

INDEPENDENT SCHOOL DISTRICT NO. 199
INVER GROVE HEIGHTS, MINNESOTA

Special Purpose Audit Reports

Year Ended
June 30, 2012

INDEPENDENT SCHOOL DISTRICT NO. 199

Special Purpose Audit Reports
Year Ended June 30, 2012

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INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the School Board of
Independent School District No. 199
Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 199, Inver Grove Heights, Minnesota (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2012. These basic financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements of the District. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

October 18, 2012

INDEPENDENT SCHOOL DISTRICT NO. 199

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA No. | Federal Expenditures |
|---|---------------------|----------------------------|
| U.S. Department of Education | | |
| Direct | | |
| Indian Education – Grants to Local Education Agencies | 84.060 | \$ 12,461 |
| Passed through Minnesota Department of Education | | |
| Special education cluster | | |
| Special Education – Grants to States | 84.027 | 786,474 |
| Special Education – Preschool Grants | 84.173 | 30,317 |
| ARRA – Special Education – Preschool Grants | 84.392 | <u>2,579</u> |
| Total special education cluster | | 819,370 |
| Education Jobs Fund | 84.410 | 472,187 |
| Safe and Drug-Free Schools and Communities – State Grants | 84.186 | 5,885 |
| English Language Acquisition Grants | 84.365 | 39,618 |
| Improving Teacher Quality State Grants | 84.367 | 115,444 |
| Special Education Grants for Infants and Families | 84.181 | 25,013 |
| Title I Grants to Local Educational Agencies | 84.010 | 380,507 |
| Passed through Intermediate School District No. 917 | | |
| Career and Technical Education – Basic Grants to States | 84.048 | 9,952 |
| U.S. Department of Energy | | |
| Passed through Minnesota Department of Education | | |
| ARRA – Energy Efficiency and Conservation Block Grant (EECBG) | 81.128 | 127,140 |
| U.S. Department of Agriculture | | |
| Passed through Minnesota Department of Education | | |
| Child nutrition cluster | | |
| School Breakfast Program | 10.553 | 149,590 |
| National School Lunch Program | 10.555 | 682,322 |
| Special Milk Program for Children | 10.556 | <u>54</u> |
| Total child nutrition cluster | | <u>831,966</u> |
| Total federal awards | | <u><u>\$ 2,839,543</u></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 Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements.

Note 2: Non-monetary assistance of \$61,249 is reported in this schedule at the fair market value of commodities received and disbursed through 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.

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 School Board of
Independent School District No. 199
Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 199, Inver Grove Heights, Minnesota (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2012. We conducted our audit 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.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Question Costs, we identified one deficiency in internal control over financial reporting that we consider to be a material weakness.

(continued)

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 2012-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

We noted certain matters that we reported to management of the District, in a separate letter dated October 18, 2012.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the School Board, others within the District, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

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

October 18, 2012

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the School Board of
Independent School District No. 199
Inver Grove Heights, Minnesota

Compliance

We have audited Independent School District No. 199, Inver Grove Heights, Minnesota's (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 the District's major federal programs for the year ended June 30, 2012. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 Nonprofit 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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

(continued)

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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.

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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the School Board, others within the District, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Melloy, Montague, Kamowski, Radoszewicz & Co., P.A.

October 18, 2012

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH MINNESOTA STATE LAWS AND REGULATIONS

To the School Board of
Independent School District No. 199
Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 199, Inver Grove Heights, Minnesota (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the Office of the State Auditor pursuant to Minnesota Statute § 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions* covers seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, uniform financial accounting and reporting standards for school districts, and miscellaneous provisions. Our study included all of the listed categories.

The results of our tests indicate that, for the items tested, the District complied with the material terms and conditions of applicable legal provisions, except as noted in the Schedule of Findings and Questioned Costs.

The District's responses to the findings in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the School Board, others within the District, and the state of Minnesota and is not intended to be, and should not be, used by anyone other than these specified parties.

