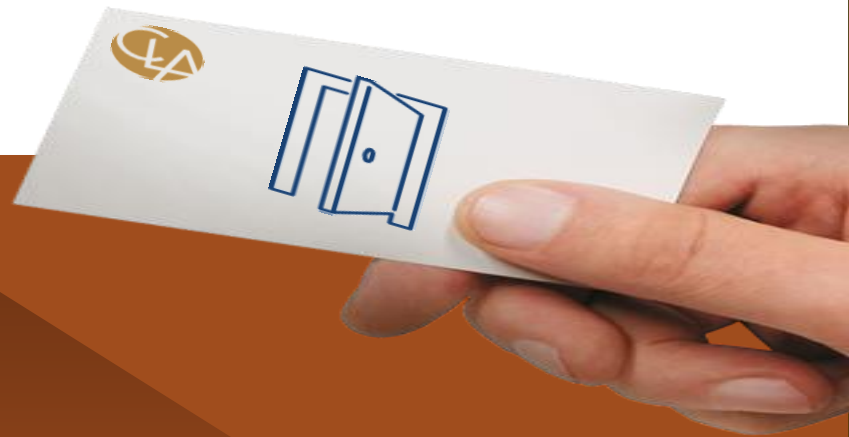


Executive Audit Summary for Burnsville–Eagan–Savage Public Schools (ISD #191)

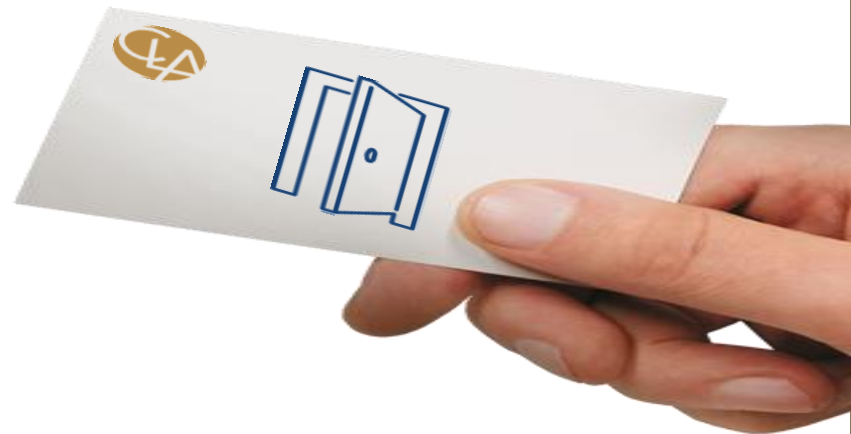


Presented by:
CliftonLarsonAllen

Dennis Hoogeveen, Principal

Audit Results Year Ended 6/30/19

- Audit Opinion – The financial statements are fairly stated. We issued what is known as a “clean” or “unmodified” audit report.
- Yellow Book Compliance – No compliance issues were noted in our review of laws, regulations, contracts and grants that could have significant financial implications to the District.
- Internal Controls – One “material weakness” in internal control over financial reporting was reported.



Audit Results Year Ended 6/30/19 (continued)

- Single Audit – The District complied with all requirements of the major federal program tested (Child Nutrition Cluster). There were two findings reported as significant deficiencies in regard to the requirements for the major federal program tested. One dealt with verification testing and one dealt with suspension and debarment documentation.
- Legal Compliance – Two compliance issues were reported with respect to Minnesota Statutes. One related to the prompt payment of bills and the other related to unclaimed property requirements.
- Student Activity Audit – Two findings were reported
 - Inactive student activity accounts were again noted
 - The standard finding that all districts have for cash collections



Audited Fund Balances – General Fund

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2019 (UFARS basis)

