

UNION COUNTY SCHOOL DISTRICT No. 15

COVE, OREGON

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020



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INTRODUCTORY SECTION

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UNION COUNTY SCHOOL DISTRICT NO. 15
District Officials

Earl Pettit

Superintendent

Board of Directors
June 30, 2020

<u>Name</u>	<u>Term Expires</u>	<u>Position</u>
Andy Lindsey P.O. Box 68 Cove, OR 97824	June 30, 2021	1
Steve McLean P.O. Box 68 Cove, OR 97824	June 30, 2023	2
John Frisch P.O. Box 68 Cove, OR 97824	June 30, 2021	3
Jamie Dickenson P.O. Box 68 Cove, OR 97824	June 30, 2021	4
Hannah Johnson 61682 Conley Road Cove, OR 97824	June 30, 2023	5

Budget Committee

	<u>Term Expires</u>
Darren Hansen	June 30, 2022
Mark Mallory	June 30, 2020
Jed Hassinger	June 30, 2020
Erin Lair	June 30, 2021
Lori Shields	June 30, 2021

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FINANCIAL SECTION

Independent Auditors' Report

Honorable Superintendent and Board of Directors
Union County School District No. 15
P.O. Box 68
Cove, OR 97824

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 Union County School District No. 15, as of and for the year ended June 30, 2020, 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 1. 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 fraud or error.

Auditors' 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 of 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 auditors' 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Union County School District No. 15, as of June 30, 2020, and the respective changes in modified cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

position for the year then ended in conformity with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements that 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 this matter.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise Union County School District No. 15's basic financial statements. The budgetary comparison information, introductory section, combining and individual nonmajor fund financial statements and other financial schedules, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information, combining and individual nonmajor fund financial statements, and other financial schedules were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary comparison information, combining and individual nonmajor fund financial statements, and other financial schedules have 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 budgetary comparison information, combining and individual nonmajor fund financial statements, and other financial schedules are fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

The introductory section 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 such information.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated August 19, 2020, on our consideration of Union County School District No. 15's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC
Certified Public Accountants

By Chelsea A. Hewitt
Chelsea A. Hewitt, Owner/Member

La Grande, Oregon
August 19, 2020

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

UNION COUNTY SCHOOL DISTRICT NO. 15
Statement of Net Position
Modified Cash Basis
June 30, 2020

	Governmental Activities
Assets	
Cash and investments	\$ 1,180,168
Capital assets:	
Land	109,434
Construction in progress	1,790,460
Building and improvements	2,380,387
Equipment	713,591
Less: accumulated depreciation	(1,304,861)
Total capital assets net of depreciation	3,689,011
Total assets	4,869,179
Deferred outflow of resources	-
Liabilities	-
Deferred inflow of resources	-
Net Position	
Investment in capital assets	3,689,011
Restricted for:	
Federal and state grants	5,156
Debt Service	4
Unrestricted	1,175,008
Total net position	\$ 4,869,179

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY SCHOOL DISTRICT NO. 15
Statement of Activities
Modified Cash Basis
June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,598,787	\$ 2,036	\$ 264,346	\$ -	\$ (2,332,405)
Support services	1,257,812	7,962	57,823	-	(1,192,027)
Enterprise and community services	175,044	20,033	75,619	-	(79,392)
Facilities acquisition and construction	49,322	-	-	6,959	(42,363)
Total primary government	<u>\$ 4,080,965</u>	<u>\$ 30,031</u>	<u>\$ 397,788</u>	<u>\$ 6,959</u>	<u>(3,646,187)</u>

General Revenues:

Property taxes:

Levied for general purposes	710,963
Levied for debt service	36
State Aid - Basic School Support	3,392,773
Grants not for specific purpose:	
Common school fund	29,471
County school fund	4,236
Federal forest fees	11,406
Interest and miscellaneous income	89,245

Special Items:

PERS UAL lump sum payment	(250,000)
Loss on disposal of asset	(285)

Total general revenues and special items 3,987,845

Change in net position	341,658
Net position - beginning of year	4,527,521
Net position - end of year	<u>\$ 4,869,179</u>

(The accompanying notes are an integral part of these financial statements)

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FUND FINANCIAL STATEMENTS

UNION COUNTY SCHOOL DISTRICT NO. 15
Statement of Assets and Liabilities
Modified Cash Basis
Governmental Funds
June 30, 2020

	<u>General Fund</u>	<u>TAP Grants Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets and Deferred Outflows of Resources				
Assets:				
Cash and investments	\$ 1,120,187	\$ -	\$ 59,981	\$ 1,180,168
Interfund receivable	29,649	-	-	29,649
Total assets	<u>1,149,836</u>	<u>-</u>	<u>59,981</u>	<u>1,209,817</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u><u>\$ 1,149,836</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 59,981</u></u>	<u><u>\$ 1,209,817</u></u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Interfund payable	\$ -	\$ 29,649	\$ -	\$ 29,649
Deferred inflows of resources:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>29,649</u>	<u>-</u>	<u>29,649</u>
Fund balances:				
Restricted	-	-	5,160	5,160
Committed	14,444	-	54,821	69,265
Unassigned	1,135,392	(29,649)	-	1,105,743
Total fund balances	<u>1,149,836</u>	<u>(29,649)</u>	<u>59,981</u>	<u>1,180,168</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 1,149,836</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 59,981</u></u>	<u><u>\$ 1,209,817</u></u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY SCHOOL DISTRICT NO. 15
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balances - governmental funds \$ 1,180,168

Amounts reported for governmental *activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Those assets consist of:

Land	\$ 109,434	
Building and improvements	2,380,387	
Equipment	713,591	
Less: accumulated depreciation	<u>(1,304,861)</u>	<u>3,689,011</u>

