

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS**

**COMBINED FINANCIAL STATEMENTS**

June 30, 2019



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**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
ROSTER OF OFFICIALS**

For the Year Ended June 30, 2019

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*Board Members:*

Linda Fisher, School Board Position 1  
Betsy Landers, School Board Position 2  
Rebecca Luter, Chairman, School Board Position 3  
Angela Griffith, School Board Position 4  
Amy Eoff, Vice Chairman, School Board Position 5

*Superintendent:*

Jason Manuel

*Chief Financial Officer:*

Kevin Jones

## INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Board Members  
Germantown Municipal School District  
Germantown, Tennessee

### Report on the Financial Statements

We have audited the accompanying combined balance sheet – regulatory basis of Germantown Municipal School District Internal School Funds, as of June 30, 2019, and the related combined statement of revenues, expenditures and changes in fund balances – regulatory basis for the year then ended, and the related notes to the financial statements, which collectively comprise Germantown Municipal School District Internal School Funds' basic financial statements, as listed in the table of contents. We have also audited the individual school balance sheets – regulatory basis, and the individual school statements of revenues, expenditures and changes in fund balances – regulatory basis presented as supplementary information in the accompanying individual school financial statements as of and for the year ended June 30, 2019, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, as described in Note 1. Management is also responsible for 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 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 opinions.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statements, the financial statements are prepared by Germantown Municipal School District Internal School Funds on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Germantown Municipal School District Internal School Funds as of June 30, 2019, or changes in financial position for the year then ended.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of Germantown Municipal School District Internal School Funds as of June 30, 2019, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note 1. In addition, in our opinion, the individual school financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of Germantown Municipal School District’s Internal School Funds as of June 30, 2019, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* described in Note 1.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the combined financial statements – regulatory basis that collectively comprise Germantown Municipal School District Internal School Funds’ basic financial statements. In addition, our audit was conducted for the purpose of forming an opinion on the individual school financial statements – regulatory basis, presented as supplementary information. The schedules of transfers and management’s corrective action plan, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements – regulatory basis of the schools. As described in Note 1 of the financial statements, the supplementary schedules, as listed in the table of contents, are prepared by Germantown Municipal School District Internal School Funds on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The supplementary schedules, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements – regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements – regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements – regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements – regulatory basis as a whole.

Management's corrective action plan has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2019, on our consideration of Germantown Municipal School District Internal School Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of Germantown Municipal School District Internal School Funds' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Germantown Municipal School District Internal School Funds' internal control over financial reporting and compliance.

### **Emphasis of a Matter**

As discussed in Note 1, the financial statements present only the internal school funds of Germantown Municipal School District and do not purport to, and do not, present fairly the financial position of the City of Germantown, Tennessee as of June 30, 2019, the changes in financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Memphis, Tennessee  
September 9, 2019

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
COMBINED BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

	<u>Dogwood Elementary</u>	<u>Farmington Elementary</u>	<u>Houston High</u>	<u>Houston Middle</u>	<u>Riverdale Elementary</u>	<u>Total</u>
<u>Assets</u>						
Cash	\$ 59,528	\$ 87,997	\$ 343,517	\$ 171,783	\$ 215,495	\$ 878,320
Inventory	3,472	2,493	-	-	10,404	16,369
Prepaid expense	3,041	-	6,036	-	-	9,077
Total assets	<u>\$ 66,041</u>	<u>\$ 90,490</u>	<u>\$ 349,553</u>	<u>\$ 171,783</u>	<u>\$ 225,899</u>	<u>\$ 903,766</u>
<u>Fund Balances</u>						
General fund - nonspendable	\$ 3,472	\$ 2,493	\$ -	\$ -	\$ 10,404	\$ 16,369
General fund - unassigned	40,017	28,993	94,246	115,988	146,826	426,070
Restricted fund - assigned	21,292	44,795	242,391	32,176	43,724	384,378
Restricted fund - restricted	1,260	14,209	12,916	23,619	24,945	76,949
Total fund balances	<u>\$ 66,041</u>	<u>\$ 90,490</u>	<u>\$ 349,553</u>	<u>\$ 171,783</u>	<u>\$ 225,899</u>	<u>\$ 903,766</u>

The accompanying notes are an integral part of the financial statements.



**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	<u>Dogwood Elementary</u>	<u>Farmington Elementary</u>	<u>Houston High</u>	<u>Houston Middle</u>	<u>Riverdale Elementary</u>	<u>Total</u>
Fund balances - July 01, 2018	\$ 83,161	\$ 84,116	\$ 339,078	\$ 165,596	\$ 183,292	\$ 855,243
Revenues	343,890	189,643	1,061,514	206,516	360,941	2,162,504
Expenditures	<u>357,774</u>	<u>183,991</u>	<u>1,049,328</u>	<u>200,329</u>	<u>313,748</u>	<u>2,105,170</u>
Excess (deficiency) of revenues over expenditures	(13,884)	5,652	12,186	6,187	47,193	57,334
Other Financing Sources (Uses)						
Changes in inventory	(3,236)	722	(1,711)	-	(4,586)	(8,811)
Transfers in	1,221	1,420	23,839	331	-	26,811
Transfers out	<u>(1,221)</u>	<u>(1,420)</u>	<u>(23,839)</u>	<u>(331)</u>	<u>-</u>	<u>(26,811)</u>
Total other financing sources (uses)	<u>(3,236)</u>	<u>722</u>	<u>(1,711)</u>	<u>-</u>	<u>(4,586)</u>	<u>(8,811)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(17,120)</u>	<u>6,374</u>	<u>10,475</u>	<u>6,187</u>	<u>42,607</u>	<u>48,523</u>
Fund balances - June 30, 2019	<u>\$ 66,041</u>	<u>\$ 90,490</u>	<u>\$ 349,553</u>	<u>\$ 171,783</u>	<u>\$ 225,899</u>	<u>\$ 903,766</u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
NOTES TO COMBINED FINANCIAL STATEMENTS**

June 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Background

Section 49-2-110, *Tennessee Code Annotated*, provides for internal school funds, establishes responsibility for those funds, and requires schools to adopt and follow the *Tennessee Internal School Uniform Policy Manual* (the "Manual"), issued by the Tennessee Department of Education. This section excludes parent-teacher and parent-student support organizations from the accounting, recordkeeping, and other requirements of the section.

