



CPAS & ADVISORS

# ISD #2534 BOLD Public Schools

Audit Report  
June 30, 2021

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# Independent Auditor's Report

## Pages 2 - 4:

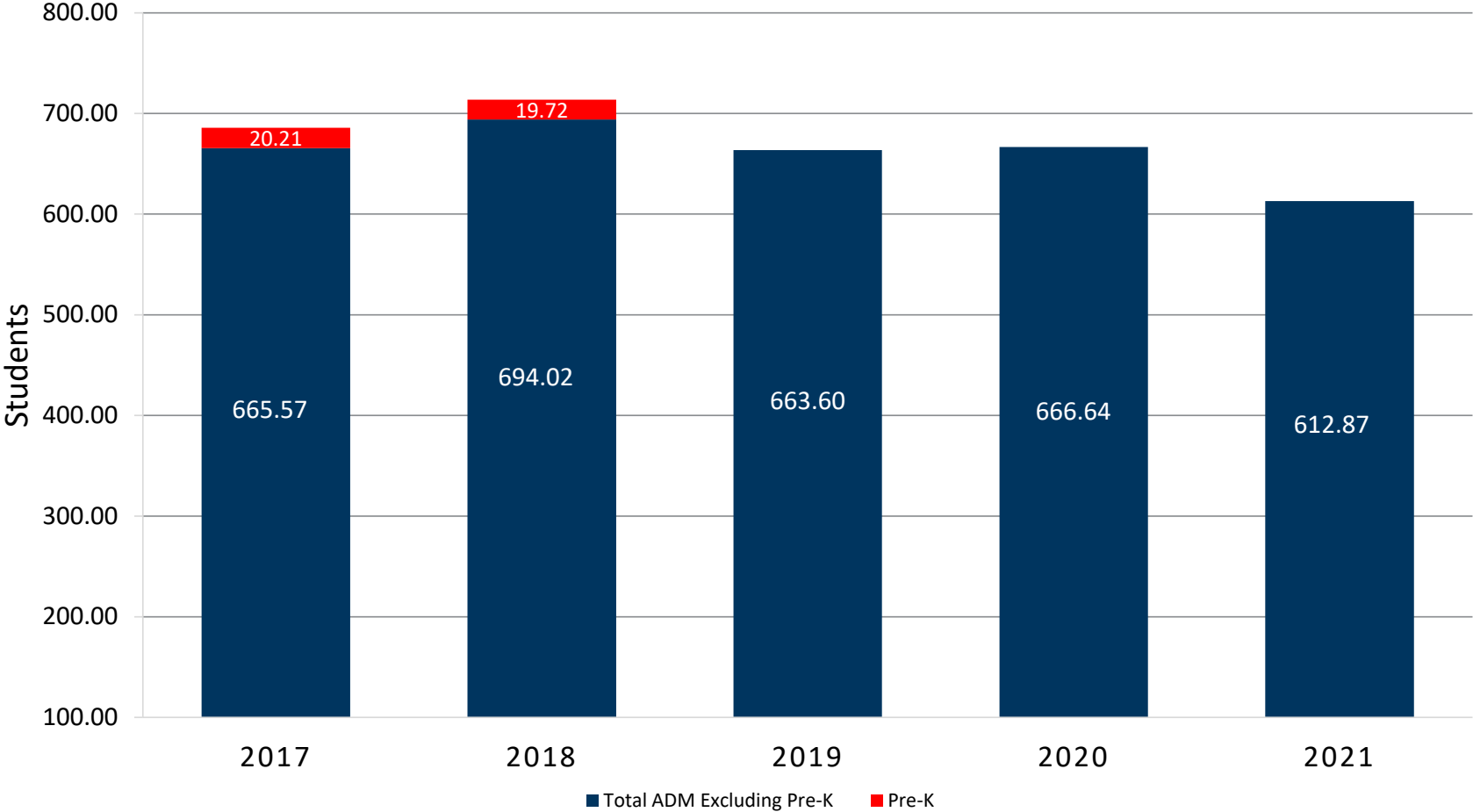
- Financial statements are the responsibility of the District's management
- Our responsibility is to express opinions on these financial statements based on our audit
- Conducted audit in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*
- Obtain reasonable assurance financials are free of material misstatement

