

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

Policy 3.D – FINANCIAL CONDITION & ACTIVITIES

Date Adopted/Last Revised: January 27, 2009



Period Monitored: July 1, 2023 – December 31, 2023

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 the first six (6) months of fiscal year 2024 (July 1 to December 31, 2023). The fiscal year FY 2024 budget was adopted in June 2023 and will be adjusted in January 2024 due to changes in student count and other School Finance Act Formula factor changes.

These budget adjustments will be reported in the 3.D Expectations of the Board report in October 2024. The FY 2024 adopted 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.

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 2024 Adopted 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 and the Board Contingency Reserve be maintained in the General Fund. Both reserves are fully funded each at the required 3%.

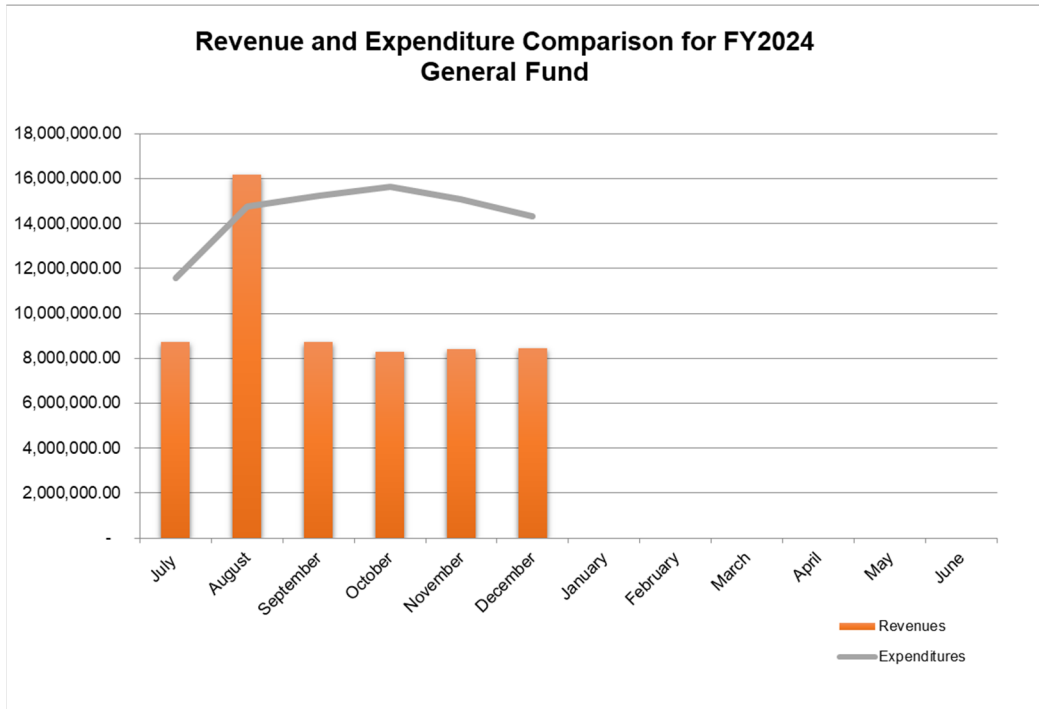
The two reserves are fully funded at the required 3%. In the Adopted Budget the District is expected to end FY 2024 with a fund balance in the General Fund of \$12.5 million. This includes \$6.3 million for the TABOR reserve, \$6.3 million for the Board Designated reserve and \$150K for the Career and Technical Education reserve.

The below schedule of beginning fund balance, revenue received, and expenditures net of transfers paid during the first six (6) months of FY 2024 provides information to support the above interpretation. The General Fund includes inter-fund transfers as well as the allocations of per pupil revenue to district approved charter schools.