Financial Reporting Entity

This report includes certain internal school funds of Germantown Municipal School District. Internal school funds consist of financial resources accounted for at the individual schools.

Internal School Funds

Internal school funds reported in the accompanying combined financial statements include student activity funds and, if applicable, donations and grants made to the individual schools; fees collected by schools; funds received from the local board of education; funds raised through cooperative agreements; and rental fees.

Student Activity Funds

Student activity funds include all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic, or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and an outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from any account that contains student activity funds;
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

Special Purpose Framework

The accounting and financial reporting requirements for internal school funds are set forth in the Manual. The requirements established in the Manual differ from generally accepted accounting principles in the United States of America primarily in the presentation of the financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this financial reporting framework.

## Financial Statement Presentation

The financial statements consist of balance sheets and statements of revenues, expenditures and changes in fund balances.

The combined financial statements present all of the individual schools in a columnar format and are required to be presented before the notes to the financial statements. These statements focus on each of the individual schools rather than the funds within the schools. In keeping with that focus, the columnar headings identify the individual schools rather than the funds. The individual school financial statements present the detailed fund activity in each school and are included after the notes to the financial statements.

Revenues are classified by source and expenditures are classified by either function or object for the general fund but not the restricted fund. Revenues and expenditures of the restricted fund are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted "accounts" is presented as total revenues and transfers in and total expenditures and transfers out of each account. A corresponding "fund balance" is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the restricted fund balance. Transfers reported on the financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

## Measurement Focus / Basis of Accounting

The accompanying financial statements are reported using the current financial resources measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet and the fund balances report only spendable resources. Internal school funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Management policies define available as collectible within the fiscal year. Expenditures are generally recognized when the related fund liability is incurred, if measurable.

## Fund Structure

The accounts of the individual schools are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that are comprised of the fund's assets, liabilities, fund equity, revenues and expenditures.

The funds are grouped in the accompanying financial statements as follows:

*General fund:* The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

*Restricted fund:* The restricted fund is used to account for money that is restricted for the use of a specific segment of the school population or legally restricted for a specific purpose and not intended to benefit the general school population.

## Fund Balances

*Nonspendable Fund Balance:* Fund balances reported as nonspendable in the accompanying financial statements represent amounts for inventory in the general fund.

*Restricted Fund Balance:* Fund balances reported as restricted, if any, are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds. This includes BEP (Basic Education Program) funds and grant funds.

When both restricted and unrestricted resources are available for use, it is the school system's policy to use restricted resources first, then unrestricted resources as they are needed.

*Assigned Fund Balance:* Amounts that are constrained by each school's intent to be used for specific purposes are reflected as assigned in the accompanying financial statements. This includes accounts reported in the restricted fund at each school, except for those that account for externally restricted resources, if any, as described above. Germantown Municipal School District allocation amounts not spent by the end of the fiscal year are reflected as assigned in the general fund because the Board's intent is for those resources to be expended for instruction, administration, and/or operations and maintenance.

Germantown Municipal School District is authorized to assign amounts for specific purposes with respect to all amounts they allocate to the individual schools. The principal is the official authorized to assign all other amounts to a specific purpose. Authorization is established by the Manual.

*Unassigned Fund Balance:* In accordance with generally accepted accounting principles, the general fund is the only fund at each school that reports amounts for unassigned fund balance. This classification represents fund balance that is not restricted and has not been assigned to specific purposes within the general fund.

When both assigned and unassigned resources are available for use, it is the school system's policy to use assigned resources first, then unassigned resources as they are needed.

The fund balance detail for the activity funds of Germantown Municipal School District at June 30, 2019, is reflected below. Additional detail is provided on the individual school financial statements.

	<u>General Fund</u>	<u>Restricted Fund</u>
Fund Balances:		
Nonspendable:		
Inventory	\$ 16,369	\$ -
Restricted for:		
Grants	-	76,949
Assigned to:		
Library		29,952
Athletics	-	55,249
Class accounts	-	92,626
Club accounts	-	173,386
Other purposes	-	33,165
Unassigned	426,070	-
Total fund balances	<u>\$ 442,439</u>	<u>\$ 461,327</u>

### Inventory

Inventories are stated at lower of cost (first in, first out) or market (net realizable value). The purchases method is used to account for inventories. Under the purchases method, inventories are reported as an expenditure when purchased (or when received for donated items) rather than being capitalized as an asset. However, significant amounts of inventory, if any, on hand at year end are reported as an asset in the financial statements. In accordance with generally accepted accounting principles, the fair value of donated goods and supplies are recognized as revenues and expenditures in the financial statements. For the current year, no significant amounts of such donations were received.

## **NOTE 2 - DEPOSITS**

### Legal Provisions

All deposits with financial institutions in excess of FDIC limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution(s) that participates in the State of Tennessee Bank Collateral Pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured deposits. For the year ended June 30, 2019, Germantown Municipal School District's deposits were with a financial institution that participates in the bank collateral pool.

### Cash Deposits

Cash in bank represents funds on deposit in various depositories.

### Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the schools' deposits may not be returned to it. None of the schools' deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the Bank Collateral Pool with the State of Tennessee.

## **NOTE 3 - CAPITAL ASSETS**

Capital assets acquired by the individual schools are recorded as expenditures at the time of purchase. Title and accountability for capital assets purchased pass automatically to Germantown Municipal School District.

## **NOTE 4 - SALARY SUPPLEMENTS**

No salary supplements were paid from activity funds for the year ended June 30, 2019.

## **NOTE 5 - EMPLOYEE DISHONESTY COVERAGE**

Germantown Municipal School District maintained Crime Coverage Insurance covering all employees for the year ended June 30, 2019. The coverage limit is \$150,000 per occurrence with a deductible of \$1,000 per occurrence.

