,051	192,596	28,399	46,572	26,893	42,127	-0-	676,393
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,640,000	506,624	910,000	(3,056,624)	-0-
Total liabilities	57,860	67,544	78,070	74,541	84,890	63,973	100,326	288,894	53,494	1,712,989	553,215	960,271	(3,056,624)	1,039,443
Net assets (deficit)														
Without donor restrictions														
Undesignated	1,554,356	1,493,242	1,065,773	1,231,115	3,047,542	223,611	1,312,517	4,985,438	293,052	(33,499)	140,277	(28,625)	-0-	15,284,799
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	20,000	10,000	-0-	240,000
Total net assets (deficit)	1,584,356	1,523,242	1,095,773	1,261,115	3,047,542	253,611	1,312,517	4,985,438	323,052	(3,499)	160,277	(18,625)	-0-	15,524,799
Total liabilities and net assets	$ 1,642,216	$ 1,590,786	$ 1,173,843	$ 1,335,656	$ 3,132,432	$ 317,584	$ 1,412,843	$ 5,274,332	$ 376,546	$ 1,709,490	$ 713,492	$ 941,646	$ (3,056,624)	$ 16,564,242

See Report of Independent Auditors on pages 1 through 3.

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – SCHOOL LEVEL
YEAR ENDED JUNE 30, 2021

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
Revenues and support														
State support	$ 2,062,316	$ 2,414,795	$ 2,258,336	$ 1,420,761	$ 2,343,236	$ 1,280,950	$ 2,390,267	$ 8,691,312	$ 1,146,872	$ 2,105,277	$ 1,750,870	$ 1,107,628	$ -0-	$ 28,972,620
Federal support	50,090	48,141	68,991	52,555	33,168	33,909	35,007	334,292	54,113	92,674	68,446	188,281	-0-	1,059,667
Contributions	-0-	-0-	-0-	-0-	2,009	-0-	2,009	171,991	-0-	136	-0-	-0-	-0-	176,145
Contributions, in-kind	-0-	-0-	-0-	-0-	-0-	-0-	-0-	121,000	-0-	-0-	-0-	-0-	-0-	121,000
Other	21,448	21,448	11,086	27,743	7,725	19,204	19,344	44,088	15,606	19,204	20,658	32,289	-0-	259,843
Investment return, net	1,578	-0-	-0-	1,578	6,314	-0-	-0-	3,157	-0-	-0-	-0-	-0-	-0-	12,627
Interfund transfer	775,000	485,000	360,000	140,000	95,000	-0-	790,000	917,000	140,000	210,000	260,000	-0-	(4,172,000)	-0-
Total revenues and support	2,910,432	2,969,384	2,698,413	1,642,637	2,487,452	1,334,063	3,236,627	10,282,840	1,356,591	2,427,291	2,099,974	1,328,198	(4,172,000)	30,601,902
Expenses														
Wages and benefits	1,021,633	1,314,495	1,296,840	920,277	1,300,480	827,355	1,314,401	4,222,841	669,428	1,067,178	1,050,099	585,116	-0-	15,590,143
Professional fees	673,431	792,434	632,891	363,039	772,855	301,965	628,558	3,461,232	308,180	479,293	394,373	308,580	-0-	9,116,831
Supplies and materials	29,028	17,887	25,431	7,335	23,931	17,991	17,826	72,707	24,367	33,963	8,081	26,344	-0-	304,891
Student transportation	637	2,250	4,533	-0-	50	180	-0-	29,024	673	9,440	-0-	4,775	-0-	51,562
Drop-in center	2,581	1,434	2,566	487	2,123	515	1,391	2,765	1,158	3,094	120	1,002	-0-	19,236
Rent	141,860	126,000	109,883	124,500	98,245	116,532	193,903	547,025	83,364	36,640	211,219	82,677	-0-	1,871,848
Occupancy	111,778	135,697	159,264	54,054	97,827	9,429	140,798	381,791	51,195	181,999	21,520	62,887	-0-	1,408,239
Depreciation	78,518	18,527	36,773	33,820	29,147	45,085	120,883	309,754	40,567	132,763	221,603	203,694	-0-	1,271,134
Interfund transfer	775,000	485,000	360,000	140,000	95,000	-0-	790,000	917,000	140,000	210,000	260,000	-0-	(4,172,000)	-0-
Other	28,068	25,977	20,934	21,377	19,010	15,818	33,070	98,694	8,106	18,427	20,448	18,953	-0-	328,882
Total expenses	2,862,534	2,919,701	2,649,115	1,664,889	2,438,668	1,334,870	3,240,830	10,042,833	1,327,038	2,172,797	2,187,463	1,294,028	(4,172,000)	29,962,766
Change in net assets without donor restrictions	47,898	49,683	49,298	(22,252)	48,784	(807)	(4,203)	240,007	29,553	254,494	(87,489)	34,170	-0-	639,136
Net assets														
Beginning of year	1,536,458	1,473,559	1,046,475	1,283,367	2,998,758	254,418	1,316,720	4,745,431	293,499	(257,993)	247,766	(52,795)	-0-	14,885,663
End of year	$ 1,584,356	$ 1,523,242	$ 1,095,773	$ 1,261,115	$ 3,047,542	$ 253,611	$ 1,312,517	$ 4,985,438	$ 323,052	$ (3,499)	$ 160,277	$ (18,625)	$ -0-	$ 15,524,799

See Report of Independent Auditors on pages 1 through 3.

EXCEL CENTERS, LLC

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Grant ID Number	Expenditures
Major programs			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE)			
COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief	84.425	S425D200013	$ 954,124
Non-major programs			
DOE - through IDOE - Special Education Cluster - Grants to States	84.027	H027A190084	503,907
DOE - through IDOE - Supportive Effective Instruction State Grants	84.367	S367A190013	46,879
DOE - through IDOE - Expanding Opportunity through Quality Charter Schools Program	84.282	U282A170017	99,657
Total non-major programs			650,443
Total federal expenditures			$ 1,604,567

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Excel Centers, LLC (Excel Centers) under programs of the federal government for the year ended June 30, 2022. The information in this SEFA 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*). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Note B - Summary of Significant Accounting Policies

Expenditures reported on this SEFA are reported on the accrual 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. Excel Centers has elected not to use the 10% de minimis indirect cost rate as allowed under the *Uniform Guidance*.

Note C - Sub-Recipient Pass Through

Excel Centers did not pass through any federal awards to subrecipients during 2022.

Note D - Fair Market Value of Donated Personal Protective Equipment (Unaudited)

During 2022, Excel Centers did not receive donated personal protected equipment from federal sources.

CPAS / ADVISORS

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REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Excel Centers, LLC (Excel Centers) which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Excel Centers' internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Excel Centers' internal control. Accordingly, we do not express an opinion on the effectiveness of Excel Centers' 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 Excel Centers' financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Excel Centers' 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance *with Government Auditing Standards* in considering Excel Centers' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
December 14, 2022

CPAS / ADVISORS

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Excel Centers, LLC's (Excel Centers) 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 Excel Centers' major federal programs for the year ended June 30, 2022. Excel Centers' 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, Excel Centers 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, 2022.

