

**Stanfield School District #61R  
Umatilla County, Oregon**

Financial Statements  
June 30, 2014

Cockburn & McClintock, LLC  
Certified Public Accountants  
116 S.E Second St.  
P.O. Box 1579  
Pendleton, OR 97801

**Stanfield School District #61R  
Umatilla County, Oregon**

**District Officials  
June 30, 2014**

<b><u>Elected Officials:</u></b>	<b><u>Address</u></b>	<b><u>Term Expires</u></b>
Dannie Moss <i>Board Chairman</i>	P.O. Box 403 Stanfield, Oregon 97875	2015
Scott Morris <i>Board Vice Chariman</i>	P.O. Box 457 Stanfield, Oregon 97875	2017
David Brown <i>Board Director</i>	P.O. Box 793 Stanfield, Oregon 97875	2015
Carlos Chavez <i>Board Director</i>	PO Box 736 Stanfield, Oregon 97875	2017
Jan Mills <i>Board Director</i>	33156 Stage Gulch Rd Stanfield, Oregon 97875	2017

**Appointed Officials:**

Wayne Koster <i>Superintendent and Clerk</i>	Leeann ReMillard <i>Business Manager and Deputy Clerk</i>
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**District Contact Information:**

1120 N. Main  
Stanfield, Oregon 97875  
(541) 449-8766  
<http://www.stanfield.k12.or.us/>

**Stanfield School District #61R**  
**Umatilla County, Oregon**

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**Stanfield School District #61R  
Umatilla County, Oregon**

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**FINANCIAL SECTION**

# *Cockburn & McClintock, LLC*

CERTIFIED PUBLIC ACCOUNTANTS

CHRISTOPHER J. COCKBURN, CPA  
KYLIE M. McCLINTOCK, CPA

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AICPA - PRIVATE COMPANIES PRACTICE SECTION

DARLENE R. WILSON, CPA  
KATHY R. ZECKMAN, CPA

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Stanfield School District #61R  
Stanfield, Oregon 97875

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stanfield School District #61R (the District), as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1D; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud

### ***Auditor's Responsibility***

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position—modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Stanfield School District #61R as of June 30, 2014, and the respective changes in financial position—modified cash basis and the related budgetary comparison statement for the General Fund, thereof for the year then ended in accordance with the basis of accounting described in Note 1D.

### ***Basis of Accounting***

We draw attention to Note 1D of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

### ***Other Matters***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The management's discussion and analysis, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and other financial schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

### ***Report on Supplementary Information***

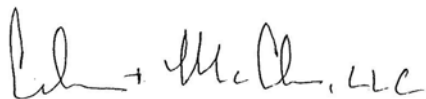
The combining and individual nonmajor fund financial statements and the budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been 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 combining and individual nonmajor fund financial statements and the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Report on Other Information***

The management's discussion and analysis and other financial schedules as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Report on Other Legal and Regulatory Requirements

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 5, 2014 on our consideration of the District's internal control over financial reporting and on tests of its compliance with the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320. 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.

A handwritten signature in black ink, appearing to read "Cockburn + McClintock, LLC". The signature is written in a cursive, flowing style.

Cockburn & McClintock, LLC  
Pendleton, Oregon  
December 5, 2014



*Other Information:*  
**Management's Discussion and Analysis**

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

As management of Stanfield School District #61R, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in the District' financial statements, which follow this narrative.

**FINANCIAL HIGHLIGHTS**

The financial statements are prepared on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, and expenditures resulting from cash transaction with the following modifications: property and equipment purchased for cash is capitalized in the Statement of Net Position and depreciation expenditures is recorded as an allocated expenditure in the Statement of Activities; and long-term debt obligations of the District are recorded as a liability in the Statement of Net Position and annual payments of principal on these obligations reduces the liability.

- The assets of the District exceed its liabilities at the close of the fiscal year by \$1.9 million.
- The District's total net position increased by approximately \$543 thousand primarily due to a increase in state basic school support, and school nutrition program sales and reimbursements, along with a reduction in expenses.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$723 thousand, an increase of \$282 thousand in comparison with the prior year. Approximately 73% of this total amount, or \$529 thousand, is available for spending at the government's discretion.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$496 thousand or 11% of total general fund expenditures for the fiscal year.
- The District's total debt obligations decreased by \$526 thousand during the current fiscal year.
- Throughout the year, the District's deposits were insured or collateralized as required by Oregon state law. Total investment earnings were approximately \$5,000, which is equivalent to a return of approximately 1% on the average amount of cash and cash equivalents during the fiscal year. At fiscal year-end 20% of the District's cash and investments were held in insured or collateralized depository accounts and 80% were invested in the Oregon Local Government Investment Pool.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This management discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) District-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the District through the use of District-wide statements and fund financial statements. In addition to the basic financial statements, this report also contains supplementary information that will enhance the reader's understanding of the financial condition of the District.

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

The first two statements (Exhibits 1 and 2) in the basic financial statements are the District-wide Financial Statements. They provide both short and long-term information about the District's financial status.

The next statements (Exhibits 3 through 6) are Fund Financial Statements. These statements focus on the activities of the individual parts of the District. These statements provide more detail than the District-wide statements. There are two parts to the Fund Financial Statements: the governmental funds statements and the budgetary comparison statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. In addition to the basic financial statements and accompanying notes, supplementary information is provided to show details about the District's individual funds. Budgetary information required by the Oregon Revised Statutes also can be found in the part of the statements.

**DISTRICT-WIDE FINANCIAL STATEMENTS** – The District-wide financial statements are designed to provide readers with a broad overview of the District's finances, similar in format to a financial statements of a private-sector business. The District-wide statements provide short and long-term information about the District's financial status as a whole. These statements include:

- . The Statement of Net Position – The statement of net position presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- . The Statement of Activities – The statement of activities presents information showing how the net position of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs.

The District-wide financial statements can be found on pages 12-13 of this report.

**FUND FINANCIAL STATEMENTS** – The fund financial statements provide a more detailed look at the District's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Stanfield School District #61R, like other governmental entities in the State of Oregon, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the Oregon Revised Statutes.

**Governmental Funds** – The governmental funds are used to account for those functions reported as governmental activities in the District-wide financial statements. All of the District's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using an accounting method called *cash accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the readers a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the District's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is part of the fund financial statements.

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

The District adopts an annual budget for its funds, as required by the Oregon Revised Statutes. The budget is a legally adopted document that incorporates input from the citizens of the District, the management of the District, and the School Board about which services to provide and how to pay for them. It also authorizes the District to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the District complied with Oregon Local Budget Law and whether or not the District succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the Statement of Revenues, Expenditures, and Changes in Fund Balances. The statement shows four columns: 1) the original budget as adopted by the School Board; 2) the final budget as amended by the School Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges

The District maintains 15 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances – Cash Basis for the General Fund and Bonded Debt Service Fund which are considered “major” funds under the GASB 34 “major” fund focus. The other 13 governmental funds are reported separately in the Governmental Funds Financial Statements under the heading “Nonmajor Governmental Funds”. Individual fund financial data for each of the Nonmajor governmental funds is provided as Supplementary Information.

The basic governmental fund financial statements can be found on pages 14 through 17 of this report.

Fiduciary Funds – The District does not maintain any fiduciary funds.

**NOTES TO THE FINANCIAL STATEMENTS** – The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found on pages 18-34 of this report.

**SUPPLEMENTARY INFORMATION** – The combining nonmajor fund financial statements referred to earlier in connection with non-major governmental funds are presented as Supplementary Information on pages 35-36 of this report.

Additional Supplementary Information on pages 37-50 reflects budgetary comparison schedules, individually, of all District Non-Major Funds for the fiscal year ending June 30, 2014.

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

The following reflects condensed information on the District's net position:

<b>Net Position</b>			
	June 30, 2013	June 30, 2014	Increase / (Decrease)
<u>Assets:</u>			
Cash and Cash Equivalents	\$ 441,794	\$ 723,299	\$ 281,505
Taxes Receivable	116,765	98,093	(18,672)
Capital Assets, Net:			
Land	177,473	177,473	-
District Buildings	6,190,594	5,948,317	(242,277)
Furniture and Equipment	338,505	333,054	(5,451)
<b>Total Assets</b>	<b>7,265,131</b>	<b>7,280,236</b>	<b>15,105</b>
<u>Deferred Outflows of Resources:</u>			
Deferred Charge on Refunding, Net	115,372	115,372	(16,615)
<u>Liabilities:</u>			
Current Portion of Debt	551,132	586,223	35,091
Long-Term Debt	5,357,228	4,796,206	(561,022)
<b>Total Liabilities</b>	<b>5,908,360</b>	<b>5,382,429</b>	<b>(525,931)</b>
<u>Deferred Inflows of Resources:</u>			
Unavailable Tax Revenues	116,765	98,093	(18,672)
<u>Net Position:</u>			
Net Investment in Capital Assets	3,612,572	3,909,015	296,443
Restricted for Debt Service	60,614	84,932	24,318
Unrestricted (Deficit)	(2,301,193)	(2,078,861)	222,332
<b>Total Net Position</b>	<b>\$ 1,371,993</b>	<b>\$ 1,915,086</b>	<b>\$ 543,093</b>

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**DISTRICT-WIDE FINANCIAL ANALYSIS (Continued)**

As noted earlier, net position may serve over time as one useful indicator of a District's financial condition. The assets of the District exceeded liabilities by \$1.9 million as of June 30, 2014. The District's net position increased by \$543,000 for the fiscal year ended June 30, 2014. However, the largest portion, \$6.5 million or 88%, reflects the District's investment in capital assets (e.g. land, District buildings, furniture and equipment), less any related debt still outstanding that was issued to acquire those items. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

**Change in Net Position**

	June 30, 2013	June 30, 2014	Increase / (Decrease)
<u>Revenues:</u>			
Program Revenues:			
Charges for Services	\$ 440,174	\$ 445,150	\$ 4,976
Operating Grants and Contributions	504,785	533,191	28,406
General Revenues:			
Taxes	1,650,586	1,478,275	(172,311)
State School Fund – General Support	3,380,882	3,739,931	359,049
County / Common School Aid	54,808	54,940	132
Unrestricted Federal Funds	839	114	(725)
Interest on Investments	2,888	4,901	2,013
Miscellaneous	81,061	25,345	(55,716)
Total Revenues	\$ 6,116,023	\$ 6,281,847	\$ 165,824
<u>Expenditures:</u>			
Instruction	\$ 3,300,718	\$ 3,239,240	\$ (61,478)
Support Services	2,088,915	1,968,999	(119,916)
Enterprise and Community Services	244,051	212,699	(31,352)
Facilities Acquisition and Construction	773	773	-
Debt Service – Interest	319,130	317,043	(2,087)
Total Expenditures	5,953,587	5,738,754	(214,833)
Increase / (Decrease) in Net Position	162,436	543,093	380,657
Beginning Net Position, As Restated	3,242,819	1,371,993	(1,870,826)
Ending Net Position	\$ 3,405,255	\$ 1,915,086	\$ (1,490,169)

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**DISTRICT-WIDE FINANCIAL ANALYSIS (Continued)**

Governmental Activities – Governmental activities increased the District's net position by \$543 thousand.