# Independent Auditor's Report (Cont'd)

## Pages 2 - 4:

- **Financial statements are presented fairly in our opinion**
- MD&A (pages 5 - 12), Schedule of Proportionate Share of the Net Pension Liabilities (pages 62-63), Schedule of Employer Contributions (page 64), and Schedule of Changes in the District's Total OPEB Liability (page 65), are required supplementary information and unaudited
- Internal control letter on pages 80-81
- Single Audit internal control letter on pages 82-83

# BOLD Enrollment



# BOLD Enrollment Comparison

<u>Category (Grade)</u>	<u>ADMs 2021</u>	<u>ADMs 2020</u>	<u>Change</u>
Early Childhood	4.73	5.51	(0.78)
Handicapped	4.53	7.60	(3.07)
Kindergarten	31.36	35.54	(4.18)
Grades 1-3	131.19	140.72	(9.53)
Grades 4-6	125.11	141.02	(15.91)
Grades 7-8	105.73	111.59	(5.86)
Grades 9-12	<u>210.22</u>	<u>224.66</u>	<u>(14.44)</u>
	<u>612.87</u>	<u>666.64</u>	<u>(53.77)</u>
<u>Other Statistics</u>			
Residents:			
Served Elsewhere	102.99	97.42	5.57
Charter	15.27	7.93	7.34
Under Tuition Agreement	12.41	13.73	(1.32)
Nonresidents:			
Enrollment Options	118.50	112.33	6.17

# BOLD Enrollment Detail by Grade

<u>Grade</u>	<u>Total Residents</u>	<u>Served Elsewhere</u>	<u>Net Residents</u>	<u>Nonresidents Served</u>	<u>Total</u>
EC to KG	34.20	5.98	28.22	12.40	40.62
1	40.46	8.52	31.94	6.41	38.35
2	40.52	4.00	36.52	9.32	45.84
3	46.84	10.16	36.68	10.32	47.00
4	33.34	9.83	23.51	11.25	34.76
5	51.07	8.17	42.90	6.62	49.52
6	36.96	5.88	31.08	9.75	40.83
7	51.53	10.53	41.00	6.37	47.37
8	54.76	12.13	42.63	15.73	58.36
9	59.17	9.08	50.09	4.00	54.09
10	61.28	13.99	47.29	11.05	58.34
11	48.65	8.06	40.59	8.53	49.12
12	53.85	11.93	41.92	6.75	48.67
	<u>612.63</u>	<u>118.26</u>	<u>494.37</u>	<u>118.50</u>	<u>612.87</u>

# Statement of Net Position

	June 30,		Change
	2021	2020	
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current and Non-Capital	\$ 5,122,570	\$ 4,500,697	\$ 621,873
Capital	<u>5,755,772</u>	<u>6,177,318</u>	<u>(421,546)</u>
Total Assets	10,878,342	10,678,015	200,327
Deferred Outflows of Resources	<u>2,383,673</u>	<u>3,983,978</u>	<u>(1,600,305)</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 13,262,015</u>	<u>\$ 14,661,993</u>	<u>\$ (1,399,978)</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
Current Liabilities	\$ 872,797	\$ 778,378	\$ 94,419
Long-Term Liabilities	<u>5,933,441</u>	<u>6,051,932</u>	<u>(118,491)</u>
Total Liabilities	6,806,238	6,830,310	(24,072)
Deferred Inflows of Resources	5,598,857	7,534,397	(1,935,540)
<b>Net Position</b>			
Net Investment in Capital Assets	5,755,772	5,822,318	(66,546)
Restricted	1,130,347	998,708	131,639
Unrestricted	<u>(6,029,199)</u>	<u>(6,523,740)</u>	<u>494,541</u>
Total Net Position	<u>856,920</u>	<u>297,286</u>	<u>559,634</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 13,262,015</u>	<u>\$ 14,661,993</u>	<u>\$ (1,399,978)</u>