Basis for Opinion on Each Major Program

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

We are required to be independent of Excel Centers and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Excel Centers' 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 Excel Centers' federal programs.

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 Excel Centers' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Excel Centers' compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement 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 Excel Centers' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Excel Centers' 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 Excel Centers' 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.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

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.

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.

Blue & Co., LLC

Indianapolis, Indiana
December 14, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	___ yes	X none reported
Noncompliance material to financial statements noted?	___ yes	X no

Federal Awards

Internal controls over major programs:		
Material weakness(es) identified?	___ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	___ yes	X none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	___ yes	X no
Identification of major programs:		

Assistance Listing Number	Name of Federal Program or Cluster
84.425	COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief

Dollar threshold used to distinguish between type A and B programs:	$750,000	
Auditee qualified as low-risk auditee?	X yes	___ no

Section II – Findings related to financial statements reported in accordance with *Government Auditing Standards:*

None reported.

Section III – Findings and questioned costs relating to Federal awards:

None reported.

Section IV – Summary schedule of prior audit findings:

None reported.

OTHER REPORT
YEAR ENDED JUNE 30, 2022

The report presented herein was prepared in addition to another official report prepared for Excel Centers, LLC as listed below:

Supplemental Audit Report of Excel Centers, LLC

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.

CPAs / ADVISORS

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December 14, 2022

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Dear Board Members:

We have audited the financial statements of Excel Centers, LLC. (Excel Centers) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter and our planning letter. Professional standards also require that we communicate to you the following information related to our audit.

Required auditor communications related to significant audit matters

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Excel Centers are described in the notes to the financial statements. During 2022, Excel Centers adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. No other new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Excel Centers during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the allowance for uncollectable grants receivable is based on historical collections, historical loss levels and an analysis of the collectability of grants grouped by grantor. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of useful lives of depreciable assets is based on historical experience and industry standards. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements noted.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Excel Centers' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Excel Centers' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

We were engaged to report on the supplementary information, which accompany the financial statements but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * * * * * * * *

This information is intended solely for the use of management, the board of directors, and others within Excel Centers, and is not intended to be and should not be used by anyone other than these specified parties. We appreciate this opportunity to be of service and extend our thanks to everyone at Excel Centers for their cooperation and assistance. We would be pleased to discuss any of the above matters with you at your convenience.

Sincerely,

Blue & Co., LLC

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2023 AND 2022

CPAs / ADVISORS

blue

EXCEL CENTERS, LLC

TABLE OF CONTENTS
JUNE 30, 2023 AND 2022

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REPORT OF INDEPENDENT AUDITORS

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Excel Centers, LLC (Excel Centers), a wholly-owned subsidiary of Goodwill Education Initiatives, Inc., a non-profit organization, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Excel Centers as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. 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 Excel Centers 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 opinion.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, Excel Centers adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-02, *Leases (Topic 842)*. Our opinion is not modified with respect to this matter.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Responsibilities of Management for the Financial Statements

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

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 Excel Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Excel Centers' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Excel Center's ability to continue as a going concern for a reasonable period of time.

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2023, above, on our consideration of Excel Center'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 Excel Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Excel Center's internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
November 3, 2023

EXCEL CENTERS, LLC

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
Current assets		
Cash	$ 7,556,560	$ 6,465,464
Support receivables	293,705	317,908
Prepaid expenses	178,246	118,424
Total current assets	8,028,511	6,901,796
Related party receivables	4,542,456	5,042,457
Property and equipment, net	4,454,430	4,888,759
Right-of-use assets under operating leases, net	6,017,401	-0-
Total assets	$ 23,042,798	$ 16,833,012

LIABILITIES AND NET ASSETS

	2023	2022
Current liabilities		
Accounts payable	$ 36,830	$ 362,831
Accrued expenses	854,889	785,283
Current portion of operating lease liabilities	1,252,219	-0-
Total current liabilities	2,143,938	1,148,114
Operating lease liabilities, net of current portion	4,905,638	-0-
Total liabilities	7,049,576	1,148,114
Net assets		
Without donor restrictions		
Undesignated	$ 15,723,222	$ 15,424,898
Board-designated	270,000	260,000
Total net assets	15,993,222	15,684,898
Total liabilities and net assets	$ 23,042,798	$ 16,833,012

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Revenues and support		
State support	$ 28,341,695	$ 27,442,122
Federal support	853,784	1,604,567
Contributions	7,543	2,015
Contributions, in-kind	553,324	121,000
Other	197,022	185,982
Total revenues and support	29,953,368	29,355,686
Expenses		
Wages and benefits	16,959,050	16,046,714
Professional fees	6,459,866	7,111,284
Supplies and materials	1,116,979	966,672
Student transportation	146,782	113,468
Drop-in center	31,118	26,064
Rent	2,052,930	1,881,976
Occupancy	1,501,207	1,627,199
Depreciation	1,273,887	1,291,438
Other	103,225	130,772
Total expenses	29,645,044	29,195,587
Change in net assets without donor restrictions	308,324	160,099
Net assets		
Beginning of year	15,684,898	15,524,799
End of year	$ 15,993,222	$ 15,684,898

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2023 AND 2022

	2023		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 14,136,460	$ 2,822,590	$ 16,959,050
Professional fees	752,692	5,707,174	6,459,866
Supplies and materials	992,658	124,321	1,116,979
Student transportation	146,782	-0-	146,782
Drop-in center	31,118	-0-	31,118
Rent	2,052,930	-0-	2,052,930
Occupancy	179,814	1,321,393	1,501,207
Depreciation	1,273,887	-0-	1,273,887
Other	21,850	81,375	103,225
	$ 19,588,191	$ 10,056,853	$ 29,645,044

	2022		
	Education Services	Management and General	Total Expenses
Wages and benefits	$ 13,309,548	$ 2,737,166	$ 16,046,714
Professional fees	753,273	6,358,011	7,111,284
Supplies and materials	882,427	84,245	966,672
Student transportation	113,468	-0-	113,468
Drop-in center	26,064	-0-	26,064
Rent	1,881,976	-0-	1,881,976
Occupancy	-0-	1,627,199	1,627,199
Depreciation	1,291,438	-0-	1,291,438
Other	27,681	103,091	130,772
	$ 18,285,875	$ 10,909,712	$ 29,195,587

See accompanying notes to the financial statements.

