

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

Financial Statements  
June 30, 2015

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, 2015**

<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:**

Shelley Liscom <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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**FINANCIAL SECTION**

# *Cockburn & McClintock, LLC*

CERTIFIED PUBLIC ACCOUNTANTS

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

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DARLENE R. WILSON, CPA  
KENDRA G. ALVARADO, CPA

116 SOUTHEAST SECOND STREET  
P.O. BOX 1579  
PENDLETON, OREGON 97801  
(541) 276-3521, FAX (541) 276-3545

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OREGON SOCIETY OF CPA'S  
AICPA - PRIVATE COMPANIES PRACTICE SECTION

## **INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the accompanying modified cash basis 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, 2015, 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, 2015, and the respective changes in financial position—modified cash basis and the related budgetary comparison statements for the General Fund and Associated Student Body Fund, thereof for the fiscal 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 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 nonmajor fund financial statements, the budgetary comparison schedules, and other financial schedules, as listed in the table of contents, 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 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 has 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 it.

## 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 23, 2015 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.

**Cockburn & McClintock, LLC**



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Kylie M. McClintock, CPA  
Licensed Municipal Auditor

Pendleton, Oregon  
December 23, 2015

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



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

**Management's Discussion and Analysis**  
**June 30, 2015**

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, 2015. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in the District's 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 \$2.3 million.
- The District's total net position increased by approximately \$433 thousand primarily due to an increase in state basic school support, and general property tax collections. These increases were offset by a slight increase in salaries and benefits.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$833 thousand, an increase of \$110 thousand in comparison with the prior year. Approximately 91% of this total amount, or \$759 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 \$215 thousand or 5% of total general fund expenditures for the fiscal year.
- The District's total debt obligations decreased by \$586 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 \$5,430, 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**  
**Umatilla County, Oregon**

**Management's Discussion and Analysis**  
**June 30, 2015**

**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.

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

**Management's Discussion and Analysis**  
**June 30, 2015**

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

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.

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, Associated Student Body Fund and Building and Equipment Fund which are considered "major" funds under the GASB 34 "major" fund focus. The other 12 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, 2015.

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

**Management's Discussion and Analysis  
June 30, 2015**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

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

**Net Position**

	<u>June 30</u> <u>2014</u>	<u>June 30</u> <u>2015</u>	<u>Increase/</u> <u>(Decrease)</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 723,299	\$ 833,391	\$ 110,092
Capital Assets, Net:			
Land	177,473	177,473	-
District Buildings	5,948,317	5,725,830	(222,487)
Furniture and Equipment	333,054	308,394	24,660
Total Assets	7,182,143	7,045,088	(87,735)
<u>Deferred Outflows of Resources:</u>			
Deferred Charge on Refunding, Net	115,372	98,757	(16,615)
<u>Liabilities</u>			
Current Portion of Debt	586,223	601,166	14,943
Long-Term Debt	4,796,206	4,195,041	(601,165)
Total Liabilities	5,382,429	4,796,207	(586,222)
<u>Net Position</u>			
Net Investment in Capital Assets	3,909,015	4,136,454	227,439
Restricted For Debt Service	84,932	39	(84,893)
Restricted for Other Purposes	-	5,112	5,112
Unrestricted (Deficit)	(2,078,861)	(1,793,967)	284,894
Total Net Position	\$ 1,915,086	\$ 2,347,638	\$ 432,552

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 \$2.3 million as of June 30, 2015. The District's net position increased by \$433,000 for the fiscal year ended June 30, 2015. However, the largest portion, \$4.1 million 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

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

**Management's Discussion and Analysis  
June 30, 2015**

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

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 2014	June 30 2015	Increase/ (Decrease)
<u>Revenues</u>			
Program Revenues:			
Charges for Services	\$ 445,150	\$ 441,838	\$ (3,312)
Operating Grants and Contributions	533,191	412,050	(121,141)
General Revenues:			
Taxes for General Purpose	962,959	1,043,685	80,726
Taxes for Debt Services	515,316	268,999	(246,317)
State School Fund - General Support	3,739,931	4,003,301	263,370
County / Common School Aid	54,940	56,081	1,141
Unrestricted Federal Funds	114	766	652
Interest on Investments	4,901	5,453	552
Miscellaneous	25,345	44,370	19,025
<b>Total Revenues</b>	<b>6,281,847</b>	<b>6,276,543</b>	<b>(5,304)</b>
<u>Expenditures:</u>			
Instruction	3,239,240	3,331,120	91,880
Support Services	1,968,999	1,984,782	15,783
Enterprise and Community Services	212,699	212,299	(400)
Facilities Acquisition and Construction	773	3,502	2,729
Debt Service - Interest	317,043	312,288	(4,755)
<b>Total Expenditures</b>	<b>5,738,754</b>	<b>5,843,991</b>	<b>105,237</b>
Increase / (Decrease)	543,093	432,552	(110,541)
Net Position, Beginning	1,371,993	1,915,086	543,093
<b>Net Position, Ending</b>	<b>\$ 1,915,086</b>	<b>\$ 2,347,638</b>	<b>\$ 432,552</b>

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

**Management's Discussion and Analysis  
June 30, 2015**

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

Governmental Activities – Governmental activities increased the District's net position by \$399 thousand.

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

- Basic school support increased due to a slight increase in state funding resulted in a \$263 thousand increase in basic school support revenue.
- Property taxes received General Fund Purposes increased by \$81 thousand.
- Expenses increased by \$139 thousand mainly due to an increase in salaries and benefits.

**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, 2015, the District's governmental funds reported a combined ending fund balance of \$833 thousand, an increase of \$110 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 \$759 thousand which is an increase of \$230 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 \$215 thousand.

The Associated Student Body Fund, another major fund, reported an ending fund balance of \$141 thousand which is an increase of \$87 thousand when compared with prior year. The increase is related to larger donations for scholarships and student trips.

Other Non-Major Governmental Funds, which represent a summarization of all the other governmental funds, ended the year with negative fund balance of \$186 thousand, a decrease of \$267 thousand. The decrease is primarily due to grant funds spent in this fiscal year and not received until the next fiscal year and an error in under-levying property taxes necessary to meet bonded debt service requirements during the fiscal year.

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

**Management's Discussion and Analysis**  
**June 30, 2015**

**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, 2015, the District had \$6.2 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 \$278 thousand from last year. The decrease is primarily due to depreciation expense of \$282 thousand exceeding capital spending of \$43,000. 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**

	<u>June 30</u> <u>2014</u>	<u>June 30</u> <u>2015</u>	<u>Increase/</u> <u>(Decrease)</u>
Land	\$ 177,473	\$ 177,473	\$ -
District Buildings	5,948,317	5,725,830	(222,487)
Vehicles and Equipment	<u>333,054</u>	<u>308,394</u>	<u>(24,660)</u>
Total	<u>\$ 6,458,844</u>	<u>\$ 6,211,697</u>	<u>\$ (247,147)</u>

*Debt Administration*

As shown in the table below, at the end of this year, the District had \$4.8 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 \$586 thousand. See Note 5 of the Notes to the Financial Statements for more information on long-term debt obligations.

	<u>June 30</u> <u>2014</u>	<u>June 30</u> <u>2015</u>	<u>Increase/</u> <u>(Decrease)</u>
2002-03 Limited Tax Pension Bonds	\$ 2,717,228	\$ 2,622,207	\$ (95,021)
GO Refunding Bonds, Series 2005	2,170,000	1,765,000	(405,000)
Certificate of Participation, Series 2010A	470,000	396,000	(74,000)
Capital Lease - Dell	<u>25,201</u>	<u>13,000</u>	<u>(12,201)</u>
	<u>\$ 5,382,429</u>	<u>\$ 4,796,207</u>	<u>\$ (586,222)</u>

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

**Management's Discussion and Analysis  
June 30, 2015**

**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, 2015, the State School Fund – General Support provided 78% of the District's program resources. The District has increased classified staffing due to the increased enrollment in the pre-school program and students with special needs. The District also hopes to finalize the sale of land to HUD contingent upon their success in funding the project

The District's Budget Committee and Board considered all of these factors while preparing the District's budget for the 2015-16 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, 2015**