Several aspects of the District's financial operations influenced the positive change in total governmental net position:

- Basic school support increased due to growth in enrollment resulted in a \$359 thousand increase in basic school support revenue.
- School Nutrition program meal sales and reimbursements increased \$33 thousand from the prior year.
- Property taxes received for Debt Service decreased by \$200 thousand as beginning fund balance was higher than anticipated.
- Expenses decreased by \$215 thousand mainly due to a reduction in personnel costs as the District did not fill vacant positions.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the District's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2014, the District's governmental funds reported a combined ending fund balance of \$723 thousand, an increase of \$282 thousand in comparison with the prior year.

The General Fund, which is the chief operating fund of the District and is always considered a major fund, had a fund balance of \$529 thousand which is an increase of \$184 thousand. This increase is mainly related to an increase in basic school support funding. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$496 thousand.

The Bond Debt Repayment Fund, another major fund, reported an ending fund balance of \$85 thousand which is an increase of \$34 thousand when compared with prior year. The increase is related to property tax collection slightly exceeding bonded debt requirements.

Other Non-Major Governmental Funds, which represent a summarization of all the other governmental funds, ended the year with total fund balance of \$110 thousand, an increase of \$64 thousand. The increase is primarily due reimbursement of grant funds spent in prior fiscal year and an increase in the food service reimbursements.

**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Overall, the District saw slight increases in enrollment, coupled with decreases in personnel expenditures, however, there were no changes to the budget as approved by the board for this fiscal year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

As shown in the table below, at June 30, 2014, the District had \$6.5 million invested in a broad range of capital assets, including land, buildings and furnishing, fixtures, equipment, and transportation vehicles. This amount represents a net decrease (including additions, deletions and depreciation) of \$248 thousand from last year. The decrease is primarily due to depreciation expense of \$293 thousand exceeding capital spending of \$6,000. Capital spending in the current year reflects the purchase of equipment. See Note 4 of the Notes to the Financial Statements for more information on capital assets.

**Capital Assets, Net of Accumulated Depreciation**

	June 30, 2013	June 30, 2014	Increase / (Decrease)
Land	\$ 177,473	\$ 177,473	\$ -
District Buildings	6,190,594	5,948,317	(242,277)
Vehicles and Equipment	338,505	333,054	(5,451)
<b>Total</b>	<b>\$ 6,706,572</b>	<b>\$ 6,458,844</b>	<b>\$ (247,728)</b>

*Debt Administration*

As shown in the table below, at the end of this year, the District had \$5.4 million in debt outstanding which is comparable to \$5.9 million last year. The District made its annual debt service payments under these obligations that included an overall reduction in the principal balance of \$526 thousand. See Note 5 of the Notes to the Financial Statements for more information on long-term debt obligations.

**Outstanding Long-Term Debt Obligations**

	June 30, 2013	June 30, 2014	Increase / (Decrease)
2003 Limited Tax Pension Bonds	\$ 2,814,360	\$ 2,717,228	\$ (97,132)
GO Refunding Bonds, Series 2005	2,555,000	2,170,000	(385,000)
Certificate of Participation, Series 2010A	539,000	470,000	(69,000)
Capital Lease – Dell	-	25,201	25,201
<b>Total</b>	<b>\$ 5,908,360</b>	<b>\$ 5,382,429</b>	<b>\$ (525,931)</b>



**Stanfield School District #61R**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2014**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The most significant economic factor for the District is the State of Oregon's State School fund. For the year ending June 30, 2014, the State School Fund – General Support provided 78% of the District's program resources. Enrollment ADM remains stable. Staffing levels will remain consistent. The district continues to closely monitor funding levels to ensure quality education for the students of Stanfield School District #61R.

The District's Budget Committee and Board considered all of these factors while preparing the District's budget for the 2014-2015 fiscal year. The district added a preschool program, funded deferred maintenance, added full-day kindergarten and funded staffing consistent with prior years.

**REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or request for additional information should be addressed to the District's Business Manager at 1120 North Main Street, Stanfield, Oregon 97875.

*Basic Financial Statements*

## **District-Wide Financial Statements**

**Stanfield School District #61R  
Umatilla County, Oregon**

**Statement of Net Position - Modified Cash Basis  
June 30, 2014**

	<u>Governmental Activities</u>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 723,299
Taxes Receivable	98,093
Total Current Assets	<u>821,392</u>
Noncurrent Assets:	
Capital Assets, Net	
Land	177,473
District Buildings	5,948,317
Furniture and Equipment	333,054
Total Noncurrent Assets	<u>6,458,844</u>
Total Assets	<u>7,280,236</u>
<u>Deferred Outflows of Resources</u>	
Deferred Charge on Refunding, Net	<u>115,372</u>
<u>Liabilities</u>	
Current Liabilities:	
Debt Obligations Due Within One Year	586,223
Noncurrent Liabilities:	
Capital Lease Obligations Due in More Than One Year	13,000
Certificates of Participation Due in More Than One Year	396,000
Bonds Payable Due in More Than One Year	4,387,206
Total Noncurrent Liabilities	<u>4,796,206</u>
Total Liabilities	<u>5,382,429</u>
<u>Deferred Inflows of Resources</u>	
Unavailable Tax Revenues	<u>98,093</u>
<u>Net Position</u>	
Net Investment in Capital Assets	3,909,015
Restricted for Debt Service	84,932
Unrestricted (Deficit)	<u>(2,078,861)</u>
Total Net Position	<u>\$ 1,915,086</u>

See Independent Auditor's Report and Notes to the Financial Statements

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Statement of Activities - Modified Cash Basis**  
**Fiscal Year Ended June 30, 2014**

Functions / Programs:	Program Revenues			Net (Expense)
Expenses	Charges for	Operating	Grants and	/ Revenue and
Governmental Activities:	Services	Contributions	Contributions	Change in
Instruction:				Net Position
Regular Programs	\$ 2,532,456	\$ 116,996	\$ 80,836	\$ (2,334,624)
Special Programs	686,571	-	202,006	(484,565)
Total Instruction	3,219,027	116,996	282,842	(2,819,189)
Support Services:				
Student Support Services	125,569	-	53,858	(71,711)
Instructional Staff Support	125,225	-	-	(125,225)
General Administration	230,773	-	-	(230,773)
School Administration	339,064	-	-	(339,064)
Business Support Services	1,144,369	-	7,500	(1,136,869)
Central Activities	4,331	-	-	(4,331)
Total Support Services	1,969,331	-	61,358	(1,907,973)
Enterprise and Community Services	212,738	47,480	188,991	23,733
Facilities Acquisition and Construction	6,763	-	-	(6,763)
Debt Service - Interest	330,894	280,674	-	(50,220)
Total Governmental Activities	\$ 5,738,753	\$ 445,150	\$ 533,191	(4,760,412)
General Revenues:				
Taxes for General Purposes				962,959
Taxes for Debt Service				515,316
State School Fund - General Support				3,739,931
County / Common School Aid				54,940
Unrestricted Federal Funds				114
Interest on Investments				4,901
Miscellaneous				25,345
Total General Revenues				5,303,506
Change in Net Position				543,094
Net Position - Beginning, As Restated				1,371,992
Net Position - Ending				\$ 1,915,086

See Independent Auditor's Report and Notes to the Financial Statements

## **Fund Financial Statements**

Stanfield School District #61R  
Umatilla County, Oregon

Balance Sheet - Cash Basis  
Governmental Funds  
June 30, 2014

	General Fund	Bonded Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 524,258	\$ 84,918	\$ 114,123	\$ 723,299
Due From Other Funds	4,449	-	-	4,449
Taxes Receivable	<u>62,976</u>	<u>35,117</u>	<u>-</u>	<u>98,093</u>
Total Assets	<u>\$ 591,683</u>	<u>\$ 120,035</u>	<u>\$ 114,123</u>	<u>\$ 825,841</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>				
Liabilities:				
Due to Other Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,449</u>	<u>\$ 4,449</u>
Deferred Inflows of Resources:				
Unavailable Tax Revenues	<u>62,976</u>	<u>35,117</u>	<u>-</u>	<u>98,093</u>
Fund Balance:				
Spendable:				
Restricted	-	84,918	14	84,932
Assigned	33,134	-	114,109	147,243
Unassigned	<u>495,573</u>	<u>-</u>	<u>(4,449)</u>	<u>491,124</u>
Total Fund Balance	<u>528,707</u>	<u>84,918</u>	<u>109,674</u>	<u>723,299</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 591,683</u>	<u>\$ 120,035</u>	<u>\$ 114,123</u>	<u>\$ 825,841</u>
Total Fund Balance			\$	723,299
Capital Assets used in government activities are not financial resources and therefore are not reported in the fund financial statements.				
Amounts reported for governmental activities in the Statement of Net Position:				
Governmental Capital Assets			11,046,257	
Governmental Accumulated Depreciation			<u>(4,587,413)</u>	6,458,844
The difference in the carrying value of refunded debt and its reacquisition price is deferred and amortized over the life of the bonds in the Statement of Net Position, and is not reported in the fund financial statements				
				115,372
Certain liabilities not due in the current year are not reported as governmental fund liabilities. These liabilities consist of:				
Capital Lease Obligations			(25,201)	
PERS UAL Bonds			(2,717,228)	
General Obligation Bonds			<u>(2,640,000)</u>	(5,382,429)
Total Net Position			\$	<u>1,915,086</u>

