



Paul D. Joyce, CPA  
State Examiner

## INDIANA STATE BOARD OF ACCOUNTS

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March 26, 2025

Charter School Board  
Tindley Accelerated Schools, Inc.  
Marion County, Indiana

We have reviewed the audit report of Tindley Accelerated Schools, Inc., which was opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Tindley Accelerated Schools, Inc. as of June 30, 2024 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Crowe LLP prepared the audit report in accordance with guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a supplemental report for Tindley Accelerated Schools, Inc. was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA  
Deputy State Examiner

**TINDLEY ACCELERATED SCHOOLS, INC.**

**FINANCIAL STATEMENTS**

June 30, 2024 and 2023

TINDLEY ACCELERATED SCHOOLS, INC.  
Indianapolis, Indiana

FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Tindley Accelerated Schools, Inc.  
Indianapolis, Indiana

**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of Tindley Accelerated Schools, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Organization's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

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## ***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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Crowe LLP*

Crowe LLP

Indianapolis, Indiana  
December 23, 2024

TINDLEY ACCELERATED SCHOOLS, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,068,103	\$ 3,790,912
Restricted cash (Note 1)	207,273	162,014
Grants receivable (Note 1)	929,058	832,409
Land, buildings, and equipment, net (Note 2)	<u>11,977,357</u>	<u>12,471,699</u>
Total assets	<u>\$ 17,181,791</u>	<u>\$ 17,257,034</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 456,069	\$ 697,100
Deferred revenue	650,968	-
Financing leases payable (Note 4)	12,256,729	12,479,900
Notes payable, net (Note 5)	<u>5,499,382</u>	<u>5,797,502</u>
Total liabilities	18,863,148	18,974,502
Net assets		
Without donor restrictions - undesignated	2,834,026	2,841,884
Without donor restrictions – charter school reorganizations (Note 5)	<u>(4,754,081)</u>	<u>(4,754,081)</u>
Total without donor restrictions	(1,920,055)	(1,912,197)
With donor restrictions (Note 6)	<u>238,698</u>	<u>194,729</u>
Total net assets	<u>(1,681,357)</u>	<u>(1,717,468)</u>
Total liabilities and net assets	<u>\$ 17,181,791</u>	<u>\$ 17,257,034</u>

See accompanying notes to financial statements.

TINDLEY ACCELERATED SCHOOLS, INC.  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Public support and revenues</b>			
Federal and state grants	\$ 14,974,159	\$ -	\$ 14,974,159
Contributions	476,252	169,712	645,964
Program service fees and other revenue	346,377	-	346,377
Investment income	115,165	-	115,165
Net assets released from restrictions (Note 6)	<u>125,743</u>	<u>(125,743)</u>	<u>-</u>
Total public support and revenues	16,037,696	43,969	16,081,665
 <b>Expenses</b>			
Elementary school	7,490,601	-	7,490,601
Middle school	1,126,168	-	1,126,168
High school	3,250,227	-	3,250,227
General and administrative	4,102,915	-	4,102,915
Fundraising	<u>75,643</u>	<u>-</u>	<u>75,643</u>
Total expenses	<u>16,045,554</u>	<u>-</u>	<u>16,045,554</u>
 <b>Change in net assets</b>	(7,858)	43,969	36,111
 Net assets, beginning of year	<u>(1,912,197)</u>	<u>194,729</u>	<u>(1,717,468)</u>
 <b>Net assets, end of year</b>	<u>\$ (1,920,055)</u>	<u>\$ 238,698</u>	<u>\$ (1,681,357)</u>

See accompanying notes to financial statements.

TINDLEY ACCELERATED SCHOOLS, INC.  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2023

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Public support and revenues</b>			
Federal and state grants	\$ 15,450,931	\$ -	\$ 15,450,931
Contributions	560,838	163,000	723,838
Program service fees and other revenue	314,911	-	314,911
Investment income	53,184	-	53,184
Net assets released from restrictions (Note 6)	<u>45,741</u>	<u>(45,741)</u>	<u>-</u>
Total public support and revenues	16,425,605	117,259	16,542,864
 <b>Expenses</b>			
Elementary school	7,630,703	-	7,630,703
Middle school	1,212,702	-	1,212,702
High school	3,308,853	-	3,308,853
General and administrative	4,013,998	-	4,013,998
Fundraising	<u>73,259</u>	<u>-</u>	<u>73,259</u>
Total expenses	<u>16,239,515</u>	<u>-</u>	<u>16,239,515</u>
 <b>Change in net assets</b>	186,090	117,259	303,349
 Net assets, beginning of year	<u>(2,098,287)</u>	<u>77,470</u>	<u>(2,020,817)</u>
 <b>Net assets, end of year</b>	<u>\$ (1,912,197)</u>	<u>\$ 194,729</u>	<u>\$ (1,717,468)</u>

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See accompanying notes to financial statements.