Total net position - governmental activities \$ 4,869,179

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY SCHOOL DISTRICT NO. 15
Statement of Revenues, Expenditures and Changes
in Fund Balances - Modified Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	<u>General Fund</u>	<u>TAP Grants Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes	\$ 710,963	\$ -	\$ 36	\$ 710,999
Miscellaneous:				
Other local sources	121,944	-	39,856	161,800
Intermediate sources	4,236	-	-	4,236
Charges for services	-	-	30,031	30,031
Intergovernmental revenues:				
State sources	3,425,146	19,158	118,590	3,562,894
Federal sources	15,448	-	202,050	217,498
Total revenues	<u>4,277,737</u>	<u>19,158</u>	<u>390,563</u>	<u>4,687,458</u>
Expenditures				
Current:				
Instruction	2,267,943	-	273,281	2,541,224
Support services	1,186,264	48,807	10,900	1,245,971
Enterprise and community services	-	-	175,044	175,044
Capital outlay	1,820,077	-	-	1,820,077
Total expenditures	<u>5,274,284</u>	<u>48,807</u>	<u>459,225</u>	<u>5,782,316</u>
Excess of revenues over (under) expenditures	<u>(996,547)</u>	<u>(29,649)</u>	<u>(68,662)</u>	<u>(1,094,858)</u>
Other Financing Sources (Uses)				
Transfers in	1,821,710	-	75,000	1,896,710
Transfers out	(1,896,100)	-	(610)	(1,896,710)
PERS UAL lump sum payment	(250,000)	-	-	(250,000)
Total other finance sources (uses)	<u>(324,390)</u>	<u>-</u>	<u>74,390</u>	<u>(250,000)</u>
Net change in fund balances	(1,320,937)	(29,649)	5,728	(1,344,858)
Beginning fund balance	2,470,773	-	54,253	2,525,026
Ending fund balances	<u>\$ 1,149,836</u>	<u>\$ (29,649)</u>	<u>\$ 59,981</u>	<u>\$ 1,180,168</u>

(The accompanying notes are an integral part of these financial statements)

UNION COUNTY SCHOOL DISTRICT NO. 15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Total net change in fund balances - governmental funds \$ (1,344,858)

Amounts reported for governmental *activities* in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$118,726) exceeds capital outlays and other capitalized expenditures (\$1,820,077) in the current year. 1,701,351

In the statement of activities, losses (\$285) on disposal of capital assets are reported, whereas, in the governmental funds, the proceeds (\$14,550) from the disposal of capital assets are reflected, regardless of whether a gain or loss is realized. (14,835)

Change in net position - governmental activities \$ 341,658

(The accompanying notes are an integral part of these financial statements)

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**NOTES TO BASIC FINANCIAL
STATEMENTS**

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies:

Reporting Entity

The accompanying financial statements present the activities of Union County School District No. 15. The District was previously organized under ORS Chapter 330 for the purpose of operating elementary and secondary schools, until it was granted charter school status under ORS Chapter 338 during the fiscal year ended June 30, 2010. It is directed by five elected school board members who serve four year terms on a voluntary basis. The District is legally and financially independent of other state and local government units, has the power to levy taxes, is responsible for its debts and is entitled to any surpluses.

As discussed in Note 1 - Basis of Accounting, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). These modified cash-basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the District as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Fund Financial Statements

Financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows, liabilities, deferred inflows, net position, fund balance, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no proprietary or fiduciary funds. An emphasis is placed on major funds within the governmental category. All remaining governmental funds are aggregated and reported as nonmajor funds. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of the category or type.

The major funds of the financial reporting entity are described below:

Governmental Funds

General Fund - The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District includes the following major special revenue fund:

TAP Grants Fund - This fund accounts for money received for Technical Assistance Program Grants.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded regardless of the measurement focus applied.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Measurement Focus

In the government-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:

- a. 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

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses 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 basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Financial Position

Investments

Investments classified in the financial statements consist entirely of deposits in the local government investment pool and are stated at fair value.

Due From Other Funds or Governments

Receivables and payables to other funds or governments arising from cash transactions or events are recorded in the financial statements as a modification to the cash basis of accounting.

Capital Assets

The District's modified cash basis of accounting reports capital assets resulting from cash transactions or events and reports depreciation, when appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements - In the government-wide financial statements, capital assets arising from cash transactions or events are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost, if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to July 1, 2003. Prior to July 1, 2003, governmental funds infrastructure assets were not capitalized. Assets acquired since July 1, 2003 are recorded at cost. The District does not have any infrastructure assets.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Depreciation of all exhaustible capital assets arising from cash transactions or events is recorded as an unallocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used for assets that have an initial useful life extending beyond a single reporting period. The range of estimated useful lives by type of asset is as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Machinery and equipment	5 - 40 years
Buildings	10 - 100 years

Fund Financial Statements - In the fund financial statements, capital assets arising from cash transactions or events acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Net Position/Fund Balance Classifications

Government-Wide Statements - Equity is classified as net position and displayed in three components:

- a. 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 improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of assets, deferred outflows of 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.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements - In the governmental funds the difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. The constraints are defined as follows:

Nonspendable - Resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted - Constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributions, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - Reported when the Board passes an ordinance that places specific constraints on how the resources may be used. The Board can modify or rescind the ordinance at any time through passage of an additional ordinance.

Assigned - Resources that are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the Board approves which resources should be "reserved" during the adoption of the annual budget. The District Clerk uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the District's annual financial report.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Unassigned - The residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

The District has no formal minimum fund balance policies or any formal stabilization arrangements in place.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

Revenues, Expenditures and Expenses

Program Revenues

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the District's taxpayers are reported as program revenues. All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements - Interfund activity resulting from cash transactions or events, if any, within and among the governmental fund category is reported as follows in the fund financial statements:

- 1) Interfund Loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- 2) Interfund Services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- 3) Interfund Reimbursements - Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
- 4) Interfund Transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Government-Wide Financial Statements - Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- 1) Internal Balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental activities column of the Statement of Net Position.
- 2) Internal Activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Use of Estimates

The preparation of financial statements in conformity with a special purpose framework requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property on July 1, when they are levied, and until they are paid. Taxes are due in one-third increments, on November 15, February 15, and May 15. Unpaid taxes are considered delinquent after November 15.

Property tax revenues are recognized when they are collected.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Compensated Absences

The School District has no significant amount of vesting compensated absences at the fiscal year end. Therefore, these financial statements make no allowance for this type of liability.

Note 2 - Compliance and Accountability:

Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38 "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations.