EXCEL CENTERS, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Operating activities		
Change in net assets	$ 308,324	$ 160,099
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	1,273,887	1,291,438
Changes in operating assets and liabilities		
Support receivables	24,203	(208,652)
Related party receivables	500,001	(2,000,000)
Right-of-use assets under operating leases, net	(6,017,401)	-0-
Prepaid expenses	(59,822)	(12,149)
Accounts payable and accrued expenses	(298,001)	(219)
Accrued salaries, wages and other liabilities	69,606	108,890
Operating lease liabilities	6,157,857	-0-
Net cash flows from operating activities	1,958,654	(660,593)
Investing activities		
Purchases of property and equipment	(867,558)	(1,342,227)
Change in cash	1,091,096	(2,002,820)
Cash		
Beginning of year	6,465,464	8,468,284
End of year	$ 7,556,560	$ 6,465,464
Supplemental cash flows information		
In-kind rent	$ 553,324	$ 121,000
Property and equipment included in accounts payable	$ 28,000	$ -0-

See accompanying notes to the financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Excel Centers, LLC (Excel Centers) operates Indiana public charter high schools under the ownership and control of Goodwill Education Initiatives, Inc. (GEI). GEI, an Indiana non-profit corporation, provides educational opportunities designed to enable young people and adults to prepare for productive adult lives. GEI operates public charter high schools (Excel Centers and Indianapolis Metropolitan High School, LLC (Indianapolis Met), interchangeably referred to herein as "the schools") in central and southern Indiana under the provisions of the Indiana Charter School laws. Excel Centers located in Anderson, Bloomington, Clarksville, Kokomo, Lafayette, Muncie, Noblesville, Richmond, and Shelbyville operate under charters issued by the Indiana Charter School Board. Excel Centers located in Indianapolis operate under charters issued by the Mayor of Indianapolis. GEI is a wholly owned subsidiary of Goodwill of Central and Southern Indiana, Inc. (Goodwill), also an Indiana non-profit corporation.

Excel Centers operated in sixteen locations throughout Indiana during 2023, leasing space at Goodwill's Indianapolis headquarters building and in fifteen other locations. In the schedules of financial position – by location and schedules of activities and changes in net assets – by location, each column represents one location with the exception that Excel Center for Adult Learners consists of accounts of four locations. GEI provides business support services, as further described in Note 5, to all Excel Centers' locations. Excel Centers receives the majority of its funding from the Indiana Department of Education. Its revenues are supplemented with funds from the United States Department of Education, private grants, and gifts. Excel Centers commenced initial operations in September 2010 with an enrollment of 306 adults who previously dropped out of high school and were seeking their high school diplomas rather than a GED. Due to high demand for Excel Centers services, enrollment has grown to more than 4,000 students.

Since its inception, Excel Centers has graduated 7,839 students. Demographics of Excel Centers' students include approximately 62% minorities, and 46% in poverty, defined as being eligible for free or reduced lunch. Excel Centers' students range in age from 16 to 77, with the average age of 27 and median age of 23. All students have varying degrees of academic credits and capabilities when they enroll, with most needing significant remediation. Excel Centers' students connect with a life coach who helps them navigate the barriers that stand in the way of their educational attainment. During 2023, Excel Centers reported the following September and February enrollments:

School	Corp #	Enrollment Budget	September 2022	February 2023
The Excel Center - Anderson	9750	290	295	294
The Excel Center - Bloomington	8655	155	129	123
The Excel Center - Clarksville	9050	300	304	310
The Excel Center - Kokomo	9355	335	345	341
The Excel Center - Lafayette	9345	330	332	340
Excel Centers for Adult Learners - Indianapolis	9910	1,220	1,230	1,220
The Excel Center - Muncie	9160	275	278	277
The Excel Center - Noblesville	9855	185	188	191
The Excel Center - Richmond	9305	200	205	200
The Excel Center - Shelbyville	9995	155	148	146
The Excel Center - University Heights - Indianapolis	9840	385	392	390
The Excel Center - West - Indianapolis	9335	335	339	338
		4,165	4,185	4,170

Basis of Accounting

Excel Centers prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Excel Centers maintains its cash in accounts, which at times, may exceed federally insured limits. Excel Centers has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Support Receivables

Support receivables are amounts due from federal, state, or local government agencies or other organizations for amounts billed for services and not yet paid. The government agencies or other organizations are billed in the period in which services are rendered. Support receivables are reported at the net realizable amount due from the government agencies or other organizations.

Support receivables are recognized at the net amount Excel Centers expects to collect based on established collection history. Excel Centers recognizes a separate allowance only when it determines there has been an unforeseeable change in an organization’s ability to pay subsequent to the delivery of goods and services resulting in an impairment loss. Such account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is considered remote. Excel Centers did not record an allowance for doubtful accounts as of June 30, 2023 and 2022.

Related Party Receivables

As of June 30, 2023 and 2022, related party receivables represented amounts due from GEI of approximately $4,542,000 and $5,042,000, respectively, that will be paid back to Excel Centers, as needed, to maintain minimum cash balances. These items are included in related party receivables in the statements of financial position.

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor replacements are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-10 years, and is computed on the straight-line method. Depreciation expense was approximately $1,274,000 and $1,291,000 for 2023 and 2022, respectively.

Net Assets

Net assets, support, revenues, gains, and losses are classified based on the absence or existence of donor restrictions. Accordingly, the net assets of Excel Centers are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.

Board-Designated Net Assets

Excel Centers operates nine schools which received their authorization through the Indiana Charter School Board (ICSB). The ICSB requires that each school establish an account held in escrow of $30,000 no later than December of the third year of operations. The escrow account is designated for any potential dissolution of the school. The Excel Centers held the following amounts in escrow which have been presented as board designated net assets in the statement of financial position at June 30:

	2023	2022
The Excel Center - Anderson	$ 30,000	$ 30,000
The Excel Center - Kokomo	30,000	30,000
The Excel Center - Lafayette	30,000	30,000
The Excel Center - Noblesville	30,000	30,000
The Excel Center - Richmond	30,000	30,000
The Excel Center - Shelbyville	30,000	30,000
The Excel Center - Clarksville	30,000	30,000
The Excel Center - Muncie	30,000	30,000
The Excel Center - Bloomington	30,000	20,000
	$ 270,000	$ 260,000

State and Federal Support

Excel Centers' revenue is primarily derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by Excel Centers as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Amounts received are recognized as revenue when Excel Centers has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. There were no refundable advances as of June 30, 2023 and 2022. Amounts due after incurring qualifying expenditures are reported as support receivables in the statements of financial position. Support receivables were approximately $294,000 and $318,000 as of June 30, 2023 and 2022.

Excel Centers receives state funds that have been designated for charter schools from the Indiana Department of Education. The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Excel Centers receives. Excel Centers also receives federal support through a variety of programs administered by the Indiana Department of Education.

Excel Centers derives a significant portion of its revenues and support from state and federal funding programs (approximately 97% and 99% in 2023 and 2022, respectively). The receipt of future revenues by Excel Centers is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Contributions

Contributions, including unconditional promises to give, are recognized when received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If a restriction is fulfilled in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, applicable net assets with restriction are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current year or is received with restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Excel Centers also evaluates whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions. Receipt of funds for conditional contributions are recorded as a refundable advance in the statements of financial position until conditions are satisfied. Once satisfied, the refundable advance is released into contribution revenue. Materials, property, equipment and other assets received as donations are recorded and reflected in the accompanying financial statements at their estimated fair market values on the date received. There were no significant contributed nonfinancial assets, other than in-kind rent, during 2023 and 2022.