TINDLEY ACCELERATED SCHOOLS, INC.  
STATEMENTS OF CASH FLOWS  
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 36,111	\$ 303,349
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	586,776	587,359
Change in assets and liabilities		
Grants receivable	(96,649)	(183,968)
Deferred revenue	650,968	-
Prepaid expenses	-	14,178
Accounts payable and accrued expenses	<u>(241,031)</u>	<u>307,126</u>
Net cash from operating activities	936,175	1,028,044
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	<u>(92,434)</u>	<u>(59,007)</u>
Net cash used in investing activities	(92,434)	(59,007)
<b>Cash flows from financing activities</b>		
Repayment on financing lease obligation	(223,171)	(212,856)
Repayment on notes payable	<u>(298,120)</u>	<u>(298,121)</u>
Net cash used in financing activities	<u>(521,291)</u>	<u>(510,977)</u>
Net change in cash and cash equivalents	322,450	458,060
Cash and cash equivalents, beginning of year	<u>3,952,926</u>	<u>3,494,866</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,275,376</u>	<u>\$ 3,952,926</u>
Reconciliation of cash to the Statements of Financial Position:		
Cash and cash equivalents	\$ 4,068,103	\$ 3,790,912
Restricted cash	<u>207,273</u>	<u>162,014</u>
Total cash and cash equivalents	<u>\$ 4,275,376</u>	<u>\$ 3,952,926</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 693,465	\$ 708,340

See accompanying notes to financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Organization: Tindley Accelerated Schools, Inc. (“Organization”) began operations in 2002 as the Charter For Accelerated Learning, Inc. to provide educational services including charter school management, turnaround school services, and education consulting. During fiscal year 2014, the Organization changed its name to Tindley Accelerated Schools, Inc.

In 2004, Tindley Accelerated Schools, Inc. launched the Charles A. Tindley Accelerated School as an open-enrollment charter school serving grades 6-12. From the beginning, the Organization’s vision has been to ensure 100% of its students gain acceptance to a fully-accredited four-year college or university. With this in mind, every student is required to complete a rigorous high school program culminating in authentic courses.

In August 2012, the Organization opened the Tindley Preparatory Academy, which is an extension of the Charles A. Tindley Accelerated School, serving as an all-male middle school designed to spark higher levels of academic achievement in males.

In August 2013, the Organization opened the Tindley Renaissance Elementary School, an open enrollment charter elementary school, and Tindley Collegiate Academy, serving as an all-female middle school designed to help young girls become successful scholars regardless of their past academic performance.

In August 2014, the Organization opened a new school, Tindley Summit Elementary School, which is an extension of the Charles A. Tindley Accelerated School. The Tindley Summit Elementary School is serving as an open enrollment charter elementary school designed for children in kindergarten through third grade.

In August 2015, the Organization opened a new school, Tindley Genesis Elementary School, which is an extension of the Charles A. Tindley Accelerated School. The Tindley Genesis Elementary School is serving as an open enrollment charter elementary school designed for children in kindergarten through third grade. Students at Genesis engage in concentrated music instruction throughout the school day which includes classes in instrumental music, singing, piano, and general music.

At June 30, 2018, the local education agency (LEA) license for Tindley Preparatory Academy expired and was not renewed. At June 30, 2019, the local education agency (LEA) licenses for Tindley Collegiate Academy and Tindley Renaissance Academy expired and were not renewed. The Organization now operates two K-6 schools, Tindley Summit Elementary School and Tindley Genesis Elementary School, and a Grade 7-12 school, Charles A. Tindley Accelerated School.

The financial statements include the activity of all schools. All material inter-organizational accounts and transactions have been eliminated.

The Organization was established under the laws of the State of Indiana and operates under a Board of School Trustees.

Method of Accounting: The Organization maintains its accounts on the accrual basis of accounting and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Income Taxes: The Organization is exempt from income taxes on income from related activities under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding state tax law. Accordingly, no provision has been made for federal or state income taxes.

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Organization has adopted applicable guidance with respect to accounting for uncertainty in income taxes. A tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit will be recorded.

The Organization does not expect the total amount of unrecorded tax benefits to significantly change in the next 12 months. The Organization recognizes interest and/or penalties related to income tax matters in income tax expense. The Organization did not have any amounts accrued for interest and penalties at June 30, 2024 and 2023.

Use of Estimates: The preparation of financial statements in conformity with GAAP 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 and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

Cash Equivalents: Cash and cash equivalents consist of bank deposits in accounts that are federally insured up to \$250,000. For the purpose of the statement of cash flows, the Organization considers all highly liquid debt instruments, if any, purchased with a maturity of three months or less to be cash equivalent.

Restricted Cash: The Organization is required to hold proceeds under the terms of a financing lease agreement that are to be restricted for unexpected capital expenses or if a need is found during a capital need assessment. The Organization is required to set aside within their capital investment escrow account at a minimum 5 percent of annual rent payments in any year when enrollment drops below 1,200 students. As of June 30, 2024 and 2023, the Organization held \$207,273 and \$162,014, respectively, within the capital improvement escrow account.