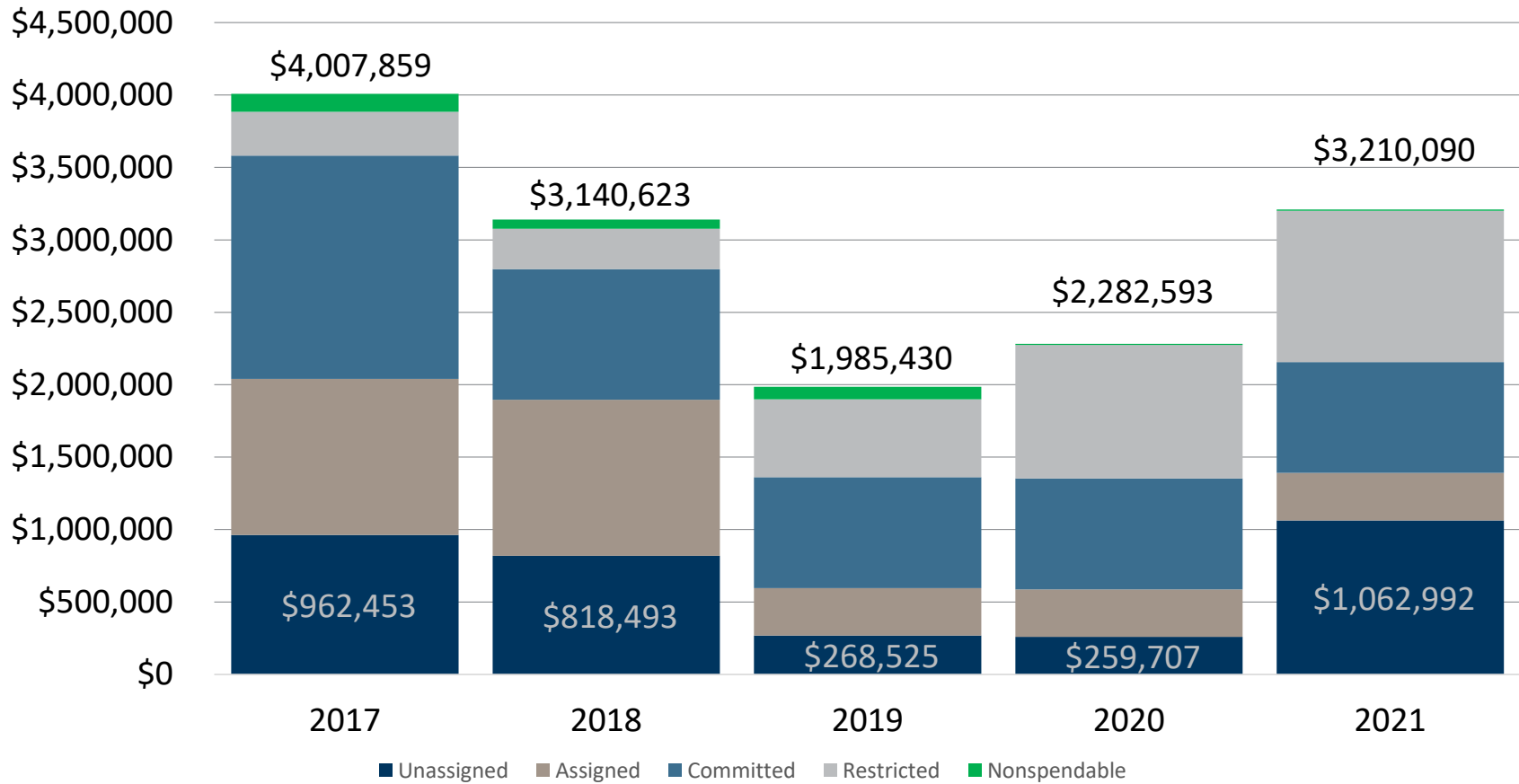
# Fund Balance Comparison - Governmental Funds

	June 30,		
	2021	2020	Change
GENERAL FUND			
Nonspendable			
Prepaid Items	\$ 8,750	\$ 8,750	\$
Restricted			
Student Activities	129,217	115,715	13,502
Staff Development	247,891	190,153	57,738
Operating Capital	154,368	283,978	(129,610)
Learning and Development		25,041	(25,041)
Area Learning Center	23,446	23,538	(92)
Achievement and Integration		9,420	(9,420)
Safe Schools Levy	41,597	25,665	15,932
Basic Skills	21,997		21,997
LFTM	291,307	157,727	
Medical Assistance	135,480	89,854	45,626
Total Restricted	1,045,303	921,091	124,212
Committed	765,045	765,045	
Assigned	328,000	328,000	
Unassigned	1,062,992	259,707	803,285
Total General Fund	<u>\$3,210,090</u>	<u>\$2,282,593</u>	<u>\$ 927,497</u>

