

**PCOLORADO SCHOOL DISTRICT 27J**  
**GOVERNING POLICY OF THE BOARD OF EDUCATION**

**Policy 3.D – FINANCIAL CONDITION & ACTIVITIES**

*Date Adopted/Last Revised: January 27, 2009P*



**Period Monitored:** July 1, 2021 – June 30, 2022

With respect to financial condition and activities, the Superintendent will not cause or allow the development of fiscal jeopardy, or a material deviation of actual expenditures from the Board's Goals priorities.

*I interpret will not cause nor allow the development of to mean: shall not bring about or permit the occurrence of.*

*I interpret the condition of fiscal jeopardy to mean: entering an agreement to pay expenses when the source of income to pay for those expenses has not been determined or not having cash available to pay expenses when they are due.*

*I interpret a material deviation of actual expenditures from the Board's Goals priorities to mean: that when reviewing the actual expenditures of the district, an informed person would not question whether District Goals priorities are being addressed.*

**Data Reported:**

This Expectations of the Board report pertains to fiscal year (FY) 2022. The FY 2022 budget was amended in January 2022 due to an overall increase in Total Program Funding primarily as a result of higher October pupil count than compared to projections in the Adopted Budget.

The budget ensured adequate funds were available for the TABOR Reserve as required under the provisions of section 20 (5) article X of the state constitution as well as a Board Contingency Reserve.

The District's total funded pupil count was 19,612 as compared to October 1, 2020 (prior year) funded pupil count, an increase of 957 full time pupils. District managed schools increased by 856 students and charter schools increased 101 full time pupils.

Although the FY2022 financial audit has not yet been completed, the estimated General Fund ending fund balance is \$14.3 million. The amount includes ending fund balances in the Capital Reserve Fund, the Risk Management Insurance Fund, and the Colorado Preschool Program Fund. This balance includes \$8.8 million in required Board and TABOR reserves and Assigned reserve of \$155 thousand for Career and Technical Education reserve.

**Conclusion: I report compliance.**

The Superintendent will not:

1. Expend more funds than have been received in the fiscal quarter to date unless the liquidity and long-term reserve requirements below are met.
  - a. The Superintendent will not borrow from reserves (defined as accumulated excess revenues) in an amount greater than can be replenished by certain, otherwise unencumbered revenues within 90 days.

*I interpret this to mean:*

*The District must maintain the 3% TABOR Reserve and the 3% Board Reserve. These funds can be used for temporary cash flow purposes as long as they are replenished within a 90-day period.*

**Data Reported:**

The FY 2022 budget was approved with the expectation that the TABOR reserve as required under the provisions of section 20 (5) article X of the state constitution, the Board Contingency Reserve, and a reserve for multi-year obligations be maintained in the General Fund. All three reserves are fully funded, the first two at the required 3% each and the last according to the current Superintendent contract.