FUND DESCRIPTION	6/30/2018 AUDITED BALANCE	2018-19 AUDITED REVENUES	2018-19 AUDITED EXPENDITURES	2018-19 APPROVED TRANSFER	6/30/2019 AUDITED BALANCE
GENERAL FUND					
A. UNASSIGNED	\$10,024,458	\$101,118,275	\$100,063,665	(\$3,340,416)	\$7,738,652
B. NONSPENDABLE FOR PREPAIDS	\$374,535	\$94,857			\$469,392
B. NONSPENDABLE	\$374,535	\$94,857	\$0	\$0	\$469,392
C. COMMITTED FOR					
PROGRAM CARRYOVER - NONCAPITAL	\$748,055	\$52,600			\$800,655
PROGRAM CARRYOVER - FACILITIES RENTAL	\$243,297	\$187,213	\$73,980		\$356,530
PRO PAY PROGRAM	\$266,452	\$2,345,133	\$2,218,576		\$393,009
C. COMMITTED	\$1,257,804	\$2,584,946	\$2,292,556	\$0	\$1,550,194
D. RESTRICTED FOR					
GIFTED AND TALENTED	\$0	\$123,064	\$738,452	\$615,388	\$0
CAREER AND TECH PROGRAM	\$0	\$229,733	\$1,193,082	\$963,349	\$0
LEARNING AND DEVELOPMENT	\$0	\$1,896,905	\$2,193,459	\$296,554	\$0
BASIC SKILLS	\$0	\$9,535,528	\$9,535,528		\$0
BASIC SKILLS EXTENDED TIME	\$0	\$300,248	\$300,248		\$0
STAFF DEVELOPMENT	\$0	\$1,195,046	\$2,541,060	\$1,346,014	\$0
AREA LEARNING CENTER	\$1,114,367	\$3,643,277	\$2,195,674		\$2,561,970
ACHIEVEMENT & INTEGRATION	\$0	\$1,947,245	\$2,051,622	\$104,377	\$0
SAFE SCHOOLS	\$0	\$448,043	\$448,043		\$0
MEDICAL ASSISTANCE	\$0	\$383,802	\$383,802		\$0
LONG-TERM FACILITIES MAINTENANCE (LTFM)	\$0	\$2,521,307	\$2,842,884		(\$321,577)
OPERATING CAPITAL	\$2,716,214	\$2,857,655	\$2,578,001		\$2,995,868
HEALTH & SAFETY	(\$14,734)			\$14,734	\$0
TECHNOLOGY LEVY	\$342,560	\$2,665,552	\$2,718,212		\$289,900
D. RESTRICTED	\$4,158,407	\$27,747,405	\$29,720,067	\$3,340,416	\$5,526,161
BUDGET		\$130,590,440	\$132,964,827		\$13,440,817
TOTAL GENERAL FUND	\$15,815,204	\$131,545,483	\$132,076,288	\$0	\$15,284,399
DIFFERENCE		\$955,043	(\$888,539)		\$1,843,582
% VARIANCE		0.73%	-0.67%		

Audited Fund Balances – Other Funds (continued)

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2019 (UFARS basis)

