

**MOSCOW CHARTER SCHOOL, INC.**

Moscow, Idaho

**Audited Financial Statements**  
**For the Years Ended June 30, 2015 and 2014**

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# MOSCOW CHARTER SCHOOL, INC.

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Moscow Charter School, Inc.  
Moscow, Idaho 83843

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

We have audited the accompanying financial statements of Moscow Charter School, Inc. (an Idaho non-profit corporation), which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Moscow Charter School, Inc. as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated September 29, 2015, on our consideration of Moscow Charter School, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing standards in considering Moscow Charter School, Inc.'s internal control over financial reporting and compliance.

*Hayden Ross, PLLC*

Moscow, Idaho  
September 29, 2015

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees of  
Moscow Charter School, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Moscow Charter School, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 29, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Moscow Charter School, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Moscow Charter School, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Moscow Charter School, Inc.'s internal control.

*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 for deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financials 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 the section and was not designed to identify all deficiencies in the internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Moscow Charter School, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of your audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, the communication is not suitable for any other purpose.

*Hayden Ross, PLLC*

Moscow, ID  
September 29, 2015



## **FINANCIAL STATEMENTS**



**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2015 and 2014

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
Current Assets		
Cash	46,612	31,950
Investments	371,379	282,308
State support receivable	29,880	42,391
Other receivables	1,326	5,867
Prepaid expenses	6,662	-
Total Current Assets	455,859	362,516
Fixed Assets		
Land and buildings	1,183,834	1,118,146
Fixtures and equipment	111,780	122,783
Construction in progress	-	5,228
Less accumulated depreciation	(452,042)	(418,821)
Net Fixed Assets	843,572	827,336
Other Assets		
Loan fees	29,558	29,558
Less accumulated amortization	(28,082)	(25,126)
Net Other Assets	1,476	4,432
Total Assets	\$ 1,300,907	\$ 1,194,284
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	9,732	7,547
Deferred revenue	1,247	-
Accrued interest payable	633	717
Salaries and benefits payable	43,381	44,155
Current portion of long-term debt	448,856	42,935
Total Current Liabilities	503,849	95,354
Long-term liabilities, less current portion	-	448,621
Net Assets		
Temporarily restricted	-	2,083
Unrestricted	797,058	648,226
Total Net Assets	797,058	650,309
Total Liabilities and Net Assets	\$ 1,300,907	\$ 1,194,284

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

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**STATEMENTS OF ACTIVITIES**  
For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>Revenue, Grants, and Other Support</b>		
Contributions	25,025	33,908
Federal support	44,160	27,877
State support	935,250	733,026
Interest	663	405
Other	<u>62,092</u>	<u>41,722</u>
 Total Revenue, Grants and Other Support	 <u>1,067,190</u>	 <u>836,938</u>
 <b>Expense</b>		
Program (instructional)	539,341	451,577
Administrative (support)	280,303	254,552
Non-instructional	47,950	15,389
Interest on long term debt	16,670	18,958
Depreciation and amortization	<u>36,177</u>	<u>32,510</u>
 Total Expense	 <u>920,441</u>	 <u>772,986</u>
 Change in net assets	 146,749	 63,952
 Net assets - beginning of year	 <u>650,309</u>	 <u>586,357</u>
 Net assets - end of year	 <u>\$ 797,058</u>	 <u>\$ 650,309</u>