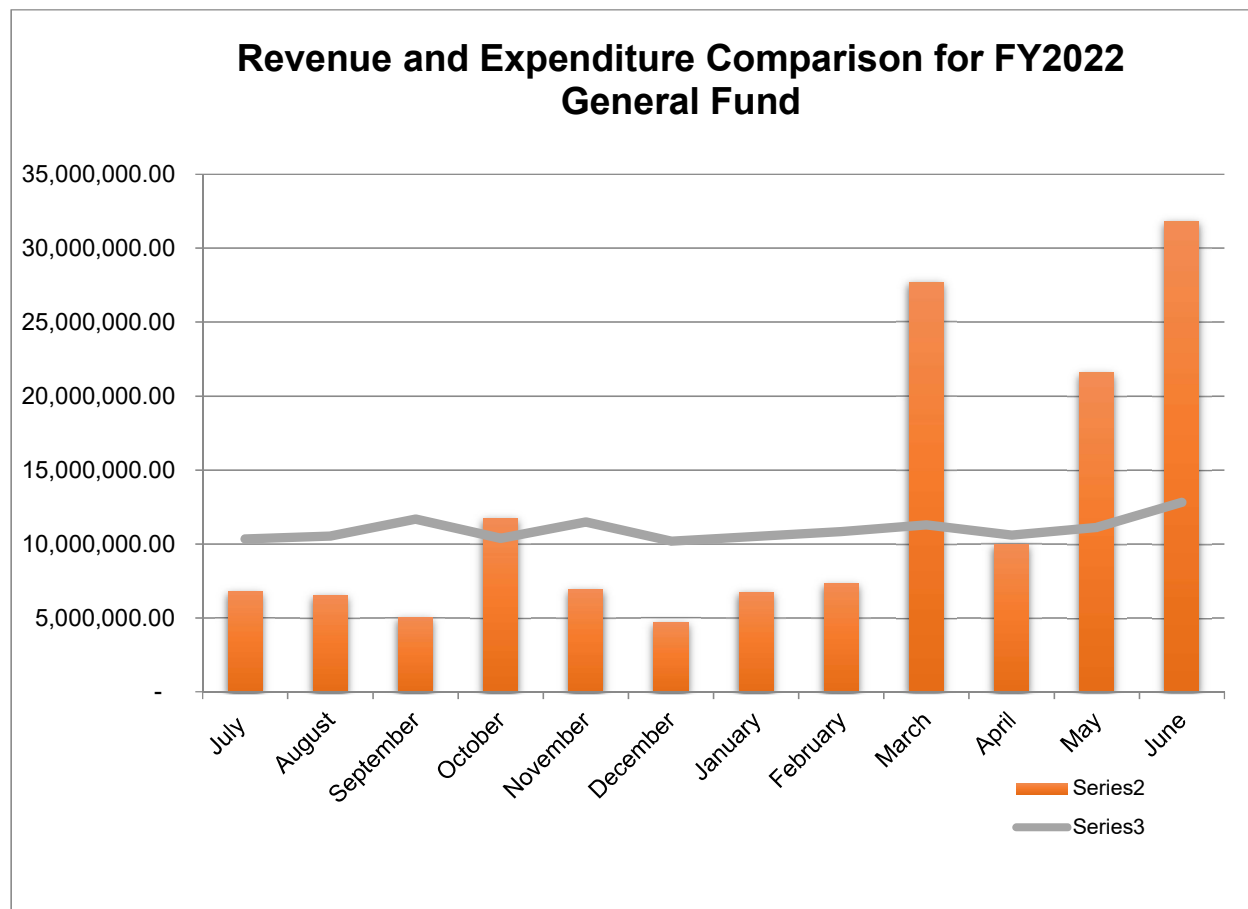
The below schedule of beginning fund balance, revenue received, and expenditures net of transfers paid during FY 2022 provides information to support the above interpretation.

***Note: These are pre-audited ending fund balances.***

### Fund Balances

<b>Fund</b>	<b>Beginning Fund Balance</b>	<b>Revenues</b>	<b>Transfers</b>	<b>Expenditures</b>	<b>6/30/22 Ending Fund Balance</b>
General	\$ 21,207,020	\$ 174,751,094	\$ (47,701,026)	\$ 139,151,946	\$ 9,105,142
Capital Reserve	1,214,465	418,033	1,498,616	931,270	2,199,844
Risk Mgmt Insurance	2,261,400	801,280	2,406,964	2,564,508	2,905,136
Preschool	294,480	2,076,230	192,360	2,426,638	136,432
Nutrition Services	1,851,506	9,334,202	-	7,026,429	4,159,279
Gov't Designated Grants	1,104,059	18,843,995	-	18,935,330	1,012,724
Pupil Activity	2,428,691	2,991,559	705,704	3,152,363	2,973,591
Transportation	-	1,896,032	5,280,636	7,176,668	-
Growth Impact	44,937	165	-	40,428	4,674
Child Care	382,953	1,337,365	-	875,565	844,753
Special Programs	2,410,885	6,429,583	146,817	5,576,065	3,411,220
Bond Redemption	55,381,481	44,850,412	-	27,109,112	73,122,781
Building	29,078,740	299,973,592	-	31,069,319	297,983,013
Print Shop	-	37,611	85,433	123,044	-
Dental	641,931	912,960	-	873,503	681,388
Trust	26,691	107	-	-	26,798
<b>Total</b>	<b>\$ 118,329,239</b>	<b>\$ 564,654,219</b>	<b>\$ (37,384,496)</b>	<b>\$ 247,032,188</b>	<b>\$ 398,566,774</b>

The following chart compares revenues vs. expenditures over the course of the fiscal year for the General Fund only. As is illustrated below, the District's revenue for the General Fund varies according to the cycle of the receipt of property taxes, majority between March and May of each year.



**Conclusion:** I report compliance.

- b. The Superintendent will not borrow funds (with the exception of credit cards used for normal business purposes that are paid in full each month)

*I interpret this to mean:*

*The District will not borrow funds through a bond issue, Certificates of Participation (COPs) or capital lease without express approval by the Board of Education. Inter-fund borrowing can take place for cash flow purposes as long as the funds are replenished not later than three months after the beginning of the following budget year.*

**Data Reported:**

In March 2022 the District executed the issuance of the GO Bonds from the 2021 election in the amount of \$272.9 million.