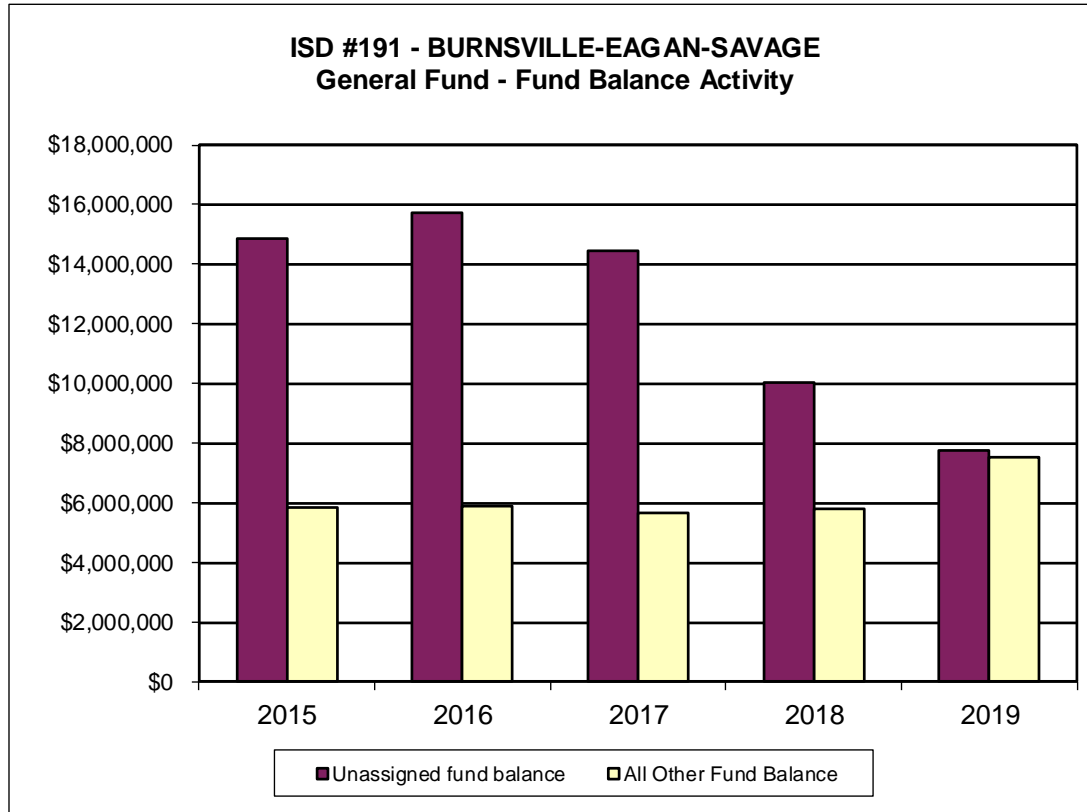
FUND DESCRIPTION	6/30/2018 AUDITED BALANCE	2018-19 AUDITED REVENUES	2018-19 AUDITED EXPENDITURES	2018-19 APPROVED TRANSFER	6/30/2019 AUDITED BALANCE
FOOD SERVICE					
NONSPENDABLE FOR INVENTORY	\$189,270		\$64,013		\$125,257
RESTRICTED FOR FOOD SERVICE	\$1,047,072	\$5,712,325	\$5,870,476		\$888,921
BUDGET		\$6,029,182	\$6,302,473		\$963,051
TOTAL FOOD SERVICE	\$1,236,342	\$5,712,325	\$5,934,489	\$0	\$1,014,178
DIFFERENCE		(\$316,857)	(\$367,984)		\$51,127
% VARIANCE		-5.26%	-5.84%		
COMMUNITY EDUCATION					
NONSPENDABLE FOR PREPAIDS	\$1,347	\$1	\$0	\$0	\$1,348
A. RESTRICTED FOR					
REGULAR COMMUNITY ED	(\$144,517)	\$5,534,334	\$5,311,489	(\$103,054)	(\$24,726)
EARLY CHILDHOOD FAMILY ED	\$55,133	\$526,493	\$581,626		\$0
SCHOOL READINESS	\$496,145	\$420,948	\$573,873		\$343,220
ADULT BASIC EDUCATION	\$0	\$595,368	\$677,220	\$81,852	\$0
OTHER PURPOSES	\$0	\$169,203	\$190,405	\$21,202	\$0
BUDGET		\$6,835,013	\$6,931,977		\$311,144
TOTAL COMMUNITY EDUCATION	\$408,108	\$7,246,347	\$7,334,613	\$0	\$319,842
DIFFERENCE		\$411,334	\$402,636	\$0	\$8,698
% VARIANCE		6.02%	5.81%		
CAPITAL PROJECTS FUND					
A. RESTRICTED FOR					
BUILDING CONSTRUCTION	\$3,243,659	\$56,801	\$796,083		\$2,504,377
LTFM (PREV ALT FACIL PROG)	\$510,737	\$3,653	\$217,954		\$296,436
BUDGET		\$10,000	\$2,000,000		\$1,764,396
TOTAL CAPITAL PROJECTS	\$3,754,396	\$60,454	\$1,014,037	\$0	\$2,800,813
DIFFERENCE		\$50,454	(\$985,963)		\$1,036,417
% VARIANCE		504.54%	-49.30%		

Audited Fund Balances – Other Funds

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2019 (UFARS basis)