None reported

Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances at year end, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
TAP Grants	\$ 29,649	Grant expenditures expected to be reimbursed

Note 3 - Deposits and Investments:

Deposits and Investments are comprised of the following at June 30, 2020:

	<u>Carrying Value</u>	<u>Fair Value</u>
Petty Cash	\$ 555	\$ 555
Deposits with financial institutions	248,351	248,351
Investments with State of Oregon		
Local Government Investment Pool	<u>931,262</u>	<u>931,262</u>
	<u>\$ 1,180,168</u>	<u>\$ 1,180,168</u>

Deposits and investments are reflected in the government-wide Statement of Net Position as follows:

Cash and Investments	<u>\$ 1,180,168</u>
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The District maintains a cash management pool for its cash and cash equivalents in which each fund participates. Interest earnings are distributed monthly based on average daily balances.

Investments, including amounts held in pooled cash and investments, are stated at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Pool (LGIP) are stated at fair value.

Deposits

Deposits with financial institutions are comprised of bank demand deposits. The total bank balance per the bank statements was \$1,491,157 at June 30, 2020. The difference is due to transactions in process. Deposits are secured by federal deposit insurance to legal limits. The remaining amount is secured by collateral in accordance with Oregon Revised Statutes.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Custodial Credit Risk - Deposits

Custodial credit risk on deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. In order to minimize this risk, state statutes require banks holding public funds to become members of the Public Funds Collateralization Program (PFCP), a multiple financial institution collateral pool created by the Office of the State Treasurer. To qualify, participating banks must pledge collateral against any public fund deposits in excess of deposit insurance. The amount of collateral is set by the PFCP between 10% and 110% of each bank's public fund deposits based on their net worth and level of capitalization. Although the PFCP creates a shared liability structure for participating bank depositories, it does not guarantee that all funds are 100% protected.

All accounts are insured by FDIC up to \$250,000.

Investments

The purpose of the District's investment policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. The District has delegated investment responsibilities to the Deputy Clerk, who is primarily responsible for implementing the investment policy.

Credit Risk - Investments

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, 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.

Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The District does not have a policy that limits the amounts of investments that can be held by counterparties.

The Local Government Investment Pool (LGIP) is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. The LGIP's credit quality is unrated.

Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by the securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The fair value of the District's position in the LGIP is the same as the value of the pool shares.

Concentration Risk

The District does not have a formal policy that places a limit on the amount that may be invested in any one investment. The District has concentrations in the following investments: Local Government Pool. These investments are 100%, of the District's total investments.

<u>Investment Type</u>	<u>Maturities</u>	<u>Concentration % of Portfolio</u>	<u>Actual Amount</u>
Local Government Investment Pool	Avg 6-18 months	100%	\$ 931,263

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Interest Rate Risk

The District does not have a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Note 4 - Capital Assets:

Capital Asset activity for the year ended June 30, 2020, was as follows:

	<u>Balance at July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2020</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 109,434	\$ -	\$ -	\$ 109,434
Construction in progress	88,975	1,701,485	-	1,790,460
Total capital assets not being depreciated	<u>198,409</u>	<u>1,701,485</u>	<u>-</u>	<u>1,899,894</u>
Capital assets being depreciated:				
Buildings	2,353,445	26,942	-	2,380,387
Equipment	993,828	91,650	(371,887)	713,591
Total capital assets being depreciated	<u>3,347,273</u>	<u>118,592</u>	<u>(371,887)</u>	<u>3,093,978</u>
Less: accumulated depreciation:				
Buildings	(996,976)	(43,943)	-	(1,040,919)
Equipment	(546,211)	(74,783)	357,052	(263,942)
Total accumulated depreciation	<u>(1,543,187)</u>	<u>(118,726)</u>	<u>357,052</u>	<u>(1,304,861)</u>
Net capital assets being depreciated	<u>1,804,086</u>	<u>(134)</u>	<u>(14,835)</u>	<u>1,789,117</u>
Net capital assets - Governmental Activities	<u>\$ 2,002,495</u>	<u>\$ 1,701,351</u>	<u>\$ (14,835)</u>	<u>\$ 3,689,011</u>

Depreciation expense was charged to functions as follows:

Primary Government:

Governmental Activities:

Instruction	\$ 57,563
Student supporting services	11,841
Facilities	49,322
Total depreciation expense for governmental activities	<u>\$ 118,726</u>

Note 5 - Grants:

In the normal course of operations, the District received grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of a grantor audit is not believed to be material.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Note 6 - Operating Leases:

On July 28, 2016 the District entered into a 60-month lease for a copy machine. The District is charged a base fee of \$127.40 per month.

On August 23, 2017 the District entered into a 60-month lease for a copy machine. The District is charged a base fee of \$208.71 per month.

Future minimum rental payments required under leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2020, are as follows:

<u>Year Ending June 30,</u>	<u>District Copier</u>
2021	\$ 4,034
2022	2,632
2023	417
	<u>\$ 7,083</u>

Note 7 - Internal Transfers:

Transfers between funds of the primary government for the year ended June 30, 2020 were as follows:

<u>Governmental Funds:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Funds	\$ 1,821,710	\$ 1,896,100
Nonmajor Governmental Funds	<u>75,000</u>	<u>610</u>
	<u>\$ 1,896,710</u>	<u>\$ 1,896,710</u>

Transfers are primarily used to move funds from the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 8 - Internal Balances:

Internal balances at June 30, 2020, consist of the following receivables and payables:

	<u>Receivables</u>	<u>Payables</u>
Governmental Funds:		
General Fund	\$ 29,649	\$ -
TAP Grants Fund	-	29,649

Interfund receivables are to supplement funds operating at a deficit.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Note 9 - Defined Benefit Pension Plan:

Plan Description

The District contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the District's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: the Pension Program and the Individual Account Program (IAP).

The Pension Program, the defined benefit portion of the plan, applies to qualifying District employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service.

Beginning January 1, 2004, all PERS member contributions go into the IAP, the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

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

Funding Policy

Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The District is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF rate in effect for the year ended June 30, 2020 was 31.97%. The OPSRP rate in effect for the year ended June 30, 2020 was 26.58%. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

Annual Pension Cost

The District's contributions to PERS for the years ending June 30, 2018, 2019, and 2020 were \$470,338, \$527,422, and \$610,172 respectively, which equaled the required contribution for the year.