Note: These are pre-audited ending fund balances

Fund	Beginning Fund Balance	Revenues	Transfers	Expenditures	12/31/23 Ending Fund Balance
General	\$ 50,348,202	\$ 58,766,782	\$ (9,013,639)	\$ 86,663,972	\$ 13,437,373
Capital Reserve	3,444,713	69,705	877,539	1,206,674	3,185,283
Risk Mgmt Insurance	1,619,636	13,552	2,820,094	3,241,992	1,211,290
Preschool	827,454	2,089,797	1,336,197	2,583,534	1,669,914
Nutrition Services	5,097,609	3,616,896	-	4,225,152	4,489,353
Gov't Designated Grants	649,697	9,438,063	-	6,874,164	3,213,596
Pupil Activity	3,479,961	2,104,379	392,078	1,894,611	4,081,807
Transportation	-	2,022,162	3,397,495	4,741,402	678,255
Child Care	958,952	616,924	-	806,677	769,199
Special Programs	4,431,283	1,152,367	135,733	767,491	4,951,892
Bond Redemption	74,287,490	2,179,356	-	38,731,721	37,735,125
Building	179,433,268	1,338,523	-	34,605,952	146,165,839
Print Shop	-	32,756	54,503	70,196	17,063
Dental	729,528	501,976	-	496,834	734,670
Trust	28,530	1,255	-	-	29,785
Total	\$ 325,336,323	\$ 83,944,493	\$ -	\$ 186,910,372	\$ 222,370,444

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, and receipt of the annual State Categorical funding.



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:

The District's total outstanding debt at December 31, 2023 is \$857.8 million.

Type of Borrowing	FY 2023/2024 Debt Payment (P+I)	Outstanding Balance (P+I)	Year Debt Retires
2019 COPs	392,714	3,534,429	2033
2012A Refunding Bonds	3,370,250	6,499,500	2025
2014 GO and Refunding Bonds	5,521,500	32,753,000	2027
2015 Refunding Bonds	7,275,700	234,974,000	2041
2016A Refunding Bonds	4,588,426	12,567,475	2028
2016B Refunding Bonds	140,168	2,973,680	2028
2017 GO and Refunding Bonds	4,400,000	153,879,000	2043
2021 GO Bond	26,052,400	410,649,250	2047
	\$51,741,158	\$857,830,334	

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, 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 participated in the State Interest Free Loan Program in fiscal years 2020, 2021, and 2022 to allow cash flow needs in the months of December to March for operational expenditures. We currently have a resolution to allow for that participation in future fiscal years, should the District require it.

Conclusion: I report compliance.

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

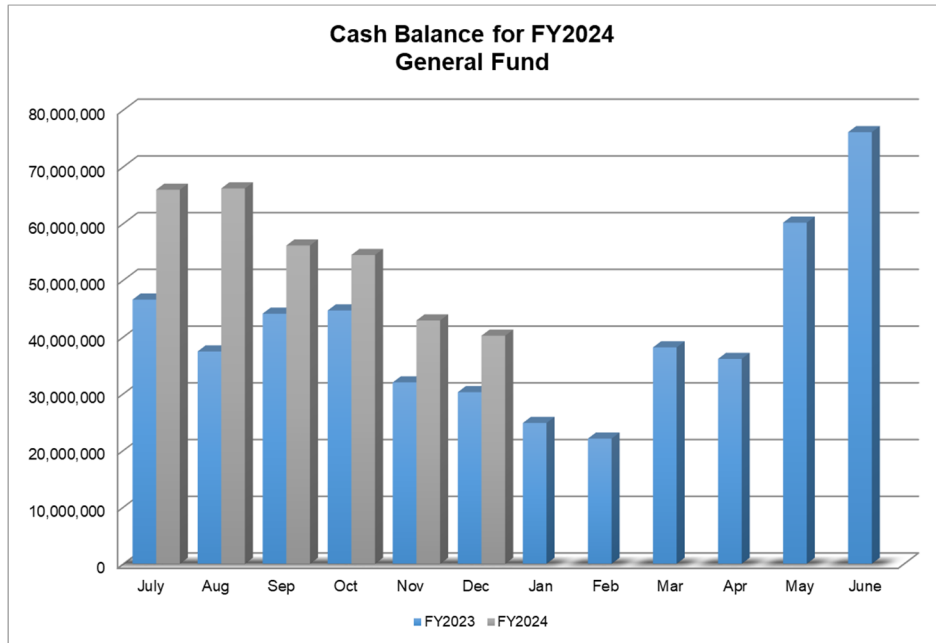
I interpret this to mean:

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

Data Reported:

In the first six months of FY 2024 the total unaudited expenditures in the General Fund, not including transfers, which are presented in the schedule on page 2 were \$86.6 million. The District's forecasted annual expenditure amount is \$202 million, with 6% equating to \$12.1 million. The total reserves planned in the General Fund in the FY 2024 Adopted Budget are \$12.5 million.

The following chart tracks the cash balance during the first six months 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 \$12.1 million.



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 has spent all funds to date consistent with the FY 2024 Adopted Budget.

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.” The FY 2024 Adopted Budget includes \$9 million in transfers from the General Fund to: the Capital Reserve Fund, the Risk Management Fund, Preschool, 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 12th 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 2024	2,399	\$66,788,588	\$18,684,050	\$22,708,511
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 the period of July 1 to December 31, 2023. 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, 98% of all payables were paid.

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
2,716	2,360	219	81	56
Percentage of checks issued	87%	8%	3%	2%

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 12 purchasing card transactions, 7 wires, and 146 checks for \$25,000 or greater in the period of July 1 to December 31, 2023 totaling over \$20 million. All transactions listed were within the District's FY 2024 Board approved appropriations. A summary of transactions \$25,000 or greater is below.

Type	Count	Total Paid	Vendor	Description
Wire	5	4,561,609.20	KAISER PERMANENTE	Health Care Premiums
Wire	1	3,161,504.00	ROCKY MOUNTAIN RISK INSURANCE GROUP	Workers Compensation, Combined GLEO& AL & Property
Wire	1	392,714.36	UMB BANK NA TRUST FEES DEPT	B019 Brighton SD27J CO CERTS
Wire	7	8,115,827.56		

Type	Count	Total Paid	Vendor	Description
Card	1	140,400.12	AUTOMOX	Annual Renewal
Card	1	43,333.00	EMERGENTICS	Yearly Fee
Card	5	738,924.44	GOVCONNECTION	Computer Software & Equipment
Card	1	35,880.00	POLCO/NRC	Community Engagement Software
Card	2	88,824.94	SOUTH ADAMS COUNTY WATER	Utilities - Water/Sewer
Card	1	49,500.00	SPECIAL NEEDS WARE	Social and emotional learning license
Card	1	25,434.00	ZOOM	Zoom Annual Renewal
Card	12	1,122,296.50		