Advertising

Excel Centers uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. Advertising expense totaled approximately $250,000 and $278,000 during 2023 and 2022, respectively, and is included within professional fees expenses within the statements of activities and changes in net assets.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a natural basis in the statements of activities and changes in net assets and have been summarized on a functional basis in the statements of functional expenses. Expenses have been classified as education services and management and general based on actual direct expenditures incurred and cost allocations. Certain costs have been allocated among education services and management and general categories based on an estimate of time and effort spent by Excel Centers' personnel. These expenses include wages and benefits. Although the methods used were appropriate, alternative methods may provide different results.

Income Taxes

Excel Centers is a wholly owned LLC of GEI, and as a result, the Internal Revenue Service disregards Excel Centers as a separate taxable entity and considers Excel Centers as part of GEI for tax reporting purposes. GEI is an Indiana non-profit corporation and is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. However, if income was generated from certain activities not directly related to GEI's tax-exempt purposes, such income would be subject to taxation as unrelated business income. GEI is not considered a private foundation as defined in Section 509(a) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Excel Centers and recognize a tax liability if Excel Centers has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Excel Centers, and has concluded that as of June 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. GEI is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

GEI filed its federal and state income tax returns for periods through June 30, 2022. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the current year presentation. The reclassifications had no effect on the previously reported net assets or change in net assets.

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about Excel Centers' ability to continue as a going concern for a period of one year from the date the financial statements were available to be issued. Management's evaluation as of June 30, 2023 identified no conditions or events raising substantial doubt.

Subsequent Events

Excel Centers has evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued which is November 3, 2023.

2. CHANGE IN ACCOUNTING PRINCIPLE

On July 1, 2022, Excel Centers adopted the new lease accounting standard issued by the Financial Accounting Standards Board and codified in the Accounting Standards Codification (ASC) as Topic 842 (ASC 842). The lease standard in ASC 842 intended to improve financial reporting about leasing transactions by requiring entities to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in ASC 842) of twelve months or less are not required to be reflected on an entity's statement of financial position.

When adopting ASC 842, Excel Centers applied the modified retrospective approach to all lease agreements. ASC 842 was applied retrospectively to the beginning of the period of adoption through a cumulative-effect adjustment recognized as of July 1, 2022. Prior period amounts have not been adjusted and continue to be reported in accordance with the previous accounting guidance in ASC 840. The adoption of ASC 842 had a material impact on the statement of financial position but did not have a material impact on the statement of activities and changes in net assets, and the statement of cash flows. As of July 1, 2022, Excel Centers's total assets and total liabilities increased by approximately $6,017,000 and $6,158,000, respectively, as a result of ASC 842. The most significant impact was the recognition of right-of-use (ROU) assets under operating leases and operating lease liabilities for operating leases.

Excel Centers elected the available practical expedients to account for its existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether any expired or existing contracts contain a lease, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs, if any, before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement. In addition, Excel Centers's elected the hindsight practical expedient to determine the lease term for existing leases.

3. PROPERTY AND EQUIPMENT

Property and equipment at June 30 consisted of the following:

	2023	2022
Furniture	$ 2,064,375	$ 2,016,677
Equipment	2,427,316	2,427,316
Computers	2,813,221	2,813,221
Software	331,644	967,697
Leasehold improvements	8,316,206	7,850,634
Work in process	121,489	495,235
	16,074,251	16,570,780
Accumulated depreciation	(11,619,821)	(11,682,021)
Property and equipment, net	$ 4,454,430	$ 4,888,759

4. RETIREMENT PLANS

Excel Centers' employees are employed and paid by GEI. Certain Excel Centers' employees (licensed teachers, counselors, and certain administrative staff) are eligible to participate in the Indiana Teachers Retirement Fund (TRF) Defined Benefit Plan (TRF DB) and TRF Defined Contribution Plan (TRF DC). TRF DB is a cost-sharing multiple-employer defined benefit retirement plan governed by the State of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. TRF DC is a cost-sharing multiple-employer defined contribution plan governed by the State of Indiana and administered by the INPRS Board. By statute, employers are required to contribute 7.5% of an employee's pretax gross income to TRF DB. Employers may also elect to contribute an additional 3% to TRF DC in lieu of the employee's own contributions. GEI has elected to make the voluntary contribution to TRF DC on behalf of its eligible employees, including employees of Excel Centers. Excel Centers contributed approximately $555,000 and $503,000 to TRF on behalf of its employees for 2023 and 2022, respectively. Should Excel Centers elect to withdraw from TRF, Excel Centers could be subject to a withdrawal fee. Excel Centers contributions represent an insignificant percentage of the total contributions received by TRF. A copy of the complete annual report for the year ended June 30, 2022 can be obtained at: www.in.gov/inprs.

Excel Centers' employees not eligible for TRF may elect to participate in Goodwill's discretionary thrift plan. For employees not eligible for TRF, Goodwill matches 100% of eligible employees pre-tax contributions, up to 6% of gross income. Goodwill may also make additional discretionary contributions to the plan. Employer matching contributions vest immediately, and employer discretionary contributions vest after three years or in the event of death or disability. Excel Centers' expense relating to contributions to the Goodwill thrift plan for 2023 and 2022 was approximately $194,000 and $178,000, respectively.

5. RELATED PARTY TRANSACTIONS

Excel Centers is owned and operated by GEI. GEI provides employees, certain school-specific administrative services, and general management and oversight of the Excel Centers. GEI charges Excel Centers for its expenses related to the services provided. No markup is added to the fees charged to the schools. During 2023 and 2022, Excel Centers paid approximately $4,561,000 and $4,590,000, respectively, to GEI for administrative services and capital recovery charges, which are included in professional fees within the statements of activities and changes in net assets.

Goodwill provides space to Excel Centers locations at Clarksville and Excel Center for Adult Learners (Michigan Road). Excel Centers paid approximately $-0- and $174,000 in 2023 and 2022, respectively, to Goodwill for use of the facilities space. GEI provides space to Excel Centers locations at Kokomo and Excel Center for Adult Learners (Meadows) Excel Centers paid approximately $-0- and $164,000 in 2023 and 2022, respectively, to GEI for use of the facilities space. The non-billed portion of the contributed space from Goodwill and GEI is considered an in-kind contribution and is recorded as revenue and rent expense in the statements of activities and changes in net assets. In 2023 and 2022, Goodwill provided approximately $174,000 and $-0-, respectively, of in-kind rent. In 2023 and 2022, GEI provided approximately $258,000 and $-0-, respectively, of in-kind rent. These in-kind contributions are treated as non-cash transactions and are excluded from the accompanying statements of cash flows. In valuing the contributed rent for the buildings, which are located in Indianapolis, Clarksville, and Kokomo, Indiana, Excel Centers estimated the fair value on the basis of comparable rental properties and related prices for similar organizations in the Indianapolis, Indiana real estate market. There are no restrictions on these contributed nonfinancial assets. Refer to additional operating lease disclosures in Note 8.