The District set up a side account with PERS during the fiscal year ended June 30, 2020. The PERS side account is for the purpose of prepaying part of the unfunded actuarial liability (UAL). The District made a one time payment of \$250,000 to set up this account. The account is attributed solely to the employer making the payment and is held separate from other employer reserves.

Note 10 - Other Postemployment Benefits:

PERS Retirement Health Insurance Account

Plan Description

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

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Funding Policy and Benefits Provided

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by PERS, currently 0.06% Tier 1 and Tier 2 payroll and 0.00% OPSRP annual covered payroll. The Oregon PERS Board of Trustees sets the employer contribution rate. It is based on the annual required contribution of the combined participant employers. This is an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a closed period not to exceed 30 years. The District's contributions to RHIA for the years ended June 30, 2018, 2019, and 2020 were \$7,635, \$8,655, and \$1,043 respectively, which equaled the required contributions each year. These rates and contributions are included in the PERS rates as listed in the financial statements.

Note 11 - Fund Balance Classifications:

Fund balances by classification for the year ended June 30, 2020 were as follows:

	<u>General Fund</u>	<u>TAP Grants Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Fund balances:</u>				
Restricted:				
Federal and State Grants	\$ -		\$ 5,156	\$ 5,156
Debt service	-	-	4	4
Committed:				
Food service	-	-	97	97
Unemployment Reserve	14,125	-	-	14,125
Capital acquisitions	319	-	-	319
Student activities	-	-	54,724	54,724
Unassigned	<u>1,135,392</u>	<u>(29,649)</u>	<u>-</u>	<u>1,105,743</u>
Total fund balances	<u>\$ 1,149,836</u>	<u>\$ (29,649)</u>	<u>\$ 59,981</u>	<u>\$ 1,180,168</u>

The amount of the primary governments net position at June 30, 2020 that is restricted by enabling legislation totaled \$5,160.

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Basic Financial Statements

Note 12 - Risk Management:

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters; employee injury or illness for which the District carries commercial insurance, subject to customary deductibles and total coverage limits recommended by the District's insurance agent of record. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Note 13 - Related Party Transaction:

Board member John Frisch owns a farm the FFA students purchase pig feed from. The District was doing business with John Frisch before the related party became a board member and payments to his business were immaterial and conducted as arm's length transactions.

Note 14 - Subsequent Events

On March 11, 2020, the World Health Organization declared a world-wide pandemic related to COVID-19. The virus is causing significant upheaval in the United States and most countries in the world. Supply chains are disrupted and most citizens in the U.S. are under some sort of stay at home order. As of the date of the report, the District's revenue had not been significantly impacted by the virus, however, it is unknown if the pandemic will cause future impacts on revenues and operations.

SUPPLEMENTARY INFORMATION

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UNION COUNTY SCHOOL DISTRICT NO. 15
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Modified Cash Basis
General Funds
For the Fiscal Year Ended June 30, 2020

	100	106	160	180	
	General	PERS	Unemployment	Capital	Total
	Fund	Reserve	Fund	Improvement	
Revenues					
Taxes	\$ 710,963	\$ -	\$ -	\$ -	\$ 710,963
Miscellaneous:					
Other local sources	115,146	2,092	523	4,183	121,944
Intermediate sources	4,236	-	-	-	4,236
Intergovernmental revenues:					
State sources	3,425,146	-	-	-	3,425,146
Federal sources	15,448	-	-	-	15,448
Total revenues	<u>4,270,939</u>	<u>2,092</u>	<u>523</u>	<u>4,183</u>	<u>4,277,737</u>
Expenditures					
Current:					
Instruction	2,267,943	-	-	-	2,267,943
Support services	1,179,283	-	2,413	4,568	1,186,264
Capital outlay	112,881	-	-	1,707,196	1,820,077
Total expenditures	<u>3,560,107</u>	<u>-</u>	<u>2,413</u>	<u>1,711,764</u>	<u>5,274,284</u>
Excess of revenues over (under) expenditures	<u>710,832</u>	<u>2,092</u>	<u>(1,890)</u>	<u>(1,707,581)</u>	<u>(996,547)</u>
Other Finance Sources (Uses)					
Transfers in	610	113,700	-	1,707,400	1,821,710
Transfers out	(1,896,100)	-	-	-	(1,896,100)
PERS UAL lump sum payment	-	(250,000)	-	-	(250,000)
Total other finance sources (uses)	<u>(1,895,490)</u>	<u>(136,300)</u>	<u>-</u>	<u>1,707,400</u>	<u>(324,390)</u>
Net change in fund balance	(1,184,658)	(134,208)	(1,890)	(181)	(1,320,937)
Beginning fund balance	<u>2,320,025</u>	<u>134,233</u>	<u>16,015</u>	<u>500</u>	<u>2,470,773</u>
Ending fund balance	<u>\$1,135,367</u>	<u>\$ 25</u>	<u>\$ 14,125</u>	<u>\$ 319</u>	<u>\$1,149,836</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
General Fund - 100
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 690,000	\$ 690,000	\$ 710,963	\$ 20,963
Other local sources	97,000	97,000	115,146	18,146
Intermediate sources	11,000	11,000	4,236	(6,764)
State sources	3,433,265	3,433,265	3,425,146	(8,119)
Federal sources	3,000	3,000	15,448	12,448
Total revenues	<u>4,234,265</u>	<u>4,234,265</u>	<u>4,270,939</u>	<u>36,674</u>
Expenditures				
Instruction	2,616,470	2,616,470	2,331,781	284,689
Support services	1,477,825	1,477,825	1,228,326	249,499
Contingencies	481,170	436,170	-	436,170
Total expenditures	<u>4,575,465</u>	<u>4,530,465</u>	<u>3,560,107</u>	<u>970,358</u>
Excess of revenues over (under) expenditures	<u>(341,200)</u>	<u>(296,200)</u>	<u>710,832</u>	<u>1,007,032</u>
Other Finance Sources (Uses)				
Transfers in	900	900	610	(290)
Transfers out	<u>(2,059,700)</u>	<u>(2,104,700)</u>	<u>(1,896,100)</u>	<u>208,600</u>
Total other finance sources (uses)	<u>(2,058,800)</u>	<u>(2,103,800)</u>	<u>(1,895,490)</u>	<u>208,310</u>
Net change in fund balance	<u>(2,400,000)</u>	<u>(2,400,000)</u>	<u>(1,184,658)</u>	<u>1,215,342</u>
Beginning fund balance	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,320,025</u>	<u>(79,975)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,135,367</u>	<u>\$ 1,135,367</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
PERS Reserve Fund - 106
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local sources	\$ 1,500	\$ 1,500	\$ 2,092	\$ 592
Expenditures				
	-	-	-	-
Excess of revenues over (under) expenditures	1,500	1,500	2,092	592
Other Finance Sources (Uses)				
Transfers in	120,500	120,500	113,700	(6,800)
PERS UAL lump sum payment	(255,000)	(255,000)	(250,000)	5,000
Total other finance sources (uses)	(134,500)	(134,500)	(136,300)	(1,800)
Net change in fund balance	(133,000)	(133,000)	(134,208)	(1,208)
Beginning fund balance	133,000	133,000	134,233	1,233
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Unemployment Fund - 160
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local sources	\$ 500	\$ 500	\$ 523	\$ 23
Expenditures				
Support services	17,000	17,000	2,413	14,587
Net change in fund balance	(16,500)	(16,500)	(1,890)	14,610
Beginning fund balance	16,500	16,500	16,015	(485)
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,125</u>	<u>\$ 14,125</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Capital Improvements - 180
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local sources	\$ 3,500	\$ 3,500	\$ 4,183	\$ 683
Expenditures				
Support services	<u>1,900,000</u>	<u>1,900,000</u>	<u>1,711,764</u>	<u>188,236</u>
Excess of revenues over (under) expenditures	(1,896,500)	(1,896,500)	(1,707,581)	188,919
Other Finance Sources (Uses)				
Transfers in	<u>1,896,500</u>	<u>1,896,500</u>	<u>1,707,400</u>	<u>(189,100)</u>
Net change in fund balance	-	-	(181)	(181)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 319</u></u>	<u><u>\$ 319</u></u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
TAP Grants - 212
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources	\$ 95,000	\$ 95,000	\$ 19,158	\$ (75,842)
Expenditures				
Support services	95,000	95,000	48,807	46,193
Net change in fund balance	-	-	(29,649)	(29,649)
Beginning fund balance	-	-	-	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,649)</u>	<u>\$ (29,649)</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Combining Statement of Assets and Liabilities - Modified Cash Basis
Nonmajor Governmental Funds
June 30, 2020