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Cash Basis**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2014**

	General Fund	Bonded Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>				
Taxes	\$ 962,959	\$ 515,316	\$ -	\$ 1,478,275
Other Local Sources	29,150	2,747	302,288	334,185
Intermediate Sources	9,470	-	-	9,470
State Sources	3,786,812	-	6,251	3,793,063
Federal Sources	53,216	-	449,162	502,378
Charges for Services	-	-	164,476	164,476
	<u>4,841,607</u>	<u>518,063</u>	<u>922,177</u>	<u>6,281,847</u>
<u>Expenditures</u>				
<u>Current:</u>				
Instruction:				
Regular Programs	2,255,962	-	177,310	2,433,272
Special Programs	506,696	-	148,906	655,602
	<u>2,762,658</u>	<u>-</u>	<u>326,216</u>	<u>3,088,874</u>
Support Services:				
Student Support Services	78,845	-	40,177	119,022
Instructional Staff Support	119,577	-	-	119,577
General Administration	220,364	-	-	220,364
School Administration	323,770	-	-	323,770
Business Support Services	1,041,639	-	10,691	1,052,330
Central Activities	4,136	-	-	4,136
	<u>1,788,331</u>	<u>-</u>	<u>50,868</u>	<u>1,839,199</u>
Enterprise and Community Services	-	-	200,864	200,864
Capital Outlay	5,990	-	-	5,990
Debt Service:				
Principal	82,851	385,000	97,132	564,983
Interest	18,014	98,858	183,556	300,428
	<u>100,865</u>	<u>483,858</u>	<u>280,688</u>	<u>865,411</u>
Total Expenditures	<u>4,657,844</u>	<u>483,858</u>	<u>858,636</u>	<u>6,000,338</u>
Revenues Over / (Under) Expenditures	183,763	34,205	63,541	281,509
Beginning Fund Balance, As Restated	<u>344,944</u>	<u>50,713</u>	<u>46,133</u>	<u>441,790</u>
Ending Fund Balance	<u>\$ 528,707</u>	<u>\$ 84,918</u>	<u>\$ 109,674</u>	<u>\$ 723,299</u>

See Independent Auditor's Report and Notes to the Financial Statements



Stanfield School District #61R  
 Umatilla County, Oregon

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance  
 of the Governmental Funds (Cash Basis) to the Statement of Activities (Modified Cash Basis)  
 Fiscal Year Ended June 30, 2014**

Net Change in Fund Balance - Total Government Funds \$ 281,509

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Capital outlay reported in governmental fund financial statements	\$ 5,990	
Depreciation expense reported in the Statement of Activities	<u>(292,773)</u>	(286,783)

The difference in the carrying value of refunded debt and its reacquisition price is deferred and amortized over the bond repayment period in the Statement of Activities and is reported as an expenditure in governmental funds (16,615)

Principal payment on long-term debt is reported as an expenditure in the governmental funds, however in the Statement of Net Position, principal payments on long-term debt are reflected as a reduction of liabilities.

Debt principal repaid		<u>564,983</u>
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Change in Net Position - Governmental Activities \$ 543,094

Stanfield School District #61R  
 Umatilla County, Oregon

Budgetary Comparison Statement  
 General Fund  
 Fiscal Year Ended June 30, 2014

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Taxes	\$ 890,000	\$ 962,959	\$ 72,959
Other Local Sources	25,000	29,150	4,150
Intermediate Sources	40,000	9,470	(30,530)
State Sources	3,618,045	3,786,812	168,767
Federal Sources	55,000	53,216	(1,784)
	<u>4,628,045</u>	<u>4,841,607</u>	<u>213,562</u>
<u>Disbursements</u>			
Instruction	2,537,446	2,782,499	(245,053)
Support Services	1,800,759	1,788,331	12,428
Debt Service	88,840	87,014	1,826
Contingencies	35,000	-	35,000
	<u>4,462,045</u>	<u>4,657,844</u>	<u>(195,799)</u>
Receipts Over / (Under) Disbursements	166,000	183,763	17,763
Beginning Fund Balance, As Restated	<u>109,000</u>	<u>344,944</u>	<u>235,944</u>
Ending Fund Balance	<u>\$ 275,000</u>	<u>\$ 528,707</u>	<u>\$ 253,707</u>

See Independent Auditor's Report and Notes to the Financial Statements

## **Notes to the Financial Statements**

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Notes to the Financial Statements**  
**June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies**

The accounting policies of Stanfield School District #61R (the District), have been established in conformity with the modified cash basis of accounting, as discussed in Note 1D below, which is a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to U.S. GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurements and recognition criteria of the modified cash basis of accounting. The following is a summary of the most significant accounting policies:

**A. Reporting Entity**

School districts in the State of Oregon are created by legislative action. Stanfield School District #61R, Umatilla County, Oregon, operates under a School Board-Superintendent form of government and provides education for grades K-12. The District consists of two separate school sites with financial information from the sites consolidated into one financial report.

A five-member board exercises governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction set by the State of Oregon. The board receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "Reporting Entity", as defined in Section 2100, codification of governmental accounting and financial reporting standards. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. There are no other component units as defined in Governmental Accounting Standards Board Statement No. 14 that are included in the District's reporting entity.

**B. Basic Financial Statements – District-Wide Statements**

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the primary government and are reported on a modified cash, economic resource basis, which recognizes all long-term assets as well as long-term debt.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities demonstrates the degree to which the direct expenditures of a given function or segment are offset by program revenues. Direct expenditures are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contribution that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

This District-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***C. Basic Financial Statements – Fund Financial Statements***

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures of either fund category or the governmental combined) for the determination of major funds. The District electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

The funds of the financial reporting entity are described below:

**Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports these major governmental funds and fund types:

*General Fund*

The General Fund is the primary operating fund of the District and always classified as a major fund. It accounts for all financial resources of the District except those required to be accounted for in another fund. The primary revenue sources are taxes and state aid.

*Special Revenue Funds*

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. The District has eleven special revenue funds.

*Debt Service Funds*

Debt service funds account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the District. Ad valorem taxes are used for the payment of principal and interest on the District's outstanding general obligation bonds. The District has two debt service funds.

The activities reported in these funds are reported as governmental activities in the District-wide financial statements

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***C. Basic Financial Statements – Fund Financial Statements (Continued)***

**Major and Nonmajor Funds**

The funds are further classified as major or nonmajor as follows:

<u>Major Fund</u>	<u>Brief Description</u>
General Fund	As discussed above, the general fund will always be classified as major.
<u>Debt Service Funds:</u>	
Bonded Debt Service Fund	Accounts for ad valorem taxes used to pay principal and interest on the District's 2005 General Obligation Refunding Bonds.

The remainder of the District's funds are classified as nonmajor funds.

***D. Measurement Focus and Basis of Accounting***

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

In the District-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***D. Measurement Focus and Basis of Accounting (Continued)***

**Basis of Accounting**

In the District-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting, which is a basis of accounting other than U.S. GAAP as established by GASB. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, and expenditures resulting from cash transactions, with the following modifications:

- Property and equipment purchased for cash is capitalized in the Statement of Net Position and depreciation expenditure is recorded as an allocated expenditure in the Statement of Activities.
- Long-term debt obligations of the District are recorded as a liability in the Statement of Net Position and annual payments of principal on these obligations reduces the liability.

As a result of the use of this basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed for or provided services not yet collected) and certain liabilities and their related expenditures (such as accounts payable and expenditures for goods and services received but not yet paid, and accrued expenditures and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the financial reporting framework recognized as U.S. GAAP, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All District-wide financials would be presented on the accrual basis of accounting.

***E. Financial Statement Amounts***

**Cash, Cash Equivalents, and Investments**

For the purpose of the Statement of Net Position and the Balance Sheets, the District's "cash and cash equivalents" includes all cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. All short-term cash surpluses are maintained in a cash and investment pool and allocated to each fund based on month end deposit and investment balances. Short-term investments are reported at cost which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

The District maintains a cash and investment pool that is available for use by all funds. In general, interest earning from pooled cash investments is allocated to each fund based on average earnings rate and average cash balance held by each fund.

State statutes authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade commercial paper, and the State Treasurer's Local Government Investment Pool.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***E. Financial Statement Amounts (Continued)***

**Inventories**

Inventories of supplies are charged to expenditures when purchased. The items in inventory remain at a relatively constant level and the amount is not material. No physical inventory was taken during the year.

**Capital Assets**

In the District-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. The capitalization threshold for general capital assets is \$5,000 for assets reported in the District-wide financial statements. Individual assets with a cost of \$5,000 or less are not capitalized. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expenditure in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
District Buildings	50
Furniture and Equipment	3-20

As part of GASB Statement No. 34, most local governments were required to report all infrastructure assets, net of depreciation in the Statement of Net Position. However, local governments with revenues of less than \$10 million annually, referred to as Phase III governments, have the option of reporting infrastructure on a prospective basis. Management has elected this option and the Statement of Net Position for the District does not include retroactive reporting of net infrastructure capital assets.

**Leases**

Leases which meet certain criteria established by the Financial Accounting Standards Board are classified as capital leases, placed amid the assets and related liabilities are recorded at amounts equal to the lesser of the present value of minimum lease payments or the fair value of the leased property at the beginning of the respective lease term. Leases that do not meet the criteria of a capital lease are classified as operating leases.

**Property Tax Calendar and Revenues**

The District is responsible for levying property taxes, but the taxes are collected by the County. Taxes are levied on September 1 based on assessed values at July 1. Property tax payments are due in two installments—November 1 and February 1. Taxes are considered delinquent 60 days after their due date and become a lien on the property at that time.



**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***E. Financial Statement Amounts (Continued)***

**Property Tax Calendar and Revenues (Continued)**

Taxes which remain unpaid at June 30 are classified as taxes receivable. Taxes receivable are fully offset by unavailable tax revenues because they are not known to be available to finance current expenditures.

**Compensated Absences**

Accumulated vested vacation pay is not accrued, since the modified cash basis of accounting is used. The District allows employees to accumulate unpaid vacation time for those that earn it, but typical practice is to pay employees for any unused vacation time prior to fiscal year end.