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

**STATEMENTS OF CASH FLOWS**  
For the Years Ended June 30, 2015 and 2014

	<b>2015</b>	<b>2014</b>
<b>Cash Flows from Operating Activities</b>		
Cash received from contributors	26,272	33,908
Cash received from state support	947,761	701,523
Cash received from federal support	44,160	27,877
Cash received from interest	663	405
Other cash received	59,971	45,703
Cash paid for interest	(16,754)	(18,241)
Cash paid to suppliers and employees	(866,183)	(710,278)
Net Cash Provided By Operating Activities	195,890	80,897
<b>Cash Flows from Investing Activities</b>		
Cash paid for fixed assets	(49,457)	(19,553)
<b>Cash Flows from Financing Activities</b>		
Payment on long-term debt and fees	(42,700)	(41,211)
<b>Net Increase in Cash</b>	103,733	20,133
<b>Cash and Investments - Beginning of Year</b>	314,258	294,125
<b>Cash and Investments- End of Year</b>	\$ 417,991	\$ 314,258
Reconciliation of Change in Net Assets to Net		
Cash Provided By Operating Activities:		
Change in net assets	146,749	63,952
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	36,177	32,510
Decrease (increase) in state support receivable	12,511	(31,503)
Decrease (increase) in other receivables	4,541	3,981
Decrease (increase) in prepaid expenses	(6,662)	-
Increase (decrease) in interest payable	(84)	717
Increase (decrease) in accounts payable	2,185	3,517
Increase (decrease) in deferred revenue	1,247	-
Increase (decrease) in salaries and benefits payable	(774)	7,723
Net Cash Provided by Operating Activities	\$ 195,890	\$ 80,897

# MOSCOW CHARTER SCHOOL, INC.

## Notes to the Financial Statements

June 30, 2015 and 2014

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### NOTE 1      **Organization**

The Moscow Charter School (the School) is a non-profit state-funded public school. The School serves elementary school aged children (K-8<sup>th</sup>) in the Latah County area. The School was approved in August 1998 by the Moscow Board of Education. The purpose of the school is to create innovative educational curriculums that can be studied and used in public education.

### NOTE 2      **Summary of Significant Accounting Policies**

**Restricted Support** - The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**Basis of Accounting** - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

**Cash** - The School has no requirement to hold cash in separate accounts. All deposits during the year were under the federally insured limit.

**Accounts Receivable** - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

**Income Tax Status** - The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business. The School's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2013, 2014, and 2015 are subject to examination by the IRS, generally for three years after the returns are filed.

**Fixed Assets** - The cost of fixed assets is depreciated over the estimated useful lives of the assets. The School has a capitalization threshold policy of \$1,000. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of fixed assets for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 39 years for

buildings. Depreciation expense for the years ending June 30, 2015 and 2014 was \$33,221 and \$29,554, respectively. The school had loan fees of \$29,558 with an amortization expense for the years ending June 30, 2015 and 2014 of \$2,956 and \$2,956, respectively.

**Use of Estimates** - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

**Statement of Cash Flows** - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

**Reports Required by the State** - The income statements required by the State included in the supplemental information report the unrestricted activity. The General Fund accounts for activities for general operations. The Special Revenue Funds account for the activities from the grants the School received. The School Plant Facility Fund accounts for activities related to the building facilities used by the School.

**Subsequent Events** - Subsequent events have been evaluated through the date of the auditor's report. This is the date the financial statements were available to be issued. The School has determined that no subsequent events have occurred.

**NOTE 3 Investments**

The School has an account with the Local Government Investment Pool sponsored by the Idaho Legislature. The School carries the balance at fair market value, which also represents cost. The investment account is subject to market risk and is uninsured. At June 30, 2015 and 2014, the balance was \$371,379 and \$282,308, respectively.

**NOTE 4 Long-Term Debt**

Long-term debt for the School as of June 30, 2015 and 2014 consists of the following:

	<u>2015</u>	<u>2014</u>
US Bank loan secured by land and building, payable at \$4,954.56 per month including interest at 3.5%. Interest rate will remain at 3.5% until December 15, 2015, when the loan will mature.	448,856	491,556
Less Current Portion	<u>(448,856)</u>	<u>(42,935)</u>
Net Long-term Debt	<u>\$ -</u>	<u>\$448,621</u>

The school's commercial loan with U.S. Bank requires a balloon payment in December of 2015 to pay off the loan. The school is in the process of refinancing the loan with U.S. Bank for a time period of five years or more.