**SUPPLEMENTARY INFORMATION**

Individual School Financial Statements

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
DOGWOOD ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

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<u>Assets</u>		
Cash		\$ 59,528
Inventory		3,472
Prepaid expense		<u>3,041</u>
Total assets		<u><u>\$ 66,041</u></u>

  

<u>Fund Balances</u>		
General fund - nonspendable		\$ 3,472
General fund - unassigned		40,017
Restricted fund - assigned		21,292
Restricted fund - restricted		<u>1,260</u>
Total fund balances		<u><u>\$ 66,041</u></u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
DOGWOOD ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
General Fund							
Bookstore		\$ 18,618	\$ 6,899	\$ -	\$ -		
Spirit Wear		6,085	4,056	-	-		
Class T-Shirts		9,600	6,958	-	-		
Pictures		8,553	-	-	-		
School Yearbooks		25,040	10,772	-	-		
Grandparent's Day		2,520	1,661	-	-		
Boosterthon		83,387	40,657	-	-		
Donations		2,210	428	-	-		
Incentives/Awards/Student Body		-	3,590	-	-		
Vending Commissions		322	-	-	-		
Field Trips		34,337	32,559	-	-		
Gifted Fieldtrip		1,773	1,663	-	-		
Safety Patrol Fieldtrip		6,680	6,101	-	-		
Administration		64	12,226	-	-		
Instruction		20,850	83,296	-	-		
Aleks Fee		3,465	3,465	-	-		
Operations and Maintenance		-	2,243	-	-		
<b>Total general fund</b>	<b>\$ 39,795</b>	<b>\$ 223,504</b>	<b>\$ 216,574</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,236)</b>	<b>\$ 43,489</b>

The accompanying notes are an integral part of the financial statements.



**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
DOGWOOD ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Assigned For:							
Library	\$ 1,456	\$ 9,564	\$ 10,281	\$ -	\$ -	\$ -	\$ 739
P.E.	2,013	4,371	1,672	-	-	-	4,712
Music	2,402	-	998	-	-	-	1,404
Art Department	4,381	14,113	9,461	-	-	-	9,033
Spanish Club	-	860	831	-	-	-	29
Battle of the Books	24	-	24	-	-	-	-
General Clubs	5,127	18,827	19,351	-	-	-	4,603
Board Allocations/Special Ed	72	2,100	2,172	53	53	-	-
Board Allocations/TDF	1	11,609	10,442	-	1,168	-	-
Wish Pool	33	-	1,200	1,168	-	-	1
BEP Allocations	2	22,999	23,000	-	-	-	1
Fee Waiver	772	68	176	-	-	-	664
Copier	37	8,403	8,440	-	-	-	-
21st Century Furniture	-	5,000	4,894	-	-	-	106
Teacher/Staff Morale	2	2,469	2,471	-	-	-	-
<b>Total restricted fund - assigned</b>	<b>16,322</b>	<b>100,383</b>	<b>95,413</b>	<b>1,221</b>	<b>1,221</b>	<b>-</b>	<b>21,292</b>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
DOGWOOD ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Restricted For:							
Germantown Ed Foundation	-	8,311	7,311	-	-	-	1,000
Restricted Donations	-	56	56	-	-	-	-
P.T.O. Donations	27,044	946	27,989	-	-	-	1
Summer Camps	-	10,300	10,041	-	-	-	259
Community Collections	-	390	390	-	-	-	-
 Total restricted fund - restricted	 27,044	 20,003	 45,787	 -	 -	 -	 1,260
 Total all funds	 \$ 83,161	 \$ 343,890	 \$ 357,774	 \$ 1,221	 \$ 1,221	 \$ (3,236)	 \$ 66,041

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
 FARMINGTON ELEMENTARY SCHOOL  
 INTERNAL SCHOOL FUNDS  
 BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

---

<u>Assets</u>		
Cash		\$ 87,997
Inventory		<u>2,493</u>
Total assets		<u><u>\$ 90,490</u></u>
 <u>Fund Balances</u>		
General fund - nonspendable		\$ 2,493
General fund - unassigned		28,993
Restricted fund - assigned		44,795
Restricted fund - restricted		<u>14,209</u>
Total fund balances		<u><u>\$ 90,490</u></u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
FARMINGTON ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
General Fund							
Bookstore		\$ 30,500	\$ 23,119	\$ -	\$ -		
Pictures		7,779	-	-	-		
School Yearbooks		5,610	297	-	-		
Donations		1,894	514	-	-		
Entertainment/Student Body		-	96	-	-		
Vending Commissions		312	-	-	-		
Field Trips		17,215	17,212	-	-		
Administration		5	5,018	-	-		
Instruction		2,774	6,477	-	-		
Ins Supplies/Materials		-	3,085	-	-		
OP/M Supplies/Materials		-	1,331	-	-		
<b>Total general fund</b>	<b>\$ 21,824</b>	<b>\$ 66,089</b>	<b>\$ 57,149</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 722</b>	<b>\$ 31,486</b>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
FARMINGTON ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Assigned For:							
Library	\$ 3,613	\$ 9,251	\$ 6,206	\$ -	\$ -	\$ -	\$ 6,658
P.E.	-	30	30	-	-	-	-
Music	1,245	-	117	-	-	-	1,128
Drama	9,560	12,458	8,096	-	-	-	13,922
Art	6,378	9,360	9,328	-	-	-	6,410
Art Club	31	-	-	-	-	-	31
Guitar Club	350	995	1,007	-	-	-	338
Chorus/Music Club	44	-	-	-	-	-	44
Kiwanis Club	78	150	103	-	-	-	125
Random Acts of Kindness	92	-	-	-	-	-	92
Destination Imagination	1,035	-	-	-	-	-	1,035
Farmington Fields	6	-	-	-	-	-	6
Math Club	35	1,785	1,802	-	-	-	18
Steam Club	16	-	-	-	-	-	16
Passport Club	116	-	-	-	-	-	116
Falcon 5K Club	553	318	160	-	-	-	711
2nd Grade Activites	93	-	-	-	-	-	93
4th Grade Activities	234	-	-	-	-	-	234
5th Grade Activities	8,086	-	3,369	-	-	-	4,717
Mindfulness Club	-	30	30	-	-	-	-
Best Buddies	-	554	13	-	-	-	541
Board Allocations/Special Ed.	19	3,000	2,840	-	179	-	-
Board Allocations/TDF	3	11,452	11,622	1,420	1,241	-	12