**Long-Term Debt Obligations**

In the District-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year of issue and are shown as other financing uses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as Other Financing Uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Deferred Outflows / Inflows of Resources**

In addition to assets, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the District-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District only has one item that qualifies for reporting in this category. It is the unavailable tax revenues reported in the District-wide Statement of Net Position and Governmental Funds Balance Sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***E. Financial Statement Amounts (Continued)***

**District-Wide Net Position**

District-wide net position is divided into three components:

- Net Investment in Capital Assets—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
- Restricted Net Position—Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted Net Position—Net amount of assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Governmental Fund Balances**

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable—Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted—Amounts that can be spent only for specific purposes because of the District polity, state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed—Amounts that can be used only for specific purposes determined by a formal action by School Board resolution.
- Assigned—Amounts that are designated by the Superintendent for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by the School Board.
- Unassigned—All amounts not included in other spendable classifications.

**Use of Restricted Resources**

When an expenditure is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expenditure toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications—committed and then assigned fund balances before using unassigned fund balances.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

*E. Financial Statement Amounts (Continued)*

**Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**Use of Estimates**

In preparing the District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues during the reporting period. Actual results could differ from those estimates.

**Note 2 – Stewardship, Compliance, and Accountability**

The District follows Oregon's Local Budget Law (Chapter 294 of the Oregon Revised Statutes); the process under which the budget is adopted is described in the following paragraphs. A budget is prepared for each fund in accordance with the cash basis of accounting and legal requirements set forth in time Oregon Local Budget law.

Budget amounts shown in the financial statements include the original and supplemental budget amounts and all appropriation transfers approved by the Board of Education. The appointed budget officer develops a proposed budget for submission to the budget committee. The operating budget includes proposed expenditures and the means for financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years.

After the proposed budget is prepared, the budget officer publishes a "Notice of Budget Committee Meeting" in at least one newspaper of general circulation. At the budget committee meeting, the budget message is delivered explaining the proposed budget and any significant changes in the District's financial position. The budget committee meets thereafter as many times as necessary until the budget document is completed.

After approval by the budget committee and the required "Public Hearing" and prior to July 1, the budget is adopted by the Board of Education, and appropriations are enacted by resolution. The resolution establishes appropriations for each fund and expenditures cannot legally exceed these appropriations. The level of control established by the resolution for each fund is at the object group level (personal services, materials and services, capital outlay, debt service, interfund transfers, and contingency). Appropriations lapse at year-end.

Management is not allowed to modify the budget without action by the governing body. The governing body is authorized to modify the original budget appropriation ordinance by transfers of budget appropriations within a fund, which are authorized by resolution of the governing body and supplemental budget. Budget revisions that increase total expenditures in any fund require an adopted supplemental budget. If a supplemental budget increases a fund's expenditures by less than 10%, the District can adopt it by publishing a notice five days before a meeting to pass the adoption resolution. If a supplemental budget increases a fund's expenditures by 10% or more, the District must follow the same procedures in adopting a supplemental budget as those to adopt an original budget.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 2 – Stewardship, Compliance, and Accountability (Continued)**

The Board of Education adopted the 2013-14 budget on June 12, 2013, in the aggregate amount of \$7,099,533. The Board of Education adopted the 2014-15 budget on June 25, 2014, in the aggregate amount of \$7,122,719.

The District overspent appropriations for the year ended June 30, 2014 in the following categories:

- General Fund – Instruction
- Kindergarten Readiness Fund – Instruction
- REAP Flex Grant Fund – Instruction
- Robotics Grant Fund – Instruction
- Special Education Performance Review Fund – Instruction
- Gear Up Grant Fund – Instruction & Supporting Services

**Note 3 – Deposits and Investments**

***Deposits***

The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which includes standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the District at June 30, 2014. While the District's financial statements are reported using modified cash basis of accounting, certain disclosures, including depository accounts and investments contain informative disclosures that are similar and appropriate to GAAP.

Custodial credit risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. Oregon Revised Statute (ORS) Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program (PFCP).

The PFCP was created by the Office of the State Treasurer to facilitate bank depository, custodian and public official compliance with ORS 295. ORS 295 requires the qualified depository to pledge collateral against any public funds deposits in excess of deposit insurance amounts. As of June 30, 2014, the total bank balance was \$120,721. The District maintains its funds at a financial institution deemed to be a qualified depository by the Office of the State Treasurer. The District does not have a formal deposit policy for custodial credit risk.

***Investments***

The District invests funds in the Oregon Local Government Investment Pool (LGIP), which is an unrated external investment pool. The LGIP is included in the Oregon Short Term Fund (OSTF), which was established by the State Treasurer. OSTF is not subject to SEC regulation. OSTF is subject to requirements established in Oregon Revised Statutes, investment policies adopted by the Oregon Investment, and portfolio guidelines established by the OSTF Board. The Governor appoints the members of the Oregon Investment Council and the OSFT Board.

Credit Risk – State statutes authorize the District to invest primarily in general obligations of the US Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers, and the State Treasurer's investment pool, among others. The District has no formal investment policy that further restricts its investment choices.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 3 – Deposits and Investments (Continued)**

***Investments (Continued)***

Concentration of Credit Risk – The District is required to provide information about the concentration of credit risk associated with its investments in one issuer that represent 5 percent or more of the total investments, excluding Investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The District has no such investments.

Interest Rate Risk – The District has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

A reconciliation of cash and cash equivalents as shown on the statement of assets, liabilities and equity arising from cash transactions is as follows:

Deposits with Financial Institutions	\$	144,594	
Oregon Local Government Investment Pool		<u>578,705</u>	
 Total Cash and Cash Equivalents	 \$	 <u>723,299</u>	

**Note 4 – Capital Assets**

For the fiscal year ended June 30, 2014, capital assets activity as reported in the District-wide financial statements were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Non-Depreciable Capital Assets:				
Land	\$ 177,473	\$ -	\$ -	\$ 177,473
Total Non-Depreciable Capital Assets	<u>177,473</u>	<u>-</u>	<u>-</u>	<u>177,473</u>
Depreciable Capital Assets:				
District Buildings & Improvements	9,919,239	-	-	9,919,239
Equipment & Vehicles	<u>904,500</u>	<u>5,990</u>	<u>-</u>	<u>910,490</u>
Total Depreciable Capital Assets	\$ <u>10,823,739</u>	\$ <u>5,990</u>	\$ <u>-</u>	\$ <u>10,829,729</u>
Accumulated Depreciation:				
District Buildings & Improvements	(3,728,649)	(242,277)	-	(3,970,926)
Equipment & Vehicles	<u>(565,991)</u>	<u>(50,496)</u>	<u>-</u>	<u>(616,487)</u>
Total Accumulated Depreciation	<u>(4,294,640)</u>	<u>(292,773)</u>	<u>-</u>	<u>(4,587,413)</u>
Total Depreciable Capital Assets, Net	<u>6,529,099</u>	<u>(286,783)</u>	<u>-</u>	<u>6,242,316</u>
Total Capital Assets, Net	<u>\$ 6,706,572</u>	<u>\$ (286,783)</u>	<u>\$ -</u>	<u>\$ 6,419,789</u>

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 4 – Capital Assets (Continued)**

Depreciation expenditure was charged to programs of the primary government as follows:

Program				
Regular Programs	\$		119,516	
Special Programs			30,849	
Student Support Services			6,526	
Instructional Staff Support			5,627	
General Administration			10,369	
School Administration			15,235	
Business Support Services			91,848	
Central Activities			195	
Enterprise and Community Services			11,835	
Facilities Acquisition and Construction			773	
<b>Total</b>	<b>\$</b>		<b>292,773</b>	

**Note 5 – Long-Term Debt Obligations**

During the fiscal year ended June 30, 2014, changes in long-term debt for the District are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
2003 Limited Tax Pension Bonds	2,814,360	-	(97,132)	2,717,228	95,022
2005 GO Refunding Bonds	2,555,000	-	(385,000)	2,170,000	405,000
2010A Certificates of Participation	539,000	-	(69,000)	470,000	74,000
Capital Lease - Dell	-	39,052	(13,851)	25,201	12,201
<b>Total Long-Term Debt</b>	<b>\$ 5,908,360</b>	<b>\$ 39,052</b>	<b>\$ (564,983)</b>	<b>\$ 5,382,429</b>	<b>\$ 586,223</b>

***Bonded Debt***

**Limited Tax Pension Obligation Bonds, Series 2003**

On April 21, 2003 the District, through participation in the Oregon School Boards Association pool, issued Limited Tax Pension Obligation Bonds, Series 2003. The District issued these bonds to satisfy its estimated PERS Unfunded Actuarial Liability at December 31, 1999. The limited tax pension bonds were issued with the principal amount of the issue being \$3,689,436. The bonds carry interest rates ranging from 1.50% to 6.27%. Principal amounts of the issue will be redeemed beginning June 30, 2005 with final coupon payment on June 30, 2028. Payments are made semi-annually on the 30<sup>th</sup> of June and December.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 5 – Long-Term Debt Obligations (Continued)**

***Bonded Debt (Continued)***

General Obligation Refunding Bonds, Series 2005

On March 25, 2005, the District issued \$4,110,000 in General Obligation Refunding Bonds, Series 2005, with interest rates ranging from 3.00%-4.00%. The purpose of the refunding was to refund a portion of the District’s Series 1999 General Obligation Bonds which carried interest rates ranging 4.50%-5.25%. The net proceeds from refunding were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded portion of the Series 1999 General Obligation Bonds. At June 30, 2007 U. S. government securities in this escrow accounts had a market value of \$3,884,000. As a result, a portion of the Series 1999 Bonds (\$3,835,000) are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$249,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations through the year 2019 using the effective interest method. The District completed the advance refunding to take advantage of favorable interest rates.