**NOTE 5 Minimum Future Rental Payments**

Minimum future rental payments under a noncancelable operation lease have remaining terms within one year of June 30, 2015, for the next year:

Future debt service is as follows:

<b>Fiscal Year-End June 30,</b>	
2016	<u>13,800</u>
Total minimum future rental payments	<u>\$13,800</u>

**NOTE 6 Major Funding Source**

The School received a majority of its revenue from the Idaho Department of Education.

	<b><u>2015</u></b>	<b><u>% of Total Revenue</u></b>
Idaho Department of Education	\$935,250	87.6%
	<b><u>2014</u></b>	<b><u>% of Total Revenue</u></b>
Idaho Department of Education	\$733,026	87.6%

**NOTE 7 Employee's Retirement System**

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months.

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2015, the required contribution rate as a percentage of covered payroll for members was 6.79%. The employer rate as a percentage of covered payroll was 11.32%. The School's contributions required and paid were \$51,595, \$43,814, and \$41,830, for the three years ended June 30, 2015, 2014, and 2013, respectively.

PERSI is subject to pronouncement issued by the Governmental Accounting Standards Board (GASB) and was required to implement GASB 67, *Financial Reporting for Pension Plan-an amendment of GASB Statement No. 25*, effective as of June 30, 2014. The statement established standards and specified the required approach for measuring the pension liability of contributing entities for benefits provided through the pension plan (the net pension liability). As of June 30, 2014, the most recent available audited financial statement of PERSI at the time of issuance, the Plan was reported to be 94.95% funded. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2014 the District's proportion was 0.000142869 percent and the estimated net pension liability was \$105,174.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website [www.persi.idaho.gov](http://www.persi.idaho.gov).

## **NOTE 8      Temporarily Restricted Net Assets**

The Idaho State Legislature requires all school districts and charter schools in the State of Idaho to spend a certain amount of funds on capital outlay and maintenance on student-occupied buildings each year with any unspent amounts required to be held aside for future spending. In 2015, the School was required to spend \$11,882 in expenses relating to student-occupied buildings. The School spent \$15,087. As of June 30, 2014 and 2015, the cumulative total of unspent amounts is \$2,083 and zero, respectively. The temporarily restricted net assets are for future capital outlay and repairs and maintenance on student-occupied buildings.



## **ADDITIONAL INFORMATION**



**INDEPENDENT AUDITOR'S REPORT ON  
ADDITIONAL INFORMATION**

To the Board of Directors  
Moscow Charter School, Inc.  
Moscow, Idaho 83843

We have audited the financial statements of Moscow Charter School, Inc. as of and for the years ended June 30, 2015 and 2014, and have issued our report thereon dated September 29, 2015, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The additional information presented on pages 13 through 21 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financials or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hayden Ross, PLLC*

Moscow, Idaho  
September 29, 2015

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

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**SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE**  
For the Year Ended June 30, 2015

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non- Instructional</u>	<u>Total</u>
Salaries	392,366	122,785	12,400	527,551
Benefits	118,447	27,072	1,960	147,479
Purchased services	14,418	102,597	25,576	142,591
Supplies-materials	14,110	21,253	8,014	43,377
Insurance	-	6,596	-	6,596
Interest	-	-	16,670	16,670
Depreciation and amortization	-	-	36,177	36,177
Total Expense	<u>\$ 539,341</u>	<u>\$ 280,303</u>	<u>\$ 100,797</u>	<u>\$ 920,441</u>

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

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**SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE**  
For the Year Ended June 30, 2014