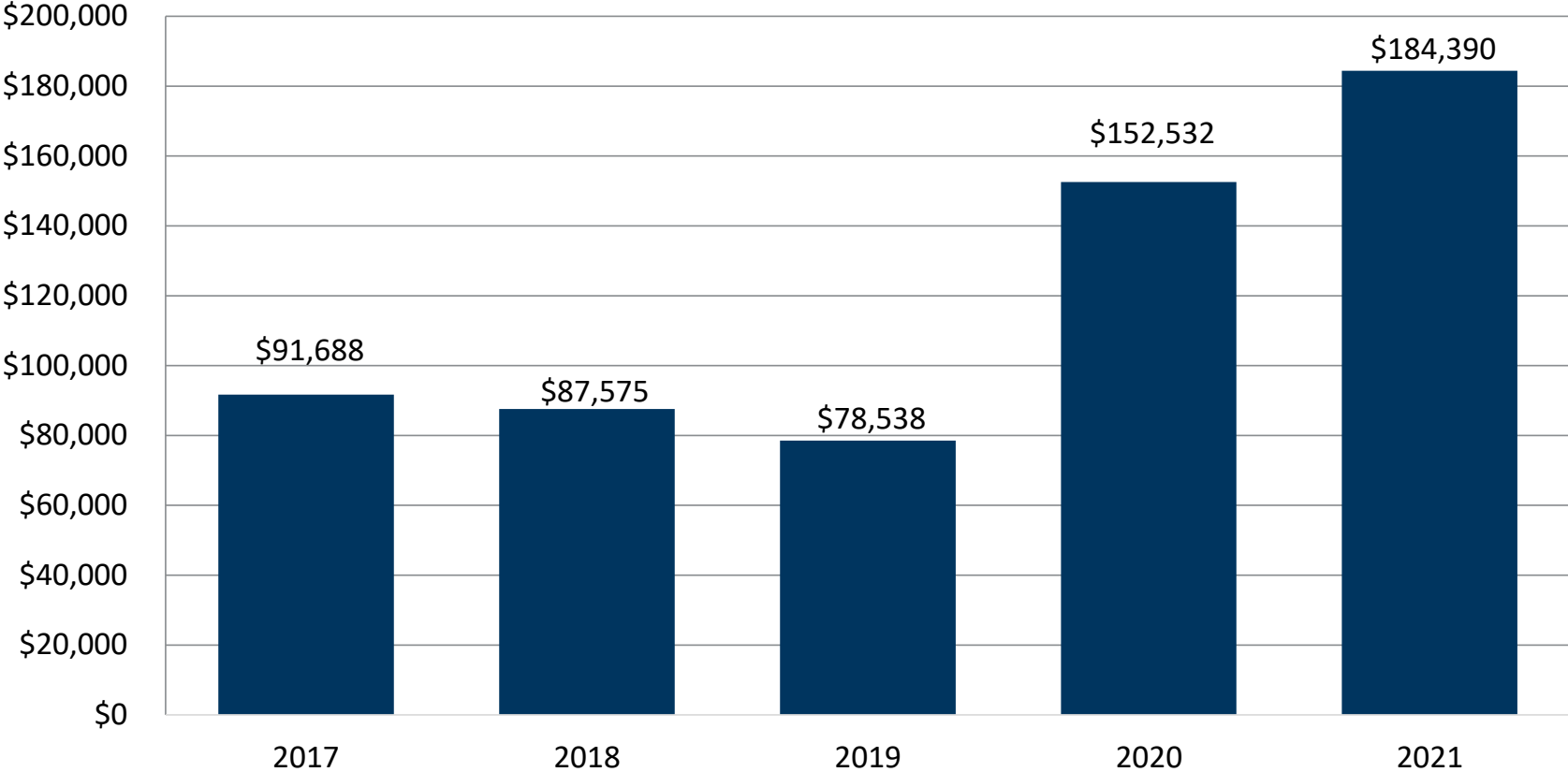
## Fund Balance Comparison - Governmental Funds (Cont'd)