Annual debt service requirements to maturity for bonded debt for the District are as follows:

Year Ended June 30,	<u>2003 PERS UAL Pension Bonds</u>		<u>2005 GO Refunding Bonds</u>		Total
	Principal	Interest	Principal	Interest	
2015	\$ 95,022	\$ 195,666	\$ 405,000	\$ 83,458	\$ 779,146
2016	95,166	210,522	420,000	68,676	794,364
2017	95,114	225,574	435,000	52,926	808,614
2018	96,291	244,396	445,000	36,178	821,865
2019	94,940	260,748	465,000	18,600	839,288
2020-2024	720,696	1,337,744	-	-	2,058,440
2025-2028	1,520,000	203,623	-	-	1,723,623
Totals	\$ 2,717,229	2,678,273	\$ 2,170,000	\$ 259,838	\$ 7,825,340

***Certificates of Participation - Oregon School Boards Association (OSBA) FlexFund Program***

The OSBA’s FlexFund Program allows school Districts in the State of Oregon to participate in a pooling of the individual participating Districts’ installment purchase agreements to achieve better interest rates and lower administrative and legal costs.

2010A Certificates of Participation

On February 11, 2010, District #61R issued \$737,000 from the Oregon School Boards Association’s (OSBA) FlexFund Program to finance the construction various improvement projects throughout the District. Interest rates range from 1.00% to 4.30% and the certificate matures December 1, 2018. Interest is payable semi-annually on the first day of June and December of each year and principal is payable on the first day of June of each year.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 5 – Long-Term Debt Obligations (Continued)**

***Certificates of Participation - Oregon School Boards Association (OSBA) FlexFund Program (Continued)***

Annual debt service requirements to maturity for certificates of participation for the District are as follows:

Year Ended June 30,	<u>2010A Certificates</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 74,000	\$ 16,548	\$ 90,548
2016	73,000	14,698	87,698
2017	74,000	12,508	86,508
2018	78,000	10,029	88,029
2019	83,000	7,104	90,104
2020-2024	88,000	3,784	91,784
Totals	\$ 470,000	64,671	\$ 534,671

***Capital Lease Obligations***

The District entered into a capital lease with Dell Financial Services on December 18, 2013, for 35 laptop computers. The lease calls for three annual payments of \$13,851, including interest at 6.36% with the first payment made during the fiscal year ended June 30, 2014.

Annual debt service requirements to maturity for capital lease obligations for the District are as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2015	\$ 13,851
2016	13,851
Total Payments	27,702
Less: Interest	(2,501)
Total Principal Balance	\$ 25,201



**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 6 – Public Employees Retirement System (P.E.R.S.)**

**Plan Description** – The District contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the District's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying District employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, PO Box 23700, Tigard, OR, 97281-3700 or by calling 503-598-7377.

**Funding Policy** – Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The District is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and the OPSRP rates in effect for the year ended June 30, 2014 were 9.42% and 7.72% respectively. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

**Annual Pension Cost** – The District's contributions to PERS for the fiscal years ended June 30, 2014, 2013, and 2012 were \$183,403, \$162,287, and \$134,744, respectively, which equaled the required contribution for the year. The District issued limited tax pension bonds, the proceeds of which were used to finance a portion of its estimated unfunded actuarial liability (see Note #5).

**Note 7 – Other Post-Employment Benefits**

***PERS Retirement Health Insurance Account***

**Plan Description** - The District contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004, PERS issues a publicly available financial report that includes financial statements and requires supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 7 – Other Post-Employment Benefits (Continued)**

***PERS Retirement Health Insurance Account (Continued)***

**Funding Policy** - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by PERS, currently 0.29% Tier 1 and Tier 2 payroll and 0.19% of OPSRP annual covered payroll. The Oregon PERS Board of Trustees sets the employer contribution rate. It is based on the annual required contribution of the combined participant employers. This is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a closed period not to exceed 30 years. The District's contributions to RHIA for the year ended June 30, 2013 are included in the PERS annual pension amount.

**Note 8 – Fund Balance Reporting**

As noted earlier, the District has adopted GASBS No. 54. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASBS No. 54 provides for two major types of fund balances, which are non-spendable and spendable. Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. At June 30, 2014 the District did not have any fund balances that would be considered non-spendable.

In addition to the non-spendable fund balance, GASBS No. 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints as detailed in Note 1E.

The District has classified its fund balances with the following hierarchy:

Restricted for Debt Service

Oregon State Statutes, granting agency requirements, and local ordinances require that certain revenues be specifically designed for the purposes of grant programs and debt service. The funds have been included in restricted category of fund balance. The restricted fund balances for debt service were \$84,932 at June 30, 2014.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 8 – Fund Balance Reporting (Continued)**

Assigned for School Operations, Equipment Purchases and Building Improvements and Student Fees/Activities

The School Board has set aside certain spendable fund balance for school operations, equipment purchases and building improvements and student fees. At year end, the assigned fund balance is \$147,243 of which \$58,502 is for future purchase of equipment or building improvements, \$54,310 for student fees and activities, \$1,297 for food service operations, and \$33,134 for school operations. The assigned fund balance for school operations is for appropriation of existing unassigned fund balance at year-end to eliminate a deficit in 2014-2015 fiscal year budget.

Unassigned

The unassigned fund balance for the General Fund is \$495,573. The unassigned balance for the Other Governmental Funds is a deficit balance of \$4,449. This deficit balance is related to certain restricted grant programs in which disbursements exceeded receipts during the fiscal year ending June 30, 2014 and operate on a reimbursement basis.

**Note 9 – Deficit Fund Balances**

At June 30, 2014 the District's Gear Up Grant Fund had a deficit fund balance of \$4,449. It is anticipated that future grant reimbursements of these funds in the next fiscal year will eliminate the deficit fund balance.

This deficit is a result of funds being spent prior to requested reimbursement funds being received. Future receipts to this fund should offset the deficit in the upcoming fiscal year. Cash borrowed from the General Fund offsets the deficit and is disclosed as "Due to Other Funds" in the Statement of Assets, Liabilities, and Fund Balance – Cash Basis.

**Note 10 – School Funding in the State of Oregon**

With the passage of Ballot Measure 5, a large portion of public school funding has shifted from property tax receipts within district taxing boundaries to basic support payments received from the State of Oregon. These basic support payments are paid from the State's General Fund, which is heavily reliant on income taxes collected. As Oregon has experienced an economic downturn in the last few years, statewide income tax collections have decreased and resulted in a budget crisis for state government. Public K-12 education represents a large portion of the State's general fund expenditures and it is likely that any budget cuts will have a large impact on the District's annual budget. Should large cuts be made at the State level, it is likely that the District will also be required to institute large budget cuts and reduce the level of services currently offered.

**Note 11 – Risk Management**

The District is exposed to various risks or losses related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District purchases commercial insurance for all claims other than that represented by minimal deductible amount per loss. There have been no significant reductions in insurance coverage from coverage in prior years in any of the major categories of risk. Amounts of any settlements or claims have not exceeded insurance coverage in any of the past three years.

**Stanfield School District #61R  
Umatilla County, Oregon**

**Notes to the Financial Statements  
June 30, 2014**

**Note 12 – Commitments**

The District has a contract with a private firm to provide student transportation. The District reimburses the contractor based on an hourly rate schedule that also considers fuel costs and extra-curricular activities; in addition, the contractor leases certain operable buses from the District.

The District entered into a lease with Union Pacific Railroad Company on October 13, 1999, for property on which to build a new elementary school building. The lease with the railroad is for a term of 20 years terminating December 31, 2019. However, this lease allows the railroad, at any time, to terminate the lease without cause by providing the District 30 days notice. The lease also allows the railroad to put tracks on the property at any time during the term of the land, it would have to exercise its' power of eminent domain and commence a condemnation proceeding. It is estimated that the cost of such proceedings could approach \$15,000 plus the purchase price of the property.

**Note 13 – Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment principally by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by the grantor, cannot be determined at this time, although the District expects such amounts, if any, would be immaterial.

Various claims involving the District are currently outstanding. However, management believes, based on consultation with legal counsel, that the ultimate resolution of these matters will not have a material adverse effect on the District's financial position or results of operations.

**Note 14 – Evaluation of Subsequent Events**

The District has evaluated subsequent events through December 5, 2014, the date which the financial statements were available to be issued.

**Note 15 – Prior Period Adjustment for Change in Accounting Principle**

During the fiscal year ended June 30, 2014, the District elected to adopt a change in accounting basis from accounting principles generally accepted in the United States of America to the modified cash basis of accounting. As a result, the District recorded a prior period adjustment related to this change in accounting basis. The result of this adjustment is a decrease/increase in beginning fund balances in several funds and the Governmental Net Position. The General Fund beginning balance was increased by \$220,707, a decrease to the Gear-Up Grant Fund by \$13,070, a decrease to the Food Service Fund by \$20,497, and a decrease to the Debt Service Fund by \$9,886. These changes are due to the removal for accrual related items reported as of June 30, 2013 as follows: Accounts Receivable, Accrued Payroll Liabilities, Accrued Interest and Accounts Payable.

*Supplementary Information*

## **Combining Nonmajor Fund Financial Statements**

**Stanfield School District #61R  
Umatilla County, Oregon**

**Combining Balance Sheet - Cash Basis  
Nonmajor Governmental Funds  
June 30, 2014**

	Gear Up Grant Fund	Building & Equipment Fund	ASB School Fund	Food Service Fund	PERS Bond Repayment Fund	Totals
<u>Assets</u>						
Cash and Cash Equivalents	\$ -	\$ 58,502	\$ 54,310	\$ 1,297	\$ 14	\$ 114,123
<u>Liabilities and Fund Balance</u>						
Liabilities:						
Due to Other Funds	\$ 4,449	\$ -	\$ -	\$ -	\$ -	\$ 4,449
Fund Balance:						
Spendable:						
Restricted	-	-	-	-	14	14
Assigned	-	58,502	54,310	1,297	-	114,109
Unassigned	(4,449)	-	-	-	-	(4,449)
Total Fund Balance	(4,449)	58,502	54,310	1,297	14	109,674
Total Liabilities and Fund Balance	\$ -	\$ 58,502	\$ 54,310	\$ 1,297	\$ 14	\$ 114,123

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis  
Nonmajor Governmental Funds  
Fiscal Year Ended June 30, 2014**