Type	Count	Total Paid	Vendor	Description
Check	1	51,089.06	ACE HARDWARE MILE HIGH	FacilitiesTools and Equipment
Check	1	130,375.00	ACTIVE INTERNET TECHNOLOGIES	Website Hosting / Mobile App - Mass Notification System
Check	1	49,528.00	ADAMS 12 FIVE STAR SCHOOLS	Out of District Tuition
Check	1	27,332.50	ADAMS COUNTY EDUCATION CONSORTIUM	2023/2024 Membership Dues
Check	1	38,461.51	AMPLIFIED IT, LLC	Google Voice Monthly Fees for March, April & Nov. 2023
Check	1	46,680.00	ANNUNCIATION HEIGHTS	Outdoor Ed 6th Grade
Check	2	62,645.00	AVID CENTER	AVID Membership for Schools
Check	3	85,405.00	AYA HEALTHCARE INC	Speech Therapists for SPED
Check	2	129,646.63	BEARCOM	Repeaters & Radios for SMS, PVMS, & VMS
Check	3	225,596.49	BELLE CREEK CHARTER SCHOOL	ESSER III, ESSER LL, Special Ed Count
Check	5	314,840.49	BRIGHTON EDUCATION ASSOCIATION	Monthly Union Fees
Check	10	641,814.84	BROMLEY EAST CHARTER SCHOOL	ELPA, Labor for SPED Services, Capital Construction
Check	2	296,878.19	CDW GOVERNMENT INC	Google Workspace for Education - Multi Year
Check	1	76,055.60	CENGAGE LEARNING	Reach for the Stars
Check	4	262,983.36	CHILDREN'S HOSPITAL	District Nurses Services
Check	1	113,729.00	CIGNITION, INC	Tutoring Support
Check	5	312,339.02	CITY OF BRIGHTON	School Resource Officers and Utilities - Water/Sewer
Check	3	127,921.60	CITY OF THORNTON	School Resource Officers and Utilities - Water/Sewer
Check	1	331,642.00	COLORADO WEST EQUIPMENT INC	2 Full Size Busses w/wheelchair lifts
Check	4	172,508.28	COMMUNITY REACH CENTER	Out of District Excess Costs/ Contract Services
Check	4	110,812.44	COMMUNITY REACH CTR FOUNDATION ATTN BLLR	BLARC Rental Fees
Check	2	135,738.39	COMPLETE BUSINESS SYSTEMS OF COLORADO	Contract and Ecoprint Papercut Support
Check	1	296,447.00	COMPUTER INFORMATION CONCEPTS INC.	Infinite Campus Base Application
Check	1	33,995.00	CONVERGINT TECHNOLOGIES LLC	27J Annual Test & Inspections
Check	1	287,147.83	DELLnFINANCIAL SERVICES LLC	SMB Installment
Check	1	26,520.17	DFA DAIRY BRANDS CORPORATE, LLC	Milk Supplies
Check	1	54,583.03	DIRSEC LLC	Central Intercept X
Check	1	28,814.54	EAGLE RIDGE ACADEMY	ECEA FY 23-24 Allocation
Check	1	39,172.50	EDMENTUM	Credit Recovery Licenses FY24
Check	1	42,231.00	EDPUZZLE, INC	One Year Subscription District Wide
Check	1	55,606.13	EMS LINQ INC	LINQ ERP
Check	1	45,165.00	EVERDRIVEN TECHNOLOGIES, LLC	Contracted Service for Out of District Students
Check	1	40,590.00	EXPRESS MULCHING AND SOIL	IPEMA Certified Playground Mulch
Check	1	33,142.73	FOLLETT LIBRARY RESOURCES	License Renewal
Check	5	135,990.18	FOUNDATIONS ACADEMY	ELPA and Capital Construction
Check	1	159,073.20	H&A SECURITY SOLUTIONS	SCO Standard Workstations/Servers
Check	5	143,355.26	LANDMARK ACADEMY AT REUNION	ELPA and Capital Construction
Check	1	28,902.46	LEVEL DATA, INC.	Active Directory Staff Sync 7.01.23 - 6.30.24
Check	1	25,000.00	LIGHTSPEED TECHNOLOGIES INC	Audio System with Flexmike
Check	1	26,452.50	MARTIN / MARTIN	Monitoring Services for Pool Building
Check	1	36,099.00	MTC EQUIPMENT	Meyer 8ft Snow Plow w/45 deg angle ends
Check	1	46,000.00	NEW TEACHER CENTER	Consultation/Support & Forum
Check	1	46,574.98	ONE IDENTITY LLC	Onelogin unlimited
Check	1	37,356.60	POWERSCHOOL GROUP LLC	Naviance Service for Schools
Check	1	300,370.32	RENAISSANCE LEARNING INC	eduCLIMBER, Fastbridge & DNA Software
Check	1	25,482.08	RIDDELL ALL AMERICAN	Football helmets and gear
Check	1	46,436.60	RIVERSIDE INSIGHTS	Cognitive Abilities Test 2nd and 6th Grade
Check	1	188,202.00	RUSH TRUCK CENTER OF COLORADO	F-250 and two F-350 Trucks
Check	1	25,926.00	SECURLY, INC	Digital Hallpass 7.01.23 - 6.30.24
Check	1	574,588.35	SHERGROUP USA LLC	Armed Security Guards Services
Check	2	96,893.80	SOF-TECH MAINTENANCE COMPANY	Annual Maintenance 2023/2024
Check	5	174,408.76	TENNYSON CENTER FOR CHILDREN AT COLORADO	Out of District Tuition
Check	3	95,000.00	TEST DOUBLE, INC	Consulting Services
Check	1	37,290.00	THE COLORADO ASSOC. OF SCHOOL EXECUTIVES	2023-24 CASE Affiliate Memberships
Check	4	230,932.08	THE JOSHUA SCHOOL	Out of District Tuition
Check	3	231,512.12	THE STEAD SCHOOL	CCSP Grant Reimbursement and Capital Construction
Check	1	38,438.00	TOTAL FIRE PROTECTION	Inspection
Check	2	26,019.10	TYLER TECHNOLOGIES, INC	Traversa Saas Agreement 7.01.23 - 6.30.24
Check	1	367,247.54	U.S. BANK EQUIPMENT FINANCE	Copier Leases for School District
Check	5	1,136,946.63	UNITED POWER INC	Electricity - Multiple Locations
Check	15	1,383,307.17	US FOODS, INC	Food and Non-Food Supplies for Schools
Check	3	266,640.00	VISIONARY EDUCATIONAL CONSULTING, LLC	EASI Early Implementation
Check	4	157,351.45	WESTERN PAPER DISTRIBUTORS INC	Paper Distributors
Check	4	128,843.91	XCEL	Utilities - Natural Gas
Check	1	26,179.90	YMCA OF THE ROCKIES	Outdoor Ed
Checks	146	10,788,793.26		