Grants Receivable: Grants receivable balances consist of amounts billed or billable for services provided or contracted. The Organization does not accrue interest on any of its grants receivables. At June 30, 2024 and 2023, the grants receivable balance relates to federal support due within one year totaling \$929,058 and \$832,409, respectively.

Property and Equipment: Expenditures for property and equipment and items in excess of \$1,500 which substantially increase the useful lives of existing assets are capitalized at cost or at fair value at date of gift. Repairs and maintenance costs are expensed as incurred. Depreciation has been computed on straight-line method at rates designed to depreciate the costs of assets over their estimated useful lives as follows:

Buildings and improvements	40 years
Machinery and equipment	3-5 years
Textbooks	3-5 years

Impairment of Long-Lived Assets: In accordance with GAAP, the Organization reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. As of June 30, 2024 and 2023, management believes that no impairment exists.

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(Continued)

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Basis of Presentation: The Organization follows GAAP and reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – The net asset without donor restrictions class includes general assets and liabilities of the Organization. The net asset without donor restrictions of the Organization may be used at the discretion of management to support the Organization’s purposes and operations.

Net Assets With Donor Restrictions – The net asset class with donor restrictions includes assets of the Organization related to gifts and grants with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. Net assets with donor restrictions class also includes assets of the Organization for which the donor has stipulated that the contribution be maintained in perpetuity. Donor-imposed restriction limiting the use of the assets or their economic benefit neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization had no net assets with donor restrictions required to be kept in perpetuity as of June 30, 2024 and 2023.

Revenue Recognition: The Organization recognizes revenue either as performance obligations are materially satisfied, contracts expire or are invalidated, and/or as applicable policy terms warrant. Program service fee revenue is recognized as services are provided and obligations are satisfied.

The Organization’s unearned portion of revenue is reflected as deferred revenue in the statement of financial position. Deferred revenue represents the excess funding received for performance of future obligations.

Federal and State Grants: Support funded by grants is recognized as the Organization satisfies the related conditions under various grant agreements. Grant revenue is typically recognized as allowable expenses are incurred. Government grants and contracts are generally subject to conditions that have a barrier and a right of return that must be met before the Organization is entitled to funding. Accordingly, advances from granting agencies are generally considered refundable in the unlikely event specified services are not performed. Some of the Organization’s grant agreements are not on a cost reimbursement basis, and support is recognized when earned. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Contributions: Contributions are recognized in the period that the promise to give is received. Unless specifically restricted by the donor, all contributions are considered available for use. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions of a temporary nature support. Conditional contributions, with a barrier and right of return, are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor.

Functional and Allocated Expenses: Expenses are charged directly to activities when specifically identifiable. All other costs are allocated to the activities based upon various actual statistical bases. Salaries and related expenses are charged based on the relative amount of time historically spent by personnel.

Subsequent Events: Management has performed an analysis of the activities and transactions subsequent to June 30, 2024, to determine the need for any adjustments or disclosures to the financial statements for the year ended June 30, 2024. Management has performed their analysis through December 23, 2024, the date the financial statements were available to be issued.

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 2 - LAND, BUILDINGS AND EQUIPMENT**

At June 30, the carrying value of land, buildings and equipment consists of the following:

	<u>2024</u>	<u>2023</u>
Land, building and improvements	\$ 14,427,372	\$ 14,413,726
Machinery and equipment	3,378,933	3,300,146
Textbooks	<u>128,530</u>	<u>128,529</u>
	17,934,835	17,842,401
Less accumulated depreciation	<u>(5,957,478)</u>	<u>(5,370,702)</u>
	<u>\$ 11,977,357</u>	<u>\$ 12,471,699</u>

Depreciation and amortization expense for the years ended June 30, 2024 and 2023 was \$586,776 and \$587,359, respectively.

**NOTE 3 - OPERATING LEASES**

The Organization leases certain equipment under various non-cancelable operating leases which expire at various dates through fiscal year 2029. The future maturities lease payments under operating leases are as follows:

2025	\$ 84,191
2026	29,546
2027	4,661
2029	<u>4,016</u>
	<u>\$ 122,414</u>

Operating lease expense for the year ended June 30, 2024 and 2023 was \$84,191 and \$85,055, respectively.

**NOTE 4 - FINANCING LEASE PAYABLE**

The Organization has entered into a financing lease agreement for building leases which expire in October 2049. Principal and interest payments are due monthly. The gross amount of buildings and equipment and related amortization recorded under the financing lease is as follows:

	<u>2024</u>	<u>2023</u>
Buildings and equipment	\$ 14,107,327	\$ 14,213,304
Accumulated amortization	<u>(3,088,627)</u>	<u>(2,758,220)</u>
	<u>\$ 11,018,700</u>	<u>\$ 11,455,084</u>

Amortization of assets held under financing leases is included with depreciation expense.