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non- Instructional</u>	<u>Total</u>
Salaries	333,089	106,840	5,789	445,718
Benefits	98,168	22,467	443	121,078
Purchased services	12,499	106,301	4,507	123,307
Supplies-materials	7,786	12,014	3,547	23,347
Capital objects	35	-	1,103	1,138
Insurance	-	5,966	-	5,966
Fundraising	-	964	-	964
Interest	-	-	18,958	18,958
Depreciation and amortization	-	-	32,510	32,510
Total Expense	<u>\$ 451,577</u>	<u>\$ 254,552</u>	<u>\$ 66,857</u>	<u>\$ 772,986</u>

**MOSCOW CHARTER SCHOOL, INC.**  
 Moscow, Idaho

**SCHEDULE II - BALANCE SHEET**  
 June 30, 2015

	General	Special Revenue	Totals
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash	46,612	-	46,612
Investments	371,379	-	371,379
State support program receivable	29,880	-	29,880
Other receivables	1,326	-	1,326
Prepaid expenses	6,662	-	6,662
Total assets	455,859	-	455,859
Deferred outflows of resources	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 455,859</b>	<b>\$ -</b>	<b>\$ 455,859</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts payable	9,732	-	9,732
Accrued payroll and benefits	43,381	-	43,381
Accrued interest payable	633	-	633
Total liabilities	53,746	-	53,746
Deferred inflows of resources:	1,247	-	1,247
Fund Balance			
Unrestricted	400,866	-	400,866
Total fund balance	400,866	-	400,866
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 455,859</b>	<b>\$ -</b>	<b>\$ 455,859</b>

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

**GENERAL FUND**  
**SCHEDULE III - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Earnings on Investments	663	200	463
Contributions/donations	25,025	30,000	(4,975)
Other	51,362	35,000	16,362
Total local	<u>77,050</u>	<u>65,200</u>	<u>11,850</u>
State:			
Base support	752,560	701,328	51,232
Benefit support	90,840	80,608	10,232
Lottery	6,400	7,139	(739)
Other state support	71,220	52,044	19,176
Total state	<u>921,020</u>	<u>841,119</u>	<u>79,901</u>
Total revenues	<u>998,070</u>	<u>906,319</u>	<u>91,751</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	368,604	342,488	(26,116)
Benefits	118,447	116,862	(1,585)
Purchased services	14,418	29,400	14,982
Supplies-materials	14,110	18,500	4,390
Capital objects	6,075	5,500	(575)
Total instruction	<u>521,654</u>	<u>512,750</u>	<u>(8,904)</u>
Support:			
Salaries	116,415	112,925	(3,490)
Benefits	27,072	26,930	(142)
Purchased services	102,597	118,290	15,693
Supplies-materials	16,325	21,500	5,175
Capital objects	4,478	-	(4,478)
Insurance	6,596	8,000	1,404
Total support	<u>273,483</u>	<u>287,645</u>	<u>14,162</u>
Non-instruction:			
Salaries	6,197	-	(6,197)
Benefits	1,238	-	(1,238)
Purchased services	1,373	5,000	3,627
Supplies-materials	8,014	2,850	(5,164)
Total non-instruction	<u>16,822</u>	<u>7,850</u>	<u>(8,972)</u>
Capital objects	<u>-</u>	<u>33,521</u>	<u>33,521</u>
Contingency reserve	<u>-</u>	<u>4,098</u>	<u>4,098</u>
Total expenditures	<u>811,959</u>	<u>845,864</u>	<u>33,905</u>
Excess (deficiency) of revenues over (under) expenditures	<u>186,111</u>	<u>60,455</u>	<u>125,656</u>
Other financing uses:			
Transfer out	<u>(95,342)</u>	<u>(60,455)</u>	<u>(34,887)</u>
Change in fund balance	90,769	\$ -	\$ 90,769
Fund balance - beginning of year	<u>310,097</u>		
Fund balance - end of year	400,866		
Adjustments to conform with GAAP:			
Capitalize capital objects	83,661		
Accumulated depreciation	<u>(70,928)</u>		
Net Assets - End of year (GAAP)	<u>\$ 413,599</u>		