	Title I Fund	Kindergarten Readiness Grant Fund	REAP Flex Fund	Robotics Grant Fund	Direct Federal REAP Flex Fund	Special Ed Review Fund	Wildhorse Grant Fund	Gear Up Grant Fund	Building & Equipment Fund	ASB School Fund	Food Service Fund	PERS Bond Repayment Fund	Totals
<u>Receipts</u>													
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,500	\$ -	\$ 12,949	\$ 116,996	\$ 48,631	\$ 280,688	\$ 466,764
State Sources	-	-	-	2,495	-	-	-	-	-	-	3,756	-	6,251
Federal Sources	145,950	1,500	24,348	-	34,475	2,956	-	53,311	-	-	186,622	-	449,162
Total Receipts	145,950	1,500	24,348	2,495	34,475	2,956	7,500	53,311	12,949	116,996	239,009	280,688	922,177
<u>Disbursements</u>													
Instruction:													
Regular Programs	-	1,500	24,348	2,495	34,475	-	-	1,322	-	113,170	-	-	177,310
Special Programs	145,950	-	-	-	-	2,956	-	-	-	-	-	-	148,906
Total Instruction	145,950	1,500	24,348	2,495	34,475	2,956	-	1,322	-	113,170	-	-	326,216
Support Services:													
Student Support Services	-	-	-	-	-	-	-	40,177	-	-	-	-	40,177
Business Support Services	-	-	-	-	-	-	7,500	3,191	-	-	-	-	10,691
Total Support Services	-	-	-	-	-	-	7,500	43,368	-	-	-	-	50,868
Enterprise and Community Services	-	-	-	-	-	-	-	-	-	-	200,864	-	200,864
Debt Service:													
Principal	-	-	-	-	-	-	-	-	-	-	-	97,132	97,132
Interest	-	-	-	-	-	-	-	-	-	-	-	183,556	183,556
Total Disbursements	145,950	1,500	24,348	2,495	34,475	2,956	7,500	44,690	-	113,170	200,864	280,688	858,636
Receipts Over / (Under) Disbursements	-	-	-	-	-	-	-	8,621	12,949	3,826	38,145	-	63,541
Beginning Fund Balance, As Restated	-	-	-	-	-	-	-	(13,070)	45,553	50,484	(36,848)	14	46,133
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,449)	\$ 58,502	\$ 54,310	\$ 1,297	\$ 14	\$ 109,674



## **Budgetary Comparison Schedules**

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Title I Fund  
Fiscal Year Ended June 30, 2014**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Federal Sources:			
4500 Restricted Revenue from the Federal Government Through the State	\$ 145,950	\$ 145,950	\$ -
<u>Disbursements</u>			
Instruction:			
1272 Title I	145,950	145,950	-
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Kindergarten Readiness Grant Fund  
Fiscal Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Federal Sources:			
4500 Restricted Revenue from the Federal Government Through the State	\$ -	\$ 1,500	\$ 1,500
<u>Disbursements</u>			
Instruction:			
1111 Elementary, K-5 or K-6	-	1,500	(1,500)
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
REAP Flex Grant Fund  
Fiscal Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Federal Sources:			
4500 Restricted Revenue from the Federal Government Through the State	\$ 24,346	\$ 24,348	\$ 2
<u>Disbursements</u>			
Instruction:			
1111 Elementary, K-5 or K-6	24,346	24,348	(2)
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Robotics Grant Fund  
Fiscal Year Ended June 30, 2014**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
State Sources:			
3299 Other Restricted Grants-in-aid	\$ 2,500	\$ 2,495	\$ (5)
<u>Disbursements</u>			
Instruction:			
1121 Middle/Junior High Programs	825	1,941	(1,116)
1131 High School Programs	1,413	554	859
Total Instruction	2,238	2,495	(257)
Support Services:			
2550 Student Transportation	262	-	262
Total Disbursements	2,500	2,495	5
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
REAP Flex Direct Federal Grant Fund  
Fiscal Year Ended June 30, 2014**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Federal Sources:			
4300 Restricted Revenue From the Federal Government	\$ 34,475	\$ 34,475	\$ -
<u>Disbursements</u>			
Instruction:			
1111 Elementary, K-5 or K-6	34,475	34,475	-
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Special Education Performance Review Fund  
Fiscal Year Ended June 30, 2014**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Federal Sources:			
4500 Restricted Revenue from the Federal Government Through the State	\$ 2,500	\$ 2,956	\$ 456
<u>Disbursements</u>			
Instruction:			
1250 Less Restrictive Programs for Students with Disabilities	2,500	2,956	(456)
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Wildhorse Grant Fund  
Fiscal Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1920 Local Grant Receipts	\$ 7,500	\$ 7,500	\$ -
<u>Disbursements</u>			
Support Services:			
2540 Operation and Maintenance of Plant Services	7,500	7,500	-
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -





**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Building and Equipment Fund  
Fiscal Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1990 Miscellaneous	\$ -	\$ 12,949	\$ 12,949
<u>Disbursements</u>			
Facilities Acquisition and Construction:			
4150 Building Acquisition, Construction, and Improvement Services	25,000	-	25,000
Receipts Over / (Under) Disbursements	(25,000)	12,949	37,949
Beginning Fund Balance	30,000	45,553	15,553
Ending Fund Balance	\$ 5,000	\$ 58,502	\$ 53,502

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Associated Student Body Fund  
Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1700 Extracurricular Activities	\$ 200,000	\$ 116,996	\$ (83,004)
<u>Disbursements</u>			
Instruction:			
1132 High School Extracurricular	190,000	113,170	76,830
Receipts Over / (Under) Disbursements	10,000	3,826	(6,174)
Beginning Fund Balance	-	50,484	50,484
Ending Fund Balance	\$ 10,000	\$ 54,310	\$ 44,310

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Budgetary Comparison Schedule**  
**Food Service Fund**  
**Fiscal Year Ended June 30, 2014**

		Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>				
Local Sources:				
1600	Food Service	\$ 45,500	\$ 47,480	\$ 1,980
1990	Miscellaneous	15,000	1,151	(13,849)
	Total Local Sources	60,500	48,631	(11,869)
State Sources:				
3102	State School Fund - School Lunch Match	3,000	3,756	756
Federal Sources:				
4500	Restricted Revenue from the Federal Government Through the State	176,849	172,012	(4,837)
4900	Revenue for / on Behalf of the District	20,000	14,610	(5,390)
	Total Federal Sources	196,849	186,622	(10,227)
	Total Receipts	260,349	239,009	(21,340)
<u>Disbursements</u>				
Enterprise and Community Services:				
3100	Food Services	255,349	200,864	54,485
	Receipts Over / (Under) Disbursements	5,000	38,145	33,145
	Beginning Fund Balance, As Restated	-	(36,848)	(36,848)
	Ending Fund Balance	\$ 5,000	\$ 1,297	\$ (3,703)

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Budgetary Comparison Schedule**  
**Grant Balancing Fund**  
**Fiscal Year Ended June 30, 2014**

		Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>				
Federal Sources:				
4300	Restricted Revenue Direct from Fed Gov.	\$ (1,968)	\$ -	\$ 1,968
4500	Restricted Revenue from Federal Govern. Through the State	14,704	-	(14,704)
	Total Receipts	12,736	-	(12,736)
<u>Disbursements</u>				
Instruction:				
1111	Elementary, K-5 or K-6	28,686	-	28,686
1131	High School Programs	9,500	-	9,500
1210	Programs for Talented and Gifted	1,200	-	1,200
1272	Title IA/D	14,050	-	14,050
1299	Other Programs	34,000	-	34,000
	Total Instruction	87,436	-	87,436
Support Services:				
2110	Attendance Services	10,000	-	10,000
2310	Board of Education	20,000	-	20,000
2550	Student Transportation	40,000	-	40,000
2600	Technology Services	38,300	-	38,300
	Total Support Services	108,300	-	108,300
	Total Disbursements	195,736	-	195,736
	Receipts Over / (Under) Disbursements	(183,000)	-	183,000
	Beginning Fund Balance	183,000	-	(183,000)
	Ending Fund Balance	\$ -	\$ -	\$ -

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
Bonded Debt Service Fund  
Fiscal Year Ended June 30, 2014**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1110 Ad Valorem Taxes Levied by District	\$ 665,000	\$ 515,316	\$ (149,684)
1500 Earnings on Investments	5,000	2,747	(2,253)
Total Receipts	670,000	518,063	(151,937)
<u>Disbursements</u>			
Other Uses:			
5100 Debt Service	483,858	483,858	-
Receipts Over / (Under) Disbursements	186,142	34,205	(151,937)
Beginning Fund Balance, As Restated	-	50,713	50,713
Ending Fund Balance	\$ 186,142	\$ 84,918	\$ (101,224)

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Budgetary Comparison Schedule  
PERS Bond Repayment Fund  
Fiscal Year Ended June 30, 2014**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Local Sources:			
1500 Earnings on Investments	\$ -	\$ 14	\$ 14
1970 Services Provided Other Funds	<u>769,132</u>	<u>280,674</u>	<u>(488,458)</u>
Total Receipts	<u>769,132</u>	<u>280,688</u>	<u>(488,444)</u>
<u>Disbursements</u>			
Other Uses:			
5100 Debt Service	<u>769,132</u>	<u>280,688</u>	<u>488,444</u>
Receipts Over / (Under) Disbursements	-	-	-
Beginning Fund Balance	<u>-</u>	<u>14</u>	<u>14</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ 14</u>	<u>\$ 14</u>