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 4 - FINANCING LEASE PAYABLE** (Continued)

In September 2019, the Organization reached an agreement with a third party, CIES Tindley I, LLC (CIES Tindley), to refinance the bond and note payable held by the Organization through the issuance of Educational Facilities Revenue Bonds, Series 2019A, with the Indiana Finance Authority. Under the arrangement, CIES Tindley became the obligator of bonds and used the \$11,725,000 bond proceeds for the following items: i.) for the acquisition and renovation of the Charles A. Tindley Accelerated School facility which was previously financed with the 2013 Bonds; ii.) to pay off the term loan payable that was held by the organization; iii.) exercise the purchase option on the lease agreement for Tindley Summit Elementary School; iv.) to fund the purchase of Tindley Genesis Elementary School building from the lessor for \$4.5 million. Upon the execution of this agreement, the Organization wrote off the net book value of the Charles A. Tindley Accelerated School facility and the corresponding bond and note payable amounts which resulted in a loss on disposal of assets of approximately \$362,000 recognized on a prior period's statement of activities. The Organization entered into a financing lease agreement with CIES Tindley effective September 30, 2019, to lease the three premises. The lease agreement requires monthly payments necessary to meet the debt service requirements of the landlord. The lease matures on October 1, 2049 and includes a purchase option which may not be exercised prior to December 1, 2024 at the price equal the remaining principal balance on the bonds including any related premium.

As of June 30, 2024 and 2023, the financing lease obligation balance is \$12,256,729 and \$12,479,900, respectively.

Future minimum lease payments under the financing lease at June 30, 2024, are as follows:

2025		\$ 905,356
2026		908,921
2027		904,708
2028		906,648
2029		905,783
Thereafter		<u>18,061,446</u>
Total		22,592,862
Interest due		<u>(10,336,133)</u>
Total		<u>\$ 12,256,729</u>

Interest expense related to financing leases for the years ended June 30, 2024 and 2023 was \$683,776 and \$695,669, respectively.

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 5 - NOTES PAYABLE**

Notes payable consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Note payable to State of Indiana to support charter school operations of Tindley Preparatory Academy, payable in semi-annual installments of \$69,067, plus interest computed at 1.00%, through maturity in July 2026.*	\$ 1,174,654	\$ 1,174,654
Note payable to State of Indiana to support charter school operations of Tindley Collegiate Academy, payable in semi-annual installments of \$98,553, plus interest computed at 1.00%, through maturity in July 2026.*	1,576,534	1,576,534
Note payable to State of Indiana to support charter school operations of Tindley Renaissance Academy, payable in semi-annual installments of \$125,181, plus interest computed at 1.00%, through maturity in July 2026.*	2,002,893	2,002,893
Note payable to State of Indiana to support charter school operations of Tindley Summit Academy, payable in semi-annual installments of \$98,162, plus interest computed at 1.00%, through maturity in July 2026.*	490,808	687,131
Note payable to State of Indiana to support charter school operations of Tindley Genesis Academy, payable in semi-annual installments of \$50,899, plus interest computed at 1.00%, through maturity in July 2026.*	<u>254,493</u>	<u>356,290</u>
Total outstanding bonds and notes payable	<u>\$ 5,499,382</u>	<u>\$ 5,797,502</u>

\* Note: Beginning in January 2017, the Indiana Department of Education (IDOE) began withholding payments due on the notes payable to the State of Indiana from basic grant monthly distributions made to the schools. During fiscal year 2019, the Organization received a deferment from the IDOE which halted payments related to the notes payable from January 2019 through September 2019. During October 2019, the IDOE resumed withholding payments due on the notes payable to the State of Indiana from basic grant monthly distributions for Tindley Genesis Academy and Tindley Summit Academy.

Due to the expiration of the LEA licenses related to Tindley Preparatory Academy, Tindley Collegiate Academy, and Tindley Renaissance Academy as disclosed in Note 1, there has been no repayment of notes payable to the State of Indiana related to these schools in fiscal year 2024 and 2023. The total of these three notes payable is \$4,754,081 at June 30, 2024 and 2023. The Organization awaits instruction from IDOE on the repayment of these notes payable but believes they don't owe the outstanding payable balances noted above as the LEA licenses for the corresponding schools have expired. The Organization has designated the portion of net assets allocable to the impact of these loans, as shown on the statements of financial position.

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 5 - NOTES PAYABLE** (Continued)

As of June 30, 2024, estimated future principal payments are due on long term debt as follows:

2025		\$ 298,120
2026		298,120
2027		149,061
Thereafter		<u>4,754,081</u>
		<u>\$ 5,499,382</u>

As a result of the restructuring of the Organization to three schools as disclosed Note 1, repayment on the notes payable to the State of Indiana for Tindley Preparatory Academy, Tindley Renaissance Academy, and Tindley Collegiate Academy have been halted until further clarification is provided through state legislation. The outstanding balances as of June 30, 2024 for these notes are included with thereafter in the schedule above.

Interest expense for the years ended June 30, 2024 and 2023 was \$9,689 and \$12,670, respectively.

**NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions of a temporary nature are available for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Post-secondary success program	\$ 153,520	\$ 115,273
Scholarships	38,150	30,650
Behavioral reset room	1,815	19,544
High school science laboratories	17,983	17,983
Other	<u>27,230</u>	<u>11,279</u>
	<u>\$ 238,698</u>	<u>\$ 194,729</u>

Net assets are released from donor restrictions by incurring expenditures satisfying the restricted purpose or by occurrence of other events specified by donors. Net assets released from restrictions during the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
High school science laboratories	\$ -	\$ 22,331
Post-secondary success program	84,753	11,397
Scholarships	2,500	-
Behavioral reset room	17,729	-
Other	<u>20,761</u>	<u>12,013</u>
	<u>\$ 125,743</u>	<u>\$ 45,741</u>

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(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 7 - PENSION PLAN**

The Organization elected to become a participating employer in the Indiana Public Retirement System (INPRS). INPRS includes both the Public Employees' Retirement Fund (PERF) and the Teacher's Retirement Fund (TRF). PERF is a defined benefit pension plan. PERF is a cost sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS. TRF is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. The Organization employees are required to contribute 3% of their annual covered salary. The Organization is required to contribute an actuarially determined rate determined annually for PERF and TRF. Retirement plan expense related to PERF and TRF for the years ended June 30, 2024 and 2023 was \$18,738 and \$26,664, respectively.

Full-time employees may also elect to participate in a 403(b) retirement plan. The Organization will match employee contributions up to 5% of salary and employees are fully vested after four years. Plan expense was \$63,025 and \$58,246, respectively, for the years ended June 30, 2024 and 2023.

**NOTE 8 – FUNCTIONAL EXPENSES BY NATURAL CLASSIFICATION**

The statements of activities report certain categories of expenses attributable to the programs and supporting functions of the Organization. Activities include elementary school, middle school, high school, general and administration, and fundraising. The table below presents these functional expenses by their natural classification for the years ended June 30, 2024 and 2023, respectively.

	Elementary School	Middle School	High School	General and Administration	Fund Raising	2024 Total
<b>2024</b>						
Salaries and benefits	\$ 5,343,179	\$ 723,234	\$ 2,389,890	\$ 2,589,940	\$ -	\$ 11,046,243
Occupancy and maintenance	431,250	174,109	391,605	377,067	-	1,374,031
Depreciation and amortization	387,291	46,936	93,872	58,677	-	586,776
Interest	439,499	61,540	123,080	69,347	-	693,466
Insurance	82,900	11,843	23,686	36,306	-	154,735
Professional and contract services	282,012	40,964	83,484	673,085	-	1,079,545
Food service	519,434	66,077	134,134	986	100	720,731
Network services	1,192	196	400	240,925	13,096	255,809
Other	3,844	1,269	10,076	56,582	62,447	134,218
	<u>\$ 7,490,601</u>	<u>\$ 1,126,168</u>	<u>\$ 3,250,227</u>	<u>\$ 4,102,915</u>	<u>\$ 75,643</u>	<u>\$ 16,045,554</u>
	Elementary School	Middle School	High School	General and Administration	Fund Raising	2023 Total
<b>2023</b>						
Salaries and benefits	\$ 4,769,893	\$ 763,294	\$ 2,351,256	\$ 2,579,176	\$ -	\$ 10,463,619
Occupancy and maintenance	813,123	166,809	377,415	158,354	-	1,515,701
Depreciation and amortization	389,050	46,525	93,049	58,735	-	587,359
Interest	449,675	62,610	125,220	70,834	-	708,339
Insurance	75,827	10,832	21,665	27,153	-	135,477
Professional and contract services	498,105	92,607	187,601	724,570	-	1,502,883
Food service	633,808	69,696	141,479	1,738	29,233	875,954
Network services	1,222	329	668	275,360	-	277,579
Other	-	-	10,500	118,078	44,026	172,604
	<u>\$ 7,630,703</u>	<u>\$ 1,212,702</u>	<u>\$ 3,308,853</u>	<u>\$ 4,013,998</u>	<u>\$ 73,259</u>	<u>\$ 16,239,515</u>

(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 9 - LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing mission-related activities as well as services undertaken to support those activities to be general expenditures.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 4,068,103	\$ 3,790,912
Restricted cash and cash equivalents	207,273	162,014
Grants receivable	<u>929,058</u>	<u>832,409</u>
	5,204,434	4,785,335
Less amounts not available to be used within one year:		
Restricted cash	<u>207,273</u>	<u>162,014</u>
Financial assets available to meet general expenditures within one year	<u>\$ 4,997,161</u>	<u>\$ 4,623,321</u>

As part of the Organization's liquidity management, the Organization invests its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 10 – COVID-19 IMPACT**

The Organization was awarded an allocation of Education Stabilization Fund - Elementary and Secondary School Emergency Relief Funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Coronavirus Response and Relief Supplemental Appropriations Act (CRSSA Act), and American Rescue Plan Act (ARP) totaling \$9,896,041 of which \$9,460,844 has been spent on eligible costs and recognized as revenue through the year ended June 30, 2024. The remaining revenue amount will be recognized when allowable expenses are incurred.