FUND DESCRIPTION	6/30/2018 AUDITED BALANCE	2018-19 AUDITED REVENUES	2018-19 AUDITED EXPENDITURES	2018-19 APPROVED TRANSFER	6/30/2019 AUDITED BALANCE
DEBT SERVICE					
NONSPENDABLE FOR PREPAIDS	\$0	\$2,325,779	\$0		\$2,325,779
A. RESTRICTED FOR					
OPERATING	\$2,800,285	\$7,802,502	\$9,699,698		\$903,089
OPEB BOND DEBT SERVICE	\$361,705	\$1,278,873	\$1,404,475		\$236,103
BUDGET		\$10,673,007	\$11,101,798		\$2,733,199
TOTAL DEBT SERVICE	\$3,161,990	\$11,407,154	\$11,104,173	\$0	\$3,464,971
DIFFERENCE		\$734,147	\$2,375		\$731,772
% VARIANCE		6.88%	0.02%		
INTERNAL SERVICE FUNDS					
DENTAL SELF-INSURANCE	\$186,894	\$953,736	\$888,993		\$251,637
HEALTH BENEFITS SELF-INSURANCE	\$7,077,308	\$21,688,530	\$20,668,436		\$8,097,402
SEVERANCE BENEFITS	\$2,551,544	\$347,337	\$248,761		\$2,650,120
OTHER POST-EMPLOYMENT BENEFITS	\$12,771,579	\$568,939	\$1,174,779		\$12,165,739
TOTAL INTERNAL SERVICE FUNDS	\$22,587,325	\$23,558,542	\$22,980,969	\$0	\$23,164,898
TRUST FUNDS					
EMPLOYEE BENEFITS TRUST FUND	\$124,426	\$887,456	\$913,509		\$98,373
PRIVATE-PURPOSE TRUST FUND	\$90,388	\$95,302	\$53,616		\$132,074
TOTAL TRUST FUNDS	\$214,814	\$982,758	\$967,125	\$0	\$230,447

General Fund – Fund Balance Activity

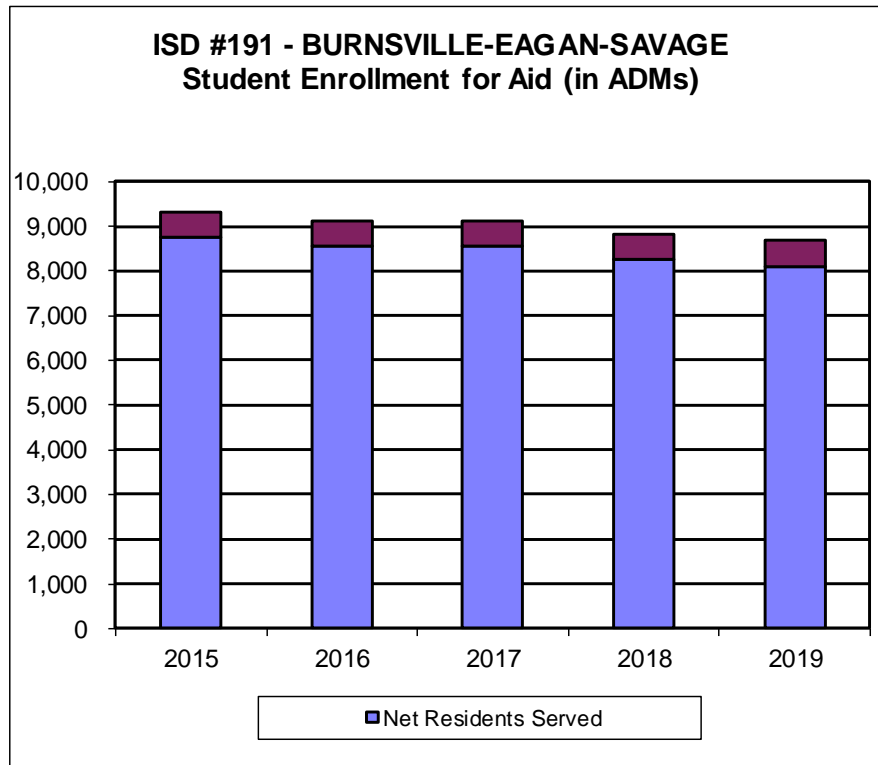


<u>UFARS Basis</u>	2015	2016	2017	2018	2019
Unassigned Fund Balance	\$ 14,849,613	\$ 15,748,008	\$ 14,467,081	\$ 10,024,458	\$ 7,738,652
All Other Fund Balance	5,828,253	5,881,689	5,649,650	5,790,746	7,545,747
Total Fund Balance	\$ 20,677,866	\$ 21,629,697	\$ 20,116,731	\$ 15,815,204	\$ 15,284,399
Total Expenditures	\$ 120,386,631	\$ 120,269,787	\$ 126,130,083	\$ 130,123,536	\$ 132,076,288
Unassigned Fund Balance as a % of Total Expenditures	12.33%	13.09%	11.47%	7.70%	5.86%