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
FARMINGTON ELEMENTARY SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
BEP Allocations	57	19,639	19,660	-	-	-	36
Fee Waiver	1,250	-	-	-	-	-	1,250
Copier	-	5,055	5,055	-	-	-	-
21st Century Furniture	426	5,000	370	-	-	-	5,056
Community Collections	-	505	505	-	-	-	-
Teacher/Staff Morale	2,489	2,300	2,583	-	-	-	2,206
<b>Total restricted fund - assigned</b>	<b>35,809</b>	<b>81,882</b>	<b>72,896</b>	<b>1,420</b>	<b>1,420</b>	<b>-</b>	<b>44,795</b>
Restricted Fund - Restricted For:							
Greater Memphis Arts Council	937	-	301	-	-	-	636
Germantown Educ. Foundation	8,383	6,597	6,113	-	-	-	8,867
R.J. Reynolds Grant	1,000	-	789	-	-	-	211
Restricted Donations	103	-	-	-	-	-	103
P.T.A. Donation	14,889	23,800	38,144	-	-	-	545
Fitness Playground	500	-	500	-	-	-	-
Leadership Germantown	410	-	-	-	-	-	410
Enrichment	-	2,380	2,380	-	-	-	-
Summer Camps	261	8,895	5,719	-	-	-	3,437
<b>Total restricted fund - restricted</b>	<b>26,483</b>	<b>41,672</b>	<b>53,946</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,209</b>
<b>Total all funds</b>	<b>\$ 84,116</b>	<b>\$ 189,643</b>	<b>\$ 183,991</b>	<b>\$ 1,420</b>	<b>\$ 1,420</b>	<b>\$ 722</b>	<b>\$ 90,490</b>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

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<u>Assets</u>		
Cash		\$ 343,517
Prepaid expense		<u>6,036</u>
Total assets		<u><u>\$ 349,553</u></u>
 <u>Fund Balances</u>		
General fund - unassigned		\$ 94,246
Restricted fund - assigned		242,391
Restricted fund - restricted		<u>12,916</u>
Total fund balances		<u><u>\$ 349,553</u></u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
General Fund							
Workbooks		\$ 3,443	\$ 3,096	\$ -	\$ -		
P. E. Uniforms		8,425	7,689	-	-		
Graduation Pictures		9,889	-	-	-		
School Yearbooks		36,965	18,666	-	-		
Donations		814	-	-	-		
Incentives/Awards/Student Body		-	1,169	-	-		
Vending Commissions		4,276	-	-	-		
Administration		1,174	35,665	-	-		
Instruction		-	38,062	-	-		
Ins Lab Fees		6,025	44	-	-		
Ins Technology Fee		5,570	-	-	-		
Ins Student Parking Fee		17,913	1,771	-	3,750		
Ins Locker Fee		585	(5)	-	-		
Ins PSAT Test		15,360	12,573	-	-		
Ins AP Test		107,923	96,353	-	-		
Operations and Maintenance		-	2,994	-	-		
<b>Total general fund</b>	<b>\$ 99,422</b>	<b>\$ 218,362</b>	<b>\$ 218,077</b>	<b>\$ -</b>	<b>\$ 3,750</b>	<b>\$ (1,711)</b>	<b>\$ 94,246</b>

The accompanying notes are an integral part of the financial statements.



**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Assigned For:							
Athletics	\$ 58,266	\$ 246,317	\$ 264,696	\$ 11,954	\$ 11,954	\$ -	\$ 39,887
Athletic Supplies	5,716	-	2,403	-	-	-	3,313
Reference Library	16,437	11,755	15,278	-	-	-	12,914
Orchestra	710	141	851	-	-	-	-
Science Department II	246	-	-	-	-	-	246
Graduation	251	14,691	13,153	-	-	-	1,789
Project Graduation	-	1,680	5,430	3,750	-	-	-
Art Department	5,410	20,153	19,332	-	-	-	6,231
Special Education	2,912	6,576	5,686	-	-	-	3,802
Dual Enrollment	-	108,329	107,300	-	-	-	1,029
Student Activity	2,696	3,878	3,993	-	-	-	2,581
Stem	1,269	2,915	1,028	-	-	-	3,156
Family and Consumer Science	6,028	12,623	8,714	-	-	-	9,937
Information Technology,Infra.	-	700	696	-	-	-	4
Criminal Justice	-	200	199	-	-	-	1
Health Science Education	-	600	596	-	-	-	4
Agriculture	-	750	-	-	-	-	750
Business/Information I	10	1,700	1,693	-	-	-	17
Home Ec.I	-	2,200	2,192	-	-	-	8
Marketing Education	-	400	400	-	-	-	-
Manufacturing	-	400	395	-	-	-	5
Accounting	286	525	811	-	-	-	-

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018			Other Financing Sources/(Uses)			June 30, 2019 Balance
	Balance	Revenues	Expenditures	Transfers In	Transfers Out	Changes in Inventory	
Stem	-	800	799	-	-	-	1
Programming	-	900	886	-	-	-	14
Spanish Club	237	1,087	841	-	-	-	483
French Club	1,025	3,554	4,179	-	-	-	400
Latin Club	3,369	4,626	4,559	-	-	-	3,436
German Club	558	4,157	4,280	-	-	-	435
Science Club III	1,027	-	611	-	-	-	416
Model UN	853	6,740	7,019	-	-	-	574
Debate Club	871	-	-	-	-	-	871
Computer Club II	71	530	495	-	-	-	106
Computer / Skills USA	2,355	2,210	1,356	-	-	-	3,209
FBLA	48	-	-	-	-	-	48
Thespian Club	18	-	-	-	-	-	18
Plays	1,659	28,230	18,033	-	-	-	11,856
Video	1,110	1,860	1,820	-	-	-	1,150
Band	72	5,427	5,499	-	-	-	-
Chorus/Music Club	1,367	3,804	4,932	-	-	-	239
FCCLA 1	632	2,145	1,628	-	-	-	1,149
Life Skills	3,126	-	-	-	-	-	3,126
National Honor Soc Studies	1,314	1,280	1,208	-	-	-	1,386
Beta	7,139	7,630	6,351	-	-	-	8,418
National Honor Society	9,612	8,960	6,807	-	-	-	11,765
Art Honor Society	1,660	4,859	3,932	-	-	-	2,587