**SUPPLEMENTARY INFORMATION**

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF FINANCIAL POSITION- SCHOOL LEVEL  
June 30, 2024

	Charles A. Tindley Accelerated School	Tindley Preparatory Academy	Tindley Collegiate Academy	Tindley Renaissance Academy	Tindley Summit Academy	Tindley Genesis Academy	Eliminations	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 3,392,536	\$ -	\$ -	\$ -	\$ (117,884)	\$ 793,451	\$ -	\$ 4,068,103
Restricted cash and cash equivalents	62,182	-	-	-	62,182	82,909	-	207,273
Grants receivable	401,484	-	-	-	276,525	251,049	-	929,058
Due from related parties	7,783,371	-	-	-	-	-	(7,783,371)	-
Prepaid expenses	-	-	-	-	-	-	-	-
Land, buildings, and equipment, net	<u>3,444,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,020,457</u>	<u>4,512,859</u>	<u>-</u>	<u>11,977,357</u>
Total assets	<u>\$ 15,083,614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,241,280</u>	<u>\$ 5,640,268</u>	<u>\$ (7,783,371)</u>	<u>\$ 17,181,791</u>
<b>LIABILITIES AND NET ASSETS</b>								
Liabilities								
Accounts payable and accrued expenses	\$ 237,011	\$ -	\$ -	\$ -	\$ 79,745	\$ 139,313	\$ -	\$ 456,069
Due to related parties	71,207	-	-	-	3,302,254	4,409,910	(7,783,371)	-
Deferred revenue	234,471	-	-	-	151,514	264,983	-	650,968
Financing leases payable	3,677,019	-	-	-	3,677,019	4,902,691	-	12,256,729
Notes payable, net	<u>-</u>	<u>1,174,654</u>	<u>1,576,534</u>	<u>2,002,893</u>	<u>490,808</u>	<u>254,493</u>	<u>-</u>	<u>5,499,382</u>
Total liabilities	4,219,708	1,174,654	1,576,534	2,002,893	7,701,340	9,971,390	(7,783,371)	18,863,148
Net Assets								
Without donor restrictions – undesignated	10,629,400	-	-	-	(3,462,437)	(4,332,937)	-	2,834,026
Without donor restrictions – charter school loans	<u>-</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,754,081)</u>
Total without donor restrictions	10,629,400	(1,174,654)	(1,576,534)	(2,002,893)	(3,462,437)	(4,332,937)	-	(1,920,055)
With donor restrictions	<u>234,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,377</u>	<u>1,815</u>	<u>-</u>	<u>238,698</u>
Total net assets	<u>10,863,906</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>(3,460,060)</u>	<u>(4,331,122)</u>	<u>-</u>	<u>(1,681,357)</u>
Total liabilities and net assets	<u>\$ 15,083,614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,241,280</u>	<u>\$ 5,640,268</u>	<u>\$ (7,783,371)</u>	<u>\$ 17,181,791</u>

(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF FINANCIAL POSITION- SCHOOL LEVEL  
June 30, 2023

	Charles A. Tindley Accelerated School	Tindley Preparatory Academy	Tindley Collegiate Academy	Tindley Renaissance Academy	TindleyTindley Summit Academy	Tindley Genesis Academy	Eliminations	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 2,560,229	\$ -	\$ -	\$ -	\$ 5,959	\$ 1,224,724	\$ -	\$ 3,790,912
Restricted cash and cash equivalents	48,604	-	-	-	48,604	64,806	-	162,014
Grants receivable	219,507	-	-	-	271,017	341,885	-	832,409
Due from related parties	4,934,011	-	-	-	-	-	(4,934,011)	-
Prepaid expenses	(564)	-	-	-	564	-	-	-
Land, buildings, and equipment, net	<u>3,535,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,242,556</u>	<u>4,693,959</u>	<u>-</u>	<u>12,471,699</u>
Total assets	<u>\$ 11,296,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,568,700</u>	<u>\$ 6,325,374</u>	<u>\$ (4,934,011)</u>	<u>\$ 17,257,034</u>
<b>LIABILITIES AND NET ASSETS</b>								
Liabilities								
Accounts payable and accrued expenses	\$ 349,857	\$ -	\$ -	\$ -	\$ 117,865	\$ 229,378	\$ -	\$ 697,100
Due to related parties	71,207	-	-	-	2,320,536	2,542,268	(4,934,011)	-
Financing leases payable	3,743,970	-	-	-	3,743,970	4,991,960	-	12,479,900
Notes payable, net	<u>-</u>	<u>1,174,654</u>	<u>1,576,534</u>	<u>2,002,893</u>	<u>687,131</u>	<u>356,290</u>	<u>-</u>	<u>5,797,502</u>
Total liabilities	<u>4,165,034</u>	<u>1,174,654</u>	<u>1,576,534</u>	<u>2,002,893</u>	<u>6,869,502</u>	<u>8,119,896</u>	<u>(4,934,011)</u>	<u>18,974,502</u>
Net Assets								
Without donor restrictions – undesignated	6,959,718	-	-	-	(2,303,179)	(1,814,655)	-	2,841,884
Without donor restrictions – charter school loans	<u>-</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,754,081)</u>
Total without donor restrictions	<u>6,959,718</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>(2,303,179)</u>	<u>(1,814,655)</u>	<u>-</u>	<u>(1,912,197)</u>
With donor restrictions	<u>172,219</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,377</u>	<u>20,133</u>	<u>-</u>	<u>194,729</u>
Total net assets	<u>7,131,937</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>(2,300,802)</u>	<u>(1,794,522)</u>	<u>-</u>	<u>(1,717,468)</u>
Total liabilities and net assets	<u>\$ 11,296,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,568,700</u>	<u>\$ 6,325,374</u>	<u>\$ (4,934,011)</u>	<u>\$ 17,257,034</u>