Type of Borrowing	FY 2021/2022 Debt Payment (P+I)	Outstanding Balance (P+I)	Year Debt Retires
2019 COPs	392,714	4,319,858	2033
2012A Refunding Bonds	3,310,125	12,946,875	2025
2014 GO and Refunding Bonds	5,486,300	42,872,125	2027
2015 Refunding Bonds	7,275,700	245,887,550	2041
2016A Refunding Bonds	4,499,425	21,413,863	2028
2016B Refunding Bonds	137,243	3,214,666	2028
2017 GO and Refunding Bonds	4,400,000	160,479,000	2043
2021 GO Bond	1,992,819	460,752,100	2047
	<b>\$27,494,326</b>	<b>\$951,886,037</b>	

CRS 22-44-113 does allow internal borrowing from all funds except the bond redemption fund as long as the funds are repaid not later than three months after the beginning of the following budget year. The District combines cash from eight funds in a ColoTrust account to maximize investments. Cash from Pupil Activity, Growth Impact, Bond Redemption, Building and Trust funds are excluded due to the restricted use of each fund. During the first eight months of the fiscal year when property tax collections are minimal, the cash from other funds in the ColoTrust account is available to supplement General Fund obligations if needed. Moneys are repaid in March of the same fiscal year when larger property tax collections are received from the counties of Adams, Weld and Broomfield. Because of the shift of state and local revenue the District has participated in the State Interest Free Loan Program since January 2020 to allow cash flow needs in the months of December to March for operational expenditures. We anticipate to continue this practice going forward due to the assessed valuation and growth of our District. We currently have a resolution to allow for that participation in FY 2022.

**Conclusion: I report compliance.**

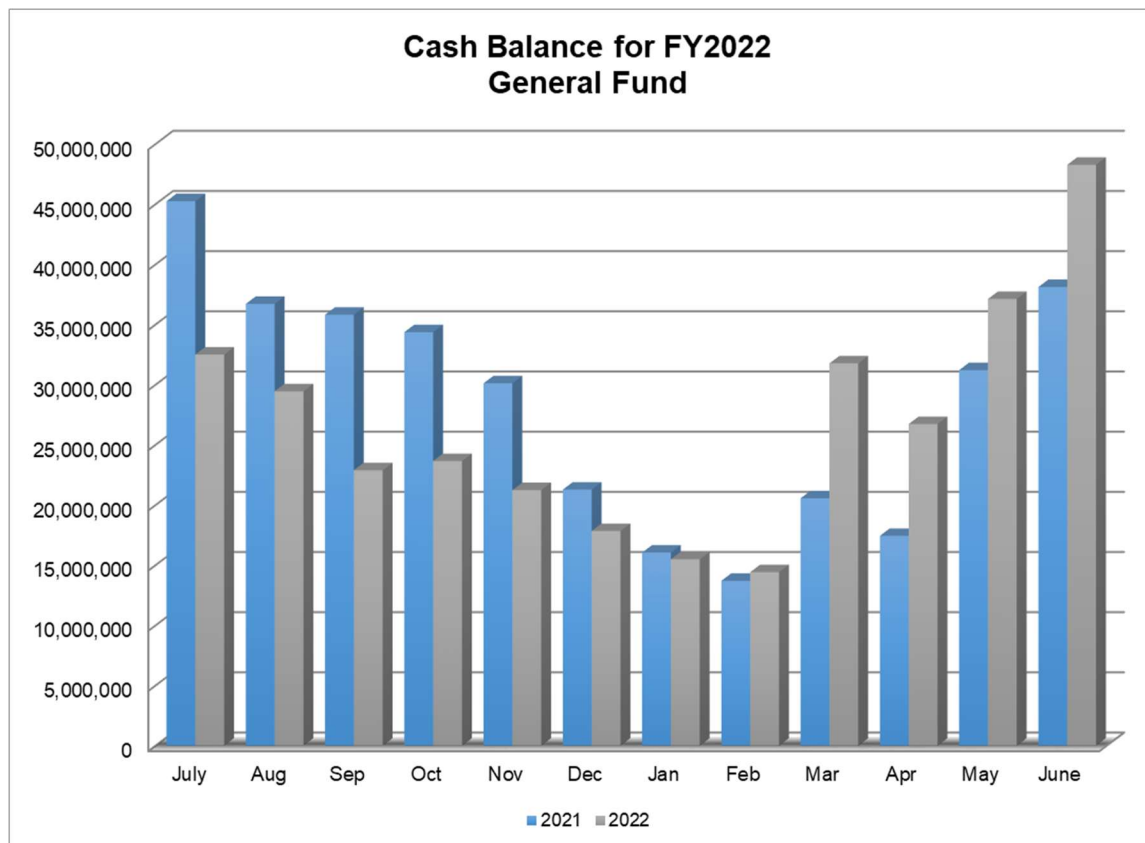
- c. The Superintendent will not allow cash to fall below a safety reserve of 6% of the General Fund.