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets and Deferred Outflows of Resources			
Assets:			
Cash and investments	\$ 59,977	\$ 4	\$ 59,981
Deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>\$ 59,977</u>	<u>\$ 4</u>	<u>\$ 59,981</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Deferred inflows of resources	-	-	-
Fund balances:			
Restricted	5,156	4	5,160
Committed	54,821	-	54,821
Total fund balances	<u>59,977</u>	<u>4</u>	<u>59,981</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 59,977</u>	<u>\$ 4</u>	<u>\$ 59,981</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Combining Statement of Assets and Liabilities - Modified Cash Basis
Nonmajor Special Revenue Funds
June 30, 2020

	200 Title REAP	202 Measure 98	204 Title I	208 Outdoor School
Assets and Deferred Outflows of Resources				
Assets:				
Cash and investments	\$ 588	\$ 253	\$ 661	\$ 2,877
Deferred outflows of resources:	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 588</u>	<u>\$ 253</u>	<u>\$ 661</u>	<u>\$ 2,877</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources:	-	-	-	-
Fund balances:				
Restricted	588	253	661	2,877
Committed	-	-	-	-
Total fund balances	<u>588</u>	<u>253</u>	<u>661</u>	<u>2,877</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 588</u>	<u>\$ 253</u>	<u>\$ 661</u>	<u>\$ 2,877</u>

<u>210 IDEA</u>	<u>280 CTE Grant</u>	<u>250 Food Services</u>	<u>270 Student Body</u>	<u>Total</u>
\$ 4	\$ 773	\$ 97	\$ 54,724	\$ 59,977
-	-	-	-	-
<u>\$ 4</u>	<u>\$ 773</u>	<u>\$ 97</u>	<u>\$ 54,724</u>	<u>\$ 59,977</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
4	773	-	-	5,156
-	-	97	54,724	54,821
<u>4</u>	<u>773</u>	<u>97</u>	<u>54,724</u>	<u>59,977</u>
<u>\$ 4</u>	<u>\$ 773</u>	<u>\$ 97</u>	<u>\$ 54,724</u>	<u>\$ 59,977</u>

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UNION COUNTY SCHOOL DISTRICT NO. 15
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Modified Cash Basis
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ -	\$ 36	\$ 36
Miscellaneous:			
Other local sources	39,334	522	39,856
Charges for services	30,031	-	30,031
Intergovernmental revenues:			
State sources	118,590	-	118,590
Federal sources	202,050	-	202,050
Total revenues	<u>390,005</u>	<u>558</u>	<u>390,563</u>
Expenditures			
Current:			
Instruction	273,281	-	273,281
Support services	10,900	-	10,900
Enterprise and community services	175,044	-	175,044
Total expenditures	<u>459,225</u>	<u>-</u>	<u>459,225</u>
Excess of revenues over (under) expenditures	<u>(69,220)</u>	<u>558</u>	<u>(68,662)</u>
Other Finance Sources (Uses)			
Transfers in	75,000	-	75,000
Transfers out	-	(610)	(610)
Total other finance sources (uses)	<u>75,000</u>	<u>(610)</u>	<u>74,390</u>
Net change in fund balance	5,780	(52)	5,728
Beginning fund balance	<u>54,197</u>	<u>56</u>	<u>54,253</u>
Ending fund balance	<u>\$ 59,977</u>	<u>\$ 4</u>	<u>\$ 59,981</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Modified Cash Basis
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020