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF ACTIVITIES - SCHOOL LEVEL  
Year ended June 30, 2024

	Charles A. Tindley Accelerated School	Tindley Preparatory Academy	Tindley Collegiate Academy	Tindley Renaissance Academy	Tindley Summit Academy	Tindley Genesis Academy	Eliminations	Total
Public support and revenues								
Federal and state grants	\$ 5,006,519	\$ -	\$ -	\$ -	\$ 3,808,840	\$ 6,158,800	\$ -	\$ 14,974,159
Contributions	643,496	-	-	-	2,468	-	-	645,964
Program service fees and other revenue	313,079	-	-	-	14,607	18,691	-	346,377
Investment income	108,829	-	-	-	694	5,642	-	115,165
Gain (loss) on inter-school due to / from activity	<u>3,448,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(622,862)</u>	<u>(2,825,774)</u>	<u>-</u>	<u>-</u>
Total public support and revenues	9,520,559	-	-	-	3,203,747	3,357,359	-	16,081,665
Expenses								
Elementary school	-	-	-	-	3,207,283	4,283,319	-	7,490,601
Middle school	1,126,168	-	-	-	-	-	-	1,126,168
High school	3,250,227	-	-	-	-	-	-	3,250,227
General and administrative	1,384,299	-	-	-	1,135,278	1,583,338	-	4,102,915
Fundraising	<u>27,896</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,444</u>	<u>27,303</u>	<u>-</u>	<u>75,643</u>
Total expenses	5,788,590	-	-	-	4,363,005	5,893,959	-	16,045,554
Change in net assets	3,731,969	-	-	-	(1,159,258)	(2,536,600)	-	36,111
Net assets, beginning of year	<u>7,131,937</u>	<u>(1,174,654)</u>	<u>(1,576,534)</u>	<u>(2,002,893)</u>	<u>(2,300,802)</u>	<u>(1,794,522)</u>	<u>-</u>	<u>(1,717,468)</u>
Net assets, end of year	<u>\$ 10,863,906</u>	<u>\$ (1,174,654)</u>	<u>\$ (1,576,534)</u>	<u>\$ (2,002,893)</u>	<u>\$ (3,460,060)</u>	<u>\$ (4,331,122)</u>	<u>\$ -</u>	<u>\$ (1,681,356)</u>

(Continued)

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF ACTIVITIES - SCHOOL LEVEL  
Year ended June 30, 2023

	Charles A. Tindley Accelerated School	Tindley Preparatory Academy	Tindley Collegiate Academy	Tindley Renaissance Academy	Tindley Summit Academy	Tindley Genesis Academy	Eliminations	Total
<b>Public support and revenues</b>								
Federal and state grants	\$ 5,238,558	\$ -	\$ -	\$ -	\$ 3,863,334	\$ 6,349,039	\$ -	\$ 15,450,931
Contributions	692,638	-	-	-	8,700	22,500	-	723,838
Program service fees and other revenue	258,072	-	-	-	23,830	33,009	-	314,911
Investment income	47,090	-	-	-	1,115	4,979	-	53,184
Gain (loss) on inter-school due to / from activity	<u>(2,115,139)</u>	<u>273,446</u>	<u>737,192</u>	<u>1,104,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and revenues	4,121,219	-	-	-	3,896,979	6,409,527	-	16,542,864
<b>Expenses</b>								
Elementary school	-	-	-	-	2,922,963	4,707,740	-	7,630,703
Middle school	1,212,702	-	-	-	-	-	-	1,212,702
High school	3,308,853	-	-	-	-	-	-	3,308,853
General and administrative	1,498,611	-	-	-	1,072,972	1,442,415	-	4,013,998
Fundraising	<u>27,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,621</u>	<u>28,380</u>	<u>-</u>	<u>73,259</u>
Total expenses	6,047,424	-	-	-	4,013,556	6,178,535	-	16,239,515
Change in net assets	(1,926,205)	273,446	737,192	1,104,501	(116,577)	230,992	-	303,349
Net assets, beginning of year	<u>9,058,142</u>	<u>(1,448,100)</u>	<u>(2,313,726)</u>	<u>(3,107,394)</u>	<u>(2,184,225)</u>	<u>(2,025,514)</u>	<u>-</u>	<u>(2,020,817)</u>
Net assets, end of year	<u>\$ 7,131,937</u>	<u>\$ (1,174,654)</u>	<u>\$ (1,576,534)</u>	<u>\$ (2,002,893)</u>	<u>\$ (2,300,802)</u>	<u>\$ (1,794,522)</u>	<u>\$ -</u>	<u>\$ (1,717,468)</u>