**MOSCOW CHARTER SCHOOL, INC.**

Moscow, Idaho

**SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**

**GENERAL FUND**

**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<b>Variance Favorable (Unfavorable)</b>
<b>INSTRUCTION:</b>			
Elementary School Program			
Salaries	275,247	252,531	(22,716)
Benefits	76,190	75,942	(248)
Purchased services	13,835	25,200	11,365
Supplies-materials	6,925	10,000	3,075
Total Elementary School Program	<u>372,197</u>	<u>363,673</u>	<u>(8,524)</u>
Secondary School Program			
Salaries	72,076	69,954	(2,122)
Benefits	26,522	26,363	(159)
Purchased services	308	1,500	1,192
Supplies-materials	6,183	6,000	(183)
Capital objects	6,000	5,500	(500)
Total Secondary School Program	<u>111,089</u>	<u>109,317</u>	<u>(1,772)</u>
Special Education Program			
Salaries	19,565	18,287	(1,278)
Benefits	15,086	13,908	(1,178)
Purchased services	-	2,200	2,200
Supplies-materials	1,002	2,000	998
Capital objects	75	-	(75)
Total Special Education Program	<u>35,728</u>	<u>36,395</u>	<u>667</u>
Gifted & Talented Program			
Salaries	1,716	1,716	-
Benefits	649	649	-
Supplies-materials	-	500	500
Total Gifted & Talented Program	<u>2,365</u>	<u>2,865</u>	<u>500</u>
Interscholastic Program			
Purchased services	275	500	225
<b>TOTAL INSTRUCTION:</b>			
Salaries	368,604	342,488	(26,116)
Benefits	118,447	116,862	(1,585)
Purchased services	14,418	29,400	14,982
Supplies-materials	14,110	18,500	4,390
Capital objects	6,075	5,500	(575)
Total Instruction	<u>\$ 521,654</u>	<u>\$ 512,750</u>	<u>\$ (8,904)</u>

**MOSCOW CHARTER SCHOOL, INC.**

Moscow, Idaho

**GENERAL FUND**  
**SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>SUPPORT:</b>			
Attendance-Guidance-Health Program			
Salaries	8,480	-	(8,480)
Benefits	649	-	(649)
Purchased services	980	2,500	1,520
Total Attendance-Guidance-Health Program	<u>10,109</u>	<u>2,500</u>	<u>(7,609)</u>
Special Education Support Services Program			
Purchased services	<u>5,443</u>	<u>4,790</u>	<u>(653)</u>
Instruction Improvement Program			
Salaries	2,765	-	(2,765)
Benefits	221	-	(221)
Purchased services	7,415	5,000	(2,415)
Supplies-materials	-	5,000	5,000
Total Instruction Improvement Program	<u>10,401</u>	<u>10,000</u>	<u>(401)</u>
Instruction-Related Technology Program			
Salaries	9,000	9,000	-
Benefits	671	1,790	1,119
Purchased services	769	2,000	1,231
Supplies-materials	3,449	5,000	1,551
Total Instruction-Related Technology Program	<u>13,889</u>	<u>17,790</u>	<u>3,901</u>
District Administration Program			
Purchased Services	<u>-</u>	<u>4,000</u>	<u>4,000</u>
School Administration Program			
Salaries	55,075	55,000	(75)
Benefits	17,463	17,397	(66)
Total School Administration Program	<u>72,538</u>	<u>72,397</u>	<u>(141)</u>
Business Operation Program			
Salaries	40,127	39,720	(407)
Benefits	7,507	5,581	(1,926)
Purchased services	18,873	18,000	(873)
Supplies-materials	6,522	6,000	(522)
Capital objects	1,260	-	(1,260)
Total Business Operation Program	<u>74,289</u>	<u>69,301</u>	<u>(4,988)</u>
Administrative Technology Services Program			
Salaries	968	2,899	1,931
Benefits	561	1,790	1,229
Purchased services	160	500	340
Supplies-materials	718	500	(218)
Total Administrative Technology Services Program	<u>2,407</u>	<u>5,689</u>	<u>3,282</u>



MOSCOW CHARTER SCHOOL, INC.