	<u>Governmental Activities</u>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ <u>833,391</u>
Noncurrent Assets:	
Capital Assets, Net	
Land	177,473
District Buildings and Improvements	5,725,830
Equipment and Vehicles	<u>308,394</u>
Total Noncurrent Assets	<u>6,211,697</u>
Total Assets	<u>7,045,088</u>
<u>Deferred Outflows of Resources</u>	
Deferred Charge on Refunding, Net	<u>98,757</u>
<u>Liabilities</u>	
Current Liabilities:	
Debt Obligations Due Within One Year	<u>601,166</u>
Noncurrent Liabilities:	
Certificates of Participation Due in More Than One Year	323,000
Bonds Payable Due in More Than One Year	<u>3,872,041</u>
Total Noncurrent Liabilities	<u>4,195,041</u>
Total Liabilities	<u>4,796,207</u>
<u>Net Position</u>	
Net Investment in Capital Assets	4,136,454
Restricted for Debt Service	39
Restricted for Other Purposes	5,112
Unrestricted (Deficit)	<u>(1,793,967)</u>
Total Net Position	<u>\$ 2,347,638</u>

The accompanying notes are an integral part of the financial statements

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

**Statement of Activities - Modified Cash Basis**  
**Fiscal Year Ended June 30, 2015**

Functions / Programs:	Expenses	Program Revenues		Net (Expense) / Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
Instruction:				
Regular Programs	\$ 2,690,849	\$ 112,371	\$ 143,956	\$ (2,434,522)
Special Programs	623,865	-	-	(623,865)
Summer School Programs	16,406	-	78,124	61,718
Total Instruction	3,331,120	112,371	222,080	(2,996,669)
Support Services:				
Student Support Services	104,821	-	30,964	(73,857)
Instructional Staff Support	111,442	-	-	(111,442)
General Administration	263,811	-	-	(263,811)
School Administration	371,899	-	-	(371,899)
Business Support Services	1,110,666	-	-	(1,110,666)
Central Activities	22,143	-	-	(22,143)
Total Support Services	1,984,782	-	30,964	(1,953,818)
Enterprise and Community Services:				
Food Services	212,299	38,779	159,006	(14,514)
Facilities Acquisition and Construction	3,502	-	-	(3,502)
Debt Service - Interest	312,288	290,688	-	(21,600)
<b>Total Governmental Activities</b>	<b>\$ 5,843,991</b>	<b>\$ 441,838</b>	<b>\$ 412,050</b>	<b>(4,990,103)</b>
General Revenues:				
Taxes for General Purposes				1,043,685
Taxes for Debt Service				268,999
State School Fund - General Support				4,003,301
County / Common School Aid				56,081
Unrestricted Federal Funds				766
Earnings on Investments				5,453
Miscellaneous				44,370
Total General Revenues				5,422,655
Change in Net Position				432,552
Net Position, Beginning				1,915,086
Net Position, Ending				\$ 2,347,638

The accompanying notes are an integral part of the financial statements

## **Fund Financial Statements**

Stanfield School District #61R  
Umatilla County, Oregon

Balance Sheet - Cash Basis  
Governmental Funds  
June 30, 2015

	<u>General Fund</u>	<u>Associated Student Body Fund #270</u>	<u>Building &amp; Equipment Fund #420</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 544,205	\$ 141,495	\$ 119,092	\$ 28,599	\$ 833,391
Due From Other Funds	<u>214,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,565</u>
Total Assets	<u>\$ 758,770</u>	<u>\$ 141,495</u>	<u>\$ 119,092</u>	<u>\$ 28,599</u>	<u>\$ 1,047,956</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Due to Other Funds	\$ -	\$ -	\$ -	\$ 214,565	\$ 214,565
Fund Balances:					
Spendable:					
Restricted	-	-	-	5,151	5,151
Assigned	544,205	141,495	119,092	23,448	828,240
Unassigned	<u>214,565</u>	<u>-</u>	<u>-</u>	<u>(214,565)</u>	<u>-</u>
Total Fund Balances	<u>758,770</u>	<u>141,495</u>	<u>119,092</u>	<u>(185,966)</u>	<u>833,391</u>
Total Liabilities and Fund Balances	<u>\$ 758,770</u>	<u>\$ 141,495</u>	<u>\$ 119,092</u>	<u>\$ 28,599</u>	<u>\$ 1,047,956</u>

The accompanying notes are an integral part of the financial statements

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

**Reconciliation of the Governmental Funds Balance Sheet (Cash Basis)  
to the Statement of Net Position (Modified Cash Basis)  
June 30, 2015**

Total Fund Balances - Governmental Funds	\$	833,391
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Capital Assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund financial statements. Amounts reported for governmental activities in the Statement of Net Position:

Governmental Capital Assets	\$	11,080,961	
Governmental Accumulated Depreciation		<u>(4,869,264)</u>	6,211,697

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.		98,757
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Certain liabilities not due in the current year are not reported as governmental fund liabilities.

These liabilities consist of:

Capital Lease Obligations	(13,000)		
OPERS UAL Bonds	(3,018,207)		
General Obligation Bonds	<u>(1,765,000)</u>	<u>(4,796,207)</u>	

Total Net Position - Governmental Activities	\$	<u><u>2,347,638</u></u>
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**Stanfield School District #61R  
Umatilla County, Oregon**

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis  
Governmental Funds  
Fiscal Year Ended June 30, 2015**

	General Fund	Associated Student Body Fund #270	Building & Equipment Fund #420	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>					
Taxes	\$ 1,043,685	\$ -	\$ -	\$ 268,999	\$ 1,312,684
Intergovernmental	20,326	-	-	295,712	316,038
Food Services Sales	10,051	-	-	38,779	48,830
Charges for Services	4,049,331	112,371	-	-	4,161,702
Contributions and Donations	766	104,804	-	-	105,570
Earnings on Investments	3,550	38	-	1,842	5,430
Other	-	-	23,806	302,483	326,289
	<u>5,127,709</u>	<u>217,213</u>	<u>23,806</u>	<u>907,815</u>	<u>6,276,543</u>
<u>Expenditures</u>					
Current:					
Instruction:					
Regular Programs	2,373,173	130,028	-	68,975	2,572,176
Special Programs	479,313	-	-	116,970	596,283
Summer School Programs	14,395	-	-	1,286	15,681
	<u>2,866,881</u>	<u>130,028</u>	<u>-</u>	<u>187,231</u>	<u>3,184,140</u>
Support Services:					
Student Support Services	78,046	-	-	21,256	99,302
Instructional Staff Support	97,085	-	-	9,430	106,515
General Administration	249,283	-	-	2,865	252,148
School Administration	355,457	-	-	-	355,457
Business Support Services	1,034,198	-	-	-	1,034,198
Central Activities	1,148	-	20,016	-	21,164
	<u>1,815,217</u>	<u>-</u>	<u>20,016</u>	<u>33,551</u>	<u>1,868,784</u>
Enterprise and Community Services:					
Food Services	-	-	-	200,634	200,634
	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,634</u>	<u>200,634</u>
Capital Outlay	-	-	43,200	-	43,200
	<u>-</u>	<u>-</u>	<u>43,200</u>	<u>-</u>	<u>43,200</u>
Debt Service:					
Principal	74,000	-	-	500,021	574,021
Interest	16,548	-	-	279,124	295,672
	<u>90,548</u>	<u>-</u>	<u>-</u>	<u>779,145</u>	<u>869,693</u>
	<u>4,772,646</u>	<u>130,028</u>	<u>63,216</u>	<u>1,200,561</u>	<u>6,166,451</u>
Change in Fund Balances Before Other Financial Sources / (Uses)	355,063	87,185	(39,410)	(292,746)	110,092
Other Financial Sources / (Uses): Transfer (to) / from Other Funds	(125,000)	-	100,000	25,000	-
Net Change in Fund Balances	230,063	87,185	60,590	(267,746)	110,092
Fund Balances, Beginning	528,707	54,310	58,502	81,780	723,299
Fund Balances, Ending	<u>\$ 758,770</u>	<u>\$ 141,495</u>	<u>\$ 119,092</u>	<u>\$ (185,966)</u>	<u>\$ 833,391</u>

The accompanying notes are an integral part of the financial statements



Stanfield School District #61R  
 Umatilla County, Oregon

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes  
 in Fund Balances (Cash Basis) to the Statement of Activities (Modified Cash Basis)  
 Fiscal Year Ended June 30, 2015

Net Change in Fund Balances - Total Government Funds \$ 110,092

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	\$ 43,200	
Depreciation expense reported in the Statement of Activities	<u>(290,346)</u>	
Amount by which capital outlays are greater (less) than deletions and depreciation in the current period.		(247,146)

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 (16,616)

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>586,222</u>
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Change in Net Position - Governmental Activities \$ 432,552

