



DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2025



436 1st Avenue W • P.O. Box 1072
Albany, Oregon 97321 • (541) 223-5555

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

DISTRICT OFFICIALS

June 30, 2025

BOARD OF DIRECTORS

Larry Ringnalda, Chair

Kraig Albright, Vice Chair

Ann Coleman

Veronica Palmer

Terri Paysinger

Pieper Sweeney

Christopher Wytoski

**All board members receive mail at the District's office listed below.*

ADMINISTRATION

Amy Fast, Superintendent

Stephanie Oliveira, Board Secretary

DISTRICT OFFICE

780 Ferry Street
P.O. Box 219
Dayton, Oregon 97114

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

TABLE OF CONTENTS

June 30, 2025

Page
Number

INTRODUCTORY SECTION

Title Page
District Officials
Table of Contents

FINANCIAL SECTION

Independent Auditor's Report	1-4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position – Cash Basis.....	5
Statement of Activities – Cash Basis.....	6
Fund Financial Statements	
Balance Sheet – Cash Basis – Governmental Funds	7
Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis - Governmental Funds	8
Notes to Basic Financial Statements.....	9-23
Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –	
General Fund.....	24
Special Revenue Fund.....	25
Debt Service Fund	26
Capital Projects Fund.....	27

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Independent Auditor's Report Required by Oregon State Regulations	28-30
Supplemental Information Required by Oregon Department of Education.....	31

SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards.....	32
Notes to Schedule of Expenditures of Federal Awards.....	33-34
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 <i>Government Auditing Standards</i>	35-36
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance as Required by the Uniform Guidance	37-39
Schedule of Findings and Questioned Costs.....	40-43

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Dayton School District No. 8
Dayton, Oregon 97114

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of Dayton School District No. 8, Yamhill County, Oregon, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities and each major fund of Dayton School District No. 8, Yamhill County, Oregon as of June 30, 2025, and the respective changes in cash basis financial position thereof for the year then ended on the cash basis of accounting described in Note I.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dayton School District No. 8, Yamhill County, Oregon, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Basis of Accounting

We draw attention to Note I of the financial statements, which describes the basis of accounting. Dayton School District, Yamhill County, Oregon, prepares its financial statements on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Emphasis of Matter – Change in Accounting Principle

As described in the notes to the financial statements, in the year ended June 30, 2025, the District adopted new accounting guidance: GASB Statement No. 102, *Certain Risk Disclosures*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note I, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Dayton School District No. 8, Yamhill County, Oregon's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dayton School District No. 8, Yamhill County, Oregon's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dayton School District No. 8, Yamhill County, Oregon's basic financial statements. The budgetary comparison information, individual fund schedules, and schedule of expenditures of federal awards required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information, individual fund schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the supplemental information required by the Oregon Department of Education, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2026 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Dayton School District No. 8's internal control over financial reporting and compliance.

Other Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated January 27, 2026 on our tests of the District's compliance with certain provisions of laws and regulations specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Accuity, LLC

By: 
Glen O. Kearns, CPA

Albany, Oregon
January 27, 2026

BASIC FINANCIAL STATEMENTS

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

STATEMENT OF NET POSITION - CASH BASIS

June 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 2,859,620
Restricted assets	
Cash and cash equivalents	<u>1,207,116</u>
Total assets	<u>4,066,736</u>
NET POSITION	
Restricted for:	
Debt service	1,026,167
Student activities	255,789
Food services	193,040
Unrestricted	<u>3,873,696</u>
Total net position	<u><u>\$ 4,066,736</u></u>