*I interpret this to mean:*

*The General Fund reserves will not be less than 6% of General Fund expenditures for the previous twelve months.*

**Data Reported:**

In FY 2022 the total unaudited expenditures in the General Fund (not including transfers which are presented in the schedule on page 3) were \$139.2 million with 6% equating to \$8.3 million. The total reserves planned in the General Fund in the FY 2022 Amended Budget were \$9.0 million. The following chart tracks the cash balance over the course of the fiscal year for the General Fund only. As is illustrated below, the District's cash balance never falls below the combined restricted reserve balance of \$9.1 million in FY 2022.



**Conclusion:** I report compliance.

2. Use Board-designated long-term reserves/endowment funds.

*I interpret this to mean:*

*The District expends designated funds for allowed purposes only throughout the identified monitoring period.*

**Data Reported:**

The District spent all funds consistent with the FY 2022 Amended Budget. The budgeted General Fund total ending fund balance in the FY 2022 Amended Budget is \$9 million, inclusive of TABOR and Board reserves.

The current **unaudited** General Fund ending fund balance is \$9.1 million, inclusive of TABOR and Board Reserves.

**Conclusion:** I report compliance.

3. Conduct inter-fund shifting.

*I interpret this to mean:*

*The District shall not comingle funds that, by strict statutory law, are prohibited from being moved.*

**Data Reported:**

CRS 22-44-112 - Transfer of moneys states that “a Board of Education shall not transfer moneys from one fund to another, except as authorized.” In FY 2022 the District transferred \$10.3 million from the General Fund to: Preschool Program Fund, Capital Reserve Fund, the Risk Management Fund, Transportation Fund, Print Shop, Detention Center and Pupil Activity Fund.

**Conclusion: I report compliance.**

4. Fail to settle payroll obligations and payables in a timely manner.

*I interpret this to mean:*

*Payroll obligations are all compensation, both salary and benefits, paid to District employees through the District's payroll system. Payables are all District bills that are not employee compensation which are processed through the District's check request process or purchasing card. Ninety-five percent of payables should be paid within 90 days.*

**Data Reported:**

Payroll: Human Resources and the Finance Department work together to pay employees on a monthly basis on the last working day of each month. The pay period ends the 12<sup>th</sup> of each month for payment at the end of that month and internal controls are very strict with segregation of duties between the two departments.

Payroll Year	Average Number of Employees Paid per Month	Gross Payroll Amount	Employee Paid Deductions	Employer Paid Deductions
FY 2022	2146	\$102,121,761	\$28,129,110	\$35,268,885
Types of Employee Paid Deductions		Types of Employer Paid Deductions		
Taxes		Taxes		
Medical		Medical, Dental, Vision		
PERA		PERA		
Garnishments		Life Insurance		
Voluntary (Life, 401K, 403b, Dues and HSA)		Health Savings Account		
Credit Union				
125 Dependent Care/Health Care				

Accounts Payable: Checks are issued each Thursday afternoon. Below is a summary of checks issued for FY 2022. The chart lists the total number of checks issued and shows the length of time from the date of the invoice to the date of the check being issued. Within 90 days of invoice date, 96% of all payables were paid.

The District will continue these practices to maintain this percentage.

Number of Checks Issued	Paid within 30 days or less of Invoice Date	Paid within 31 – 60 days of Invoice Date	Paid within 61 – 90 days of Invoice Date	Paid in excess of 90 days of Invoice Date
4,884	4060	491	148	185
Percentage of checks issued	83%	10%	3%	4%

**Conclusion: I report compliance.**

5. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

**Data Reported:**

Each time payroll is processed mandatory deductions are made along with the accompanying checks or wire transfers to the appropriate vendors. All deductions have been paid in a timely manner.