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

**Budgetary Comparison Statement  
General Fund  
Fiscal Year Ended June 30, 2015**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Revenues</u>			
Taxes	\$ 890,000	\$ 1,043,685	\$ 153,685
Intergovernmental	25,000	20,326	(4,674)
Food Services Sales	40,000	10,051	(29,949)
Charges for Services	3,618,045	4,049,331	431,286
Contributions and Donations	-	-	-
Earnings on Investments	-	3,550	3,550
Other	55,000	766	(54,234)
	<u>4,628,045</u>	<u>5,127,709</u>	<u>499,664</u>
<u>Expenditures</u>			
Instruction	2,537,446	2,866,881	(329,435)
Support Services	1,800,759	1,815,217	(14,458)
Debt Service	88,840	90,548	(1,708)
Contingencies	35,000	-	35,000
	<u>4,462,045</u>	<u>4,772,646</u>	<u>(310,601)</u>
Change in Fund Balance Before Other Financial Sources / (Uses)	166,000	355,063	189,063
Other Financial Sources / (Uses): Transfers to Other Funds	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>
Net Change in Fund Balance	41,000	230,063	189,063
Fund Balance, Beginning	<u>109,000</u>	<u>528,707</u>	<u>419,707</u>
Fund Balance, Ending	<u>\$ 150,000</u>	<u>\$ 758,770</u>	<u>\$ 608,770</u>

The accompanying notes are an integral part of the financial statements

Stanfield School District #61R  
 Umatilla County, Oregon

Budgetary Comparison Statement  
 Associated Student Body Fund #270  
 Year Ended June 30, 2015

	Original & Final Budget	Actual	Variance with Final Budget
<u>Revenues</u>			
Charges for Services	200,000	\$ 112,371	\$ (87,629)
Contributions and Donations	-	104,804	104,804
Earnings on Investments	-	38	38
	<u>200,000</u>	<u>217,213</u>	<u>17,213</u>
<u>Expenditures</u>			
Instruction:			
1113 Elementary Extracurricular	-	15,119	(15,119)
1122 Middle/Junior High School Extracurricular	-	2,479	(2,479)
1132 High School Extracurricular	190,000	112,430	77,570
	<u>190,000</u>	<u>130,028</u>	<u>59,972</u>
Net Change in Fund Balance	10,000	87,185	77,185
Fund Balance, Beginning	-	54,310	54,310
Fund Balance, Ending	<u>\$ 10,000</u>	<u>\$ 141,495</u>	<u>\$ 131,495</u>

The accompanying notes are an integral part of the financial statements

## **Notes to the Financial Statements**

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

**Notes to the Financial Statements**  
**June 30, 2015**

**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 three 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. 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. As required by the modified cash basis of accounting, all significant activities and organizations have been included in the basic financial statements. Component units, as established by GASB Statement No. 61, are separate organizations that would be included in the District's reporting entity because of the significance of their operational or financial relationships with the District. Based on these criteria, there are no component units.

**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, 2015**

**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 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.

*Capital Project Funds*

Capital project funds account for the accumulation of financial resources reserved for capital expenditures. The primary revenues sources are interest on investments. The District has one capital project fund.

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, 2015**

**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>Special Revenue Funds:</u>	
Associated Student Body Fund #270	Accounts for elementary and secondary student body activities.
<u>Capital Project Funds:</u>	
Building & Equipment Fund #420	Accounts for the accumulation of resources reserved for capital projects, improvements, and major building repairs.

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.

**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:

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

**Notes to the Financial Statements  
June 30, 2015**

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

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

**Basis of Accounting (Continued)**

- 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.

**Property Taxes**

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 three installments—November 15, February 15, and May 15. 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, 2015**

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

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

**Interfund Activity**

The District maintains a cash pool that is available for use by all funds. The cash pool account is maintained in the General Fund, while activity between funds utilizing this cash account is referred to as “Due To / From Other Funds” in each fund at the end of each fiscal year in the fund financial statements. All interfund loan balances are considered current and are eliminated in the District-wide financial statements.

**Inventories**

Supplies inventory is valued at cost using first-in, first-out (FIFO) method. Supplies inventory is not accrued, since the modified cash basis of accounting is used. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused supplies inventory and donated commodities at balance sheet date is considered immaterial by management for reporting purposes.

**Capital Assets**

Capital assets are stated at cost or estimated historical cost. Donated assets are stated at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than \$5,000 and estimated life in excess of one year. Interest incurred during construction is not capitalized. Maintenance and repairs of a routine nature are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

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

**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.

**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 / fund balances 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.

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

**Notes to the Financial Statements  
June 30, 2015**

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

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

**Deferred Outflows / Inflows of Resources (Continued)**

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 / fund balances that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District does not have any of this type of item.

**Compensated Absences**

Compensated absences are not accrued, since the modified cash basis of accounting is used. Vacation time is only for 12 month employees. Employees that are in their years 1-5 earn 10 days of vacation then the vacation days increase one day per year until reaching a maximum of 21 vacation days. The superintendent, deputy clerk, and maintenance supervisor negotiate their vacation days in their individual contracts. Any remaining paid time off remaining as of June 30, will be paid out to each employee.

**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.

**Retirement Plans**

Substantially all employees are participants in the Oregon Public Employees Retirement Fund (OPERF), administered by the Oregon Public Employees Retirement System (OPERS). Contributions to OPERS are made on a current basis as required by the plan and are charged to expenditures / expenses as funded.

The District also offers its employees a tax deferred annuity plan established pursuant to Section 403(b) of the Internal Revenue Code.

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

**Notes to the Financial Statements**  
**June 30, 2015**

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

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

**Net Position / Fund Balance**

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.

In the fund financial statements, governmental fund balances are classified in the following categories:

- 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 policy, 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.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned, or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable), and unassigned.

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

**Notes to the Financial Statements  
June 30, 2015**

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

*E. Financial Statement Amounts (Continued)*

**Encumbrances**

During the year, encumbrances are recorded in the accounting records when purchase orders are issued. The use of encumbrances indicates to District employees that appropriations are committed; however, all encumbrances expire at fiscal year-end.

**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 as described in the following paragraphs. A budget is prepared for each fund in accordance with the budgetary basis of accounting and legal requirements set forth in time Oregon Local Budget Law. The budgetary basis of accounting is substantially the same as the modified cash basis of accounting with the following features:

- Capital outlay expenditures are expensed when purchased and depreciation is not calculated,
- Debt principal is recorded as an expense when paid instead of a liability reduction,
- Debt issuance costs are expensed when paid rather than amortized, and
- Property taxes are recorded as revenue when received rather than when levied.

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. Appropriations lapse at year-end. Consistent with Oregon Local Budget Law, expenditures are appropriated for each legally adopted annual operating budget at the following levels of control:

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

**Notes to the Financial Statements**  
**June 30, 2015**

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

- Instruction
- Support Services
- Enterprise and Community Services
- Facilities Acquisition and Construction
- Other Uses (Interagency/Fund Transactions and Debt Service)
- Contingencies
- Unappropriated Ending Fund Balance

The Board of Education adopted the 2014-2015 budget on June 25, 2014 totaling \$7,122,719.  
The Board of Education adopted the 2015-2016 budget on June 10, 2015 totaling \$6,671,829.

Budgetary appropriations may not be legally over-expended except in the case of reimbursable grant expenditures and trust monies, which could not be reasonably estimated at the time the budget was adopted. After the original budget is adopted, the Board of Education may approve appropriation transfers between levels of control. There were no amended appropriations adopted by the board during the year under audit. After budget approval, the Board of Education may approve supplemental appropriations if any occurrence, condition or need exists which had not been anticipated at the time the budget was adopted. Expenditures of all the various funds were within authorized appropriation, except as noted below:

- General Fund #100 – Instruction
- General Fund #100 - Support Services
- General Fund #100 – Debt Services
- REAP Flex Grant Fund #204 – Instruction
- Robotics Grant Fund #205 – Instruction
- REAP Flex Direct Federal Grant Fund #206- Instruction
- IDEA/Other Fund #212- Instruction
- IDEA/Other Fund #212- Support Services
- Immigrant-Formula Fund # 214- Instruction
- GEAR Up Grant Fund #217 – Instruction
- GEAR Up Grant Fund #217 – Supporting Services

**Note 3 – State Constitutional Property Tax Limits**

The State of Oregon has a constitutional limit on property taxes for schools and non-school government operations. Under the provisions of the limitation, tax revenues are separated into taxes for the public school system and taxes for local government operations other than the public school system. Property taxes levied for the payment of bonded indebtedness are exempt from the limitation, provided such bonds are either authorized by a specific provision of the Oregon Constitution or approved by the voters of the District for capital construction or improvements.