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-through Number	Amount
<u>U.S. Department of Agriculture</u>			
Pass-Through Indiana Department of Education:			
Child Nutrition Cluster			
COVID-19 – School Breakfast Program	10.553	K376	\$ 181,308
COVID-19 - National School Lunch Program	10.555	K376	<u>558,853</u>
Total Child Nutrition Cluster   U.S. Department of Agriculture			740,161
<u>U.S. Department of Education</u>			
Pass-Through Indiana Department of Education:			
Title I Grants to Local Educational Agencies	84.010A	S010A150014	666,995
Special Education Cluster			
Special Education - Grants to States	84.027	20611	35,714
Special Education - Grants to States	84.027	21611	50,017
Special Education - Grants to States	84.027	23611	171,959
COVID-19 – Special Education – Grants to States	84.027	22611	1,666
Special Education – Preschool Grants	84.173A	21619	<u>5,840</u>
Total Special Education Cluster			265,196
Supporting Effective Instruction State Grants	84.367A	S367A200013	5,824
Supporting Effective Instruction State Grants	84.367A	S367A210013	51,440
Supporting Effective Instruction State Grants	84.367A	S367A220013	<u>25,014</u>
			82,278
English Language Acquisition Grants	84.365A	S365A220014	8,625
Student Support and Academic Enrichment	84.424A	S424A200015	1,768
Student Support and Academic Enrichment	84.424A	S424A210015	17,974
Student Support and Academic Enrichment	84.424A	S424A220015	<u>53,018</u>
			72,760
COVID-19 – Education Stabilization Fund			
Elementary and Secondary School Emergency Relief (ESSER II) Fund			
	84.425D	S425D210013	176,319
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund			
	84.425U	S425U200013	2,633,322
American Rescue Plan Homeless Children and Youth (ARP HCY) Fund			
	84.425W	7000S424A190015	<u>27,545</u>
Total Education Stabilization Fund			2,837,186
Total U.S. Department of Education			<u>3,933,040</u>
<b>Total expenditures of federal awards</b>			<u>\$ 4,673,201</u>

See accompanying note to Schedule of Expenditures of Federal Awards.

TINDLEY ACCELERATED SCHOOLS, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2024

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Organization under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Organization.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. The Organization has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Such expenditures are recognized following, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 – OTHER INFORMATION**

The Organization did not have any subrecipient activity for the period of July 1, 2023 through June 30, 2024.

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

Board of Trustees  
Tindley Accelerated Schools, Inc.  
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 Tindley Accelerated Schools, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

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

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.

#### **Report on Compliance and Other Matters**

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

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(Continued)

## **Purpose of this Report**

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

*Crowe LLP*

Crowe LLP

Indianapolis, Indiana  
December 23, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
MAJOR FEDERAL PROGRAM; REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees  
Tindley Accelerated Schools, Inc.  
Indianapolis, Indiana

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited Tindley Accelerated Schools, Inc. (the Organization)'s 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 the Organization's major federal program for the year ended June 30, 2024. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Major Federal Program***

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

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

## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization 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 the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

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(Continued)

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.

*Crowe LLP*

Crowe LLP

Indianapolis, Indiana  
December 23, 2024

TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2024

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**Section 1 – 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   No

Significant deficiencies identified not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

***Federal Awards***

Internal Control over major programs:

Material weakness(es) identified? \_\_\_\_\_ Yes      X   No

Significant deficiencies identified not considered to be material weaknesses? \_\_\_\_\_ 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 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

<u>ALN Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.425D, 84.425U, 84.425W	COVID-19 - Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:    \$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes      X   No

**Section II – Financial Statement Findings**

None noted.

**Section III –Federal Award Findings and Questioned Costs**

None noted.

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TINDLEY ACCELERATED SCHOOLS, INC.  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2024

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**Finding 2023-001 – Unallowable Expenditures**

**Condition:** During the audit of allowable costs related to the ESF program, it was noted that management improperly assessed the allowability of three expenditures that occurred during 2023. These expenditures were deemed to be unallowable due to the fact that the billed services were not actually delivered to the Organization. This was a repeat of Finding 2022-001.

**Status:** Resolved