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

October 18, 2012

INDEPENDENT SCHOOL DISTRICT NO. 199

Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

A. SUMMARY OF AUDIT RESULTS

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

Financial Statements

What type of auditor's report is issued? Unqualified
 Qualified
 Adverse
 Disclaimer

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiencies identified? Yes None reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal controls over major federal award programs:

Material weakness(es) identified? Yes No

Significant deficiencies identified? Yes None reported

Type of auditor's report issued on compliance for major programs? Unqualified
 Qualified
 Adverse
 Disclaimer

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? Yes No

Programs tested as major programs:

| Program or Cluster | CFDA No. |
|---|----------|
| Education Jobs fund | 84.410 |
| ARRA – Energy Efficiency and Conservation Block Grant (EECBG) | 81.128 |
| The U.S. Department of Agriculture child nutrition cluster consisting of: | |
| – School Breakfast Program | 10.553 |
| – National School Lunch Program | 10.555 |
| – Special Milk Program for Children | 10.556 |

Threshold for distinguishing type A and B programs. \$ 300,000

Does the auditee qualify as a low-risk auditee? Yes No

INDEPENDENT SCHOOL DISTRICT NO. 199

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2012

B. FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FINANCIAL REPORTING

2012-1 Segregation of Duties

Criteria – Internal control over financial reporting.

Condition – Independent School District No. 199, Inver Grove Heights, Minnesota (the District) has limited segregation of duties in several areas, including the processing of general disbursements, payroll transactions, and journal entries.

Questioned Costs – Not applicable.

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

Cause – The limited segregation of duties is primarily caused by the limited size of the District's business office staff.

Effect – One important element of internal accounting controls is an adequate segregation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction. A lack of segregation of duties subjects the District to a higher risk that errors or fraud could occur and not be detected in a timely manner in the normal course of business.

Recommendation – We recommend that the District continue its efforts to segregate duties as best it can within the limits of what the District considers to be cost beneficial.

Corrective Action Plan

Actions Planned – The District adopted and implemented an Administrative Procedures Manual to formalize its internal control policies and procedures, including those addressing segregation of duties. The District will continue its efforts to segregate incompatible duties to the extent possible.

Official Responsible – Bruce Rimstad, Business Manager.

Planned Completion Date – June 30, 2013.

Disagreement With or Explanation of Finding – The District has no disagreement with the finding.

Plan to Monitor – Bruce Rimstad, Business Manager, and Dr. Deirdre Wells, Superintendent, will work with the School Board Policy Committee to continue to improve segregation of duties at the District.

INDEPENDENT SCHOOL DISTRICT NO. 199

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2012

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

None.

D. FINDINGS – MINNESOTA LEGAL COMPLIANCE AUDIT

**2012-2 Uniform Financial Accounting and Reporting Standards (UFARS) Coding Internal
Controls**

Criteria – Minnesota Statute § 123B.77.

Condition – Minnesota School Districts are required to account for and report their financial activity in accordance with UFARS established by this statute. During our audit testing, we noted a number of transactions that were not coded to the appropriate UFARS account.

Questioned Costs – Not applicable.

Context – For 3 of 75 transactions tested, the transactions were not coded to the proper UFARS account.

Cause – The transactions were miscoded by district personnel.

Effect – The transactions noted were not recorded in compliance with UFARS.

Recommendation – We recommend that the District review its procedures for the coding of transactions to ensure future compliance with this requirement, and consider providing additional training to the individuals responsible for recording these transactions.

Corrective Action Plan

Actions Planned – The District will review its procedures for coding transactions in accordance with UFARS guidelines with the individuals responsible for recording receipts, disbursements, and payroll transactions.

Official Responsible – Bruce Rimstad, Business Manager.

Planned Completion Date – June 30, 2013.

Disagreement With or Explanation of Finding – The District has no disagreement with the finding.

Plan to Monitor – Bruce Rimstad, Business Manager, will review the District's procedures for coding transactions to assure the District is in compliance in future years.

INDEPENDENT SCHOOL DISTRICT NO. 199

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2012

D. FINDINGS – MINNESOTA LEGAL COMPLIANCE AUDIT

2012-3 Untimely Payment of Invoices

Criteria – Minnesota Statute § 471.425, Subd. 2.

Condition – Minnesota Statutes require prompt payment of local government bills within a standard payment period of 35 days from the receipt of goods and services for governing boards that meet at least once a month.

Questioned Costs – Not applicable.