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Spanish Honor Society	1,015	1,130	1,115	-	-	-	1,030
Mu Alpha Theta	1,451	975	706	-	-	-	1,720
Key Club	1,333	1,180	1,031	-	-	-	1,482
SGA	11,342	23,017	23,428	-	600	-	10,331
SADD	345	-	-	-	-	-	345
Pride/BADD	423	573	530	-	-	-	466
Book Club	180	343	453	-	-	-	70
HOSA	2,008	33,207	30,833	-	-	-	4,382
RAK	372	380	380	-	-	-	372
Horizons	7,202	7,140	8,975	-	-	-	5,367
Mustang Mob	187	-	-	-	-	-	187
International Club	2,773	4,135	5,734	-	-	-	1,174
FCA	1,466	1,650	1,731	-	-	-	1,385
St. Impact	1,026	560	891	-	-	-	695
Chess Club	1,209	120	-	-	-	-	1,329
Knowledge Bowl	891	591	879	-	-	-	603
Environmental Club	677	386	486	-	-	-	577
Pony Express	6	625	580	-	-	-	51
Mustang Spirit	519	1,018	530	-	-	-	1,007
Avatar	595	2,409	2,798	-	-	-	206
DECA	5,326	20,213	16,595	-	-	-	8,944
FFA	442	3,425	2,382	-	-	-	1,485
Trap Team	1,105	412	1,128	-	-	-	389

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Varsity Cheerleaders	311	351	351	-	-	-	311
Jr. Varsity Cheerleaders	132	517	42	-	-	-	607
Varsity BB Cheerleaders	-	1,200	1,199	-	-	-	1
Prom	12,703	24,841	17,445	1,000	-	-	21,099
Pom Club	-	468	-	-	-	-	468
30 and Above	2,543	1,865	-	-	1,000	-	3,408
Food Initiative	-	751	751	-	-	-	-
STEM/Robotics	1,342	2,500	2,318	-	-	-	1,524
Best Buddies	603	2,028	1,853	-	-	-	778
CTE-NTHS	901	1,280	930	-	-	-	1,251
Mustang Mentors	1,707	1,560	642	-	-	-	2,625
St. Jude Club	1,000	2,362	1,481	-	-	-	1,881
CyberPatriot Club	223	1,350	1,354	-	-	-	219
TSA	3,890	7,206	4,903	-	-	-	6,193
Badmitton Club	142	-	-	-	-	-	142
Beyond Boundaries	577	-	-	-	-	-	577
Beautifully Unique	250	775	703	-	-	-	322
Needlepoint Club	90	-	31	-	-	-	59
Houston Accounting Society	165	431	596	-	-	-	-
Tri-M	576	569	240	-	-	-	905
Houston Jewish Society Club	253	430	549	-	-	-	134
Mindbenders	-	80	-	-	-	-	80
Le Bonheur Club	-	825	495	-	-	-	330

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Lost/Damaged Textbooks	193	2,079	2,237	-	-	-	35
Credit Recovery	-	17,700	17,700	-	-	-	-
Board Allocations/Special Ed	464	3,900	3,615	285	285	-	749
Board Allocations/TDF	-	21,800	21,739	10,000	10,000	-	61
BEP Allocations	2,460	46,827	38,122	-	-	-	11,165
T.V. Studio	923	2,000	2,919	-	-	-	4
Fee Waiver	130	3,895	2,870	-	-	-	1,155
Copier	3,362	14,723	15,289	-	-	-	2,796
21st Century Furniture	4,343	7,000	11,343	-	-	-	-
Teacher/Staff Morale	3,135	4,865	5,446	-	-	-	2,554
St. Jude's	-	3,779	4,379	600	-	-	-
<b>Total restricted fund - assigned</b>	<b>222,671</b>	<b>808,778</b>	<b>792,808</b>	<b>27,589</b>	<b>23,839</b>	<b>-</b>	<b>242,391</b>
Restricted Fund - Restricted For:							
SCS Education Foundation Grant	291	-	-	-	-	-	291
Race for Education	20	-	-	-	-	-	20
Civitan F/S Grant	2,680	-	120	-	-	-	2,560
Germantown Education Foundation	2,125	8,959	9,208	-	-	-	1,876
Youth Risk Behavior Survey	4	-	-	-	-	-	4
MidwayUSA Foundation	648	-	-	-	-	-	648
P.T.O. Donation	10,025	196	5,238	-	-	-	4,983
Classroom Donation	619	800	631	-	-	-	788

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018			Other Financing Sources/(Uses)			June 30, 2019 Balance
	Balance	Revenues	Expenditures	Transfers In	Transfers Out	Changes in Inventory	
Health Room Donation	263	-	92	-	-	-	171
G'town Charity Horse Show	310	1,500	1,135	-	-	-	675
JDRF/Breast Cancer Walk	-	2,079	2,079	-	-	-	-
Power Cord Fee	-	4,825	3,925	-	-	-	900
Laptop/Ipad Fee	-	12,265	12,265	-	-	-	-
Total restricted fund - restricted	16,985	30,624	34,693	-	-	-	12,916
Total all funds	\$ 339,078	\$ 1,057,764	\$ 1,045,578	\$ 27,589	\$ 27,589	\$ (1,711)	\$ 349,553

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

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Assets

Cash	<u><u>\$ 171,783</u></u>
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Fund Balances

General fund - unassigned	\$ 115,988
Restricted fund - assigned	32,176
Restricted fund - restricted	<u>23,619</u>
 Total fund balances	 <u><u>\$ 171,783</u></u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
General Fund							
Pictures		\$ 2,962	\$ -	\$ -	\$ -		
School Yearbooks		9,066	2,357	-	-		
Donations		414	-	331	-		
Vending Commissions		284	-	-	-		
Field Trips		3,464	3,388	-	-		
Administration		1,150	3,545	-	-		
Instruction		-	1,552	-	-		
Instructional Fees		7,160	7,160	-	-		
Operations and Maintenance		-	2,439	-	-		
Total general fund	\$ 111,598	\$ 24,500	\$ 20,441	\$ 331	\$ -	\$ -	\$ 115,988

The accompanying notes are an integral part of the financial statements.