*Other Information:*  
**Other Financial Schedules**



**Stanfield School District #61R  
Umatilla County, Oregon**

**Schedule of Property Tax Transactions  
Fiscal Year Ended June 30, 2014**

<u>Tax Year</u>		<u>Uncollected Taxes at 07/01/2013</u>	<u>2013-2014 Levy</u>	<u>Add Interest</u>	<u>(Less) Discounts</u>	<u>(Less) Adjustments</u>	<u>(Less) Collections</u>	<u>Uncollected Taxes at 06/30/2014</u>
2013-2014	General	\$ -	\$ 969,393	\$ 460	\$ (24,655)	\$ (3,013)	\$ (909,683)	\$ 32,502
	Bond	-	519,978	247	(13,225)	(1,617)	(487,949)	17,434
2012-2013	General	33,665	-	1,474	-	(460)	(18,601)	16,078
	Bond	26,218	-	1,148	-	(358)	(14,486)	12,522
2011-2012	General	20,227	-	2,030	-	(284)	(13,770)	8,203
	Bond	6,751	-	678	-	(94)	(4,595)	2,740
2010-2011	General	12,066	-	2,664	-	(108)	(10,507)	4,115
	Bond	4,224	-	932	-	(38)	(3,676)	1,442
2009-2010	General	6,406	-	2,251	-	(106)	(7,667)	884
	Bond	2,408	-	846	-	(40)	(2,882)	332
2008-2009	General	1,414	-	474	-	(80)	(1,296)	512
	Bond	561	-	188	-	(32)	(513)	204
2007-2008	General	894	-	507	-	(80)	(1,210)	111
	Bond	754	-	429	-	(68)	(1,024)	91
2006-2007	General	135	-	14	-	(10)	(29)	110
	Bond	105	-	10	-	(8)	(22)	85
2005-2006	General	127	-	13	-	(37)	(26)	77
	Bond	96	-	10	-	(28)	(20)	58
2004-2005	General	71	-	12	-	-	(23)	60
	Bond	68	-	12	-	-	(23)	57
2003-2004	General	70	-	30	-	-	(54)	46
	Bond	76	-	33	-	-	(60)	49
2002-2003	General	43	-	20	-	-	(35)	28
	Bond	30	-	13	-	-	(23)	20
2001-2002	General	27	-	17	-	-	(29)	15
	Bond	18	-	10	-	-	(17)	11
2000-2001	General	20	-	3	-	-	(6)	17
	Bond	13	-	2	-	-	(4)	11
1999-2000	General	30	-	15	-	-	(13)	32
	Bond	41	-	21	-	-	(18)	44
1998-1999	General	25	-	3	-	-	(4)	24
	Bond	11	-	1	-	-	(2)	10
Prior	General	164	-	3	-	-	(5)	162
	Bond	7	-	-	-	-	-	7
		<u>\$ 116,765</u>	<u>\$ 1,489,371</u>	<u>\$ 14,570</u>	<u>\$ (37,880)</u>	<u>\$ (6,461)</u>	<u>\$ (1,478,272)</u>	<u>\$ 98,093</u>

Summary

General	\$ 75,384	\$ 969,393	\$ 9,990	\$ (24,655)	\$ (4,178)	\$ (962,958)	\$ 62,976
Bond	<u>41,381</u>	<u>519,978</u>	<u>4,580</u>	<u>(13,225)</u>	<u>(2,283)</u>	<u>(515,314)</u>	<u>35,117</u>
	<u>\$ 116,765</u>	<u>\$ 1,489,371</u>	<u>\$ 14,570</u>	<u>\$ (37,880)</u>	<u>\$ (6,461)</u>	<u>\$ (1,478,272)</u>	<u>\$ 98,093</u>

See Independent Auditor's Report

**Stanfield School District #61R  
Umatilla County, Oregon**

**Supplemental Information Required by the Oregon State Department of Education  
Fiscal Year Ended June 30, 2014**

**A. Energy Bills for Heating – All Funds:**

Please enter your expenditures for electricity and heating fuel for these Functions and Objects.

	Objects 325 and 326	
Function 2540	\$	84,022
Function 2550	\$	22,205

**B. Replacement of Equipment – General Fund:**

Include all General Fund expenditures in Object 542, except for the following exclusions:

\$	-
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Exclude these functions:

1113, 1122 & 1132	Co-curricular Activities
1140	Pre-Kindergarten
1300	Continuing Education
1400	Summer School

Exclude these functions:

4150	Construction
2550	Pupil Transportation
3100	Food Service
3300	Community Services

**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Supplemental Information Required by the Oregon State Department of Education (3211c)**  
**Fiscal Year Ended June 30, 2014**

**Revenue from Local Sources**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	1,478,275	962,959	-	515,316	-	-	-	-
1120 Local Option Ad Valorem Taxes Levied by District	-	-	-	-	-	-	-	-
1130 Construction Excise Tax	-	-	-	-	-	-	-	-
1190 Penalties and Interest on Taxes	-	-	-	-	-	-	-	-
1200 Revenue from Local Governmental Units Other Than Districts	-	-	-	-	-	-	-	-
1311 Regular Day School Tuition - From Individuals	-	-	-	-	-	-	-	-
1312 Regular Day School Tuition - Other Dist Within State	-	-	-	-	-	-	-	-
1313 Regular Day School Tuition - Other Districts Outside	-	-	-	-	-	-	-	-
1320 Adult/Continuing Education Tuition	-	-	-	-	-	-	-	-
1330 Summer School Tuition	-	-	-	-	-	-	-	-
1411 Transportation Fees - From Individuals	-	-	-	-	-	-	-	-
1412 Transportation Fees - Other Dist Within State	-	-	-	-	-	-	-	-
1413 Transportation Fees - Other Districts Outside	-	-	-	-	-	-	-	-
1420 Summer School Transportation Fees	-	-	-	-	-	-	-	-
1500 Earnings on Investments	4,901	2,140	-	2,761	-	-	-	-
1600 Food Service	47,480	-	47,480	-	-	-	-	-
1700 Extracurricular Activities	116,996	-	116,996	-	-	-	-	-
1800 Community Services Activities	-	-	-	-	-	-	-	-
1910 Rentals	-	-	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	23,265	15,765	7,500	-	-	-	-	-
1930 Rental or Lease Payments From Private Contractors	-	-	-	-	-	-	-	-
1940 Services Provided Other Local Education Agencies	-	-	-	-	-	-	-	-
1950 Textbook Sales and Rentals	-	-	-	-	-	-	-	-
1960 Recovery of Prior Years' Expenditure	-	-	-	-	-	-	-	-
1970 Services Provided Other Funds	280,674	-	-	280,674	-	-	-	-
1980 Fees Charged to Grants	-	-	-	-	-	-	-	-
1990 Miscellaneous	25,345	11,245	14,100	-	-	-	-	-
<b>Total Revenue from Local Sources</b>	<b>1,976,936</b>	<b>992,109</b>	<b>186,076</b>	<b>798,751</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Revenue from Intermediate Sources**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101 County School Funds	9,470	9,470	-	-	-	-	-	-
2102 General ESD Revenue	-	-	-	-	-	-	-	-
2103 Excess ESD Local Revenue	-	-	-	-	-	-	-	-
2105 Natural Gas, Oil, and Mineral Receipts	-	-	-	-	-	-	-	-
2110 Intermediate "I" Tax	-	-	-	-	-	-	-	-
2199 Other Intermediate Sources	-	-	-	-	-	-	-	-
2200 Restricted Revenue	-	-	-	-	-	-	-	-
2800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
2900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from Intermediate Sources</b>	<b>9,470</b>	<b>9,470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Revenue from State Sources**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101 State School Fund - General Support	3,739,931	3,739,931	-	-	-	-	-	-
3102 State School Fund - School Lunch Match	3,756	-	3,756	-	-	-	-	-
3103 Common School Fund	45,470	45,470	-	-	-	-	-	-
3104 State Managed County Timber	-	-	-	-	-	-	-	-
3106 State School Fund - Accrual	-	-	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	1,411	1,411	-	-	-	-	-	-
3204 Driver Education	-	-	-	-	-	-	-	-
3222 State School Fund (SSF) Transportation Equipment	-	-	-	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	2,495	-	2,495	-	-	-	-	-
3800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
3900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from State Sources</b>	<b>3,793,063</b>	<b>3,786,812</b>	<b>6,251</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Revenue from Federal Sources**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4100 Unrestricted Revenue Direct From the Federal Government	-	-	-	-	-	-	-	-
4200 Unrestricted Revenue From the Federal Government Through the State	-	-	-	-	-	-	-	-
4300 Restricted Revenue From the Federal Government	34,475	-	34,475	-	-	-	-	-
4500 Restricted Revenue From the Federal Government Through the State	346,766	-	346,766	-	-	-	-	-
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	106,415	53,102	53,313	-	-	-	-	-
4801 Federal Forest Fees	114	114	-	-	-	-	-	-
4802 Impact Aid to School Districts for Operation (PL 874)	-	-	-	-	-	-	-	-
4803 Coos Bay Wagon Road Funds	-	-	-	-	-	-	-	-
4899 Other Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
4900 Revenue for/on Behalf of the District	14,610	-	14,610	-	-	-	-	-
<b>Total Revenue from Federal Sources</b>	<b>502,380</b>	<b>53,216</b>	<b>449,164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Revenue from Other Sources**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5100 Long Term Debt Financing Sources	-	-	-	-	-	-	-	-
5200 Interfund Transfers	-	-	-	-	-	-	-	-
5300 Sale of or Compensation for Loss of Fixed Assets	-	-	-	-	-	-	-	-
5400 Resources - Beginning Fund Balance	441,791	344,947	46,117	50,727	-	-	-	-
<b>Total Revenue from Other Sources</b>	<b>441,791</b>	<b>344,947</b>	<b>46,117</b>	<b>50,727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Grand Totals**

<b>6,723,640</b>	<b>5,186,554</b>	<b>687,608</b>	<b>849,478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Supplemental Information Required by the Oregon State Department of Education (3211c)**  
**Fiscal Year Ended June 30, 2014**

**Fund: 100 General Fund**

**Instruction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	1,051,258	595,762	397,183	19,638	38,675	-	-	-
1113 Elementary Extracurricular	3,066	2,829	237	-	-	-	-	-
1121 Middle/Junior High Programs	335,829	180,929	134,624	8,550	8,731	2,995	-	-
1122 Middle/Junior High School Extracurricular	31,921	26,383	2,726	1,900	912	-	-	-
1131 High School Programs	718,128	395,793	275,750	20,059	23,381	2,995	150	-
1132 High School Extracurricular	135,605	89,659	22,042	4,669	1,088	-	18,147	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	455,382	224,325	225,055	506	5,496	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English Second Language Programs	29,885	9,852	19,960	-	73	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	21,429	-	-	21,429	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>2,782,503</b>	<b>1,525,532</b>	<b>1,077,577</b>	<b>76,751</b>	<b>78,356</b>	<b>5,990</b>	<b>18,297</b>	<b>-</b>