Context – We noted 2 disbursements out of 25 we tested that were not paid within the statutory timeline.

Cause – This was an oversight by district personnel.

Effect – The District did not pay all of its bills in a timely manner based on statutory requirements.

Recommendation – We recommend that the District review the payment procedures and will properly pay all invoices to ensure that all bills are paid within the statutory time limit.

Corrective Action Plan

Actions Planned – The District will review its payment procedures and will properly pay all invoices within the 35-day time limit in the future.

Official Responsible – Bruce Rimstad, Business Manager.

Planned Completion Date – June 30, 2013.

Disagreement With or Explanation of Finding – The District has no disagreement with the finding.

Plan to Monitor – Bruce Rimstad, Business Manager, will review the District's procedures for paying invoices with district employees responsible for processing disbursements, and will improve these procedures to ensure that all bills are paid within the statutory time limit.

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

No audit findings were reported for the year ended June 30, 2011.

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

To the School Board of
Independent School District No. 199
Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 199, Inver Grove Heights, Minnesota (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2012. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, and is not a required part of the basic financial statements of the District. The accompanying 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 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

October 18, 2012

INDEPENDENT SCHOOL DISTRICT NO. 199

Uniform Financial Accounting and Reporting Standards
Compliance Table
June 30, 2012

| | | Audit | UFARS | Audit – UFARS |
|--------------------------|--|---------------|---------------|---------------|
| General Fund | | | | |
| Total revenue | | \$ 39,706,018 | \$ 39,706,019 | \$ (1) |
| Total expenditures | | \$ 38,371,598 | \$ 38,371,598 | \$ - |
| Nonspendable | | | | |
| 460 | Nonspendable fund balance | \$ 132,061 | \$ 132,061 | \$ - |
| Restricted/reserve | | | | |
| 403 | Staff development | \$ - | \$ - | \$ - |
| 405 | Deferred maintenance | \$ 1,135,989 | \$ 1,135,989 | \$ - |
| 406 | Health and safety | \$ (70,120) | \$ (70,120) | \$ - |
| 407 | Capital projects levy | \$ - | \$ - | \$ - |
| 408 | Cooperative revenue | \$ - | \$ - | \$ - |
| 411 | Severance pay | \$ - | \$ - | \$ - |
| 414 | Operating debt | \$ - | \$ - | \$ - |
| 416 | Levy reduction | \$ - | \$ - | \$ - |
| 417 | Taconite building maintenance | \$ - | \$ - | \$ - |
| 423 | Certain teacher programs | \$ - | \$ - | \$ - |
| 424 | Operating capital | \$ 1,502,005 | \$ 1,502,005 | \$ - |
| 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 | \$ 14,306 | \$ 14,306 | \$ - |
| 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 | \$ 80,225 | \$ 80,225 | \$ - |
| Committed | | | | |
| 418 | Committed for separation | \$ - | \$ - | \$ - |
| 461 | Committed fund balance | \$ - | \$ - | \$ - |
| Assigned | | | | |
| 462 | Assigned fund balance | \$ 3,587,226 | \$ 3,587,226 | \$ - |
| Unassigned | | | | |
| 422 | Unassigned fund balance | \$ 5,153,505 | \$ 5,153,505 | \$ - |
| Food Service | | | | |
| Total revenue | | \$ 1,754,875 | \$ 1,754,873 | \$ 2 |
| Total expenditures | | \$ 1,748,430 | \$ 1,748,430 | \$ - |
| Nonspendable | | | | |
| 460 | Nonspendable fund balance | \$ 38,159 | \$ 38,159 | \$ - |
| Restricted | | | | |
| 452 | OPEB liability not in trust | \$ - | \$ - | \$ - |
| 464 | Restricted fund balance | \$ 995,463 | \$ 995,463 | \$ - |
| Unassigned | | | | |
| 463 | Unassigned fund balance | \$ - | \$ - | \$ - |
| Community Service | | | | |
| Total revenue | | \$ 1,983,340 | \$ 1,983,339 | \$ 1 |
| Total expenditures | | \$ 1,927,957 | \$ 1,927,957 | \$ - |
| Nonspendable | | | | |
| 460 | Nonspendable fund balance | \$ - | \$ - | \$ - |
| Restricted/reserve | | | | |
| 426 | \$25 taconite | \$ - | \$ - | \$ - |
| 431 | Community education | \$ 33,322 | \$ 33,322 | \$ - |
| 432 | ECFE | \$ 8,606 | \$ 8,606 | \$ - |
| 444 | School readiness | \$ 11,717 | \$ 11,717 | \$ - |
| 447 | Adult basic education | \$ - | \$ - | \$ - |
| 452 | OPEB liability not in trust | \$ - | \$ - | \$ - |
| Restricted | | | | |
| 464 | Restricted fund balance | \$ - | \$ - | \$ - |
| Unassigned | | | | |
| 463 | Unassigned fund balance | \$ - | \$ - | \$ - |