**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Assigned For:							
Athletics	\$ 5,973	\$ 5,659	\$ 9,043	\$ -	\$ -	\$ -	\$ 2,589
Library	3,489	5,616	7,196	-	-	-	1,909
P.E.	12,852	12,660	20,935	-	-	-	4,577
Band	154	1,170	1,259	-	-	-	65
Chorus	450	5,795	6,072	-	-	-	173
Music / Strings	401	-	-	-	-	-	401
Drama	6,463	-	-	-	-	-	6,463
Art Department	1,317	8,520	8,779	-	-	-	1,058
Ron Clark Academy	4,596	13,955	14,729	-	-	-	3,822
Technology Dept.	95	-	75	-	-	-	20
Inventions/Innovations (INI)	405	-	405	-	-	-	-
Guitar	208	-	-	-	-	-	208
STEM	-	1,675	1,675	-	-	-	-
General Class Activities	1	-	-	-	-	-	1
Art Club	55	875	792	-	-	-	138
Bridge Club	491	320	514	-	-	-	297
Math Club	4	550	399	-	-	-	155
Jr. Beta Club	374	3,525	3,531	-	-	-	368
Jr. National Honor Society	1,304	1,140	2,240	-	-	-	204
Junior Honor's Academy	134	-	60	-	-	-	74
SGA	3,395	-	739	-	-	-	2,656
Pride Club	22	-	-	-	22	-	-

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Click	225	-	-	-	-	-	225
Make a Wish Foundation	242	-	-	-	-	-	242
Builders' Club	219	-	-	-	219	-	-
Yearbook Club	121	-	117	-	-	-	4
Varsity Cheerleaders	20	702	585	-	-	-	137
Pom Club	-	585	585	-	-	-	-
Excel Club	46	-	-	-	46	-	-
Destination Imagination	445	304	740	-	-	-	9
STEM	87	-	-	-	-	-	87
IMPACT Club	332	-	82	-	-	-	250
Best Buddies	49	880	772	-	-	-	157
Anime Club	566	-	-	-	-	-	566
Student Ambassador/STAT Club	255	272	505	-	-	-	22
HMS Running Club	44	-	-	-	44	-	-
Mustangs Unleashed	688	-	-	-	-	-	688
Houston Herald	1	25	-	-	-	-	26
Board Allocations/Special Ed	-	2,400	2,400	-	-	-	-
Board Allocations/TDF	12	10,842	10,854	-	-	-	-
BEP Allocations	220	23,367	22,262	-	-	-	1,325
Fee Waiver	1,380	-	-	-	-	-	1,380
Copier	-	6,851	6,851	-	-	-	-
21st Century Furniture	-	6,972	6,017	-	-	-	955
Teacher/Staff Morale	180	4,051	3,306	-	-	-	925

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Community Collections	-	5,040	5,040	-	-	-	-
Sunshine	330	-	330	-	-	-	-
Total restricted fund - assigned	47,645	123,751	138,889	-	331	-	32,176
Restricted Fund - Restricted For:							
Race for Education	20	-	20	-	-	-	-
Germantown Education Foundation	217	2,083	2,078	-	-	-	222
James Patterson/Scholastic	6	-	6	-	-	-	-
Country Music Assoc. Grant	-	2,500	-	-	-	-	2,500
Restricted Donations	7	-	7	-	-	-	-
P.T.A. Donation	989	34,900	19,594	-	-	-	16,295
Boxtop Donations	88	529	299	-	-	-	318
Locker Donation	1,865	-	-	-	-	-	1,865
Cultural Arts Donation	630	-	203	-	-	-	427
Ron Clark Academy	1,933	-	901	-	-	-	1,032
Summer Camps	598	11,198	10,976	-	-	-	820
Power Cord Fee	-	4,945	4,805	-	-	-	140
Laptop/Ipad Fee	-	2,110	2,110	-	-	-	-
Total restricted fund - restricted	6,353	58,265	40,999	-	-	-	23,619
Total all funds	\$ 165,596	\$ 206,516	\$ 200,329	\$ 331	\$ 331	\$ -	\$ 171,783

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
RIVERDALE ELEMENTARY  
INTERNAL SCHOOL FUNDS  
BALANCE SHEET – REGULATORY BASIS**

June 30, 2019

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<u>Assets</u>		
Cash		\$ 215,495
Inventory		<u>10,404</u>
Total assets		<u><u>\$ 225,899</u></u>
 <u>Fund Balances</u>		
General fund - nonspendable		\$ 10,404
General fund - unassigned		146,826
Restricted fund - assigned		43,724
Restricted fund - restricted		<u>24,945</u>
Total fund balances		<u><u>\$ 225,899</u></u>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
RIVERDALE ELEMENTARY  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
General Fund							
Bookstore		\$ 43,651	\$ 33,289	\$ -	\$ -		
Spirit Wear		17,045	11,295	-	-		
Basketball Concessions		3,503	2,072	-	-		
Pictures		7,458	-	-	-		
School Yearbooks		14,213	12,310	-	-		
Raider Theater		54,165	34,386	-	-		
Donations		9,669	-	-	-		
Incentives/Awards/Student Body		-	3,489	-	-		
Vending Commissions		569	-	-	-		
Fieldtrips		43,559	41,491	-	-		
Administration		11	4,463	-	-		
Instruction		79	5,392	-	-		
Operations and Maintenance		-	4,091	-	-		
<b>Total general fund</b>	<b>\$ 120,172</b>	<b>\$ 193,922</b>	<b>\$ 152,278</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,586)</b>	<b>\$ 157,230</b>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
RIVERDALE ELEMENTARY  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Assigned For:							
Athletics	\$ 3,905	\$ 16,526	\$ 10,971	\$ -	\$ -	\$ -	\$ 9,460
Library	5,995	13,206	11,469	-	-	-	7,732
P.E.	2,005	-	741	-	-	-	1,264
Band	3	1,584	803	-	-	-	784
Chorus	2,396	3,292	4,368	-	-	-	1,320
Music / Strings	-	914	914	-	-	-	-
Guidance	318	-	242	-	-	-	76
Art Department	4,006	7,726	8,095	-	-	-	3,637
Technology Dept	150	150	101	-	-	-	199
Accelerated Reader	43	-	-	-	-	-	43
STEM	1,700	1,800	1,630	-	-	-	1,870
Science Club	915	3,000	2,884	-	-	-	1,031
Technology Club	96	230	230	-	-	-	96
Builders Club	328	90	60	-	-	-	358
Jr. Beta Club	4,432	1,540	1,731	-	-	-	4,241
Jr. National Honor Society	2,980	-	1,750	-	-	-	1,230
Student Council	3,827	659	3,157	-	-	-	1,329
Girls Club	459	140	86	-	-	-	513
Glee Club	29	380	409	-	-	-	-
Pep Club	45	-	-	-	-	-	45
Varsity Cheerleaders	4,725	1,568	2,323	-	-	-	3,970
Pom Club	425	-	-	-	-	-	425
Destination Imagination	275	-	-	-	-	-	275