During May 1997, Oregon voters approved Measure 50 which limits taxes on each property by reducing the "assessed value" of each unit of property for the tax year 1998-1999 to its 1995-1996 value, less ten percent. Then a "permanent tax rate", representing the product of dividing the tax levy by the assessed value, was calculated. The new tax rates are the permanent constitutional rate limit for each jurisdiction and are used to calculate property taxes levied against each property.

The District's permanent tax rate for the fiscal year ended June 30, 2015 was \$4.3937 per \$1,000 of assessed value.

**Stanfield School District #61R**  
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**Notes to the Financial Statements**  
**June 30, 2015**

**Note 4 – Deposits and Investments**

***Deposits***

The GASB has adopted U.S 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, 2015. 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, 2015, the total bank balance was \$192,038. The District maintains its funds at a financial institution deemed to be a qualified depository by the Office of the State Treasurer.

**Custodial Credit Risk** – 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. 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.

**Custodial 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.

**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	\$ 143,573
Oregon Local Government Investment Pool	<u>689,818</u>
Total Cash and Cash Equivalents	<u><u>\$ 833,391</u></u>

**Stanfield School District #61R**  
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**Notes to the Financial Statements**  
**June 30, 2015**

**Note 5 – Capital Assets**

For the fiscal year ended June 30, 2015, 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	9,919,241	20,525	-	9,939,766
Equipment & Vehicles	<u>949,542</u>	<u>22,675</u>	<u>(8,495)</u>	<u>963,722</u>
Total Depreciable Capital Assets	<u>10,868,783</u>	<u>43,200</u>	<u>(8,495)</u>	<u>10,903,488</u>
Accumulated Depreciation:				
District Buildings & Improvements	(3,970,926)	(243,010)	-	(4,213,936)
Equipment & Vehicles	<u>(616,487)</u>	<u>(47,336)</u>	<u>8,495</u>	<u>(655,328)</u>
Total Accumulated Depreciation	<u>(4,587,413)</u>	<u>(290,346)</u>	<u>8,495</u>	<u>(4,869,264)</u>
Total Capital Assets, Net	<u>\$ 6,458,843</u>	<u>\$ (247,146)</u>	<u>\$ -</u>	<u>\$ 6,211,697</u>

**Stanfield School District #61R  
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**Notes to the Financial Statements  
June 30, 2015**

**Note 5 – Capital Assets (Continued)**

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

<u>Functions/Programs:</u>		
Regular Programs	\$	130,874
Special Programs		27,582
Summer School Programs		725
Student Support Services		5,519
Instructional Staff Support		4,927
General Administration		11,663
School Administration		16,442
Business Support Services		76,468
Central Activities		979
Enterprise and Community Services		11,665
Facilities		<u>3,502</u>
 Total	 \$	 <u><u>290,346</u></u>

**Note 6 – Operating Leases**

The District currently has one operating lease agreements for nine copiers located throughout District buildings. The leases are as follows:

- Lease for nine copiers that calls for monthly rental payment of \$1,797.20/month for 60 months beginning March of 2015. The monthly payment includes maintenance for all nine copiers and it has been estimated that the equipment rent portion of this lease is \$914.48/month.

Total future payments under non-cancellable operating leases are:

<u>Fiscal Year Ending June 30</u>		
2016	\$	10,968
2017		10,968
2018		10,968
2019		10,968
2020		<u>7,312</u>
 Total	 \$	 <u><u>51,184</u></u>



**Stanfield School District #61R  
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**Notes to the Financial Statements  
June 30, 2015**

**Note 7 – Long-Term Debt Obligations**

During the fiscal year ended June 30, 2015, 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	\$ 2,717,228	\$ -	\$ (95,021)	\$ 2,622,207	\$ 95,166
2005 GO Refunding Bonds	2,170,000		(405,000)	1,765,000	420,000
2010A Certificates of Participation	470,000		(74,000)	396,000	73,000
Capital Lease- Dell	25,201		(12,201)	13,000	13,000
<b>Total Long-Term Debt</b>	<b>\$ 5,382,429</b>	<b>\$ -</b>	<b>\$ (586,222)</b>	<b>\$ 4,796,207</b>	<b>\$ 601,166</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.

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.

**Stanfield School District #61R  
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**Notes to the Financial Statements  
June 30, 2015**

**Note 7 – Long-Term Debt Obligations (Continued)**

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

Fiscal Year Ended June 30,	2003 OPERS UAL Bond		2005 GO Refunding Bond		Total
	Principal	Interest	Principal	Interest	
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	95,302	280,386	-	-	375,688
2021-25	1,010,394	1,143,694	-	-	2,154,088
2026-28	1,135,000	117,287	-	-	1,252,287
Totals	\$ 2,622,207	\$ 2,482,607	\$ 1,765,000	\$ 176,380	\$ 7,046,194

***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.

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

Fiscal Year Ended June 30,	2010A Certificates		Total
	Principal	Interest	
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	88,000	3,784	91,784
Totals	396,000	48,123	444,123

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

**Notes to the Financial Statements  
June 30, 2015**

**Note 7 – Long-Term Debt Obligations (Continued)**

***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:

Fiscal Year Ended June 30,	Total
2016	\$ 13,851
Less: Interest	(851)
Total Principal Balance	\$ 13,000

**Note 8 – Pension Plan**

***A. Name of the Pension Plan***

The Oregon Public Employees Retirement System (OPERS) is a cost-sharing multiple-employer defined benefit plan.

***B. Plan Description***

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. OPERS issues a publicly available financial report that can be obtained at [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

***C. Benefits provided under Chapter 238 – Tier One / Tier Two***

- 1. Pension Benefits** – The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

**Stanfield School District #61R**  
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**Notes to the Financial Statements**  
**June 30, 2015**

**Note 8 – Pension Plan (Continued)**

2. **Death Benefits** – Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:
  - Member was employed by a OPERS employer at the time of death,
  - Member died within 120 days after termination of OPERS-covered employment,
  - Member died as a result of injury sustained while employed in a OPERS-covered job, or
  - Member was on an official leave of absence from a OPERS-covered job at the time of death.
  
3. **Disability Benefits** – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

**C. Benefits provided under Chapter 238 – Tier One / Tier Two (Continued)**

4. **Benefit Changes After Retirement** – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

**D. Benefits provided under Chapter 238A – OPSRP Pension Program (OPSRP DB)**

1. **Pension Benefits** – The ORS 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

*General Service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

2. **Death Benefits** – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
  
3. **Disability Benefits** – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability

**Stanfield School District #61R**  
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**Notes to the Financial Statements**  
**June 30, 2015**

benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

4. **Benefit Changes After Retirement** – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

***E. Benefits provided under the OPSRP Individual Account Program (OPSRP IAP)***

1. **Pension Benefits** – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

2. **Death Benefits** – Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.
3. **Recordkeeping** – OPERS contracts with VOYA Financial to maintain IAP participant records.

***F. Contributions***

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Post-Employment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2012 actuarial valuation, as subsequently modified by 2013 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2013. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced. The District is one of the school district that elected to do this.

Employer contributions for the fiscal year ended June 30, 2015 were \$498,742, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2015 were: Tier One/Tier Two General Service – 22.29 percent and OPSRP Pension Program General Service – 20.29 percent.

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

**Notes to the Financial Statements  
June 30, 2015**

**Note 8 – Pension Plan (Continued)**

**G. Changes in Plan Provisions Subsequent to Measurement Date**

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861 (the Moro decision), signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. This is a change in benefit terms subsequent to the measurement date of June 30, 2014, and has not been included in the net pension liability / (asset) proportionate shares provided by OPERS.

The impact of the Moro decision on the total pension liability and employer’s net pension liability / (asset) has not been fully determined. However OPERS’ third-party actuaries have estimated the impact of the Moro decision under one possible methodology, which is summarized below (dollars in millions). Estimates have been rounded to the nearest \$10 million.

	June 30, 2014 Measurement Date	
	Impact Before Decision	Estimated Impact After Decision
Total Pension Liability	\$ 63,135	\$ 68,050
Fiduciary Net Position	65,402	65,400
Net Pension Liability / (Asset)	\$ (2,267)	\$ 2,650

**Note 9 – Other Post-Employment Benefits (OPEB)**

**OPERS Retirement Health Insurance Account (RHIA)**

**A. Name of the Other Post-Employment Benefit Plan**

The Retirement Health Insurance Account (RHIA) is a cost-sharing multiple-employer defined other post-employment benefit plan administered by OPERS.

