

INDEPENDENT SCHOOL DISTRICT NO. 624
WHITE BEAR LAKE, MINNESOTA

Special Purpose Audit Reports

Year Ended
June 30, 2014

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INDEPENDENT SCHOOL DISTRICT NO. 624

Special Purpose Audit Reports
Year Ended June 30, 2014

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INDEPENDENT SCHOOL DISTRICT NO. 624

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
U.S. Department of Agriculture		
Passed through Minnesota Department of Education		
Child nutrition cluster		
School Breakfast Program	10.553	\$ 223,867
National School Lunch Program	10.555	1,419,138
Special Milk Program for Children	10.556	748
Summer Food Service Program for Children	10.559	19,906
Total child nutrition cluster		1,663,659
U.S. Department of Education		
Passed through Minnesota Department of Education		
Special education cluster		
Special Education – Grants to States	84.027	1,708,579
Special Education – Preschool Grants	84.173	50,108
Total special education cluster		1,758,687
Title I – Grants to Local Educational Agencies	84.010	735,319
Special Education – Grants for Infants and Families	84.181	27,286
Improving Teacher Quality State Grants	84.367	254,521
English Language Acquisition State Grants	84.365	60,519
Passed through Northeast Metropolitan Intermediate School District No. 916		
Career and Technical Education – Basic Grants to States	84.048	7,940
Passed through American Institutes for Research		
Teacher and Leader Evaluation Systems	84.UNKNOWN	129,441
Total federal awards		<u>\$ 4,637,372</u>

Note 1: This Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's basic financial statements.

Note 2: Non-monetary assistance of \$137,415 is reported in this schedule, representing the value of commodities received and disbursed for the U.S. Department of Agriculture National School Lunch Program (CFDA No. 10.555).

Note 3: All pass-through entities listed above use the same CFDA numbers as the federal grantors to identify these grants, and have not assigned any additional identifying numbers.

Note 4: The District provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Amount Provided
Title I – Grants to Local Education Agencies	84.010	\$ 33,605
Improving Teacher Quality State Grants	84.367	\$ 15,369

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

To the Board of Education and Management of
Independent School District No. 624
White Bear Lake, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 624, White Bear Lake Area Schools (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 10, 2014.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified one deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 to be a material weakness.

(continued)

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

DISTRICT'S RESPONSES TO FINDINGS

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

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

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
November 10, 2014

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

To the Board of Education and Management of
Independent School District No. 624
White Bear Lake, Minnesota

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Independent School District No. 624, White Bear Lake Area Schools' (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the District's 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 the District's 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 the District's compliance.

(continued)

OPINION ON EACH MAJOR FEDERAL PROGRAM

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to on the previous page that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the District 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 the District's internal control over compliance.

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified one deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2014-002 to be a material weakness.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

(continued)

**REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR
A-133**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 10, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
November 10, 2014

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INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

To the Board of Education and Management of
Independent School District No. 624
White Bear Lake, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 624, White Bear Lake Area Schools (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 10, 2014.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the Office of the State Auditor pursuant to Minnesota Statute § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for school districts. Our audit included all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
November 10, 2014

Schedule of Findings and Questioned Costs Year Ended June 30, 2014

This summary is formatted to provide federal granting agencies and pass-through agencies answers to specific questions regarding the audit of federal awards.

What type of auditor's report is issued?

<u> X </u>	Unmodified
<u> </u>	Qualified
<u> </u>	Adverse
<u> </u>	Disclaimer

Internal control over financial reporting:

Material weakness(es) identified?	X	Yes	No
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Significant deficiency(ies) identified? _____ Yes _____ **X** None reported

Noncompliance material to the financial statements noted?	Yes	X	No
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Internal controls over major federal award programs:

Material weakness(es) identified?	X	Yes	No
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Significant deficiency(ies) identified? _____ Yes _____ **X** None reported

Type of auditor's report issued on compliance for major programs?

U.S. Department of Education special education cluster	Unmodified
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U.S. Department of Education Title I Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

	Yes	No
X		

Programs tested as major programs:

Program or Cluster	CFDA No.
The U.S. Department of Education special education cluster consisting of:	
Special Education – Grants to States	84.027
Special Education – Preschool Grants	84.173
Title I – Grants to Local Education Agencies	84.010

Threshold for distinguishing type A and B programs.	<u>\$ 300,000</u>
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Does the auditee qualify as a low-risk auditee?	Yes	X	No
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INDEPENDENT SCHOOL DISTRICT NO. 624

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

B. FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2014-001 Prior Period Adjustment

Criteria – Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*.