	June 30,		
	<u>2021</u>	<u>2020</u>	<u>Change</u>
FOOD SERVICE FUND			
Restricted	<u>\$ 184,390</u>	<u>\$ 152,532</u>	<u>\$ 31,858</u>
COMMUNITY SERVICE FUND			
Restricted			
Other Fund Activities	\$ 14,660	\$ 12,198	\$ 2,462
Unassigned	<u>(469,907)</u>	<u>(380,541)</u>	<u>(89,366)</u>
Total Community Service Fund	<u>\$ (455,247)</u>	<u>\$ (368,343)</u>	<u>\$ (86,904)</u>
DEBT SERVICE FUND			
Restricted	<u>\$ 83,651</u>	<u>\$ 77,830</u>	<u>\$ 5,821</u>

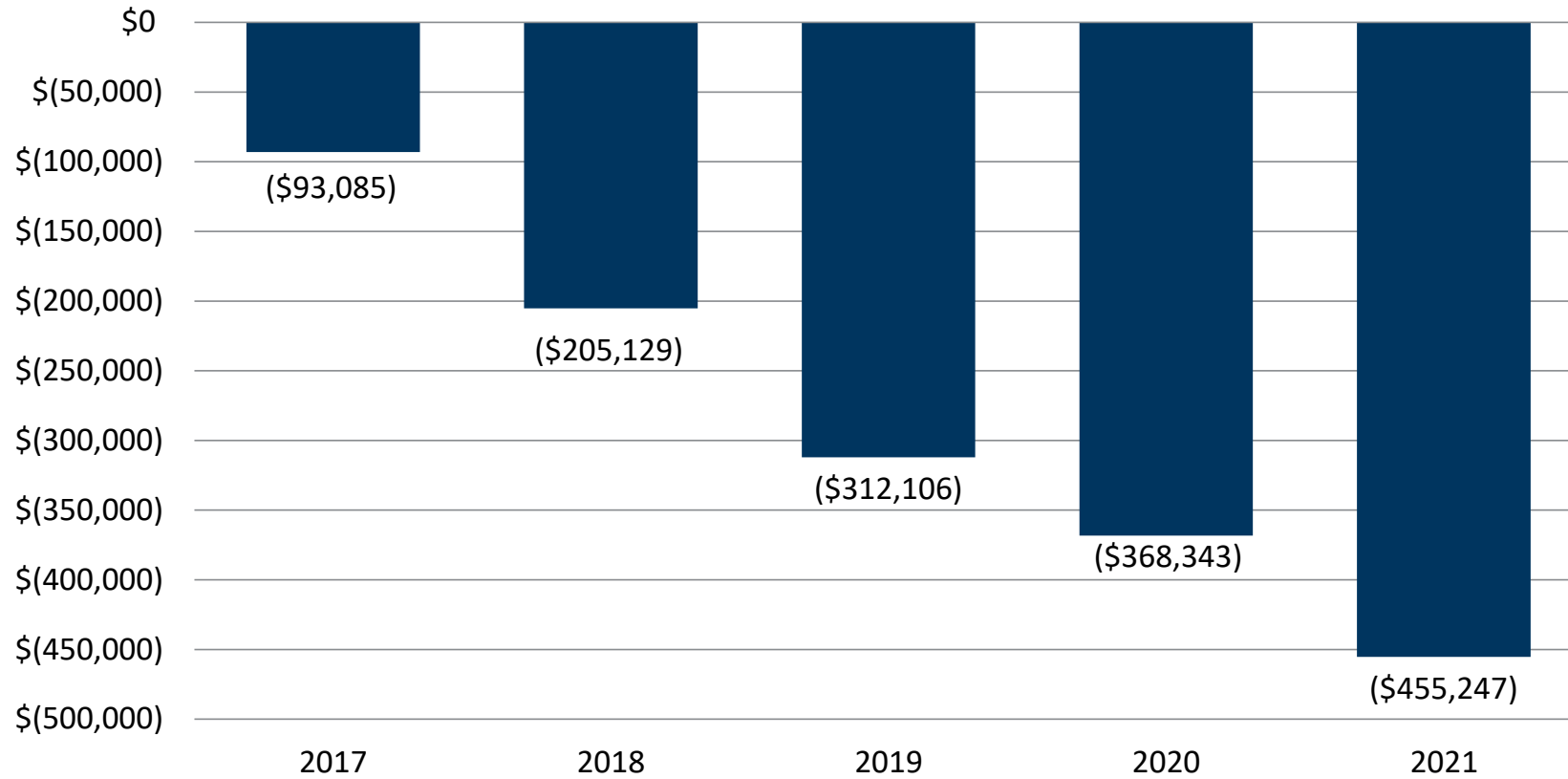
# General Fund - Fund Balance (Includes Funds 1 & 21)