**B. Plan Description**

Eligible retirees of the District are provided a monthly contribution toward the cost of Medicare companion health insurance premiums through RHIA. This trust fund is established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) 238.420. The ORS Chapter 238 Other Post-Employment Benefit Plan is closed to new members hired on or after January 1, 2004. OPERS issues a publicly available financial report that can be obtained at [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

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**Notes to the Financial Statements  
June 30, 2015**

**Note 9 – Other Post-Employment Benefits (OPEB)**

**OPERS Retirement Health Insurance Account (RHIA) (Continued)**

**C. Benefits provided under Chapter 238.420 – Retiree Healthcare**

- 1. Plan Benefits** – ORS 238.420 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 OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a OPERS-sponsored health plan.
  
- 2. Death Benefits** – A surviving spouse or dependent of a deceased OPERS 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 OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

**D. Contributions**

The Oregon PERS Board of Trustees sets the employer contribution rate. It is based on the annual required contribution (ARC) of the combined participant employers. This is an amount actuarially determined in accordance with the parameters of GASB Statement No. 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.

Employer contributions to RHIA for the fiscal year ended June 30, 2015 are included in the OPERS annual pension amount in Note 7. The rates in effect for the fiscal year ended June 30, 2015 were: Tier One/Tier Two – 0.59 percent and OPSRP Pension Program – 0.49 percent.

**Tax Sheltered Annuity**

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. For the fiscal year ended June 30, 2015, the District contributed \$64,817 for administrative employees per their individual negotiated contracts. As of June 30, 2015, approximately 19 employees were participating in the plan.

**Stanfield School District #61R  
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**Notes to the Financial Statements  
June 30, 2015**

**Note 10 – Fund Balance Reporting**

The District has adopted GASB Statement 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.

GASB Statement 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, 2015 the District did not have any fund balances that would be considered non-spendable.

In addition to the non-spendable fund balance, GASB Statement 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 is \$5,151, of which \$39 is for debt service and \$5,112 for restricted grant programs.

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 \$828,240, of which \$119,092 is for future purchase of equipment or building improvements, \$141,495 for student fees and activities, \$23,448 for food service operations, and \$544,205 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 2015-2016 fiscal year budget.

Unassigned

The unassigned fund balance for the General Fund is \$214,565. The unassigned balance for the Other Governmental Funds is a deficit balance of \$214,565. This deficit balance is related to certain restricted grant programs in which disbursements exceeded receipts during the fiscal year ending June 30, 2015 and operate on a reimbursement basis and a budgeting error resulting in an insufficient property tax levy to meet the bonded debt payment requirement for the fiscal year.



**Stanfield School District #61R  
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**Notes to the Financial Statements  
June 30, 2015**

**Note 11 – Deficit Fund Balances**

At June 30, 2015 the following Special Revenue Funds had a deficit fund balance:

Title I Fund #202	\$	42,645
REAP Flex Grant Fund #204		19,539
Immigrant Formula Grant Fund #214		1,086
GEAR UP Grant Fund #217		18,596
Bonded Debt Service Fund #310		132,699
Total	\$	214,565

The deficit in the special revenue funds #200's 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 2015-2016 fiscal year. The deficit in the Bonded Debt Service Fund #310 is a result of a budgeting error and enough property taxes levied to meet the debt payment requirement for the year. Cash borrowed from the General Fund offsets the deficit and is disclosed as "Due to Other Funds" on the Balance Sheet in Exhibit 3.

**Note 12 – Interfund Transfers**

The following transfers between funds were budgeted and made for the year:

Fund	Transfer In	Transfer Out
General Fund	\$ -	\$ 125,000
Food Service Fund #290	25,000	-
Building and Equipment Fund #420	100,000	-
Totals	\$ 125,000	\$ 125,000

The General Fund transfer out of \$125,000 consisted of \$25,000 to the Food Service Fund #290 to supplement the operation of the District Food Service Operations and \$100,000 to the Building and Equipment Fund #420 to reserve amounts for future capital improvements.

**Note 13 – 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, 2015**

**Note 14 – 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 15 – Contingencies**

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state-wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the operations cannot be determined.

The amount of grant revenue reflected in the basic financial statements is subject to audit and adjustment by grantor agencies, principally the federal government. Any costs which are questioned or recommended to be disallowed and which ultimately result in disallowed claims may become a liability of the General Fund.

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 16 – Evaluation of Subsequent Events**

The District has evaluated subsequent events through December 23, 2015, the date which the financial statements were available to be issued. No events have occurred subsequent to fiscal year end that would warrant disclosure in the notes to the financial statements.

*Supplementary Information*

## **Combining Nonmajor Fund Financial Statements**

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

**Combining Balance Sheet - Cash Basis  
Nonmajor Governmental Funds  
June 30, 2015**

	<u>Title I Fund #202</u>	<u>REAP Flex Grant Fund #204</u>	<u>IDEA/Other Grant Fund #212</u>	<u>Immigrant Formula Fund #214</u>	<u>GEAR UP Grant Fund #217</u>	<u>Food Service Fund #290</u>	<u>Bonded Debt Service Fund #310</u>	<u>OPERS Bond Repayment Fund #311</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>									
Cash and Cash Equivalents	\$ -	\$ -	\$ 5,112	\$ -	\$ -	\$ 23,448	\$ -	\$ 39	\$ 28,599
<u>Liabilities and Fund Balances</u>									
Liabilities:									
Due to Other Funds	\$ 42,645	\$ 19,539	\$ -	\$ 1,086	\$ 18,596	\$ -	\$ 132,699	\$ -	\$ 214,565
Fund Balances:									
Spendable:									
Restricted	-	-	5,112	-	-	-	-	39	5,151
Assigned	-	-	-	-	-	23,448	-	-	23,448
Unassigned	(42,645)	(19,539)	-	(1,086)	(18,596)	-	(132,699)	-	(214,565)
Total Fund Balances	(42,645)	(19,539)	5,112	(1,086)	(18,596)	23,448	(132,699)	39	(185,966)
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 5,112	\$ -	\$ -	\$ 23,448	\$ -	\$ 39	\$ 28,599

**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, 2015**

	Title I Fund #202	REAP Flex Grant Fund #204	Robotics Grant Fund #205	REAP Flex Direct Federal Grant Fund #206	SPR&I Grant Fund #209	IDEA/Other Grant Fund #212	Immigrant Formula Fund #214	GEAR UP Grant Fund #217	Food Service Fund #290	Bonded Debt Service Fund #310	OPERS Bond Repayment Fund #311	Total Nonmajor Governmental Funds
<b>Revenues</b>												
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 268,999	\$ 290,712	\$ 564,711
Food Services Sales	-	-	-	-	-	-	-	-	38,779	-	-	38,779
Earnings on Investments	-	-	-	-	-	-	-	-	-	1,842	-	1,842
Other	71,899	4,885	-	35,652	1,340	17,134	-	12,567	159,006	-	-	302,483
<b>Total Revenues</b>	<b>71,899</b>	<b>4,885</b>	<b>5,000</b>	<b>35,652</b>	<b>1,340</b>	<b>17,134</b>	<b>-</b>	<b>12,567</b>	<b>197,785</b>	<b>270,841</b>	<b>290,712</b>	<b>907,815</b>
<b>Expenditures</b>												
<b>Current:</b>												
<b>Instruction:</b>												
Regular Programs	-	24,424	5,000	35,652	-	-	-	3,899	-	-	-	68,975
Special Programs	114,544	-	-	-	1,340	-	1,086	-	-	-	-	116,970
Summer School Programs	-	-	-	-	-	1,286	-	-	-	-	-	1,286
<b>Support Services:</b>												
Student Support Services	-	-	-	-	-	1,306	-	19,950	-	-	-	21,256
Instructional Staff Support	-	-	-	-	-	9,430	-	-	-	-	-	9,430
Business Support Services	-	-	-	-	-	-	-	2,865	-	-	-	2,865
<b>Enterprise and Community Services:</b>												
Food Services	-	-	-	-	-	-	-	-	200,634	-	-	200,634
<b>Debt Service:</b>												
Principal	-	-	-	-	-	-	-	-	-	405,000	95,021	500,021
Interest	-	-	-	-	-	-	-	-	-	83,458	195,666	279,124
<b>Total Expenditures</b>	<b>114,544</b>	<b>24,424</b>	<b>5,000</b>	<b>35,652</b>	<b>1,340</b>	<b>12,022</b>	<b>1,086</b>	<b>26,714</b>	<b>200,634</b>	<b>488,458</b>	<b>290,687</b>	<b>1,200,561</b>
<b>Change in Fund Balances Before Other Financial Sources / (Uses)</b>	<b>(42,645)</b>	<b>(19,539)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,112</b>	<b>(1,086)</b>	<b>(14,147)</b>	<b>(2,849)</b>	<b>(217,617)</b>	<b>25</b>	<b>(292,746)</b>
<b>Other Financial Sources / (Uses): Net Transfers (to) / from Other Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
<b>Net Change in Fund Balances</b>	<b>(42,645)</b>	<b>(19,539)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,112</b>	<b>(1,086)</b>	<b>(14,147)</b>	<b>22,151</b>	<b>(217,617)</b>	<b>25</b>	<b>(267,746)</b>
<b>Fund Balances, Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,449)</b>	<b>1,297</b>	<b>84,918</b>	<b>14</b>	<b>81,780</b>
<b>Fund Balances, Ending</b>	<b>\$ (42,645)</b>	<b>\$ (19,539)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,112</b>	<b>\$ (1,086)</b>	<b>\$ (18,596)</b>	<b>\$ 23,448</b>	<b>\$ (132,699)</b>	<b>\$ 39</b>	<b>\$ (185,966)</b>