	200 Title REAP	202 Measure 98	204 Title I	208 Outdoor School
Revenues				
Miscellaneous:				
Other local sources	\$ -	\$ 523	\$ -	\$ -
Charges for services	-	-	-	-
Intergovernmental revenues:				
State sources	-	103,856	-	7,477
Federal sources	40,534	-	40,501	-
Total revenues	<u>40,534</u>	<u>104,379</u>	<u>40,501</u>	<u>7,477</u>
Expenditures				
Current:				
Instruction	29,634	104,350	39,998	4,711
Support services	10,900	-	-	-
Enterprise and community services	-	-	-	-
Total expenditures	<u>40,534</u>	<u>104,350</u>	<u>39,998</u>	<u>4,711</u>
Excess of revenues over (under) expenditures	-	29	503	2,766
Other Finance Sources (Uses)				
Transfers in	-	-	-	-
Net change in fund balance	-	29	503	2,766
Beginning fund balance	<u>588</u>	<u>224</u>	<u>158</u>	<u>111</u>
Ending fund balance	<u>\$ 588</u>	<u>\$ 253</u>	<u>\$ 661</u>	<u>\$ 2,877</u>

210 IDEA	280 CTE Grant	250 Food Services	270 Student Body	Total
\$ -	\$ -	\$ 100	\$ 38,711	\$ 39,334
-	-	20,033	9,998	30,031
-	6,959	298	-	118,590
45,694	-	75,321	-	202,050
<u>45,694</u>	<u>6,959</u>	<u>95,752</u>	<u>48,709</u>	<u>390,005</u>
46,127	4,816	-	43,645	273,281
-	-	-	-	10,900
-	-	175,044	-	175,044
<u>46,127</u>	<u>4,816</u>	<u>175,044</u>	<u>43,645</u>	<u>459,225</u>
(433)	2,143	(79,292)	5,064	(69,220)
-	-	75,000	-	75,000
(433)	2,143	(4,292)	5,064	5,780
<u>437</u>	<u>(1,370)</u>	<u>4,389</u>	<u>49,660</u>	<u>54,197</u>
<u>\$ 4</u>	<u>\$ 773</u>	<u>\$ 97</u>	<u>\$ 54,724</u>	<u>\$ 59,977</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Title REAP - 200
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal sources	\$ 48,000	\$ 48,000	\$ 40,534	\$ (7,466)
Expenditures				
Instruction	35,400	35,400	29,634	5,766
Support services	12,600	12,600	10,900	1,700
Total expenditures	<u>48,000</u>	<u>48,000</u>	<u>40,534</u>	<u>7,466</u>
Net change in fund balance	-	-	-	-
Beginning fund balance	-	-	<u>588</u>	<u>588</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 588</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Measure 98 Fund - 202
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources	\$ 63,000	\$ 103,856	\$ 103,856	\$ -
Other local sources	500	500	523	23
Total revenues	<u>63,500</u>	<u>104,356</u>	<u>104,379</u>	<u>23</u>
Expenditures				
Instruction	<u>63,500</u>	<u>104,356</u>	<u>104,350</u>	<u>6</u>
Net change in fund balance	-	-	29	29
Beginning fund balance	<u>-</u>	<u>-</u>	<u>224</u>	<u>224</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 253</u>	<u>\$ 253</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Title I Fund - 204
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal sources	\$ 40,000	\$ 40,000	\$ 40,501	\$ 501
Expenditures				
Instruction	40,000	40,000	39,998	2
Net change in fund balance	-	-	503	503
Beginning fund balance	-	-	158	158
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 661</u>	<u>\$ 661</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Outdoor School Fund - 208
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources	\$ 8,000	\$ 8,000	\$ 7,477	\$ (523)
Expenditures				
Instruction	<u>8,000</u>	<u>8,000</u>	<u>4,711</u>	<u>3,289</u>
Net change in fund balance	-	-	2,766	2,766
Beginning fund balance	<u>-</u>	<u>-</u>	<u>111</u>	<u>111</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,877</u>	<u>\$ 2,877</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
IDEA Fund - 210
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal sources	\$ 51,000	\$ 51,000	\$ 45,694	\$ (5,306)
Expenditures				
Instruction	51,000	51,000	46,127	4,873
Net change in fund balance	-	-	(433)	(433)
Beginning fund balance	-	-	437	437
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
CTE Grant Fund - 280
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources	\$ 10,000	\$ 10,000	\$ 6,959	\$ (3,041)
Expenditures				
Instruction	10,000	10,000	4,816	5,184
Net change in fund balance	-	-	2,143	2,143
Beginning fund balance	-	-	(1,370)	(1,370)
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 773</u>	<u>\$ 773</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Food Service Fund - 250
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local sources	\$ 35,000	\$ 35,000	\$ 20,133	\$ (14,867)
State sources	300	300	298	(2)
Federal sources	52,200	52,200	75,321	23,121
Total revenues	<u>87,500</u>	<u>87,500</u>	<u>95,752</u>	<u>8,252</u>
Expenditures				
Enterprise and community services	<u>130,200</u>	<u>175,200</u>	<u>175,044</u>	<u>156</u>
Excess of revenues over (under) expenditures	(42,700)	(87,700)	(79,292)	8,408
Other Finance Sources (Uses)				
Transfers in	<u>42,700</u>	<u>87,700</u>	<u>75,000</u>	<u>(12,700)</u>
Net change in fund balance	-	-	(4,292)	(4,292)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>4,389</u>	<u>4,389</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97</u>	<u>\$ 97</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Reimbursable & Student Body Fund - 270
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other local sources	\$ 63,100	\$ 63,100	\$ 48,709	\$ (14,391)
Expenditures				
Instruction	102,000	102,000	43,645	58,355
Support services	2,100	2,100	-	2,100
Total expenditures	<u>104,100</u>	<u>104,100</u>	<u>43,645</u>	<u>60,455</u>
Net change in fund balance	(41,000)	(41,000)	5,064	46,064
Beginning fund balance	<u>41,000</u>	<u>41,000</u>	<u>49,660</u>	<u>8,660</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,724</u>	<u>\$ 54,724</u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - Modified Cash Basis
Debt Service Fund - 300
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 300	\$ 300	\$ 36	\$ (264)
Other local sources	600	600	522	(78)
Total revenues	<u>900</u>	<u>900</u>	<u>558</u>	<u>(342)</u>
Expenditures				
Excess of revenues over (under) expenditures	-	-	-	-
	900	900	558	(342)
Other Finance Sources (Uses)				
Transfers out	<u>(900)</u>	<u>(900)</u>	<u>(610)</u>	<u>290</u>
Net change in fund balance	-	-	(52)	(52)
Beginning fund balance	<u>-</u>	<u>-</u>	<u>56</u>	<u>56</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4</u></u>	<u><u>\$ 4</u></u>

UNION COUNTY SCHOOL DISTRICT NO. 15
Notes to Supplementary Information

Budgets and Budgetary Accounting

The District budgets all funds which are subject to budget requirements of state law. The School Board legally adopts the budget by resolution before July 1. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of control (by function: total instruction, supporting services, Enterprise and Community services, and Building Acquisition Construction Improvement) is established by resolution for all funds.