Excel Centers leases its Decatur Township Excel Center location from GEI for $1 per year plus a capital recovery fee not to exceed $20,000 annually. The lease expires June 2024. In-kind revenue and expense have been recorded within the statements of activities and changes in net assets at the estimated in-kind contribution and corresponding expense of approximately $121,000 in both 2023 and 2022. The in-kind contributions are treated as non-cash transactions are excluded from the accompanying statements of cash flows. In valuing the contributed rent for the building, which is located in Indianapolis, Indiana, Excel Centers estimated the fair value on the basis of comparable rental properties and related prices for similar organizations in the Indianapolis, Indiana real estate market. There are no restrictions on these contributed nonfinancial assets.

Goodwill also pays certain operating expenses, including certain employee benefits, of Excel Centers, for which Excel Centers fully reimburses Goodwill. No markup is charged. In 2023 and 2022, Excel Centers paid Goodwill approximately $3,068,000 and $3,026,000, respectively. At June 30, 2023 and 2022, Excel Centers owed Goodwill approximately $16,000 and $-0- for reimbursable operating expenses, which are included in accounts payable and accrued expenses on the statements of financial position.

Excel Centers employees participate in Goodwill's health care benefits plan. Goodwill self-insures for employee and dependent medical benefits up to a per-individual annual maximum of $500,000, and no aggregate maximum. Goodwill purchases reinsurance which pays individual claims that exceed $500,000 per year. The reinsurer reviews claims annually and upon renewal of the reinsurance policy each year may establish higher specific maximums on selected individuals with high claims risks. Goodwill purchases claims administration services from a third-party administrator. Excel Centers paid premiums to the Goodwill health care plan of approximately $1,727,000 and $1,752,000 for 2023 and 2022, respectively.

6. RISKS AND UNCERTAINTIES

The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Excel Centers. Additionally, Excel Centers is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Excel Centers.

7. LIQUIDITY AND AVAILABILITY OF RESOURCES

Excel Centers' financial assets available within one year of the June 30, 2023 and 2022 statements of financial position for general expenditure are as follows:

	2023	2022
Financial assets		
Cash	$ 7,556,560	$ 6,465,464
Less board-designated cash	(270,000)	(260,000)
Cash, net	7,286,560	6,205,464
Support receivables	293,705	317,908
Related party receivables	4,542,456	5,042,457
Total financial assets	$ 12,122,721	$ 11,565,829

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Support receivables are subject to implied time restrictions but are expected to be collected within one year. Excel Centers has a policy to structure is financial assets to be available as is general expenditures, liabilities, and other obligations come due.

8. OPERATING LEASES

Excel Centers recognizes ROU assets and lease liabilities for leases with terms greater than 12 months or leases that contain a purchase option that is reasonably certain to be exercised. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. Excel Centers had no financing leases as of June 30, 2023.

Excel Centers has operating leases for office space and equipment. Leasing arrangements require fixed payments and also include an amount that is probable will be owed under residual value guarantees, if applicable. Lease payments also include payments related to purchase or termination options when the lessee is reasonably certain to exercise the option or is reasonably certain not to exercise the option, respectively. Excel Centers's lease agreements do not contain any material restrictive covenants. The leases have remaining terms of approximately 1 to 6 years.

Excel Centers's ROU assets and lease liabilities are recognized on the lease commencement date in an amount that represents the present value of future lease payments over the lease term. As a non-profit business entity, Excel Centers made a policy election to use a risk-free discount rate based on the rate of a zero-coupon U.S. treasury instrument commensurate to the lease term as the discount rate for its leases unless Excel Centers can specifically determine the lessor's implicit rate. Certain lease contracts contain non-lease components such as maintenance and utilities. Excel Centers has made a policy election to not separate the lease and non-lease components, and thus recognize a single lease component for all of its ROU assets and lease liabilities. The operating lease ROU asset also includes any lease payments made and excludes lease incentives, if any.

Short-term leases (leases with an initial term of 12 months or less or leases that are cancelable by the lessee and lessor without significant penalties) are not capitalized but are rather expensed on a straight-line basis over the lease term. Short-term leases were not significant to the financial statements.

In evaluating contracts to determine if they qualify as a lease, Excel Centers considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if Excel Centers can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. Furthermore, Excel Centers assesses whether it is reasonably certain to exercise options to extend or terminate a lease considering all relevant factors that create economic incentive to exercise such options, including asset, contract, market, and entity-based factors. These evaluations may require significant judgement.

The components of Excel Centers's lease cost, ROU assets and lease liabilities as of and for the year ended June 30, 2023 are as follows:

Lease cost		
Operating lease cost	$	1,499,606
In-kind rent		553,324
Total lease cost	$	2,052,930
Right-of-use assets		
Operating lease assets, net	$	6,017,401
Deferred rent reduction included in right-of-use assets	$	140,456
Lease liabilities		
Operating lease liabilities, current	$	1,252,219
Operating lease liabilities, noncurrent		4,905,638
Total lease liabilities	$	6,157,857

Additional information regarding cash payments under Excel Centers's operating leases during 2023, as well as the inputs used in determining the ROU assets and liabilities at June 30, 2023, is as follows:

Cash paid for amount included in measurement of lease liabilities		
Operating cash flows from operating leases	$	1,499,606
Right-of-use assets obtained in exchange for		
new operating lease liabilities	$	1,638,356
Weighted-average remaining lease term - operating leases		6.23 years
Weighted-average discount rate - operating leases		4.00%

Future payments of lease liabilities as of June 30, 2023 are as follows:

Year Ending June 30,		
2024	$	1,459,586
2025		1,281,994
2026		1,165,049
2027		1,106,503
2028		940,904
Thereafter		667,823
Total lease payments		6,621,859
Less interest		(464,002)
Present value of lease liabilities	$	6,157,857

Total rental expense for all operating leases during 2022 was approximately $1,882,000. Future minimum lease payments under operating leases having initial terms in excess of one year as of June 30, 2022, under previous accounting guidance under ASC 840, were as follows:

Year Ending June 30,		
2023	$	1,302,474
2024		1,301,980
2025		1,258,957
2026		1,090,946
2027		1,003,106
Thereafter		2,605,538
Total lease payments	$	8,563,001

The leases include escalating lease payments that, under accounting principles generally accepted in the United States of America, are to be recognized on a straight-line basis. As of June 30, 2023, the ROU asset was reduced by approximately $140,000 for deferred rent. Prior to the adoption of ASC 842, Excel Centers recorded a deferred rent liability for the difference between the amounts paid and the amounts expensed under the leases as of June 30, 2022, which was not significant to the financial statements.