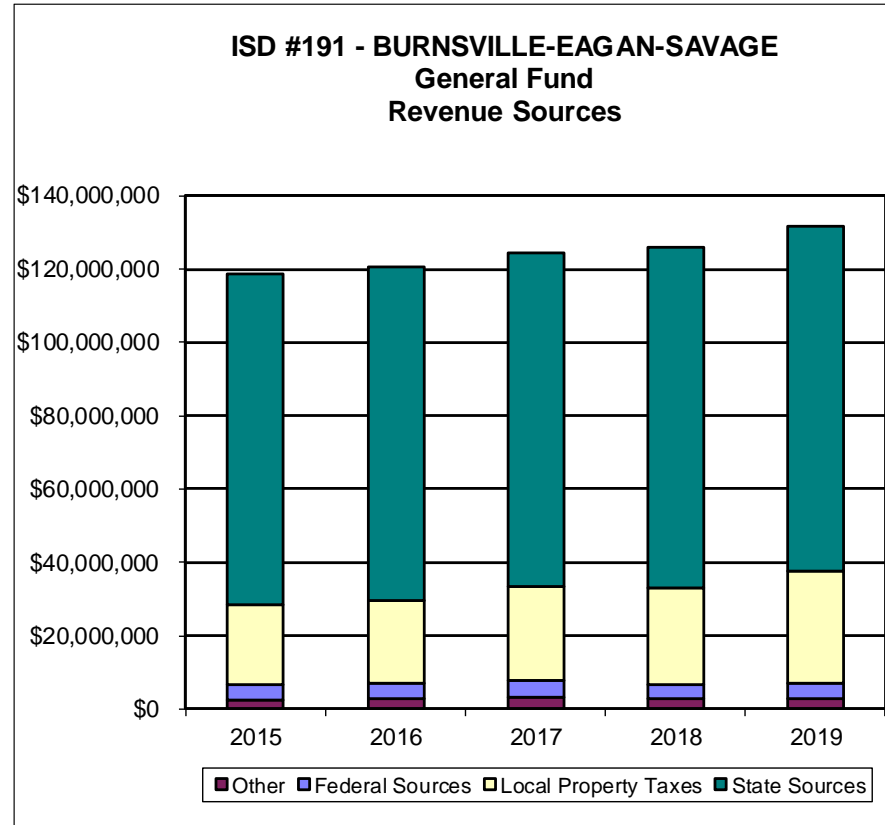
Student Enrollment – Open Enrollment

	2015	2016	2017	2018	2019
Total Residents	10,645.10	10,652.86	10,708.91	10,548.77	10,635.48
Open Enrollment Out *	(1,892.48)	(2,092.06)	(2,169.47)	(2,281.84)	(2,536.98)
Net Residents Served	8,752.62	8,560.80	8,539.44	8,266.93	8,098.50
Open Enrollment In	558.65	560.01	569.96	565.59	574.10
Net ADM Served	9,311.27	9,120.81	9,109.40	8,832.52	8,672.60
Net Pupil Units Served	10,135.75	9,932.59	9,931.97	9,634.79	9,467.74