Mandatory Deduction	How Paid
Federal/Medicare Taxes-IRS	Wire transfer and taxes called in and completion of Form 941 quarterly
Public Employees Retirement Association	Wire transfer of both employees and District contribution
State Taxes	Wire transfer and taxes called in for contribution
Garnishments	Mailed to the appropriate authority after deducted from payroll
If Full-Time Employee Deductions made for Health, Dental, Vision, Life Insurances	Check/Wire issued to appropriate vendor
OMNI (403b), HSA and 401K	Wire transferred and report sent via secured web link

**Conclusion: I report compliance.**



6. Execute a check or purchase commitment of greater than \$25,000 unless such purchase was explicitly itemized in budget monitoring data previously disclosed to the Board or subsequently disclosed at the next regular meeting of the Board. Splitting orders to avoid this limit is not acceptable.

*I interpret this to mean:*

*The causation of a fiscal encumbrance which has not been disclosed to, or previously approved by the Board of Education either through an appropriations resolution, supplemental budget, or budgeted for this purpose in the annually approved budget.*

### **Data Reported:**

There were 42 purchasing card transactions, 9 wires, and 232 checks for \$25,000 or greater in FY 2022 totaling over \$36.1 million. All transactions listed were within the District's FY 2022 Board approved appropriations. A summary of transactions \$25,000 or greater is below.

Type	Count	Total Paid	Vendor	Description
Card	5	171,101.96	BRIGHTON UTILITY WEB	Utilities - Multiple Locations
Card	1	37,470.00	COUNTERTRADE PRODUCT I	Projectors
Card	1	32,400.00	DUO*COM	Beyond-Annual(300) 10/10/21-10/10/22
Card	1	52,920.00	EGNYTE INC	Egnyte 12 months 2100 Power Users
Card	1	28,992.96	FRESHWORKS INC	FreshWorks Renewal
Card	32	3,546,320.50	GOVCNCTN	Computer Software & Equipment
Card	1	30,800.00	EDPUZZLE	ESSER II
<b>Card</b>	<b>42</b>	<b>3,900,005.42</b>		

Type	Count	Total Paid	Vendor	Description
Wire	1	3,966,505.00	COLORADO STATE TREASURY	LOAN REPAYMENT
Wire	1	25,000.00	FIDELITY NATIONAL TITLE COMPANY	Escrow Reference #N0036033-020-LM1
Wire	2	67,779.70	HORD COPLAN MACHT, INC.	Elementary School #14
Wire	3	2,514,550.00	ROCKY MOUNTAIN RISK INSURANCE GROUP	Workers Compensation, Combined GLEO& AL & Property
Wire	2	392,714.35	UMB BANK NA TRUST FEES DEPT	B019 Brighton SD27J CO CERTS
<b>Wire</b>	<b>9</b>	<b>6,966,549.05</b>		