## **Budgetary Comparison Schedules**

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

**Budgetary Comparison Schedule  
Title I Fund #202  
Fiscal Year Ended June 30, 2015**

	<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	\$ 71,899	\$ (74,051)
<u>Disbursements</u>			
Instruction:			
1272 Title I	145,950	114,544	31,406
Net Change in Fund Balance	-	(42,645)	(42,645)
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ (42,645)	\$ (42,645)



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

**Budgetary Comparison Schedule  
REAP Flex Grant Fund #204  
Fiscal Year Ended June 30, 2015**

	<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	\$ 24,346	\$ 4,885	\$ (19,461)
<u>Disbursements</u>			
Instruction:			
1111 Elementary, K-5 or K-6	24,346	24,424	(78)
Net Change in Fund Balance	-	(19,539)	(19,539)
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ (19,539)	\$ (19,539)

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

**Budgetary Comparison Schedule  
Robotics Grant Fund #205  
Fiscal Year Ended June 30, 2015**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
State Sources:			
3299 Other Restricted Grants-in-aid	\$ 2,500	\$ 5,000	\$ 2,500
<u>Disbursements</u>			
Instruction:			
1121 Middle/Junior High Programs	825	1,146	(321)
1131 High School Programs	1,413	3,854	(2,441)
Total Instruction	2,238	5,000	(2,762)
Support Services:			
2550 Student Transportation	262	-	262
Total Disbursements	2,500	5,000	(2,500)
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

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

**Budgetary Comparison Schedule  
REAP Flex Direct Federal Grant Fund #206  
Fiscal Year Ended June 30, 2015**

	<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	\$ 35,652	\$ 1,177
<u>Disbursements</u>			
Instruction:			
1111 Elementary, K-5 or K-6	34,475	35,652	(1,177)
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

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

**Budgetary Comparison Schedule  
Special Performance Review & Improvement Grant Fund #209  
Fiscal Year Ended June 30, 2015**

	<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	\$ 1,340	\$ (1,160)
<u>Disbursements</u>			
Instruction:			
1250 Less Restrictive Programs for Students with Disabilities	2,500	1,340	1,160
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

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

**Budgetary Comparison Schedule  
IDEA/Other Fund #212  
Fiscal Year Ended June 30, 2015**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1990 Miscellaneous Revenue	\$ -	\$ 237	\$ 237
State Sources:			
3299 Other Restricted Grants-in-aid	-	16,897	16,897
Total Receipts	-	17,134	17,134
<u>Disbursements</u>			
Instruction:			
1400 Summer School Program	-	1,286	(1,286)
Support Services:			
2120 Guidance Services	-	1,306	(1,306)
2210 Improvement of Instruction Services	-	9,430	(9,430)
Total Support Services	-	10,736	(10,736)
Total Disbursements	-	12,022	(12,022)
Net Change in Fund Balance	-	5,112	5,112
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ 5,112	\$ 5,112

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

**Budgetary Comparison Schedule  
Immigrant-Formula Fund #214  
Fiscal Year Ended June 30, 2015**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>	\$ -	\$ -	\$ -
<u>Disbursements</u>			
Instruction:			
1291 English Second Language Programs	-	1,086	(1,086)
Net Change in Fund Balance	-	(1,086)	(1,086)
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ (1,086)</u>	<u>\$ (1,086)</u>

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

**Budgetary Comparison Schedule  
Wildhorse Grant Fund #215  
Fiscal Year Ended June 30, 2015**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Local Sources:			
1920 Contributions and Donations From Private Sources	\$ 7,500	\$ -	\$ (7,500)
<u>Disbursements</u>			
Support Services:			
2540 Operation and Maintenance of Plant Services	7,500	-	7,500
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

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

**Budgetary Comparison Schedule**  
**GEAR UP Grant Fund #217**  
**Fiscal Year Ended June 30, 2015**

		Original & Final Budget	Actual	Variance with Final Budget
		<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Receipts</u>				
Local Sources:				
1990	Miscellaneous Revenue	\$ -	\$ -	\$ -
Federal Sources:				
4700	Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	-	12,567	12,567
	Total Receipts	<u>-</u>	<u>12,567</u>	<u>12,567</u>
<u>Disbursements</u>				
Instruction:				
1131	High School Programs	-	3,899	(3,899)
Support Services:				
2129	Other Guidance Services	-	19,950	(19,950)
2550	Student Transportation Services	-	2,865	(2,865)
	Total Support Services	<u>-</u>	<u>22,815</u>	<u>(22,815)</u>
	Total Disbursements	<u>-</u>	<u>26,714</u>	<u>(26,714)</u>
Net Change in Fund Balance		-	(14,147)	(14,147)
Fund Balance, Beginning		<u>-</u>	<u>(4,449)</u>	<u>(4,449)</u>
Fund Balance, Ending		<u>\$ -</u>	<u>\$ (18,596)</u>	<u>\$ (18,596)</u>



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

**Budgetary Comparison Schedule  
Food Service Fund #290  
Fiscal Year Ended June 30, 2015**

		<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>				
Local Sources:				
1600	Food Service	\$ 45,700	\$ 38,779	\$ (6,921)
1990	Miscellaneous	-	-	-
	Total Local Sources	<u>45,700</u>	<u>38,779</u>	<u>(6,921)</u>
State Sources:				
3102	State School Fund - School Lunch Match	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Federal Sources:				
4500	Restricted Revenue from the Federal Government Through the State	170,849	146,247	(24,602)
4900	Revenue for / on Behalf of the District	<u>16,900</u>	<u>12,759</u>	<u>(4,141)</u>
	Total Federal Sources	<u>187,749</u>	<u>159,006</u>	<u>(28,743)</u>
	Total Receipts	<u>236,449</u>	<u>197,785</u>	<u>(38,664)</u>
<u>Disbursements</u>				
Enterprise and Community Services:				
3100	Food Services	<u>256,449</u>	<u>200,634</u>	<u>55,815</u>
Change in Fund Balance Before				
	Other Financial Sources / (Uses)	(20,000)	(2,849)	17,151
Other Financing Sources / (Uses):				
	Transfers from Other Funds	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balance		5,000	22,151	17,151
Fund Balance, Beginning		<u>-</u>	<u>1,297</u>	<u>1,297</u>
Fund Balance, Ending		<u>\$ 5,000</u>	<u>\$ 23,448</u>	<u>\$ 18,448</u>

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

**Budgetary Comparison Schedule  
Bonded Debt Service Fund #310  
Fiscal Year Ended June 30, 2015**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Receipts</u>			
Local Sources:			
1110 Ad Valorem Taxes Levied by District	\$ 300,000	\$ 268,999	\$ (31,001)
1500 Earnings on Investments	<u>2,000</u>	<u>1,842</u>	<u>(158)</u>
Total Receipts	<u>302,000</u>	<u>270,841</u>	<u>(31,159)</u>
<u>Disbursements</u>			
Other Uses:			
5100 Debt Service	<u>488,500</u>	<u>488,458</u>	<u>42</u>
Net Change in Fund Balance	(186,500)	(217,617)	(31,117)
Fund Balance, Beginning	<u>300,000</u>	<u>84,918</u>	<u>(215,082)</u>
Fund Balance, Ending	<u>\$ 113,500</u>	<u>\$ (132,699)</u>	<u>\$ (246,199)</u>