SUPPLEMENTARY INFORMATION

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – BY LOCATION
JUNE 30, 2023

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	9036 Southeast	Eliminations	Total
ASSETS															
Current assets															
Cash	$ 202,288	$ 841,141	$ 722,602	$ 394,479	$ 1,014,553	$ 261,890	$ 915,385	$ 2,396,580	$ 137,091	$ 204,827	$ 315,945	$ 183,439	$ (33,660)	$ -0-	$ 7,556,560
Support receivables	35,911	16,736	13,541	10,216	19,391	11,668	14,566	50,057	11,345	13,390	45,312	11,366	40,206	-0-	293,705
Prepaid expenses	270	1,037	-0-	-0-	-0-	-0-	-0-	77,499	97,398	-0-	2,042	-0-	-0-	-0-	178,246
Total current assets	238,469	858,914	736,143	404,695	1,033,944	273,558	929,951	2,524,136	245,834	218,217	363,299	194,805	6,546	-0-	8,028,511
Related party receivables	755,306	760,000	425,000	630,307	2,145,229	-0-	-0-	1,832,614	-0-	-0-	-0-	-0-	-0-	(2,006,000)	4,542,456
Property and equipment, net	691,110	82,359	13,477	46,949	43,216	14,855	605,653	1,356,051	108,028	1,166,405	27,535	270,460	28,332	-0-	4,454,430
Right-of-use assets under operating leases, net	1,256,209	-0-	561,688	588,370	12,397	118,560	1,121,520	958,913	258,508	27,861	1,011,054	102,321	-0-	-0-	6,017,401
Total assets	$ 2,941,094	$ 1,701,273	$ 1,736,308	$ 1,670,321	$ 3,234,786	$ 406,973	$ 2,657,124	$ 6,671,714	$ 612,370	$ 1,412,483	$ 1,401,888	$ 567,586	$ 34,878	$ (2,006,000)	$ 23,042,798
LIABILITIES AND NET ASSETS															
Current liabilities															
Accounts payable	$ 167	$ 1,393	$ (258)	$ -0-	$ -0-	$ 300	$ 2,690	$ 3,472	$ 167	$ 1,521	$ (115)	$ (839)	$ 28,332	$ -0-	$ 36,830
Accrued expenses	64,903	68,688	69,395	57,964	61,140	37,380	63,727	237,701	26,433	64,955	47,365	36,701	18,537	-0-	854,889
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	996,000	-0-	1,010,000	-0-	(2,006,000)	-0-
Current portion of operating lease liabilities	191,395	-0-	97,374	125,427	4,068	118,560	186,602	142,232	83,698	9,142	201,719	92,002	-0-	-0-	1,252,219
Total current liabilities	256,465	70,081	166,511	183,391	65,208	156,240	253,019	383,405	110,298	1,071,618	248,969	1,137,864	46,869	(2,006,000)	2,143,938
Operating lease liabilities, net of current portion	1,064,813	-0-	475,262	474,818	8,329	-0-	993,126	850,343	177,496	18,719	832,413	10,319	-0-	-0-	4,905,638
Total liabilities	1,321,278	70,081	641,773	658,209	73,537	156,240	1,246,145	1,233,748	287,794	1,090,337	1,081,382	1,148,183	46,869	(2,006,000)	7,049,576
Net assets (deficit)															
Without donor restrictions															
Undesignated	1,589,816	1,601,192	1,064,535	982,112	3,161,249	220,733	1,410,979	5,437,966	294,576	292,146	290,506	(610,597)	(11,991)	-0-	15,723,222
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	30,000	30,000	-0-	-0-	270,000
Total net assets (deficit)	1,619,816	1,631,192	1,094,535	1,012,112	3,161,249	250,733	1,410,979	5,437,966	324,576	322,146	320,506	(580,597)	(11,991)	-0-	15,993,222
Total liabilities and net assets	$ 2,941,094	$ 1,701,273	$ 1,736,308	$ 1,670,321	$ 3,234,786	$ 406,973	$ 2,657,124	$ 6,671,714	$ 612,370	$ 1,412,483	$ 1,401,888	$ 567,586	$ 34,878	$ (2,006,000)	$ 23,042,798

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – BY LOCATION
YEAR ENDED JUNE 30, 2023

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	9036 Southeast	Eliminations	Total
Revenues and support															
State support	$ 1,998,829	$ 2,321,671	$ 2,287,374	$ 1,371,399	$ 2,294,296	$ 1,288,860	$ 2,648,184	$ 8,301,075	$ 997,999	$ 2,083,303	$ 1,878,296	$ 870,409	$ -0-	$ -0-	$ 28,341,695
Federal support	57,604	65,788	47,644	66,732	46,511	55,626	63,990	197,318	55,403	75,275	47,689	33,998	40,206	-0-	853,784
Contributions	5,543	-0-	-0-	-0-	-0-	-0-	2,000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7,543
Contributions, in-kind	-0-	94,500	-0-	-0-	-0-	-0-	-0-	422,184	-0-	36,640	-0-	-0-	-0-	-0-	553,324
Other	27,546	11,725	15,482	1,670	8,628	10,055	10,055	62,748	13,465	14,598	10,083	10,967	-0-	-0-	197,022
Interfund transfer	575,000	215,000	250,000	200,000	200,000	150,000	270,000	350,000	225,000	175,000	175,000	150,000	-0-	(2,935,000)	-0-
Total revenues and support	2,664,522	2,708,684	2,600,500	1,639,801	2,549,435	1,504,541	2,994,229	9,333,325	1,291,867	2,384,816	2,111,068	1,065,374	40,206	(2,935,000)	29,953,368
Expenses															
Wages and benefits	1,173,497	1,536,974	1,437,715	990,301	1,296,783	930,171	1,451,995	4,613,837	719,023	1,084,856	1,097,932	586,822	39,144	-0-	16,959,050
Professional fees	360,172	550,061	459,466	246,801	655,481	259,798	583,509	2,315,096	128,580	487,989	280,524	132,389	-0-	-0-	6,459,866
Supplies and materials	117,198	106,036	105,990	70,099	78,735	42,058	58,766	276,520	48,239	88,420	49,828	62,278	12,812	-0-	1,116,979
Student transportation	856	(2,970)	15,900	5,197	4,390	2,016	6,708	88,700	499	21,780	(258)	3,964	-0-	-0-	146,782
Drop-in center	4,173	1,001	7,812	1,024	1,503	683	3,559	7,437	185	1,708	957	1,076	-0-	-0-	31,118
Rent	230,408	120,238	120,831	135,375	98,280	117,144	206,319	580,686	90,526	36,640	234,296	82,187	-0-	-0-	2,052,930
Occupancy	61,653	87,104	196,030	120,914	140,874	19,338	161,652	361,114	62,843	191,695	26,111	71,879	-0-	-0-	1,501,207
Depreciation	151,406	21,946	34,818	27,040	7,353	7,359	182,968	318,065	31,373	100,828	192,528	198,203	-0-	-0-	1,273,887
Interfund transfer	575,000	215,000	250,000	200,000	200,000	150,000	270,000	350,000	225,000	175,000	175,000	150,000	-0-	(2,935,000)	-0-
Other	12,537	8,240	11,360	4,005	7,026	6,464	7,531	27,106	3,294	6,386	5,783	3,252	241	-0-	103,225
Total expenses	2,686,900	2,643,630	2,639,922	1,800,756	2,490,425	1,535,031	2,933,007	8,938,561	1,309,562	2,195,302	2,062,701	1,292,050	52,197	(2,935,000)	29,645,044
Change in net assets without donor restrictions	(22,378)	65,054	(39,422)	(160,955)	59,010	(30,490)	61,222	394,764	(17,695)	189,514	48,367	(226,676)	(11,991)	-0-	308,324
Net assets															
Beginning of year	1,642,194	1,566,138	1,133,957	1,173,067	3,102,239	281,223	1,349,757	5,043,202	342,271	132,632	272,139	(353,921)	-0-	-0-	15,684,898
End of year	$ 1,619,816	$ 1,631,192	$ 1,094,535	$ 1,012,112	$ 3,161,249	$ 250,733	$ 1,410,979	$ 5,437,966	$ 324,576	$ 322,146	$ 320,506	$ (580,597)	$ (11,991)	$ -0-	$ 15,993,222