Moscow, Idaho

GENERAL FUND  
 SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)  
 For the Year Ended June 30, 2015

	Actual	Budget	Variance Favorable (Unfavorable)
Building Care Program (Custodial)			
Purchased services	43,737	47,500	3,763
Supplies-materials	3,294	1,000	(2,294)
Insurance	6,596	8,000	1,404
Total Building Care Program (Custodial)	53,627	56,500	2,873
Maintenance - Non-Student Occupied			
Purchased services	3,252	3,000	(252)
Maintenance - Student Occupied			
Purchased services	8,066	10,000	1,934
Supplies-materials	871	2,000	1,129
Capital objects	3,218	-	(3,218)
Total Maintenance - Student Occupied	12,155	12,000	(155)
Maintenance - Grounds			
Purchased services	1,394	8,000	6,606
Supplies-materials	1,299	2,000	701
Total Maintenance - Grounds	2,693	10,000	7,307
Security program			
Purchased services	315	1,500	1,185
Supplies-materials	172	-	(172)
Total security program	487	1,500	1,013
Pupil - To School Trans. Program			
Purchased services	11,281	10,500	(781)
Pupil Activity Trans. Program			
Purchased services	912	1,000	88
Other Support Services Program			
Salaries	-	6,306	6,306
Benefits	-	372	372
Total Other Support Services Program	-	6,678	6,678
<b>TOTAL SUPPORT:</b>			
Salaries	116,415	112,925	(3,490)
Benefits	27,072	26,930	(142)
Purchased services	102,597	118,290	15,693
Supplies-materials	16,325	21,500	5,175
Capital objects	4,478	-	(4,478)
Insurance	6,596	8,000	1,404
Total Support	\$ 273,483	\$ 287,645	\$ 14,162
<b>NON-INSTRUCTION:</b>			
Child Nutrition Program			
Purchased services	1,373	5,000	3,627
Supplies-materials	467	350	(117)
Total Child Nutrition Program	1,840	5,350	3,510
Community services			
Salaries	6,197	-	(6,197)
Benefits	1,238	-	(1,238)
Supplies-materials	7,547	2,500	(5,047)
Total community services	14,982	2,500	(12,482)
<b>NON-INSTRUCTION:</b>			
Salaries	6,197	-	(6,197)
Benefits	1,238	-	(1,238)
Purchased services	1,373	5,000	3,627
Supplies-materials	8,014	2,850	(5,164)
Total Non-Instruction	\$ 16,822	\$ 7,850	\$ (8,972)

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

**SPECIAL REVENUE FUNDS**  
**SCHEDULE V - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the Year Ended June 30, 2015**

	<u>Technology State</u>	<u>Substance Abuse</u>	<u>IDEA Part B School Age</u>	<u>Child Nutrition</u>	<u>Charter School Grant</u>	<u>Total</u>
<b>REVENUES</b>						
Local:						
Lunch sales	-	-	-	10,730	-	10,730
State:						
Other state support	11,298	2,932	-	-	-	14,230
Federal:						
Restricted	-	-	23,762	20,398	-	44,160
Total revenues	11,298	2,932	23,762	31,128	-	69,120
<b>EXPENDITURES</b>						
Instruction:						
Salaries	-	-	23,762	-	-	23,762
Support:						
Salaries	6,370	-	-	-	-	6,370
Supplies-materials	4,928	-	-	-	-	4,928
Capital objects	-	2,932	-	-	-	2,932
Total support	11,298	2,932	-	-	-	14,230
Non-instruction:						
Salaries	-	-	-	6,203	-	6,203
Benefits	-	-	-	722	-	722
Purchased services	-	-	-	24,203	-	24,203
Total non-instruction	-	-	-	31,128	-	31,128
Total expenditures	11,298	2,932	23,762	31,128	-	69,120
Change in fund balance	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	-	-	-	-	-	-
Adjustments to conform with GAAP:						
Capitalize capital objects	-	-	-	-	28,119	28,119
Accumulated depreciation	-	-	-	-	(24,992)	(24,992)
Net Assets - End of year (GAAP)	\$ -	\$ -	\$ -	\$ -	\$ 3,127	\$ 3,127