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

**Budgetary Comparison Schedule  
OPERS Bond Repayment Fund #311  
Fiscal Year Ended June 30, 2015**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1500 Earnings on Investments	\$ -	\$ 24	\$ 24
1970 Services Provided Other Funds	292,000	290,688	(1,312)
Total Receipts	292,000	290,712	(1,288)
<u>Disbursements</u>			
Other Uses:			
5100 Debt Service	292,000	290,688	1,312
Net Change in Fund Balance	-	24	24
Fund Balance, Beginning	-	14	14
Fund Balance, Ending	\$ -	\$ 38	\$ 38

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

**Budgetary Comparison Schedule  
Building and Equipment Fund #420  
Fiscal Year Ended June 30, 2015**

	Original & Final Budget	Actual	Variance with Final Budget
<u>Receipts</u>			
Local Sources:			
1990 Miscellaneous	\$ -	\$ 13,806	\$ 13,806
1991 Sale of Assets	-	10,000	10,000
Total Receipts	-	23,806	23,806
<u>Disbursements</u>			
Facilities Acquisition and Construction:			
4150 Building Acquisition, Construction, and Improvement Services	125,000	63,216	61,784
Change in Fund Balance Before Other Financial Sources / (Uses)	(125,000)	(39,410)	61,784
Other Financing Sources / (Uses): Transfers from Other Funds	100,000	100,000	-
Net Change in Fund Balance	(25,000)	60,590	61,784
Fund Balance, Beginning	30,000	58,502	28,502
Fund Balance, Ending	\$ 5,000	\$ 119,092	\$ 152,070

## **Other Financial Schedules**

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

**Supplemental Information Required by the Oregon Department of Education  
Fiscal Year Ended June 30, 2015**

**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	\$	114,288
Function 2550	\$	-

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

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

\$	-
----	---

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 Department of Education (3211c)  
Fiscal Year Ended June 30, 2015**

**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	1,312,684	1,043,685	-	268,999	-	-	-	-
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	5,453	3,550	38	1,865	-	-	-	-
1600 Food Service	38,779	-	38,779	-	-	-	-	-
1700 Extracurricular Activities	112,371	-	112,371	-	-	-	-	-
1800 Community Services Activities	-	-	-	-	-	-	-	-
1910 Rentals	-	-	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	103,304	-	103,304	-	-	-	-	-
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	290,688	-	-	290,688	-	-	-	-
1980 Fees Charged to Grants	-	-	-	-	-	-	-	-
1990 Miscellaneous	44,369	20,326	237	-	23,806	-	-	-
<b>Total Revenue from Local Sources</b>	<b>1,907,648</b>	<b>1,067,561</b>	<b>254,729</b>	<b>561,552</b>	<b>23,806</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	10,051	10,051	-	-	-	-	-	-
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>10,051</b>	<b>10,051</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	4,003,301	4,003,301	-	-	-	-	-	-
3102 State School Fund - School Lunch Match	-	-	-	-	-	-	-	-
3103 Common School Fund	46,030	46,030	-	-	-	-	-	-
3104 State Managed County Timber	-	-	-	-	-	-	-	-
3106 State School Fund - Accrual	-	-	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	-	-	-	-	-	-	-	-
3204 Driver Education	-	-	-	-	-	-	-	-
3222 State School Fund (SSF) Transportation Equipment	-	-	-	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	23,397	-	23,397	-	-	-	-	-
3800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
3900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from State Sources</b>	<b>4,072,728</b>	<b>4,049,331</b>	<b>23,397</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	35,652	-	35,652	-	-	-	-	-
4500 Restricted Revenue From the Federal Government Through the State	224,371	-	224,371	-	-	-	-	-
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	12,567	-	12,567	-	-	-	-	-
4801 Federal Forest Fees	766	766	-	-	-	-	-	-
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	12,759	-	12,759	-	-	-	-	-
<b>Total Revenue from Federal Sources</b>	<b>286,115</b>	<b>766</b>	<b>285,349</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	125,000	-	25,000	-	100,000	-	-	-
5300 Sale of or Compensation for Loss of Fixed Assets	-	-	-	-	-	-	-	-
5400 Resources - Beginning Fund Balance	723,298	528,707	51,156	84,933	58,502	-	-	-
<b>Total Revenue from Other Sources</b>	<b>848,298</b>	<b>528,707</b>	<b>76,156</b>	<b>84,933</b>	<b>158,502</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Grand Totals**

	Totals	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
	7,124,840	5,656,416	639,631	646,485	182,308	-	-	-

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

**Supplemental Information Required by the Oregon Department of Education (3211c)  
Fiscal Year Ended June 30, 2015**

**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	1,133,972	669,861	381,987	9,845	72,279	-	-	-
1113 Elementary Extracurricular	2,636	2,426	210	-	-	-	-	-
1121 Middle/Junior High Programs	303,069	181,579	106,933	3,183	11,374	-	-	-
1122 Middle/Junior High School Extracurricular	24,868	20,333	2,775	1,640	120	-	-	-
1131 High School Programs	719,678	401,371	212,299	28,611	77,397	-	-	-
1132 High School Extracurricular	188,950	98,770	64,456	7,616	3,842	-	14,266	-
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	395,712	240,167	145,045	7,533	2,967	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	17,248	1,441	450	15,357	-	-	-	-
1291 English Second Language Programs	18,943	11,736	6,895	-	312	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	47,410	-	-	47,410	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	14,395	10,674	1,728	-	1,993	-	-	-
<b>Total Instruction Expenditures</b>	<b>2,866,881</b>	<b>1,638,358</b>	<b>922,778</b>	<b>121,195</b>	<b>170,284</b>	<b>-</b>	<b>14,266</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	77,557	51,975	24,051	813	718	-	-	-
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	7,719	443	-	3,079	4,197	-	-	-
2220 Educational Media Services	89,366	43,521	35,754	2,931	7,130	-	30	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	101,029	-	8,146	40,388	3,613	-	48,882	-
2320 Executive Administration Services	148,254	92,171	47,755	5,742	1,043	-	1,543	-
2410 Office of the Principal Services	355,457	213,282	123,777	12,274	5,529	-	595	-
2490 Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	165,364	98,021	55,276	7,397	4,145	-	525	-
2540 Operation and Maintenance of Plant Services	636,487	224,145	168,135	188,177	55,815	-	215	-
2550 Student Transportation Services	232,347	-	-	232,347	-	-	-	-
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	1,148	-	-	-	1,148	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>1,815,217</b>	<b>723,558</b>	<b>462,894</b>	<b>493,637</b>	<b>83,338</b>	<b>-</b>	<b>51,790</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	90,548	-	-	-	-	-	90,548	-
5200 Transfers of Funds	125,000	-	-	-	-	-	-	125,000
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>	<b>215,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,548</b>	<b>125,000</b>

**Grand Totals**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	<b>4,897,646</b>	<b>2,361,916</b>	<b>1,385,672</b>	<b>614,832</b>	<b>253,622</b>	<b>-</b>	<b>156,604</b>	<b>125,000</b>



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

**Supplemental Information Required by the Oregon Department of Education (3211c)  
Fiscal Year Ended June 30, 2015**

**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	60,076	39,749	20,327	-	-	-	-	-
1113 Elementary Extracurricular	15,119	-	-	7,952	7,167	-	-	-
1121 Middle/Junior High Programs	1,146	-	-	-	1,146	-	-	-
1122 Middle/Junior High School Extracurricular	2,479	-	-	1,126	1,353	-	-	-
1131 High School Programs	7,754	172	14	1,992	5,576	-	-	-
1132 High School Extracurricular	112,430	-	-	61,669	49,656	-	1,105	-
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	1,340	1,340	-	-	-	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	114,545	66,794	29,330	4,558	13,863	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English Second Language Programs	1,086	-	-	-	1,086	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	1,286	-	-	1,286	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>317,261</b>	<b>108,055</b>	<b>49,671</b>	<b>78,583</b>	<b>79,847</b>	<b>-</b>	<b>1,105</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	21,256	10,581	1,716	2,774	6,185	-	-	-
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	9,430	3,689	71	1,470	4,200	-	-	-
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	2,865	-	-	2,865	-	-	-	-
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>33,551</b>	<b>14,270</b>	<b>1,787</b>	<b>7,109</b>	<b>10,385</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	200,634	73,534	43,243	2,409	81,448	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>	<b>200,634</b>	<b>73,534</b>	<b>43,243</b>	<b>2,409</b>	<b>81,448</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>551,446</b>	<b>195,859</b>	<b>94,701</b>	<b>88,101</b>	<b>171,680</b>	<b>-</b>	<b>1,105</b>	<b>-</b>
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**Stanfield School District #61R  
Umatilla County, Oregon**