See Report of Independent Auditors on pages 1 through 3.

EXCEL CENTERS, LLC

SCHEDULE OF FINANCIAL POSITION – BY LOCATION
JUNE 30, 2022

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
ASSETS														
Current assets														
Cash	$ 155,936	$ 601,318	$ 609,426	$ 531,671	$ 884,944	$ 302,701	$ 676,211	$ 1,462,467	$ 349,839	$ 371,194	$ 369,430	$ 150,327	$ -0-	$ 6,465,464
Support receivables	39,464	12,682	39,181	14,048	2,536	6,173	21,333	115,530	6,409	8,555	45,771	6,226	-0-	317,908
Prepaid expenses	11,657	10,500	9,157	10,292	8,190	9,762	16,159	10,403	7,320	-0-	17,602	7,382	-0-	118,424
Total current assets	207,057	624,500	657,764	556,011	895,670	318,636	713,703	1,588,400	363,568	379,749	432,803	163,935	-0-	6,901,796
Related party receivables	1,005,306	980,775	544,000	630,307	2,272,360	-0-	-0-	2,166,333	-0-	-0-	-0-	-0-	(2,556,624)	5,042,457
Property and equipment, net	511,827	41,831	39,137	43,045	13,051	12,452	771,611	1,554,499	25,172	1,212,393	202,461	461,280	-0-	4,888,759
Total assets	$ 1,724,190	$ 1,647,106	$ 1,240,901	$ 1,229,363	$ 3,181,081	$ 331,088	$ 1,485,314	$ 5,309,232	$ 388,740	$ 1,592,142	$ 635,264	$ 625,215	$ (2,556,624)	$ 16,833,012
LIABILITIES AND NET ASSETS														
Current liabilities														
Accounts payable	$ 32,588	$ 18,938	$ 43,040	$ 18,566	$ 28,896	$ 13,998	$ 37,851	$ 70,694	$ 17,006	$ 21,491	$ 32,920	$ 26,843	$ -0-	$ 362,831
Accrued expenses	49,408	62,030	63,904	37,730	49,946	35,867	97,706	195,336	29,463	73,019	48,581	42,293	-0-	785,283
Related party payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,365,000	281,624	910,000	(2,556,624)	-0-
Total liabilities	81,996	80,968	106,944	56,296	78,842	49,865	135,557	266,030	46,469	1,459,510	363,125	979,136	(2,556,624)	1,148,114
Net assets (deficit)														
Without donor restrictions														
Undesignated	1,612,194	1,536,138	1,103,957	1,143,067	3,102,239	251,223	1,349,757	5,043,202	312,271	102,632	242,139	(373,921)	-0-	15,424,898
Board-designated	30,000	30,000	30,000	30,000	-0-	30,000	-0-	-0-	30,000	30,000	30,000	20,000	-0-	260,000
Total net assets (deficit)	1,642,194	1,566,138	1,133,957	1,173,067	3,102,239	281,223	1,349,757	5,043,202	342,271	132,632	272,139	(353,921)	-0-	15,684,898
Total liabilities and net assets	$ 1,724,190	$ 1,647,106	$ 1,240,901	$ 1,229,363	$ 3,181,081	$ 331,088	$ 1,485,314	$ 5,309,232	$ 388,740	$ 1,592,142	$ 635,264	$ 625,215	$ (2,556,624)	$ 16,833,012

EXCEL CENTERS, LLC

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – BY LOCATION
YEAR ENDED JUNE 30, 2022

	9750 Anderson	9355 Kokomo	9345 Lafayette	9305 Richmond	9335 West	9855 Noblesville	9840 University Heights	9910 Excel Center for Adult Learners	9955 Shelbyville	9050 Clarksville	9160 Muncie	8655 Bloomington	Eliminations	Total
Revenues and support														
State support	$ 1,990,195	$ 2,348,409	$ 2,250,733	$ 1,363,939	$ 2,252,081	$ 1,257,518	$ 2,651,278	$ 7,645,802	$ 1,058,455	$ 2,073,493	$ 1,871,401	$ 678,818	$ -0-	$ 27,442,122
Federal support	100,108	146,531	170,157	146,124	73,064	105,966	63,167	339,937	80,682	145,570	168,011	65,250	-0-	1,604,567
Contributions	122	263	299	85	143	79	167	478	66	128	117	68	-0-	2,015
Contributions, in-kind	-0-	-0-	-0-	-0-	-0-	-0-	-0-	121,000	-0-	-0-	-0-	-0-	-0-	121,000
Other	11,769	12,009	19,165	26,470	9,847	9,247	9,315	28,237	20,740	9,600	17,514	12,069	-0-	185,982
Interfund transfer	650,000	500,000	500,000	400,000	400,000	97,500	900,000	1,825,000	200,000	350,000	300,000	-0-	(6,122,500)	-0-
Total revenues and support	2,752,194	3,007,212	2,940,354	1,936,618	2,735,135	1,470,310	3,623,927	9,960,454	1,359,943	2,578,791	2,357,043	756,205	(6,122,500)	29,355,686
Expenses														
Wages and benefits	1,111,915	1,418,495	1,307,769	963,358	1,246,473	868,775	1,350,480	4,313,252	708,547	1,075,232	1,073,575	608,843	-0-	16,046,714
Professional fees	467,363	670,810	622,322	297,280	686,096	236,554	730,432	2,191,516	217,722	536,309	354,248	100,632	-0-	7,111,284
Supplies and materials	111,163	85,804	86,048	75,590	93,608	25,131	80,450	221,770	35,442	51,378	70,924	29,364	-0-	966,672
Student transportation	40	8,940	16,859	3,040	3,748	96	1,193	19,071	2,060	53,628	1,868	2,925	-0-	113,468
Drop-in center	4,098	1,172	5,517	1,127	1,022	115	2,075	6,059	978	2,595	311	995	-0-	26,064
Rent	151,167	126,000	109,882	123,500	98,280	117,144	194,755	547,721	82,991	36,640	211,219	82,677	-0-	1,881,976
Occupancy	128,733	132,876	205,638	121,374	120,397	10,391	132,620	426,012	62,722	192,742	33,814	59,880	-0-	1,627,199
Depreciation	62,821	12,055	35,700	35,771	25,090	39,730	188,265	328,952	25,709	139,311	194,459	203,575	-0-	1,291,438
Interfund transfer	650,000	500,000	500,000	400,000	400,000	97,500	900,000	1,825,000	200,000	350,000	300,000	-0-	(6,122,500)	-0-
Other	7,056	8,164	12,435	3,626	5,724	47,262	6,417	23,337	4,553	4,825	4,763	2,610	-0-	130,772
Total expenses	2,694,356	2,964,316	2,902,170	2,024,666	2,680,438	1,442,698	3,586,687	9,902,690	1,340,724	2,442,660	2,245,181	1,091,501	(6,122,500)	29,195,587
Change in net assets without donor restrictions	57,838	42,896	38,184	(88,048)	54,697	27,612	37,240	57,764	19,219	136,131	111,862	(335,296)	-0-	160,099
Net assets														
Beginning of year	1,584,356	1,523,242	1,095,773	1,261,115	3,047,542	253,611	1,312,517	4,985,438	323,052	(3,499)	160,277	(18,625)	-0-	15,524,799
End of year	$ 1,642,194	$ 1,566,138	$ 1,133,957	$ 1,173,067	$ 3,102,239	$ 281,223	$ 1,349,757	$ 5,043,202	$ 342,271	$ 132,632	$ 272,139	$ (353,921)	$ -0-	$ 15,684,898