**MOSCOW CHARTER SCHOOL, INC.**  
**Moscow, Idaho**

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**SCHEDULE VI - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL  
STATE TECHNOLOGY FUND**

	<b>Actual</b>	<b>Budget</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>			
State:			
Other state support	11,298	4,601	6,697
Total revenues	11,298	4,601	6,697
<b>EXPENDITURES</b>			
Support:			
Salaries	6,370	4,601	(1,769)
Supplies-materials	4,928	-	(4,928)
Total support	11,298	4,601	(6,697)
Total expenditures	11,298	4,601	(6,697)
Change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

**MOSCOW CHARTER SCHOOL, INC.**  
Moscow, Idaho

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**SCHEDULE VII - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**SUBSTANCE ABUSE**  
**For the Year Ended June 30, 2015**

**REVENUES**

State:

Other support 2,932

Total revenues 2,932

**EXPENDITURES**

Support:

Capital objects 2,932

Total expenditures 2,932

Change in fund balance -

Fund balance - beginning of year -

Fund balance - end of year \$ -

**MOSCOW CHARTER SCHOOL, INC.**  
**Moscow, Idaho**

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**SCHEDULE VIII - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL  
IDEA PART B SCHOOL AGE FUND  
For the Year Ended June 30, 2015**

	<b>Actual</b>	<b>Budget</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>			
Federal:			
Restricted	23,762	22,000	1,762
Total revenues	23,762	22,000	1,762
<b>EXPENDITURES</b>			
Instruction:			
Salaries	23,762	22,000	(1,762)
Total expenditures	23,762	22,000	(1,762)
Change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

**MOSCOW CHARTER SCHOOL, INC.**

Moscow, Idaho

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**SCHEDULE IX - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL**  
**CHILD NUTRITION FUND**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Lunch sales	<u>10,730</u>	<u>7,000</u>	<u>3,730</u>
Federal:			
Restricted	<u>20,398</u>	<u>12,500</u>	<u>7,898</u>
Total revenues	<u>31,128</u>	<u>19,500</u>	<u>11,628</u>
<b>EXPENDITURES</b>			
Non-instruction:			
Salaries	6,203	7,500	1,297
Benefits	722	465	(257)
Purchased services	<u>24,203</u>	<u>11,535</u>	<u>(12,668)</u>
Total non-instruction	<u>31,128</u>	<u>19,500</u>	<u>(11,628)</u>
Total expenditures	31,128	19,500	(11,628)
Change in fund balance	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MOSCOW CHARTER SCHOOL, INC.**  
**Moscow, Idaho**

**SCHEDULE X - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 PLANT FACILITY FUND  
 For the Year Ended June 30, 2015**

	Actual	Budget	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Capital objects	35,972	-	35,972
Debt service principal	42,700	38,364	4,336
Debt service interest	16,670	22,091	(5,421)
Total expenditures	95,342	60,455	(34,887)
Excess (deficiency) of revenues over expenditures	(95,342)	(60,455)	34,887
Other financing sources:			
Transfer in	95,342	60,455	34,887
Change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	-	\$ -	\$ -
Adjustments to conform with GAAP:			
Capitalize capital objects	1,183,834		
Capitalize loan fees	29,558		
Loan proceeds	(752,000)		
Principal payments	303,144		
Amortization expense	(28,082)		
Accumulated depreciation	(356,122)		
Net Assets - End of year (GAAP)	\$ 380,332		