Condition – During the year ended June 30, 2014, Independent School District No. 624, White Bear Lake Area Schools (the District) recorded a prior period adjustment. The District recognized a prior period adjustment in fiscal 2014 to properly report other post-employment benefit (OPEB) expenditures reported in prior periods. OPEB expenditures reported by the District in fiscal years 2009 to 2011 by the General Fund are being reimbursed by the Post-Employment Benefits Trust Fund in fiscal 2014 totaling \$10,405,920. During the 2009 to 2011 fiscal years, it was determined the District would finance these costs from the General Fund. In fiscal 2014, the District determined these costs are best financed by the Post-Employment Benefits Trust Fund. As a result, the General Fund is being reimbursed for these costs. The adjustment changed the beginning net position in the District's government-wide financial statements, the beginning fund balance in its General Fund, and the beginning net position in the District's Post-Employment Benefits Trust Fund financial statements by \$10,405,920 as of July 1, 2013. Based on the guidance in SAS No. 115, the need to correct financial transactions recorded in a prior period is indicative of a deficiency in internal control.

Questioned Costs – Not applicable.

Context – This is a current year finding.

Cause – The District determined costs were better financed by other district funds.

Effect – The financial statements issued for fiscal years 2009 to 2013 contained a misstatement.

Recommendation – We recommend that the District review its controls over the financial reporting for OPEB payable and expenses/expenditures to ensure they are recorded correctly in the future.

Corrective Action Plan

Actions Planned – The District has reviewed and improved its controls over the financial reporting for OPEB payable and expenses/expenditures. This adjustment represents the correction of reporting from a prior period that was identified by the District's controls now in place. Therefore, the District believes it has already taken the necessary steps to address this finding.

Official Responsible – The Director of Finance and Operations.

INDEPENDENT SCHOOL DISTRICT NO. 624

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

MATERIAL WEAKNESS (CONTINUED)

2014-001 Prior Period Adjustment (continued)

Corrective Action Plan (continued)

Planned Completion Date – June 30, 2014.

Disagreement With or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – The Director of Finance and Operations will continue to monitor this area to ensure that OPEB payable and expenses/expenditures are properly identified and reported in the future.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

MATERIAL WEAKNESSES IN INTERNAL CONTROLS

**SPECIAL EDUCATION CLUSTER – SPECIAL EDUCATION – GRANTS TO STATES AND SPECIAL
EDUCATION – PRESCHOOL GRANTS (CFDA NOS. 84.027 AND 84.173)**

2014-002 Internal Controls Over Allowable Costs and Cost Principles

Criteria – Management is responsible for establishing and maintaining effective internal controls, including monitoring the special education cluster activities for allowable costs and following appropriate cost principles.

Condition – During our audit, we noted that the District does not have adequate internal controls in place to ensure compliance with allowable costs and cost principles compliance requirements in the special education cluster. During our testing, we noted 1 of 40 grant funded expenditures were not properly approved by grant management, which is required as part of the District's internal controls.

Questioned Costs – Not applicable. Although 1 of 40 grant funded expenditures were not properly approved by grant management, they were allowable activities under the programs' allowable costs and cost principles.

Context – This is a current year and prior year finding.

Cause – The District has inadequate internal controls and procedures in place for the approval of special education grant expenditures.

Effect – The District could be reimbursed by federal agencies for expenditures that are not allowable in the grant.

INDEPENDENT SCHOOL DISTRICT NO. 624

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT (CONTINUED)**

MATERIAL WEAKNESSES IN INTERNAL CONTROLS (CONTINUED)

**SPECIAL EDUCATION CLUSTER – SPECIAL EDUCATION – GRANTS TO STATES AND SPECIAL
EDUCATION – PRESCHOOL GRANTS (CFDA NOS. 84.027 AND 84.173) (CONTINUED)**

2014-002 Internal Controls Over Allowable Costs and Cost Principles (continued)

Recommendation – We recommend that the District improve procedures and internal controls over the approval of grant expenditures in the special education cluster.

Corrective Action Plan

Actions Planned – The District will improve procedures and internal controls over the approval of special education grant expenditures.

Official Responsible – The Director of Finance and Operations.

Planned Completion Date – June 30, 2015.

Disagreement With or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – The Director of Finance and Operations will improve procedures prior to the above planned completion date.

D. FINDINGS – MINNESOTA LEGAL COMPLIANCE AUDIT

None.