See Report of Independent Auditors on pages 1 through 3.

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REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Excel Centers, LLC (Excel Centers) which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 3, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Excel Centers' internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Excel Centers' internal control. Accordingly, we do not express an opinion on the effectiveness of Excel Centers' 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 Excel Centers' financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Excel Centers' 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Excel Centers' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
November 3, 2023

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REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Excel Centers, LLC's (Excel Centers) 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 Excel Centers' major federal programs for the year ended June 30, 2023. Excel Centers' 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, Excel Centers 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, 2023.

Basis for Opinion on Each Major Program

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

We are required to be independent of Excel Centers and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Excel Centers' 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 Excel Centers' federal programs.

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 Excel Centers' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Excel Centers' compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement 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 Excel Centers' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Excel Centers' 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 Excel Centers' 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.

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Excel Centers as of and for the year ended June 30, 2023 and have issued our report thereon dated November 3, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by the Uniform Guidance, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Blue & Co., LLC

Indianapolis, Indiana
November 3, 2023

EXCEL CENTERS, LLC

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant ID Number	Expenditures
Major program			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE)			
COVID-19 - CARES Act - Education Stabilization Fund	84.425	S425D200013	$ 698,582
Non-major programs			
DOE - through IDOE - Special Education Cluster - Grants to States	84.027	H027A190084	52,793
DOE - through IDOE - Title III - English Language Acquisition State Grants	84.365	S365A210014	1,000
DOE - through IDOE - Supportive Effective Instruction State Grants	84.367	S367A190013	36,325
U.S. Department of the Treasury - through IDOE - American Rescue Plan Act -			
Coronavirus State and Local Fiscal Recovery Funds	21.027	U282A170017	65,084
Total non-major programs			155,202
Total federal expenditures			$ 853,784

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Excel Centers, LLC (Excel Centers) under programs of the federal government for the year ended June 30, 2023. The information in this SEFA 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). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Note B - Summary of Significant Accounting Policies

Expenditures reported on this SEFA are reported on the accrual 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. Excel Centers has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note C - Sub-Recipient Pass Through

Excel Centers did not pass through any federal awards to subrecipients during 2023.

Note D - Fair Market Value of Donated Personal Protective Equipment (Unaudited)

During 2023, Excel Centers did not receive donated personal protected equipment from federal sources.

See Report of Independent Auditors on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance on page 27.

Section I – Summary of Audit Results:

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards

Internal controls over major programs:		
Material weakness(es) identified?	____ yes	X none reported
Significant deficiency(ies) identified that are not considered to be material weakness(es) noted?	____ yes	X none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	____ yes	X no

Identification of major programs:

Assistance Listing Number 84.425 - COVID-19 - CARES Act - Education Stabilization Fund

Dollar threshold used to distinguish between type A and B programs:	$750,000	
Auditee qualified as low-risk auditee?	X yes	____ no

Section II - Findings Related to Financial Statements Reported in Accordance With *Government Auditing Standards:*

No matters reported

Section III - Findings and Questioned Costs Relating to Federal Awards:

No matters reported

Section IV - Summary Schedule of Prior Audit Findings:

Not applicable

OTHER REPORT
YEAR ENDED JUNE 30, 2023

The report presented herein was prepared in addition to another official report prepared for Excel Centers, LLC as listed below:

Supplemental Audit Report of Excel Centers, LLC

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.

CPAS / ADVISORS

blue

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November 3, 2023

Board of Directors
Excel Centers, LLC
Indianapolis, Indiana

Dear Board Members:

We have audited the financial statements of Excel Centers, LLC. (Excel Centers) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter and our planning letter. Professional standards also require that we communicate to you the following information related to our audit.

Required auditor communications related to significant audit matters

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Excel Centers are described in the notes to the financial statements. During 2023, Excel Centers adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. The adoption of FASB ASU No. 2016-02, *Leases (Topic 842)* is discussed in Notes 2 and 8 to the financial statements. No other new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Excel Centers during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

> Management's estimate of the allowance for uncollectable grants receivable is based on historical collections, historical loss levels and an analysis of the collectability of grants grouped by grantor. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of useful lives of depreciable assets is based on historical experience and industry standards. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

> Management's estimates of right-of-use assets under operating leases and operating lease liabilities are based on lease terms and include reasonably certain to be exercised extension and/or termination options. We evaluated the key factors and assumptions used to develop the right-of-use assets under operating leases and operating lease liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements noted.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Excel Centers' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Excel Centers' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

A paragraph titled "Change in Accounting Principle" was added to the Report of the Independent Auditors to address the adoption of FASB ASU No. 2016-02, *Leases (Topic 842*). Our opinion was not modified with respect to the adoption of this ASU.

OTHER MATTERS

We were engaged to report on the supplementary information, which accompany the financial statements but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * *

This information is intended solely for the use of management, the board of directors, and others within Excel Centers, and is not intended to be and should not be used by anyone other than these specified parties. We appreciate this opportunity to be of service and extend our thanks to everyone at Excel Centers for their cooperation and assistance. We would be pleased to discuss any of the above matters with you at your convenience.

Sincerely,

Blue & Co., LLC