Type	Count	Total Paid	Vendor	Description
Check	4	257,893.00	ADAMS 12 FIVE STAR SCHOOLS	Out of District Tuition
Check	1	75,801.63	ADAMS COUNTY ELECTION OFFICE	2021 Election
Check	1	28,972.50	ALC SCHOOLS, LLC	Contracted Service for Out of District
Check	1	101,235.34	AMPLIFIED IT, LLC	Google Voice User Lic./Regulatory Fees
Check	2	277,200.00	AUTOMOX INC	Manage Plan Subscription Yearly
Check	8	461,425.05	BELLE CREEK CHARTER SCHOOL	ECEA, ELPA, Read Act and IDEA B Payments
Check	1	60,050.22	BLACKBOARD INC	Mobile Communication App/WWM Essential
Check	1	312,836.76	BP ENERGY COMPANY	Utilities - Gas Multiple Locations
Check	12	644,823.48	BRIGHTON EDUCATION ASSOCIATION	Montly Union Fees
Check	17	1,266,983.22	BROMLEY EAST CHARTER SCHOOL	ECEA, ELPA, Read Act and IDEA B Payments
Check	12	751,303.49	CHILDREN'S HOSPITAL	District Nurses Services
Check	2	186,365.38	CITY OF BRIGHTON	School Resource Officers
Check	2	190,333.87	CITY OF BRIGHTON POLICE DEPARTMENT	School Resource Officers
Check	1	98,098.00	COLLEGE BOARD AP EXAMS	AP TEST BHS,PVHS AND RRHS
Check	2	92,710.93	COLORADO STATE TREASURER	Quarterly Unemployment Benefits
Check	9	450,416.99	COMMUNITY REACH CENTER	Out of District Excess Costs
Check	11	304,734.21	COMMUNITY REACH CTR FOUNDATION ATTN BLLR	BLARC Rental Fees
Check	1	81,201.68	COMPLETE BUSINESS SYSTEMS OF COLORADO	Contract Base Rate for FY22
Check	1	235,692.00	COMPUTER INFORMATION CONCEPTS INC.	Annual Agreement
Check	1	55,515.73	CONSTANT SERVICES, INC	Materials Mobilization Cost
Check	1	30,070.00	CUTCO KNIVES	CEEI BHS/PVHS Knife Set
Check	1	232,937.94	DELLnFINANCIAL SERVICES LLC	Annual Renewal
Check	2	62,064.09	DFA DAIRY BRANDS CORPORATE, LLC	Milk Supplies
Check	1	57,260.07	DIRSEC INC	Software/Hardware iBoss
Check	1	26,032.89	DIVERSIFIED BODY AND PAINT	Bus - Body Repairs
Check	1	197,714.78	DREAMBOX LEARNING INC	Dreambox Software Subscription
Check	2	52,650.45	EAGLE RIDGE ACADEMY	Capital Construction & Title Payments
Check	1	41,597.79	EDMENTUM	Credit Recovery Licenses for FY22
Check	1	76,611.42	EMS LINQ INC	Allo Services
Check	2	55,500.00	EQUAL OPPORTUNITY SCHOOLS	EOS 50% of Service Fees for FY21-22
Check	1	29,904.00	EXPRESS MULCHING AND SOIL	Certified Engineered Wood Fiber
Check	1	26,878.04	FOLLETT LIBRARY RESOURCES	Destiny Member Library Annual License Renewal
Check	1	25,354.00	FORECAST 5 ANALYTICS, INC.	License Agreement
Check	4	314,132.67	FOUNDATIONS ACADEMY	ELPA, ECEA, Read Act, IDEA & Capital Construction
Check	1	49,357.12	FRONT RANGE COMMUNITY COLLEGE ATTN: CAS	District 27J Concurrent Enrollment
Check	1	26,748.47	FRONTLINE TECHNOLOGIES GROUP LLC	Forecast5 License Renewal
Check	31	2,166,113.02	GOLD STAR FOODS, INC.	Food Supplies for Schools
Check	2	159,747.15	H & A SECURITY SOLUTIONS	SIEM Cloud SSD/SATA Storage
Check	1	28,577.82	HILLYARD FLOOR CARE SUPPLY	Disinfectant Supplies
Check	3	91,239.29	HOPSKIPDRIVE, INC	Contracted Service for Out of District
Check	1	462,088.01	IBOSS, INC.	Malware Defense Features/Maintenance
Check	2	259,290.26	ILLUMINATE EDUCATION INC.	Annual Fee & Software Licenses
Check	1	63,115.00	IMAGINE LEARNING INC	Imagine Learning Licenses-Year 4 of 5
Check	12	9,226,462.31	KAISER PERMANENTE	Health Care Premiums
Check	1	42,000.00	KSM CONSULTING	TP-AODocs Product Services
Check	4	287,295.31	LANDMARK ACADEMY AT REUNION	ELPA, ECEA, Read Act, IDEA & Capital Construction
Check	2	59,109.60	LARADON HALL SOCIETY FOR EXCEPTIONAL CHI	Out of District Tuition
Check	1	30,046.92	MASTERCRAFT TRUCK EQUIPMENT INC	Tommygate Model G-260SB/G2-60-1342 & 2022 Ford F-250
Check	1	34,564.29	NAVANCE, INC.	Naviance Technology
Check	1	30,000.00	NETOP	VIS for Chromebooks-1 Year per User
Check	1	31,994.28	NETWORK INFRASTRUCTURE CONST COMP, LLC	Fiber Repair
Check	1	46,010.00	O'MERA FORD CENTER, INC.	2022 Ford F-250
Check	1	46,575.00	ONELOGIN, INC.	Unlimited Plan Annually
Check	1	52,242.10	PEAK RESOURCES, INC	Software Subscription
Check	1	30,000.00	PUBLIC EDUCATION & BUSINESS COALITION	CO Boettcher Teacher Residency Prgm
Check	1	35,000.00	REUNION ELEMENTARY PTO	Reunion PTO Money
Check	1	52,560.00	RICHMOND AMERICAN HOMES	Cash in Lieu Reimb. Land Dedication
Check	1	39,500.00	RUBINBROWN	Financial Single Audit
Check	2	85,680.25	SIGNARAMA	Big Banner Project/Decals
Check	1	90,542.97	SOF-TECH MAINTENANCE COMPANY	Annual Phone System Maintenance
Check	1	441,777.00	SPECIALIZED EDUCATION OF COLORADO INC	Sierra School - Contract Final Pymt.
Check	4	137,661.66	SPECTRA CENTERS, INC.	Out of District Tuition
Check	1	77,048.00	STEP, LLC	Annual Agreement
Check	1	108,122.09	SUMMIT PARTNERS - COLORADO LLC	Software Maintenance Support
Check	1	41,320.00	TEACHER CREATED MATERIALS	NEP/LEP Supplies
Check	3	80,707.99	THE JOSHUA SCHOOL	Out of District Tuition
Check	1	26,350.00	THE MODERN CLASSROOM PROJECT	Virtual Mentorship Program
Check	5	363,431.11	The STEAD School	CCSP Grant, ESSER II, Capital Construction
Check	2	158,973.32	TIAA COMMERCIAL FINANCE, INC.	Copy Machines Rental/Lease Agreement
Check	2	141,640.94	U.S. BANK EQUIPMENT FINANCE	Copier Leases
Check	11	2,143,996.59	UNITED POWER INC	Utilities - Electricity Multiple Locations
Check	2	146,800.00	VISIONARY EDUCATIONAL CONSULTING, LLC	School Support, Planning, and Implementa
Check	11	615,259.45	XCEL	Utilities - Electricity Multiple Locations
Check	1	25,434.00	ZOOM VIDEO COMMUNICATIONS INC.	Education Annual Fee
<b>Checks</b>	<b>232</b>	<b>25,196,682.94</b>		