The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget that differs by 10 percent or more of any one of the individual funds contained in the original budget for that fiscal year requires hearings before the public, publications in newspapers, and approval by the School Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the School Board. Appropriations that have not been expended at year-end lapse and subsequent actual expenditures are then charged against ensuing year's appropriations.

Appropriations

The District has complied with legal requirements relating to the preparation, adoption and execution of the annual budget for the year ended June 30, 2020.

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OTHER FINANCIAL SCHEDULES

UNION COUNTY SCHOOL DISTRICT NO. 15
Form 581-3211-C - Supplemental Information
Oregon Department of Education Required Information
For the Fiscal Year Ended June 30, 2020

A. Energy Bill for Heating - **All Funds**: Please enter your expenditures for electricity & heating fuel for these Functions & Objects.

	Objects 325 & 326 & 327
Function 2540	\$ 69,865
Function 2550	\$ -

B. Replacement of Equipment - **General Fund**: Include all General Fund expenditures in object 542, except for the following exclusions:

1113 Co-curricular Activities	\$ -
1122 Co-curricular Activities	
1132 Co-curricular Activities	
1140 Pre-Kindergarten	
1300 Continuing Education	
1400 Summer School	
4150 Construction	
2550 Pupil Transportation	
3100 Food Service	
3300 Community Services	

UNION COUNTY SCHOOL DISTRICT NO. 15
Revenue Summary by Fund
All Funds
For the Fiscal Year Ended June 30, 2020

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
Revenue from Local Sources							
1110 Ad Valorem Taxes Levied by District	\$ 710,963	\$ -	\$ 36	\$ -	\$ -	\$ -	\$ -
1500 Earnings on Investments	51,517	523	522	-	-	-	-
1600 Food Service	-	20,033	-	-	-	-	-
1700 Extracurricular Activities	-	48,663	-	-	-	-	-
1990 Miscellaneous	70,427	146	-	-	-	-	-
Total Revenue from Local Sources	832,907	69,365	558	-	-	-	-
Revenue from Intermediate Sources							
2101 County School Funds	4,236	-	-	-	-	-	-
Total Revenue from Intermediate Sources	4,236	-	-	-	-	-	-
Revenue from State Sources							
3101 State School Fund - General Support	3,425,146	-	-	-	-	-	-
3102 State School Fund - School Lunch Match	-	298	-	-	-	-	-
3103 Common School Fund	-	-	-	-	-	-	-
3210 Grants-Restricted	-	19,158	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	-	118,292	-	-	-	-	-
3800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-
3900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-
Total Revenue from State Sources	3,425,146	137,748	-	-	-	-	-
Revenue from Federal Sources							
4500 Restricted Revenue From the Federal Government Through the State	4,042	194,853	-	-	-	-	-
4801 Federal Forest Fees	11,406	-	-	-	-	-	-
4900 Commodity Value	-	7,197	-	-	-	-	-
Total Revenue from Federal Sources	15,448	202,050	-	-	-	-	-
Revenue from Other Sources							
5200 Interfund Transfers	1,821,710	75,000	-	-	-	-	-
5400 Resources - Beginning Fund Balance	2,470,773	54,197	56	-	-	-	-
Total Revenue from Other Sources	4,292,483	129,197	56	-	-	-	-
Grand Totals	\$ 8,570,220	\$ 538,360	\$ 614	\$ -	\$ -	\$ -	\$ -

UNION COUNTY SCHOOL DISTRICT NO. 15
Expenditure Summary by Object
General Fund - 100
For the Fiscal Year Ended June 30, 2020

	Total	100	200	300	400	500	600	700
Instruction Expenditures								
1111 Primary, K-3	\$ 853,879	\$ 484,960	\$ 342,600	\$ -	\$ 25,555	\$ -	\$ 764	\$ -
1121 Middle/Junior High Programs	256,209	141,768	103,070	-	11,371	-	-	-
1122 Middle/Junior High School Extracurricular	19,959	10,647	2,322	-	6,722	-	268	-
1131 High School Programs	865,142	399,626	329,821	62,542	70,977	-	2,176	-
1132 High School Extracurricular	150,120	83,031	34,254	10,365	17,136	-	5,334	-
1250 Less Restrictive Programs for Students with Disabilities	184,122	86,677	85,202	11,529	714	-	-	-
1280 Alternative Education	2,350	-	-	2,350	-	-	-	-
Total Instruction Expenditures	2,331,781	1,206,709	897,269	86,786	132,475	-	8,542	-
Support Services Expenditures								
2130 Health Services	652	-	-	-	652	-	-	-
2140 Psychological Services	5,533	-	-	5,533	-	-	-	-
2220 Educational Media Services	33,182	18,513	11,933	-	1,429	-	1,307	-
2230 Assessment & Testing	212	-	-	-	212	-	-	-
2240 Instructional Staff Development	8,319	3,000	1,868	3,004	360	-	87	-
2310 Board of Education Services	18,594	-	-	14,555	516	-	3,523	-
2320 Executive Administration Services	238,679	134,912	92,206	5,894	3,268	-	2,399	-
2410 Office of the Principal Services	161,418	96,930	62,351	123	985	-	1,029	-
2520 Fiscal Services	100,314	54,075	42,060	678	1,308	-	2,193	-
2540 Operation and Maintenance of Plant Services	2,092,045	122,668	87,076	116,233	52,186	1,670,063	43,819	-
2550 Student Transportation Services	182,397	-	-	180,061	205	-	2,131	-
2570 Internal Services	11,547	-	-	4,065	7,482	-	-	-
2660 Technology Services	89,611	-	-	26,759	60,446	-	2,406	-
Total Support Services Expenditures	2,942,503	430,098	297,494	356,905	129,049	1,670,063	58,894	-
Other Uses Expenditures								
5200 Transfers of Funds	1,896,100	-	-	-	-	-	-	1,896,100
5400 PERS UAL lump sum payment	250,000	-	-	-	-	-	250,000	-
Total Other Uses Expenditures	2,146,100	-	-	-	-	-	250,000	1,896,100
Grand Total	\$ 7,420,384	\$ 1,636,807	\$ 1,194,763	\$ 443,691	\$ 261,524	\$ 1,670,063	\$ 317,436	\$ 1,896,100