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
RIVERDALE ELEMENTARY  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Intramural Club	614	1,140	721	-	-	-	1,033
Kids Care	4	152	156	-	-	-	-
Art Hows Club	373	70	-	-	-	-	443
Mathematical Olympiads	1	-	-	-	-	-	1
Math Counts	75	-	-	-	-	-	75
Best Buddies	228	384	344	-	-	-	268
Swim Team Club	518	550	673	-	-	-	395
Riverdale Rocks	38	125	100	-	-	-	63
Jr. Honors Academy	72	348	396	-	-	-	24
Pay it Forward	2	238	70	-	-	-	170
Girl's Basketball Club	107	-	-	-	-	-	107
Crafts of Love	7	-	-	-	-	-	7
Golf Club	93	2,839	2,421	-	-	-	511
Lost/Damaged Textbooks	-	67	67	-	-	-	-
Board Allocations/Special Ed.	-	3,000	3,000	-	-	-	-
Board Allocations/TDF	-	16,842	16,842	-	-	-	-
BEP Allocations	-	35,310	35,303	-	-	-	7
Fee Waiver	582	3,127	3,043	-	-	-	666
Copier	849	12,485	13,334	-	-	-	-
21st Century Furniture	2,003	5,000	7,003	-	-	-	-
Community Collections	-	572	572	-	-	-	-
Teacher/Staff Morale	840	3,075	3,859	-	-	-	56
<b>Total restricted fund - assigned</b>	<b>45,463</b>	<b>138,129</b>	<b>139,868</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,724</b>

The accompanying notes are an integral part of the financial statements.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
RIVERDALE ELEMENTARY  
INTERNAL SCHOOL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REGULATORY BASIS (cont.)**

For the Year Ended June 30, 2019

	July 01, 2018 Balance	Revenues	Expenditures	Other Financing Sources/(Uses)			June 30, 2019 Balance
				Transfers In	Transfers Out	Changes in Inventory	
Restricted Fund - Restricted For:							
Germantown Ed Foundation Grant	4,875	5,075	-	-	-	-	9,950
Arts Grant	500	-	-	-	-	-	500
Ipads for ALL Learners	86	-	-	-	-	-	86
Putting the "T" in Stem	877	-	479	-	-	-	398
Restricted Donations	78	400	363	-	-	-	115
P.T.A. Donation	8,962	18,890	16,265	-	-	-	11,587
Autism Donation	4	-	-	-	-	-	4
Clinic	3	-	-	-	-	-	3
Bonnie Tubbs	1,020	-	-	-	-	-	1,020
Summer Camps	1,252	-	-	-	-	-	1,252
Power Cord Fee	-	2,015	1,985	-	-	-	30
Laptop/Ipad Fee	-	2,510	2,510	-	-	-	-
	<u>17,657</u>	<u>28,890</u>	<u>21,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,945</u>
Total restricted fund - restricted							
	<u>\$ 183,292</u>	<u>\$ 360,941</u>	<u>\$ 313,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,586)</u>	<u>\$ 225,899</u>

The accompanying notes are an integral part of the financial statements.



**SUPPLEMENTAL SCHEDULES AND OTHER INFORMATION**

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON MIDDLE SCHOOL  
INTERNAL SCHOOL FUNDS  
SCHEDULE OF TRANSFERS**

For the Year Ended June 30, 2019

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Transferred from:	<u>Transferred to:</u> <u>General Fund</u>
HMS Running Club	\$ 44
Excel Club	46
Builders' Club	219
Pride Club	<u>22</u>
Total	<u><u>\$ 331</u></u>

See independent auditor's report.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
HOUSTON HIGH SCHOOL  
INTERNAL SCHOOL FUNDS  
SCHEDULE OF TRANSFERS**

For the Year Ended June 30, 2019

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	<u>Transferred to:</u>
Transferred from:	<u>Restricted Fund</u>
 Ins Student Parking Fee	 <u>\$ 3,750</u>

See independent auditor's report.

**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 Superintendent and Board Members  
Germantown Municipal School District  
Germantown, Tennessee

We have audited, in accordance with 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 combined financial statements of the internal school funds of Germantown Municipal School District, which comprise the combined and individual school balance sheets – regulatory basis as of June 30, 2019, and the related combined and individual school statements of revenues, expenditures, and changes in fund balances – regulatory basis for the year then ended, and the related notes to the combined financial statements, which collectively comprise the Germantown Municipal School District Internal School Funds' basic financial statements, and have issued our report thereon dated September 9, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Germantown Municipal School District Internal School Funds' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Germantown Municipal School District Internal School Funds' internal control. Accordingly, we do not express an opinion on the effectiveness of Germantown Municipal School District Internal School Funds' 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 of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial 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 this section and was not designed to identify all deficiencies in internal control that might be material weaknesses 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and recommendations, as items 2019-001 through 2019-005 that we consider to be significant deficiencies.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Germantown Municipal School District Internal School Funds' 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are listed in the accompanying schedule of findings and recommendations as items 2019-001 through 2019-005.

## **Germantown Municipal School District's Responses to Findings**

Germantown Municipal School District's responses to the findings identified in our audit are described in the accompanying schedule of management's corrective action plan. Germantown Municipal School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Memphis, Tennessee  
September 9, 2019

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

For the Year Ended June 30, 2019

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Prior year findings and comments have been resolved unless otherwise noted. An asterisk indicates the finding was also a finding for the school in the prior year.

Current Year Findings

**2019-001) Improperly Supported Disbursements**

Dogwood Elementary School

Condition – A check was written for expense reimbursement that was not properly supported with documentation.

Criteria – *Tennessee Internal School Uniform Accounting Policy Manual* Section 5, Title 3, states, “Each purchase of goods and services should be supported by adequate documentation.”

Cause – The school’s personnel did not ensure adequate documentation was obtained before disbursement of funds.