**Support Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	489	-	-	489	-	-	-	-
2120 Guidance Services	78,356	45,233	32,608	100	415	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160 Other Student Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210 Improvement of Instruction Services	1,205	-	-	1,187	18	-	-	-
2220 Educational Media Services	118,372	44,045	62,184	955	11,158	-	30	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	89,105	-	3,742	35,531	3,255	-	46,577	-
2320 Executive Administration Services	131,259	91,674	35,158	2,736	1,260	-	431	-
2410 Office of the Principal Services	323,770	204,433	105,222	7,674	3,567	-	2,874	-
2490 Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	145,462	91,960	44,913	5,216	2,848	-	525	-
2540 Operation and Maintenance of Plant Services	646,289	229,423	170,203	192,517	53,986	-	160	-
2550 Student Transportation Services	249,888	-	-	249,888	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	4,136	-	-	4,000	136	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>1,788,331</b>	<b>706,768</b>	<b>454,030</b>	<b>500,293</b>	<b>76,643</b>	<b>-</b>	<b>50,597</b>	<b>-</b>

**Enterprise and Community Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Facilities Acquisition and Construction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150 Building Acquisition, Construction, and Improvement Services	-	-	-	-	-	-	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Other Uses Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	87,014	-	-	-	-	-	87,014	-
5200 Transfers of Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>	<b>87,014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,014</b>	<b>-</b>

**Grand Totals**

<b>4,657,848</b>	<b>2,232,300</b>	<b>1,531,607</b>	<b>577,044</b>	<b>154,999</b>	<b>5,990</b>	<b>155,908</b>	<b>-</b>
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**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Supplemental Information Required by the Oregon State Department of Education (3211c)**  
**Fiscal Year Ended June 30, 2014**

**Fund: 200 Special Revenue Funds**

**Instruction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	60,323	47,574	10,754	500	1,495	-	-	-
1113 Elementary Extracurricular	22,736	-	-	-	22,736	-	-	-
1121 Middle/Junior High Programs	1,941	-	-	75	1,866	-	-	-
1122 Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	1,877	1,196	127	275	279	-	-	-
1132 High School Extracurricular	90,434	-	-	-	90,434	-	-	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	2,956	-	-	1,140	1,816	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	145,950	79,170	52,401	-	14,379	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English Second Language Programs	-	-	-	-	-	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>326,217</b>	<b>127,940</b>	<b>63,282</b>	<b>1,990</b>	<b>133,005</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Support Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	40,176	7,892	1,045	12,294	18,945	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160 Other Student Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210 Improvement of Instruction Services	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2490 Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation and Maintenance of Plant Services	7,500	-	-	7,500	-	-	-	-
2550 Student Transportation Services	3,191	-	-	3,191	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>50,867</b>	<b>7,892</b>	<b>1,045</b>	<b>22,985</b>	<b>18,945</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Enterprise and Community Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	200,863	72,811	42,506	2,115	83,431	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>	<b>200,863</b>	<b>72,811</b>	<b>42,506</b>	<b>2,115</b>	<b>83,431</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Facilities Acquisition and Construction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150 Building Acquisition, Construction, and Improvement Services	-	-	-	-	-	-	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Other Uses Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfers of Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Grand Totals**

<b>577,947</b>	<b>208,643</b>	<b>106,833</b>	<b>27,090</b>	<b>235,381</b>	<b>-</b>	<b>-</b>	<b>-</b>
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**Stanfield School District #61R  
Umatilla County, Oregon**

**Supplemental Information Required by the Oregon State Department of Education (3211c)  
Fiscal Year Ended June 30, 2014**

**Fund: 300 Debt Service Funds**

**Instruction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122 Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English Second Language Programs	-	-	-	-	-	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	-	-	-	-	-	-	-	-

**Support Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160 Other Student Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210 Improvement of Instruction Services	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2490 Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation and Maintenance of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	-	-	-	-	-	-	-	-

**Enterprise and Community Services Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>	-	-	-	-	-	-	-	-

**Facilities Acquisition and Construction Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150 Building Acquisition, Construction, and Improvement Services	-	-	-	-	-	-	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>	-	-	-	-	-	-	-	-

**Other Uses Expenditures**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	764,545	-	-	-	-	-	764,545	-
5200 Transfers of Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>	764,545	-	-	-	-	-	764,545	-

**Grand Totals**

	764,545	-	-	-	-	-	764,545	-
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**Stanfield School District #61R  
Umatilla County, Oregon**

**Oregon State Department of Education Required Schedule of Federal Awards  
Fiscal Year Ended June 30, 2014**

<b>Federal Grantor Pass-Through Grantor</b>	<b>Program Title</b>	<b>Grant Period</b>	<b>CFDA Number</b>	<b>Grant Amount</b>	<b>2013-14 Revenues</b>	<b>2013-14 Expenditures</b>
<b>U.S. Department of Agriculture - General Fund:</b>						
Passed through Umatilla County, Oregon:						
	Forest Service Schools and Roads Grants to States	7/1/13 - 6/30/14	10.665	\$ 114	\$ 114	\$ 114
		Total		<u>114</u>	<u>114</u>	<u>114</u>
<b>Total U.S. Department of Agriculture - General Fund</b>				<b>114</b>	<b>114</b>	<b>114</b>
<b>Total General Fund</b>				<b>114</b>	<b>114</b>	<b>114</b>
<b>U.S. Department of Agriculture - Special Revenue Funds:</b>						
Passed through Oregon State Department of Education:						
	School Breakfast Program	7/1/13 - 6/30/14	10.553	41,932	48,164	41,932
	National School Lunch Program	7/1/13 - 6/30/14	10.555	109,583	123,848	109,583
	Commodities	7/1/13 - 6/30/14	10.555	14,610	14,610	14,610
		Total		<u>166,125</u>	<u>186,622</u>	<u>166,125</u>
<b>Total U.S. Department of Agriculture - Special Revenue Funds</b>				<b>166,125</b>	<b>186,622</b>	<b>166,125</b>
<b>U.S. Department of Education - Special Revenue Funds:</b>						
Direct Federal Grants:						
	Small, Rural School Achievement Program (Title VI, Part B of ESEA)	10/1/13 - 9/30/14	84.358A	34,475	34,475	34,475
		Total		<u>34,475</u>	<u>34,475</u>	<u>34,475</u>
Passed through Oregon State Department of Education:						
	Grants to Local Educational Agencies (Title I, Part A of ESEA)	7/1/13 - 9/30/14	84.010	145,950	145,950	145,950
		Total		<u>145,950</u>	<u>145,950</u>	<u>145,950</u>
	Special Performance Review & Improvement Grant (IDEA Part B, Section 611)	8/1/13 - 6/30/14	84.027	1,365	1,365	1,365
		Total		<u>1,365</u>	<u>1,365</u>	<u>1,365</u>
	Special Education Enhancement Grant (IDEA Part B, Section 611)	10/1/13 - 9/30/14	84.027	1,591	1,591	1,591
		Total		<u>1,591</u>	<u>1,591</u>	<u>1,591</u>
	Improving Teacher Quality State Grants (Title II, Part A of ESEA)	7/1/13 - 9/30/14	84.367	24,348	24,348	24,348
		Total		<u>24,348</u>	<u>24,348</u>	<u>24,348</u>
Passed through InterMountain Education Service District:						
	Special Education Grants to States (IDEA Part B, Section 611)	7/14/13 - 9/30/15	84.027	82,059	53,102	53,102
		Total		<u>82,059</u>	<u>53,102</u>	<u>53,102</u>
Passed through University of Oregon:						
	Gaining Awareness for Readiness for Undergraduate Programs	7/1/12 - 9/30/13	84.334	54,730	13,070	-
	Gaining Awareness for Readiness for Undergraduate Programs	7/1/13 - 9/30/14	84.334	49,070	40,243	43,191
		Total		<u>103,800</u>	<u>53,313</u>	<u>43,191</u>
<b>Total U.S. Department of Education - Special Revenue Funds</b>				<b>393,588</b>	<b>314,144</b>	<b>304,022</b>
<b>U.S. Department of Health and Human Services - Special Revenue Funds:</b>						
Passed through Oregon State Department of Education:						
	ARRA - Early Childhood Matters Grant (Kindergarten Readiness)	5/1/14 - 6/30/15	93.708	1,500	1,500	1,500
		Total		<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
<b>Total U.S. Department of Health and Human Services - Special Revenue Funds</b>				<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Total Special Revenue Funds</b>				<b>561,213</b>	<b>502,266</b>	<b>471,647</b>
<b>Total Federal Financial Assistance</b>				<b>\$ 561,327</b>	<b>\$ 502,380</b>	<b>\$ 471,761</b>

**Note:** The above schedule of federal awards is presented on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This schedule is not presented as a requirement of OMB Circular A-133, but rather as a requirement of the Oregon State Department of Education.

## **COMPLIANCE SECTION**



# Cockburn & McClintock, LLC

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DARLENE R. WILSON, CPA  
KATHY R. ZECKMAN, CPA

## INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Board of Education  
Stanfield School District #61R  
Stanfield, OR 97875

We have audited the basic financial statements of Stanfield School District #61R (the District) as of and for the fiscal year ended June 30, 2014, and have issued our report thereon dated December 5, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

### Compliance

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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as follows:

1. The District was not in compliance with Oregon Local Budget Law (ORS 294) as it pertains to the fiscal year ending June 30, 2014 as expenditures exceeded appropriations in the following categories:
  - General Fund – Instruction
  - Kindergarten Readiness Fund – Instruction
  - REAP Flex Grant Fund – Instruction
  - Robotics Grant Fund – Instruction
  - Special Education Performance Review Fund – Instruction
  - Gear-Up Grant Fund – Instruction & Supporting Services

2. During our testing of the Oregon State School Fund factors and calculations, we reviewed files for 10 teachers and noted that incorrect reporting of years worked in District for four teachers, incorrect reporting of years worked in Oregon for four teachers and were unable to locate a college transcript documenting a Master's Degree in one teacher's file to verify level of education reported.

### **OAR 162-10-0230 Internal Control**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the auditing 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 may exist that have not been identified.

We also noted "Other Internal Control Items" from the financial statement audit that we reported to the Board of Education and management of the District in a separate letter dated December 5, 2014.

### **Restrictions on Use**

This report is intended solely for the information and use of the Board of Education and management of the District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

### **Cockburn & McClintock, LLC**



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Kylie M. McClintock, CPA  
Licensed Municipal Auditor

Pendleton, Oregon  
December 5, 2014