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 2023, as part of the annual audit of the District’s financial statements, we reported \$122.4 million of Construction in Progress (CIP). The CIP balance is a result of bond projects that were in progress in FY 2023. As of December 31, 2023, the District has added \$37.2 million of CIP for bond projects. Of the total \$418.6 million of CIP, \$282.5 million has been completed and capitalized. This is primarily due to the completion of almost all scheduled bond projects for the 2015, 2017, and 2022 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 December 31, 2023.

Description	School / Program	Capitalized Amount
Reunion Elem. Sound System Amp	Reunion	6,120.00
Milk coolers	Landmark Academy N/S	6,167.83
Milk coolers	Foundations N/S	6,167.83
Heavy Duty Range	South Elemenstry	5,545.00
Walk in Freezer-BECS	Nutrition-Bromley East Charter	5,174.08
Chariot 3 1- Extract	Facilities	18,953.69
Chariot 3 1- Extract	Facilities	18,953.69
Chariot 3 1- Extract	Facilities	18,953.69
Meyer 8ft Snow Plow w/45 deg	Facilities	11,103.00
Meyer 8ft Snow Plow w/45 deg	Facilities	11,103.00
Meyer 8ft Snow Plow w/45 deg	Facilities	11,103.00
F-250 for Facilities	Facilities	58,424.00
F-350 for Grounds	Facilities	65,389.00
F-350 for Grounds	Facilities	64,639.00
Full size Busses w/wheelchair	Transportation	169,047.00
Full size Busses w/wheelchair	Transportation	169,047.00
	Total Additions	645,890.81

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 the period July 1 to December 31, 2023. All cash and non-cash donations support the organizational goals.