**Supplemental Information Required by the Oregon Department of Education (3211c)  
Fiscal Year Ended June 30, 2015**

**Fund: 300 Debt Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
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>		-	-	-	-	-	-	-	-
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
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>		-	-	-	-	-	-	-	-
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
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>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
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>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	779,145	-	-	-	-	-	779,145	-
5200	Transfers of Funds	-	-	-	-	-	-	-	-
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		779,145	-	-	-	-	-	779,145	-
<b>Grand Totals</b>		<b>779,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>779,145</b>	<b>-</b>

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

**Supplemental Information Required by the Oregon Department of Education (3211c)  
Fiscal Year Ended June 30, 2015**

**Fund: 400 Capital Projects 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	63,215	-	-	11,557	8,458	43,200	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>	63,215	-	-	11,557	8,458	43,200	-	-

**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>	-	-	-	-	-	-	-	-

**Grand Totals**

	63,215	-	-	11,557	8,458	43,200	-	-
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**Stanfield School District #61R**  
**Umatilla County, Oregon**

**Oregon Department of Education Required Schedule of Federal Awards**  
**Fiscal Year Ended June 30, 2015**

Federal Grantor	Pass-Through Grantor	Program Title	Federal CFDA #	Pass-Through Entity ID #	Grant Period	Grant Amount	2014-15 Revenues	2014-15 Expenditures
<b><u>U.S. Department of Agriculture - General Fund:</u></b>								
Passed through Oregon State Department of Education:								
		School Breakfast Program	10.553	3019001	7/1/14 - 6/30/15	\$ 40,716	\$ 40,716	\$ 40,716
		National School Lunch Program	10.555	3019001	7/1/14 - 6/30/15	105,531	105,531	105,531
		Commodities	10.555	3019001	7/1/14 - 6/30/15	12,759	12,759	12,759
		Total				<u>159,006</u>	<u>159,006</u>	<u>159,006</u>
Passed through Umatilla County, Oregon:								
		Forest Service Schools and Roads Grants to States	10.665		7/1/14 - 6/30/15	766	766	766
		Total				<u>766</u>	<u>766</u>	<u>766</u>
<b><u>Total U.S. Department of Agriculture - General Fund</u></b>						<b>159,772</b>	<b>159,772</b>	<b>159,772</b>
<b><u>Total General Fund</u></b>						<b>159,772</b>	<b>159,772</b>	<b>159,772</b>
<b><u>U.S. Department of Education - Special Revenue Funds:</u></b>								
Direct Federal Grants:								
		Small, Rural School Achievement Program (Title VI, Part B of ESEA)	84.358A		7/1/14-9/30/15	35,652	35,652	35,652
		Total				<u>35,652</u>	<u>35,652</u>	<u>35,652</u>
Passed through Oregon State Department of Education:								
		Grants to Local Educational Agencies (Title I, Part A of ESEA)	84.010	32696	7/1/14 - 9/30/15	131,393	71,899	114,544
		Total				<u>131,393</u>	<u>71,899</u>	<u>114,544</u>
		Special Performance Review & Improvement Grant (IDEA Part B, Section 611)	84.027	32237	8/1/14 - 6/30/15	1,340	1,340	1,340
		Total				<u>1,340</u>	<u>1,340</u>	<u>1,340</u>
		English Language Acquisition State Grants (Title III, Part A of ESEA)	84.365	32834	7/1/14 - 9/30/15	1,086	-	1,086
		Total				<u>1,086</u>	<u>-</u>	<u>1,086</u>
		Improving Teacher Quality State Grants (Title II, Part A of ESEA)	84.367	33020	7/1/14 - 9/30/15	24,424	4,885	24,424
		Total				<u>24,424</u>	<u>4,885</u>	<u>24,424</u>
Passed through Oregon State University:								
		Gaining Awareness for Readiness for Undergraduate Programs (GEAR UP)						
		Oregon GEAR UP	84.334	SG-2009-10	7/15/13 - 7/14/14	30,000	9,328	4,879
		Priority Grant	84.334	ED159A-T	7/15/14 - 7/14/15	12,340	2,852	9,151
		SUCCESS Retreat	84.334		5/3/15 - 5/5/15	387	387	387
		Total				<u>42,727</u>	<u>12,567</u>	<u>14,417</u>
<b><u>Total U.S. Department of Education - Special Revenue Funds</u></b>						<b>236,622</b>	<b>126,343</b>	<b>191,463</b>
<b><u>Total Special Revenue Funds</u></b>						<b>236,622</b>	<b>126,343</b>	<b>191,463</b>
<b><u>Total Federal Financial Assistance</u></b>						<b>\$ 396,394</b>	<b>\$ 286,115</b>	<b>\$ 351,235</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 Department of Education.

## **COMPLIANCE SECTION**

# Cockburn & McClintock, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

116 SOUTHEAST SECOND STREET  
P.O. BOX 1579  
PENDLETON, OREGON 97801  
(541) 276-3521, FAX (541) 276-3545

MEMBERSHIPS

AMERICAN INSTITUTE OF CPA'S  
OREGON SOCIETY OF CPA'S  
AICPA - PRIVATE COMPANIES PRACTICE SECTION

DARLENE R. WILSON, CPA  
KENDRA G. ALVARADO, CPA

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

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

We have audited the modified cash basis financial statements of Stanfield School District #61R (the District) as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated December 23, 2015. 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:

The District was not in compliance with Oregon Local Budget Law (ORS 294) as it pertains to the fiscal year July 1, 2014 through June 30, 2015 as expenditures exceeded appropriations in the following categories:

- General Fund #100 – Instruction
- General Fund #100 - Support Services
- General Fund #100 – Debt Services

- REAP Flex Grant Fund #204 – Instruction
- Robotics Grant Fund #205 – Instruction
- REAP Flex Direct Federal Grant Fund #206- Instruction
- IDEA/Other Fund #212- Instruction
- IDEA/Other Fund #212- Support Services
- Immigrant-Formula Fund # 214- Instruction
- GEAR Up Grant Fund #217 – Instruction
- GEAR Up Grant Fund #217 – Supporting Services

The District was not in compliance with Oregon Local Budget Law (ORS 294) as it pertains to the fiscal year July 1, 2015 through June 30, 2016 budget process in the following areas:

- The District budgeted \$25,000 as a transfer-in to the Lunch Fund #290 with no budgeted transfer-out, resulting in interfund transfers to be out-of-balance by \$25,000.
- The District did not adequately budget their general obligation debt levy to cover the negative fund balance in their Bond Debt Repayment Fund #310. As a result, it is estimated that this negative fund balance will increase to approximately \$135,000 by June 30, 2016.
- The District mailed notices of the Budget Committee meetings to all addresses in the taxing boundaries. The notice was mailed on May 13, 2015 for a meeting scheduled on May 21, 2015, which is not within the 10-day requirement.
- The District listed \$1,917,207 in outstanding PERS General Obligation Bonds in the Statement of Indebtedness on Form ED-1 when the actual outstanding PERS General Obligation Bonds at June 30, 2015 was \$2,622,207, a variance of \$705,000.

The District was not in compliance with Oregon Bid Law (ORS Chapters 279A, 279B, 279C) as it pertains to the fiscal year July 1, 2014 through June 30, 2015 for the purchase of a new scoreboard totaling \$11,915 in that the District did not have adequate supporting documentation for their reason why the vendor the scoreboard was purchased from was selected when this vendor’s quote was not the lowest quote of the informal quotes obtained.

In addition, the District was not in compliance with Oregon State School Fund factors and calculations as it pertains to the fiscal year July 1, 2013 through June 30, 2014 as follows: We reviewed files for 10 teachers (36% of the total population) and identified reporting discrepancies for 6 of them in that 6 teachers had their total years of experience understated. The total net effect of our testing results in our sample is that the total years of individual experience was understated by 9.79, or potentially understated by 24.64 for the entire population, with the District Average Teacher Experience figure understated by 1.11 in our sample, or potentially understated by 0.98 for the entire population.

**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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control that we consider to be significant deficiencies, which we reported to the Board of Education and management of the District in a separate letter dated December 23, 2015.

**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

Pendleton, Oregon

December 23, 2015