* - includes enrolled in charter schools



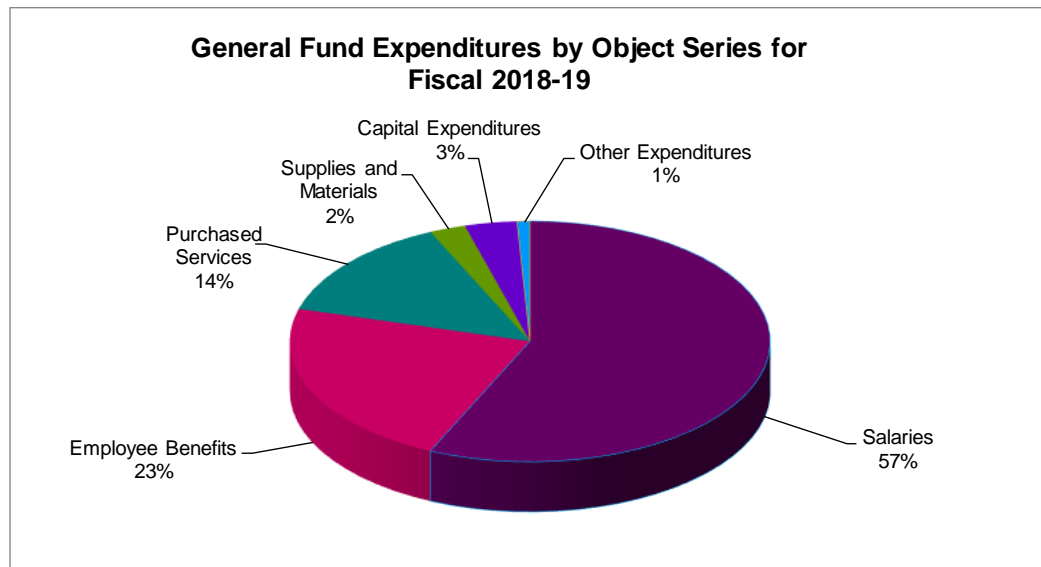
General Fund – Revenue Sources



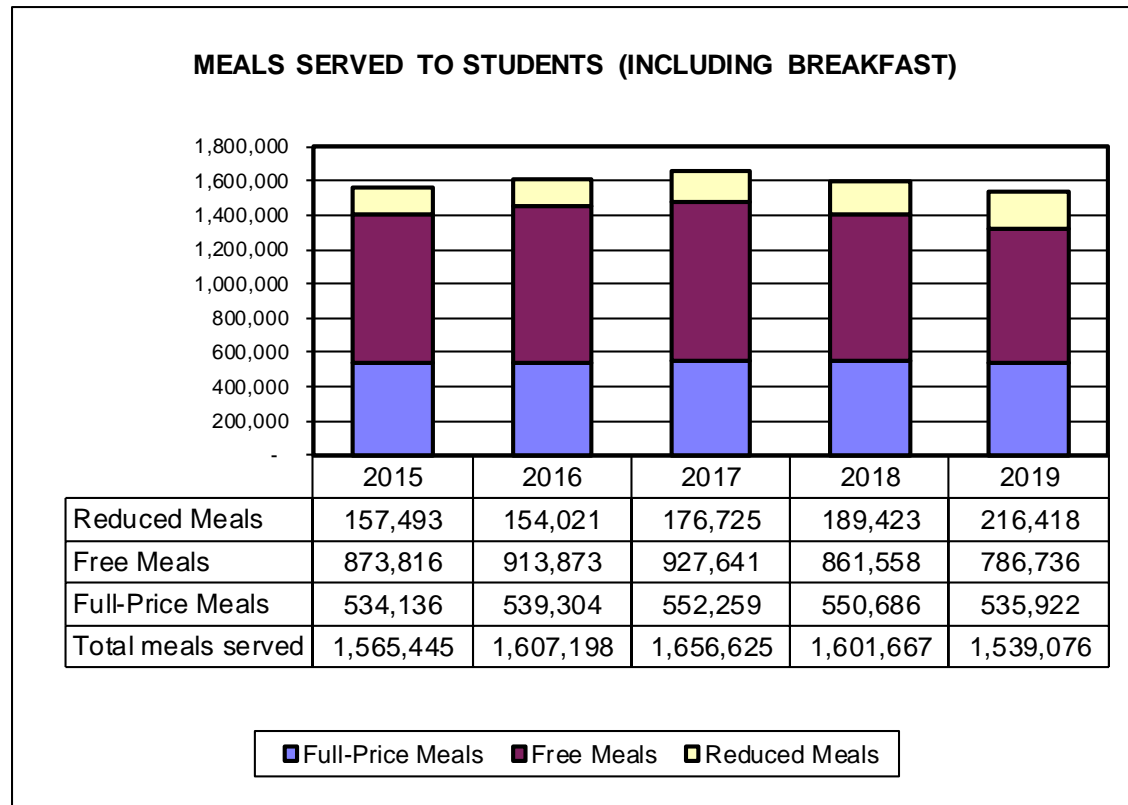
	2015	2016	2017	2018	2019
Local Property Taxes	\$ 21,933,388	\$ 22,874,885	\$ 25,663,259	\$ 26,115,688	\$ 30,501,788
State Sources	90,062,883	90,837,480	90,931,906	92,932,943	94,084,001
Federal Sources	4,200,632	4,170,967	4,763,107	4,008,431	4,154,299
Other	2,398,540	2,659,840	3,044,658	2,724,031	2,799,031
Total Revenues	\$ 118,595,443	\$ 120,543,172	\$ 124,402,930	\$ 125,781,093	\$ 131,539,119