Name of Donator	School / Program	Item or Amount	Purpose	Month
State of Colorado	District Wide	\$ 153,669.96	School Programming/Support	Jul-23
Kaiser Permanente	District Wide	\$ 97,233.00	Resources	Jul-23
Kaiser Permanente	Nutrition/ Transportation	\$ 15,000.00	General Supplies/ Furniture	Jul-23
AHW Construction	RRHS	\$ 1,864.00	General Supplies	Aug-23
PDC Energy	RRHS	\$ 3,000.00	General Supplies	Aug-23
Kendra Crawford	PVHS	\$ 1,000.00	General Supplies	Aug-23
Intermountain Health	Student Intervention	\$ 14,000.00	General Supplies	Aug-23
Tim Jones	RRHS	\$ 5,200.00	General Supplies	Aug-23
Erika Armistead	RRHS	\$ 770.66	Travel	Sep-23
United Power	BHS	\$ 1,000.00	General Supplies	Sep-23
Mountain States Toyota	PVHS	\$ 1,500.00	General Supplies	Sep-23
United Power	PVHS	\$ 1,000.00	General Supplies	Sep-23
Brighton Legacy Foundation	27J Online Academy	\$ 750.00	General Supplies	Sep-23
DKB Trucking, LLC	BHS	\$ 1,000.00	General Supplies	Sep-23
Inglenook Senior Ventures L.P.	BHS	\$ 600.00	General Supplies	Sep-23
United Power	BHS	\$ 1,000.00	General Supplies	Sep-23
Southeast PTO	Southeast	\$ 2,400.00	General Supplies	Oct-23
Michael & Carie Fay	RRHS	\$ 2,500.00	General Supplies	Nov-23
City of Commerce City	PVHS	\$ 17,000.00	General Supplies	Nov-23
City of Commerce City	Stuart Middle School	\$ 16,650.00	General Supplies	Nov-23
City of Commerce City	Stuart Middle School	\$ 10,000.00	General Supplies	Nov-23
City of Commerce City	Stuart Middle School	\$ 2,720.00	General Supplies	Nov-23
City of Commerce City	PVHS	\$ 16,824.00	Equipment	Nov-23
CO Parks & Wildlife	Pennock	\$ 5,000.00	General Supplies	Nov-23
Total Donations		\$ 371,681.62		

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 the period of July 1 to December 31, 2023.

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	2,796	\$ 313,405	83.1%	3.0%	1.4%	1.0%	11.4%
Course Fees	25,808	\$ 353,053	16.6%	20.6%	14.5%	9.5%	38.7%
Tech / Other Fees	50,810	\$ 1,018,200	9.3%	16.7%	15.7%	12.1%	46.1%
Lost / Equipment Fees	4,928	\$ 126,844	4.7%	3.3%	1.9%	1.4%	88.7%
Facility Rental	N/A	\$ 15,593	100.0%	0.0%	0.0%	0.0%	0.0%
Print Shop	15	\$ 5,914	100.0%	0.0%	0.0%	0.0%	0.0%
Transportation	6,912	\$ 271,000	8.7%	5.3%	2.3%	0.3%	83.0%
Child Care	2,754	\$ 618,819	100.0%	0.0%	0.0%	0.0%	0.0%
Detention Center	19	\$ 347,948	100.0%	0.0%	0.0%	0.0%	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	177,706	89,839	11,198	76,669
Lunch	880,638	395,054	57,703	427,881
Total	1,058,344	484,893	68,901	504,550
%		45.82%	6.51%	47.67%

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.

The Auditors will be presenting their comments and observations of the FY 2023 audit at the January 24, 2024 Board Meeting. Their management letter included a deficiency surrounding the year-end review and reconciliation process for construction retainage payables. Four construction payment applications which crossed over fiscal years 2023 and 2024 were not included in the accrual for FY 2023. Since the year-end audit, the District has included this process in our documented internal control framework. The District does not anticipate this finding to be recurring or an issue for the audit of FY 2024.

Conclusion: I report non-compliance

An extension was filed and granted by the State Auditor as additional time was needed to complete the implementation of the new accounting standard GASB 96.