**Conclusion:** I report compliance.

7. Acquire, encumber, lease or dispose of real property.

*I interpret “acquire” to mean: gain possession or control of; to get or obtain*

*I interpret “encumber” to mean: a claim or liability that is attached to property or some other right and that may lessen its value, such as a lien; any property right that is not an ownership interest*

*I interpret “lease” to mean: a contract by which a rightful possessor of real property conveys the right to use and occupy the property in exchange for consideration, usually rent*

*I interpret “dispose” to mean: to transfer control to another; to place, distribute, or arrange, especially in an orderly way; to get rid of*

*I interpret “real property” to mean: land, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment*

**Data Reported:**

At the end of FY 2022, we reported an unaudited \$26.9 million of Construction in Progress (CIP). The CIP balance is a result of bond projects that were in progress in FY 2022. As of June 30, 2022, the District has added \$28.1 million of CIP for bond projects. Of the total \$290.0 million of CIP, \$263.0 million has been completed and capitalized. This is primarily due to the completion of almost all scheduled bond projects for the 2015 and 2017 issuances.

The fixed asset threshold of \$5,000 was approved by the Board in 2004. Items retired or fully depreciated are removed from the list of fixed assets.

The following chart lists the additions of fixed assets at June 30, 2022.

Description	School / Program	Capitalized Amount
Floor Scrubber	Prairie View MS	\$ 6,000
Riding Scrubber	Prairie View MS	11,000
Floor Scrubber	Stuart MS	6,000
Professional Photo Light	Riverdale Ridge HS	5,672
Weight Room Bench	Prairie View HS	10,667
KAESER M55PE TRAILER MOUNTED	Facilities	21,675
Cappuccino Machine - PVHS	Prairie View HS	13,965
2022 FORD F250	Facilities	46,010
2022 FORD F250	Facilities	16,626
2 Reach In Freezer's/Installat	Landmark	9,880
2 Reach In Freezer's/Installat	Padilla	9,880
	<b>Total Additions</b>	<b>\$ 157,374</b>

**Conclusion:** I report compliance.

8. Accept revenues from sources not, in fact and appearance, consistent with the mission and values of the organization.

*I interpret “revenues” to mean: fiscal and non-fiscal donated economic resources*

*I interpret “mission and values of the organization” to mean: the organizational Ends that have been identified by the Board of Education*

#### **Data Reported:**

The following donations were received in FY 2022. All cash and non-cash donations support the organizational Goals.

Name of Donator	School / Program	Item or Amount	Purpose
Nancy Ottem	Padilla PTO	\$ 1,000.00	PTO
City of Commerce City	Thimmig	\$ 2,500.00	General Supplies
City of Commerce City	PVHS	\$ 2,500.00	General Supplies
True Colors Customs	PVHS	\$ 600.00	General Supplies Welding
National FFA Foundation	BHS	\$ 3,084.00	Floral Shop
Boys Basketball	RRHS	\$ 2,500.00	Basketball Sluppies
Jump Start	PVHS & BHS	\$ 16,000.00	Bio Medical Supplies
Westridge PTA	Westridge	\$ 10,000.00	Supplies
Kristen Zaitz	PVHS	\$ 640.00	Cross Country
Westerra CU	BHS	\$ 500.00	Tower Garden
27J Education Foundation	BHS	\$ 650.00	Tower Garden
Westerra CU	PVHS	\$ 500.00	Culinary Arts
Dions	PVHS	\$ 1,000.00	School Store
Funds for Teachers	OTMS	\$ 4,000.00	Culture Re-engagement
Capstem	Second Creek	\$ 1,000.00	Child Care
Studio 5	Southlawn	\$ 1,000.00	School Gear
California Casualty	RRHS	\$ 1,000.00	Girls Soccer
Brighton Housing Authority	PVHS	\$ 9,325.00	Internship Program
Brighton Housing Authority	PVHS	\$ 10,860.08	Internship Program
AGC	RRHS	\$ 2,500.00	Skill Trades Program
AGC	RRHS	\$ 3,750.00	Skill Trades Program