Effect – There is a risk of expending school money for an unsupported expenditure.

Recommendation – We recommend the school personnel maintain supporting documentation for all transactions.

**2019-002) Prohibited Transfer to Restricted Fund Account from General Fund Account**

Houston High School

Condition – Journal entry was made to move general fund money to a restricted account.

Criteria – *Tennessee Internal School Uniform Accounting Policy Manual* Section 5, Title 7, states, “Each primary account in the restricted fund must be self-supporting. Therefore, transfers may not be made from the general fund to a restricted fund.”

Cause – The school’s personnel did not ensure general fund money was spent for the purpose of the general student body.

Effect – The funds are not being spent for the purpose of the general student body.

Recommendation – We recommend the school personnel follow the prescribed policy.

**2019-003) Money Not Turned Into the Office Timely**

Farmington Elementary School

Condition – Collections were not turned into the office the same day they were collected.

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS (cont.)**

For the Year Ended June 30, 2019

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Criteria – *Tennessee Internal School Uniform Accounting Policy Manual* Section 5, Title 2, states, “All collections by teacher/others should be remitted to the cashier daily or more frequently, if necessary.”

Cause – The school’s personnel did not ensure funds collected were remitted to the cashier daily.

Effect – The risk of loss increases when cash is not stored in a secure manner.

Recommendation – We recommend the school personnel follow the prescribed policy.

**2019-004) Competitive Bids Were Not Obtained**

Farmington Elementary School

Condition – Competitive bids were not obtained and documented to verify the lowest or best price was obtained.

Criteria – *Tennessee Internal School Uniform Accounting Policy Manual* Section 4, Title 2, states, “Competitive bids or quotes should be required for purchases that exceed the school system’s bid limits established by the Board of Education or applicable statute.”

Cause – The school’s personnel did not ensure that bids were obtained for purchases over the prescribed amount of \$500.

Effect – The school could be over paying for activities.

Recommendation – We recommend the school personnel follow the prescribed policy.

**2019-005) Receipt Not Properly Maintained With All Required Information**

Farmington Elementary School

Condition – A receipt was not properly prepared to include the method of payment from the payer.

Criteria – *Tennessee Internal School Uniform Accounting Policy Manual* Section 5, Title 2, states, “The receipt must identify the payer, the amount remitted, method of payment, and the date. If the receipt itself does not identify the purpose(s) for the payment and the corresponding amount(s), other documentation must be attached to permit the bookkeeper to record the transaction.”

Cause – The school’s personnel did not ensure the receipt was filled out properly to include all required information.

Effect – Inaccurate accounting records.

Recommendation – We recommend the school personnel follow the prescribed policy.



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## MANAGEMENT'S CORRECTIVE ACTION PLAN

The Germantown Municipal School District respectfully submits the following corrective action plan for the year ended June 30, 2019.

**Corrective Action Plan Prepared by:** Kevin Jones, Chief Financial Officer; Mona Kenley, School Accounting Specialist

**Name and address of independent public accounting firm:**

Watkins Uiberall, PLLC  
1661 Aaron Brenner Drive, Suite 300  
Memphis, TN 38120

**Audit period:**

June 30, 2019

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The findings from the June 30, 2019, schedule of findings and responses are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**2019-001) Improperly Supported Disbursements**

Persons Responsible for Implementing the Corrective Action:

Dogwood Elementary School – Teresa Price, Principal  
Rosie Naldoza, Financial Secretary

Anticipated Completion Date for Corrective Action: June 30, 2020

Planned Corrective Action:

**Dogwood Elementary School** – In the future, the financial secretary will require map quest to be part of the reimbursement documentation for mileage.

*Germantown Municipal Schools offers educational and employment opportunities without regard to race, color, creed, national origin, religion, sex, age, or disability and adheres to the provisions of the Family Education Rights and Privacy Act (FERPA).*



**2019-002) Prohibited Transfer to Restricted Fund Account from General Fund Account**

Persons Responsible for Implementing the Corrective Action:

Houston High School – Rob Taylor, Principal  
Maria Comas, Financial Secretary

Anticipated Completion Date for Corrective Action: June 30, 2020

Planned Corrective Action:

**Houston High School** – In the future, a transfer will not be made from the general fund to a restricted account.

**2019-003) Money Not Turned Into the Office Timely**

Persons Responsible for Implementing the Corrective Action:

Farmington Elementary School – Ashley Brasfield, Principal  
Judy Brewer, Financial Secretary

Anticipated Completion Date for Corrective Action: June 30, 2020

Planned Corrective Action:

**Farmington Elementary School** – Farmington will continue to educate their teachers that money should not be held in their rooms overnight, that money should be turned in daily to the office.

~~**2019-004) Competitive Bids Were Not Obtained**~~

~~Persons Responsible for Implementing the Corrective Action:~~

~~Farmington Elementary School – Ashley Brasfield, Principal  
Judy Brewer, Financial Secretary~~

~~Anticipated Completion Date for Corrective Action: June 30, 2020~~

~~Planned Corrective Action:~~

~~**Farmington Elementary School** – In the future, when ordering pizza, the school will get 3 bids when items are over \$500.00.~~

**2019-005) Receipt Not Properly Maintained With All Required Information**

Persons Responsible for Implementing the Corrective Action:

Farmington Elementary School – Ashley Brasfield, Principal  
Judy Brewer, Financial Secretary

Anticipated Completion Date for Corrective Action: June 30, 2020

Planned Corrective Action:

**Farmington Elementary School** – Farmington will continue to record money correctly on their receipts, and check diligently to make sure that all the required information on a receipt is recorded properly due to many interruptions.

Signature:   
Jason Manuel, Superintendent

Signature:   
Mona Kenley, School Accounting Specialist

**GERMANTOWN MUNICIPAL SCHOOL DISTRICT  
INTERNAL SCHOOL FUNDS  
SCHEDULE OF PRIOR YEAR FINDINGS**

June 30, 2019

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<b>Finding Number</b>	<b>Finding Title</b>	<b>Status</b>
2018-001	Account Number and Name Were Not Included on Receipt	Corrected
2018-002	Ticket Event Form Was Not Signed by All Parties at the Close of Activity	Corrected
2018-003	Collections Not Submitted in a Timely Manner	Repeated