# Food Service Fund Balance



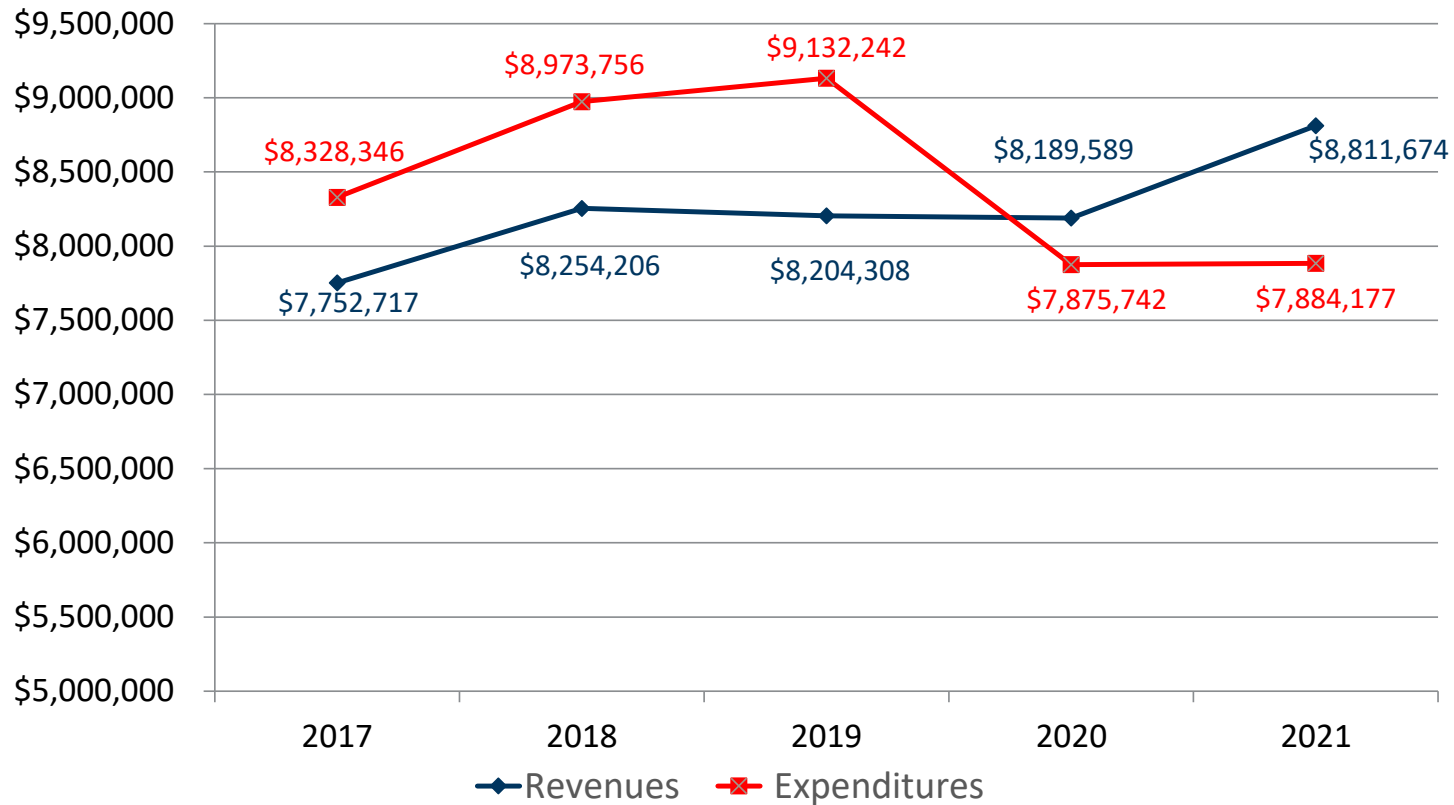
# Community Service Fund Balance



# Current Year Operating Results - Governmental Funds

	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Percent of Budget</u>
<b>GENERAL FUND</b>				
Revenues	\$ 8,807,844	\$ 8,811,674	\$ 3,830	0.04%
Expenditures	<u>8,430,158</u>	<u>7,884,177</u>	<u>(545,981)</u>	-6.48%
Excess (Deficit)	\$ 377,686	\$ 927,497	\$ 549,811	
<b>FOOD SERVICE FUND</b>				
Revenues	\$ 435,805	\$ 439,741	\$ 3,936	0.90%
Expenditures	<u>439,751</u>	<u>407,883</u>	<u>(31,868)</u>	-7.25%
Excess (Deficit)	\$ (3,946)	\$ 31,858	\$ 35,804	
<b>COMMUNITY SERVICE FUND</b>				
Revenues	\$ 330,512	\$ 307,274	\$ (23,238)	-7.03%
Expenditures	<u>472,761</u>	<u>394,178</u>	<u>(78,583)</u>	-16.62%
Excess (Deficit)	\$ (142,249)	\$ (86,904)	\$ 55,345	
<b>DEBT SERVICE FUND</b>				
Revenues	\$ 318,925	\$ 332,907	\$ 13,982	4.38%
Expenditures	<u>327,086</u>	<u>327,086</u>	<u>0</u>	0.00%
Excess (Deficit)	\$ (8,161)	\$ 5,821	\$ 13,982	

# General Fund Revenues and Expenditures



# Governmental Funds Revenues Comparison

	Year Ended June 30,		Change	Percent
	2021	2020		
Local Property Tax Levies	\$ 1,596,366	\$ 1,249,911	\$ 346,455	27.72%
Other Local and County Sources	415,467	333,065	82,402	24.74%
State Sources	6,685,234	6,788,566	(103,332)	-1.52%
Federal Sources	1,100,796	700,629	400,167	57.12%
Insurance Recovery	66,192	32,741	33,451	100.00%
Sales and Other Conversion of Assets	27,541	192,418	(164,877)	-85.69%
<b>Total Revenues</b>	<b>\$ 9,891,596</b>	<b>\$ 9,297,330</b>	<b>\$ 594,266</b>	<b>6.39%</b>



# Expenditures by Object Code Comparison

	Year Ended June 30,		Change	Percent
	2021	2020		
Salary and Wages	\$ 4,378,111	\$ 4,287,826	\$ 90,285	2.11%