**E. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – MAJOR FEDERAL AWARD
PROGRAMS AUDIT**

**SPECIAL EDUCATION CLUSTER – SPECIAL EDUCATION – GRANTS TO STATES AND SPECIAL
EDUCATION – PRESCHOOL GRANTS (CFDA NOS. 84.027 AND 84.173)**

2013-001 Internal Controls and Compliance With Allowable Costs and Cost Principles

Condition – During our audit, we noted that the District does not have adequate internal controls in place to ensure compliance with allowable costs and cost principles compliance requirements in the special education cluster. During our testing, we noted 6 of 25 grant funded expenditures were not properly approved by grant management which is required as part of the District's internal controls.

INDEPENDENT SCHOOL DISTRICT NO. 624

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2014

**F. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – MAJOR FEDERAL AWARD
PROGRAMS AUDIT (CONTINUED)**

**SPECIAL EDUCATION CLUSTER – SPECIAL EDUCATION – GRANTS TO STATES AND SPECIAL
EDUCATION – PRESCHOOL GRANTS (CFDA NOS. 84.027 AND 84.173) (CONTINUED)**

**2013-001 Internal Controls and Compliance With Allowable Costs and Cost Principles
(continued)**

Recommendation – We recommend that the District improve procedures and internal controls over the approval of grant expenditures in the special education cluster.

Current Status – This finding occurred again in the current year. See finding 2014-002 for the current corrective action plan.

INDEPENDENT AUDITOR'S REPORT ON
UNIFORM FINANCIAL ACCOUNTING AND
REPORTING STANDARDS COMPLIANCE TABLE

To the Board of Education and Management of
Independent School District No. 624
White Bear Lake, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 624, White Bear Lake Area Schools (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 10, 2014.

Audit standards referred to in the previous paragraph 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 District'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 District'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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards (UFARS) Compliance Table is presented for purposes of additional analysis as required by the Minnesota Department of Education (MDE), and is not a required part of the basic financial statements of the District. The UFARS Compliance Table is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the UFARS Compliance Table is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

(continued)

The purpose of this report on the UFARS Compliance Table required by the MDE is solely to describe the scope of our testing of the UFARS Compliance Table and the results of that testing based on our audit. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota

November 10, 2014

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INDEPENDENT SCHOOL DISTRICT NO. 624

Uniform Financial Accounting and Reporting Standards
Compliance Table
June 30, 2014

		Audit	UFARS	Audit – UFARS
General Fund				
Total revenue		\$ 90,022,384	\$ 90,022,379	\$ 5
Total expenditures		\$ 98,202,842	\$ 98,202,838	\$ 4
Nonspendable				
460	Nonspendable fund balance	\$ 188,940	\$ 188,940	\$ –
Restricted/reserve				
403	Staff development	\$ 273,240	\$ 273,240	\$ –
405	Deferred maintenance	\$ –	\$ –	\$ –
406	Health and safety	\$ (1,361,534)	\$ (1,361,534)	\$ –
407	Capital projects levy	\$ 343,294	\$ 343,294	\$ –
408	Cooperative revenue	\$ –	\$ –	\$ –
411	Severance pay	\$ –	\$ –	\$ –
413	Projects funded by COP	\$ –	\$ –	\$ –
414	Operating debt	\$ –	\$ –	\$ –
416	Levy reduction	\$ –	\$ –	\$ –
417	Taconite building maintenance	\$ –	\$ –	\$ –
423	Certain teacher programs	\$ –	\$ –	\$ –
424	Operating capital	\$ 447,267	\$ 447,267	\$ –
426	\$25 taconite	\$ –	\$ –	\$ –
427	Disabled accessibility	\$ –	\$ –	\$ –
428	Learning and development	\$ –	\$ –	\$ –
434	Area learning center	\$ –	\$ –	\$ –
435	Contracted alternative programs	\$ –	\$ –	\$ –
436	State approved alternative program	\$ –	\$ –	\$ –
438	Gifted and talented	\$ –	\$ –	\$ –
441	Basic skills programs	\$ –	\$ –	\$ –
445	Career and technical programs	\$ –	\$ –	\$ –
446	First grade preparedness	\$ –	\$ –	\$ –
449	Safe schools levy	\$ –	\$ –	\$ –
450	Pre-kindergarten	\$ –	\$ –	\$ –
451	QZAB payments	\$ –	\$ –	\$ –
452	OPEB liability not in trust	\$ –	\$ –	\$ –
453	Unfunded severance and retirement levy	\$ –	\$ –	\$ –
Restricted				
464	Restricted fund balance	\$ –	\$ –	\$ –
Committed				
418	Committed for separation	\$ –	\$ –	\$ –
461	Committed fund balance	\$ –	\$ –	\$ –
Assigned				
462	Assigned fund balance	\$ 15,588,049	\$ 15,588,049	\$ –
Unassigned				
422	Unassigned fund balance	\$ 12,888,284	\$ 12,888,284	\$ –
Food Service				
Total revenue		\$ 4,204,291	\$ 4,204,289	\$ 2
Total expenditures		\$ 4,205,461	\$ 4,205,459	\$ 2
Nonspendable				
460	Nonspendable fund balance	\$ 69,159	\$ 69,159	\$ –
Restricted				
452	OPEB liability not in trust	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 200,938	\$ 200,938	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Community Service				
Total revenue		\$ 4,621,755	\$ 4,621,753	\$ 2
Total expenditures		\$ 4,445,004	\$ 4,445,002	\$ 2
Nonspendable				
460	Nonspendable fund balance	\$ 5,405	\$ 5,405	\$ –
Restricted/reserve				
426	\$25 taconite	\$ –	\$ –	\$ –
431	Community education	\$ 798,967	\$ 798,967	\$ –
432	ECFE	\$ 106,705	\$ 106,705	\$ –
444	School readiness	\$ (51,191)	\$ (51,191)	\$ –
447	Adult basic education	\$ –	\$ –	\$ –
452	OPEB liability not in trust	\$ –	\$ –	\$ –
Restricted				
464	Restricted fund balance	\$ 11,804	\$ 11,804	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –

INDEPENDENT SCHOOL DISTRICT NO. 624

Uniform Financial Accounting and Reporting Standards
Compliance Table (continued)
June 30, 2014

		Audit	UFARS	Audit – UFARS
Building Construction				
Total revenue		\$ 1,586	\$ 1,586	\$ –
Total expenditures		\$ 2,017,661	\$ 2,017,661	\$ –
Nond spendable				
460	Nond spendable fund balance	\$ 6,693	\$ 6,693	\$ –
Restricted/reserve				
407	Capital projects levy	\$ –	\$ –	\$ –
409	Alternative facility program	\$ 255,422	\$ 255,422	\$ –
413	Project funded by COP	\$ –	\$ –	\$ –
Restricted				
464	Restricted fund balance	\$ –	\$ –	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Debt Service				
Total revenue		\$ 8,965,364	\$ 8,965,364	\$ –
Total expenditures		\$ 8,612,705	\$ 8,612,705	\$ –
Nond spendable				
460	Nond spendable fund balance	\$ –	\$ –	\$ –
Restricted/reserve				
425	Bond refundings	\$ –	\$ –	\$ –
451	QZAB payments	\$ –	\$ –	\$ –
Restricted				
464	Restricted fund balance	\$ 1,911,964	\$ 1,911,964	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Trust				
Total revenue		\$ 80,047	\$ 80,047	\$ –
Total expenditures		\$ 71,006	\$ 71,006	\$ –
422	Net position	\$ 41,158	\$ 41,158	\$ –
Internal Service				
Total revenue		\$ 103,473	\$ 103,473	\$ –
Total expenditures		\$ 31,515	\$ 31,514	\$ 1
422	Net position	\$ 1,401,320	\$ 1,401,320	\$ –
OPEB Revocable Trust Fund				
Total revenue		\$ –	\$ –	\$ –
Total expenditures		\$ –	\$ –	\$ –
422	Net position	\$ –	\$ –	\$ –
OPEB Irrevocable Trust Fund				
Total revenue		\$ 4,665,341	\$ 4,665,341	\$ –
Total expenditures		\$ 2,426,267	\$ 2,426,267	\$ –
422	Net position	\$ 35,186,367	\$ 35,186,367	\$ –
OPEB Debt Service Fund				
Total revenue		\$ 2,720,282	\$ 2,720,281	\$ 1
Total expenditures		\$ 2,535,088	\$ 2,535,088	\$ –
Nond spendable				
460	Nond spendable fund balance	\$ –	\$ –	\$ –
Restricted				
425	Bond refundings	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 343,343	\$ 343,343	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –

Note 1: Statutory reserve deficits, if any, are reported in unassigned fund balances in the financial statements in accordance with accounting principles generally accepted in the United States of America.

Note 2: The District may report certain balances as restricted for financial reporting purposes that are reported to the Minnesota Department of Education as unassigned for purposes of this table.

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