General Fund – Expenditures by Object

	2019				2018	2017
	Final		Over	Var		
	Amended		(Under)			
	Budget	Actual	Budget	%	Actual	Actual
Salaries	\$ 77,728,825	\$ 75,009,494	\$ (2,719,331)	(3.50)%	74,097,361	\$ 72,382,263
Employee Benefits	29,892,854	29,783,336	(109,518)	(0.37)	29,360,147	28,054,305
Purchased Services	17,662,407	18,286,055	623,648	3.53	17,854,686	17,017,572
Supplies and Materials	2,778,917	3,212,980	434,063	15.62	3,636,499	4,007,841
Capital Expenditures	3,818,044	4,643,582	825,538	21.62	3,796,740	3,338,715
Other Expenditures	1,083,780	1,140,841	57,061	5.26	1,378,103	1,329,387
Total Expenditures	\$ 132,964,827	\$ 132,076,288	\$ (888,539)	(0.67)%	130,123,536	\$ 126,130,083



Food Service Fund – Meals Served



Percentage of Total Meals Served

by Type (including Breakfast):

Full Price Meals	34.1 %	33.6 %	33.3 %	34.4 %	34.8 %
Reduced Price Meals	10.1	9.6	10.7	11.8	14.1
Free Meals	55.8	56.9	56.0	53.8	51.1
Total	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

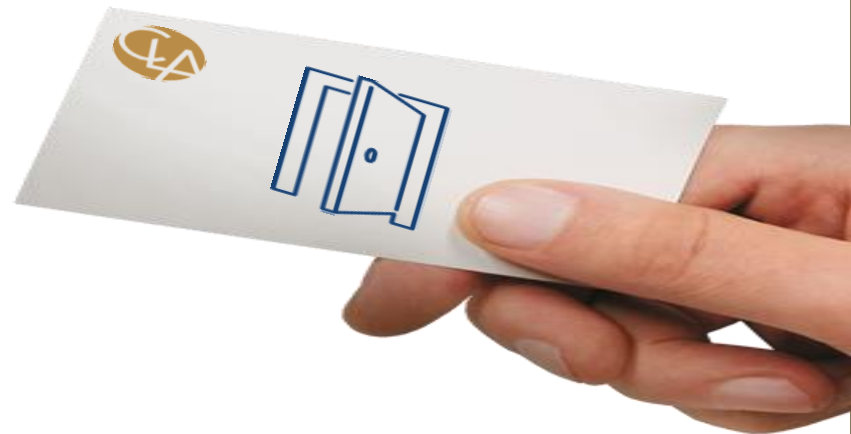
Expenditures per ADM - Comparison

Expenditures Per Student (ADM) Served						
	Statewide			ISD No. 191		
	All	Seven County	Enrollment	Burnsville-Eagan-Savage		
	Districts	Metro Area	> than 4,000			
	2018	2018	2018	2017	2018	2019
District and School Admin and Support Services	\$ 1,091	\$ 1,045	\$ 993	\$ 1,049	\$ 1,186	\$ 1,032
Regular Instruction (including Co- & Extra-Curricular)	5,602	5,976	5,810	5,944	6,134	6,283
Vocational Instruction (Career & Technical)	159	154	159	203	238	229
Special Education Instruction	2,315	2,418	2,468	2,598	2,742	2,859
Instructional Support Services	639	748	743	1,174	1,206	1,374
Pupil Support Services (Including Transportation)	1,122	1,209	1,172	1,189	1,315	1,338
Operations and Maintenance and Other	924	896	906	1,118	1,167	1,179
General Fund Subtotal	11,852	12,446	12,251	13,276	13,987	14,294
Food Service	550	545	544	620	646	664
Community Service	606	750	713	743	824	824
Capital Expenditure (excluding Building Constr Fund)	743	636	642	416	444	527
Debt Service	1,342	1,372	1,434	1,466	1,306	1,300
Total Pre-K - 12						
Operating Expenditures	\$ 15,093	\$ 15,749	\$ 15,584	\$ 16,521	\$ 17,207	\$ 17,610
Percent Change from Prior Year				7.15%	4.15%	2.34%

Source of Statewide Data: School District Profiles published by the Minnesota Department of Education

Questions and Feedback

- We welcome any questions pertaining to the audit, Governance Communication Letter, Internal Control Communication or other matters related to the engagement.
- We appreciate the opportunity to serve as the auditors for Burnsville-Eagan-Savage Public Schools and welcome any feedback relative to our performance.



Thank You!

Dennis Hoogeveen

Principal

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