INDEPENDENT SCHOOL DISTRICT NO. 199

Uniform Financial Accounting and Reporting Standards
Compliance Table (continued)
June 30, 2012

| | Audit | UFARS | Audit – UFARS |
|------------------------------------|--------------|--------------|---------------|
| Building Construction | | | |
| Total revenue | \$ (2,249) | \$ (2,249) | \$ – |
| Total expenditures | \$ 2,456,571 | \$ 2,456,571 | \$ – |
| Nonspendable | | | |
| 460 Nonspendable fund balance | \$ – | \$ – | \$ – |
| Restricted/reserve | | | |
| 407 Capital projects levy | \$ – | \$ – | \$ – |
| 409 Alternative facility program | \$ – | \$ – | \$ – |
| 413 Project funded by COP | \$ – | \$ – | \$ – |
| Restricted | | | |
| 464 Restricted fund balance | \$ – | \$ – | \$ – |
| Unassigned | | | |
| 463 Unassigned fund balance | \$ – | \$ – | \$ – |
| Debt Service | | | |
| Total revenue | \$ 3,663,621 | \$ 3,663,621 | \$ – |
| Total expenditures | \$ 3,596,254 | \$ 3,596,254 | \$ – |
| Nonspendable | | | |
| 460 Nonspendable fund balance | \$ – | \$ – | \$ – |
| Restricted/reserve | | | |
| 425 Bond refundings | \$ – | \$ – | \$ – |
| 451 QZAB payments | \$ – | \$ – | \$ – |
| Restricted | | | |
| 464 Restricted fund balance | \$ 824,474 | \$ 824,474 | \$ – |
| Unassigned | | | |
| 463 Unassigned fund balance | \$ – | \$ – | \$ – |
| Trust | | | |
| Total revenue | \$ 257,785 | \$ 257,785 | \$ – |
| Total expenditures | \$ 257,785 | \$ 257,785 | \$ – |
| 422 Net assets | \$ 12,232 | \$ 12,232 | \$ – |
| Internal Service | | | |
| Total revenue | \$ 257,239 | \$ 257,238 | \$ 1 |
| Total expenditures | \$ 384,230 | \$ 384,229 | \$ 1 |
| 422 Net assets | \$ 52,755 | \$ 52,755 | \$ – |
| OPEB Revocable Trust Fund | | | |
| Total revenue | \$ 205,739 | \$ 205,738 | \$ 1 |
| Total expenditures | \$ 785,356 | \$ 785,356 | \$ – |
| 422 Net assets | \$ 9,346,148 | \$ 9,346,148 | \$ – |
| OPEB Irrevocable Trust Fund | | | |
| Total revenue | \$ – | \$ – | \$ – |
| Total expenditures | \$ – | \$ – | \$ – |
| 422 Net assets | \$ – | \$ – | \$ – |
| OPEB Debt Service Fund | | | |
| Total revenue | \$ 635,778 | \$ 635,778 | \$ – |
| Total expenditures | \$ 613,773 | \$ 613,773 | \$ – |
| Nonspendable | | | |
| 460 Nonspendable fund balance | \$ – | \$ – | \$ – |
| Restricted | | | |
| 425 Bond refundings | \$ – | \$ – | \$ – |
| 464 Restricted fund balance | \$ 75,677 | \$ 75,677 | \$ – |
| Unassigned | | | |
| 463 Unassigned fund balance | \$ – | \$ – | \$ – |

Note: Statutory restricted 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.