UNION COUNTY SCHOOL DISTRICT NO. 15
Expenditure Summary by Object
Special Revenue Funds - 200
For the Fiscal Year Ended June 30, 2020

	Total	100	200	300	400	500	600	700
Instruction Expenditures								
1111 Primary, K-3	\$ 8,398	\$ 5,619	\$ 2,283	\$ -	\$ 496	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	4,711	1,000	444	3,267	-	-	-	-
1122 Middle/Junior High School Extracurricular	80	-	-	80	-	-	-	-
1131 High School Programs	163,243	91,423	12,572	26,632	30,744	1,872	-	-
1132 High School Extracurricular	10,724	-	-	9,274	1,450	-	-	-
1250 Less Restrictive Prog. for Students with Disabilities	46,127	27,944	18,183	-	-	-	-	-
1272 Title I	39,998	15,551	22,867	-	1,081	-	499	-
Total Instruction Expenditures	273,281	141,537	56,349	39,253	33,771	1,872	499	-
Support Services Expenditures								
2620 Plan-Research-Development Services	48,807	-	-	48,807	-	-	-	-
2660 Technology Services	10,900	-	-	-	10,900	-	-	-
Total Support Services Expenditures	59,707	-	-	48,807	10,900	-	-	-
Enterprise and Community Services Expenditures								
3100 Food Services	175,044	42,272	34,621	228	94,987	-	2,936	-
Grand Total	\$ 508,032	\$ 183,809	\$ 90,970	\$ 88,288	\$ 139,658	\$ 1,872	\$ 3,435	\$ -

UNION COUNTY SCHOOL DISTRICT NO. 15
Expenditure Summary by Object
Debt Service Fund - 300
For the Fiscal Year Ended June 30, 2020

	Total	100	200	300	400	500	600	700
Other Uses Expenditures								
5200 Transfers of Funds	\$ 610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610
Grand Total	\$ 610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610

UNION COUNTY SCHOOL DISTRICT NO. 15
Schedule of Expenditures of Federal Awards - Modified Cash Basis
Presented for Oregon Department of Education Puroses Only
For the Fiscal Year Ended June 30, 2020

Federal Grantor	Program Title	Grant Period	CFDA Number	Original Grant	2019-2020 Revenues	2019-2020 Expenditures
Pass through Grantor						
Federal Financial Assistance - Special Revenue Funds:						
U.S. Department of Education:						
<u>Passed through Oregon State Department of Education:</u>						
	Student Support & Enrichment	7/1/19 - 9/30/20	84.424	\$ 10,000	\$ 10,000	\$ 10,000
	Title 1A/1D	7/1/19 - 9/30/20	84.010	40,501	40,501	40,501
	Title IIA	7/1/19 - 9/30/20	84.367	8,802	8,802	8,802
	IDEA - Part B, 611, 2019-20	7/1/19 - 9/30/21	84.027	45,694	45,694	45,694
<u>Direct Awards:</u>						
	REAP SRSAP	7/1/19 - 9/30/20	84.358A	21,732	21,732	21,732
	Total U.S. Department of Education - Special Revenue Funds			<u>126,729</u>	<u>126,729</u>	<u>126,729</u>
U.S. Department of Agriculture - Special Revenue Funds:						
<u>Passed through Oregon State Department of Education:</u>						
	Natl School Lunch	2019-20	10.555		45,725	45,725
	Natl School Breakfast	2019-20	10.553		22,399	22,399
	Commodities	2019-20	10.555		7,197	7,197
	Total U.S. Department of Agriculture			-	<u>75,321</u>	<u>75,321</u>
	Total Federal Financial Assistance - Special Revenue Funds			<u>126,729</u>	<u>202,050</u>	<u>202,050</u>
Federal Financial Assistance - General Fund:						
U.S. Department of Education:						
<u>Passed through Oregon State Department of Education:</u>						
	IDEA - Enhancement	10/1/19 - 9/30/21	84.027	2,049	2,049	2,049
	IDEA - Part B, 619, 2019-20	7/1/19 - 9/30/21	84.173	486	486	486
	IDEA - Part B, 619, 2018-19	7/1/18 - 9/30/20	84.173	1,507	1,507	-
	Total U.S. Department of Education - General Fund			<u>4,042</u>	<u>4,042</u>	<u>2,535</u>
Direct Federal Funds						
	Federal Forest Fees	2019-20	10.665	11,406	11,406	11,406
	Total Federal Financial Assistance - General Fund			<u>15,448</u>	<u>15,448</u>	<u>13,941</u>
Total Federal Financial Assistance				<u>\$ 142,177</u>	<u>\$ 217,498</u>	<u>\$ 215,991</u>

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**INDEPENDENT AUDITORS'
REPORT REQUIRED BY OREGON
STATE REGULATIONS**

Independent Auditors' Report Required by Oregon State Regulations

Board of Directors
Union County School District No. 15
P.O. Box 68
Cove, Oregon 97824

We have audited the basic financial statements of Union County School District No. 15 as of and for the year ended June 30, 2020, and have issued our report thereon dated August 19, 2020. 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 Union County School District No. 15'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.**
- **Public charter school requirements.**

The independent elected officials of Union County School District No. 15 do not collect or receive money and are, therefore, not subject to requirements of OAR 162-10-140.

In connection with our testing nothing came to our attention that caused us to believe Union County School District No. 15 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.

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements, we considered Union County School District No. 15's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the

effectiveness of Union County School District No. 15's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Union County School District No. 15'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 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 preceding paragraphs 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 significant deficiencies. However, significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control described in a separate letter dated August 19, 2020 to be a material weakness.

Purpose of this Report

This report is intended solely for the information and use of the board of directors and management of Union County School District No. 15 and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

CONNECTED PROFESSIONAL ACCOUNTANTS, LLC
Certified Public Accountants

By Chelsea A. Hewitt
Chelsea A. Hewitt, Owner/Member

La Grande, Oregon
August 19, 2020