Employee Benefits	957,748	985,232	(27,484)	-2.79%
Purchased Services	2,502,709	2,729,560	(226,851)	-8.31%
Supplies and Materials	614,607	506,592	108,015	21.32%
Capital Expenditures	172,094	105,485	66,609	63.15%
Debt Service	327,086	327,618	(532)	-0.16%
Other Expenditures	60,969	52,780	8,189	15.52%
Total Expenditures	<u>\$ 9,013,324</u>	<u>\$ 8,995,093</u>	<u>\$ 18,231</u>	<u>0.20%</u>

## Compliance Section

### **Minnesota Legal Compliance (page 78)**

- In accordance with Audit Guides issued by OSA
  - No noncompliance issues noted

### **Student Activities Compliance (page 79)**

- In accordance with *Manual for Activity Fund Accounting* issues by MDE
  - No noncompliance issues noted

# Compliance Section

## **Government Auditing Standards (pages 80-81)**

- Internal Control
  - Two significant deficiencies noted:
    - Limited Segregation of Duties
    - Auditor Prepared Financial Statements
- Compliance and Other Matters
  - No instances of noncompliance or other matters noted

## **Single Audit (pages 82-83)**

- Internal Control over Compliance
  - No material weaknesses noted
- Compliance
  - No compliance issues noted

# Required Communications

- Accounting Practices
- No Difficulties Encountered
- Corrected and Uncorrected Misstatements
- No Disagreements with Management
- Management Representations
- No Management Consultations with Other Accountants
- Other Audit Findings or Issues

# Management Letter

## **General Recommendations:**

- Credit Card Policy
- Authorized Signors
- Student Activity Funds
- Government Accounting Standards Board Statement No. 87, *Leases*

Questions or Comments?

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