**Conclusion: I report compliance.**

9. Fail to aggressively pursue material receivables after a reasonable grace period.

*I interpret this to mean:*

*A timely attempt is made to collect monies owed to the District (including charter schools) that are older than thirty days, or other period of time deemed reasonable within the normal course of business as follows: Major categories of Receivables:*

- *Amounts Due from Other Governments – 30 to 90 days following submission of reports or other required information.*
- *Accrued Investment Earnings – 30 to 180 days as defined by Investment Agreement.*

### **Data Reported:**

The following is a chart that shows the type of revenue, the number of invoices issued if applicable, and the percentage of invoices that were collected within 30 days, 31-60 days, 61-90 days, and over 90 days for fiscal year 2022.

Receivables	Invoices Issued	Amount	Collected				
			0-30 Days	31-60 Days	61-90 Days	90+ Days	O/S
			%	%	%	%	%
Property Taxes	n/a		monthly				
State Equalization	n/a		monthly				
Charter Administration Fees	n/a		monthly				
Reimbursements from Granting Agencies	n/a		funding based on grantees requirements				
Athletic Fees	4,645	\$ 314,538	85.4%	2.2%	0.7%	2.1%	9.6%
Course Fees	33,371	\$ 624,399	27.0%	11.2%	5.0%	22.9%	34.0%
Tech / Other Fees	33,808	\$ 802,485	26.7%	10.4%	4.7%	21.5%	36.6%
Lost / Equipment Fees	14,364	\$ 708,080	10.5%	2.3%	2.0%	3.8%	81.3%
Facility Rental	0	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%
Print Shop	31	\$ 6,324	100.0%	0.0%	0.0%	0.0%	0.0%
Transportation	17,372	\$ 173,430	29.2%	10.9%	6.3%	20.3%	33.3%
Child Care	5,265	\$ 1,367,724	99.0%	1.0%	0.0%	0.0%	0.0%
Detention Center	25	\$ 325,000	0.0%	71.6%	1.4%	28.8%	0.0%

### **Nutrition Services**

With the charging policy that the District has in place, no meals are written off.

Meals	# of Meals	Free	Reduced	Paid
Breakfast	342,254	76,427	15,256	250,571
Lunch	1,580,683	370,364	79,927	1,130,392
Total	1,922,937	446,791	95,183	1,380,963
%		23.23%	4.95%	71.82%

**Conclusion: I report compliance.**

10. Operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.

*I interpret “without adequate internal controls” to mean: not having policies and procedures that are designed to prevent and detect fraud. Inadequate controls may give cause to an external auditor finding that an entity has a “material weakness” which is commonly described as more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.*

*I interpret “material dissipation of assets” to mean: non-compliance with Colorado Revised Statute which requires an entity to properly account for the assets and liabilities as ensured through the annual independent audit.*

**Data Reported:**

The Local Government Audit Law (C.R.S 29-1-601 et seq) requires the District to have an annual audit of their financial statements. The law states that the audit must be performed by an independent Certified Public Accountant (CPA) and be in accordance with generally accepted auditing standards. The Annual Comprehensive Financial Report (ACFR) is published to fulfill that requirement, and according to Section 29-1-606, C.R.S., financial statements must be approved, published, and submitted to the state auditor within six months of the close of each fiscal year. The District management assumes full responsibility for the completeness and reliability of the information contained in the ACFR, based upon a comprehensive framework of internal control that it has established for this purpose. The independent CPA publishes a management letter providing information on internal control and providing suggestions for improvement.

**Conclusion:**

As of this report, the FY 2022 Audit has **not** been completed. Staff from the independent CPA firm will present the ACFR to the Board at the December 6, 2022 Board Meeting for approval and internal control data will be reported in the January 3.D Expectations of the Board report. For information on compliance for FY 2022, please see the August Expectations of the Board report 3.0 on Global Executive Constraint.