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

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended June 30, 2025

<u>Functions/Programs</u>	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental activities					Governmental Activities
Instruction	\$ 10,479,621	\$ 640,739	\$ 2,813,859	\$ -	\$ (7,025,023)
Support services	6,764,924	-	124,367	-	(6,640,557)
Community services	600,801	219	481,362	9,809	(109,411)
Debt service expense	2,631,707	-	-	-	(2,631,707)
Facilities expense	<u>335,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(335,403)</u>
Total governmental activities	<u>\$ 20,812,456</u>	<u>\$ 640,958</u>	<u>\$ 3,419,588</u>	<u>\$ 9,809</u>	<u>(16,742,101)</u>
General revenues					
Property taxes - general					3,310,200
Property taxes levied for debt service					1,403,889
Construction excise taxes					17,092
State school fund					8,385,415
Common school fund					123,421
Unrestricted state funding					29,002
Investment earnings					322,807
Miscellaneous					<u>1,253,652</u>
Total general revenues					<u>14,845,478</u>
Change in net position					(1,896,623)
Net position - beginning, as restated					<u>5,963,359</u>
Net position - ending					<u>\$ 4,066,736</u>

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

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

BALANCE SHEET - CASH BASIS

GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 2,854,593	\$ 180,949	\$ 1,026,167	\$ 5,027	\$ 4,066,736
Interfund receivables	<u>324,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>324,686</u>
Total assets	<u>\$ 3,179,279</u>	<u>\$ 180,949</u>	<u>\$ 1,026,167</u>	<u>\$ 5,027</u>	<u>\$ 4,391,422</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Interfund payables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,686</u>	<u>\$ 324,686</u>
Fund balances (deficit)					
Restricted	-	448,829	1,026,167	-	1,474,996
Committed	-	-	-	-	-
Unassigned	<u>3,179,279</u>	<u>(267,880)</u>	<u>-</u>	<u>(319,659)</u>	<u>2,591,740</u>
Total fund balances (deficit)	<u>3,179,279</u>	<u>180,949</u>	<u>1,026,167</u>	<u>(319,659)</u>	<u>4,066,736</u>
Total liabilities and fund balances	<u>\$ 3,179,279</u>	<u>\$ 180,949</u>	<u>\$ 1,026,167</u>	<u>\$ 5,027</u>	<u>\$ 4,391,422</u>

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

DAYTON SCHOOL DISTRICT NO. 8

Yamhill County, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CASH BASIS

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES					
Property taxes	\$ 3,310,200	\$ -	\$ 1,403,889	\$ -	\$ 4,714,089
State school fund	8,385,415	-	-	-	8,385,415
Common school fund	123,421	-	-	-	123,421
State grants	-	2,028,027	-	-	2,028,027
County school funds	1,428	-	-	-	1,428
Other local/intermediate sources	27,695	35,431	-	17,092	80,218
Fees and charges	(16,341)	657,371	1,042,136	-	1,683,166
Investment earnings	119,128	182	153,881	49,616	322,807
Federal grants	-	1,365,818	-	-	1,365,818
Miscellaneous revenue	176,882	(13,784)	-	48,346	211,444
Total revenues	<u>12,127,828</u>	<u>4,073,045</u>	<u>2,599,906</u>	<u>115,054</u>	<u>18,915,833</u>
EXPENDITURES					
Current					
Instruction	7,486,597	2,993,024	-	-	10,479,621
Support services	5,478,099	961,268	-	325,557	6,764,924
Enterprise and community services	6,757	594,044	-	-	600,801
Debt service	78,896	-	2,552,811	-	2,631,707
Facilities acquisition and construction	103,003	-	-	232,400	335,403
Total expenditures	<u>13,153,352</u>	<u>4,548,336</u>	<u>2,552,811</u>	<u>557,957</u>	<u>20,812,456</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,025,524)</u>	<u>(475,291)</u>	<u>47,095</u>	<u>(442,903)</u>	<u>(1,896,623)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	152,167	-	200,000	352,167
Transfers out	<u>(352,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(352,167)</u>
Total other financing sources (uses)	<u>(352,167)</u>	<u>152,167</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Net change in fund balances	(1,377,691)	(323,124)	47,095	(242,903)	(1,896,623)
Fund balances (deficit) - beginning, as restated	<u>4,556,970</u>	<u>504,073</u>	<u>979,072</u>	<u>(76,756)</u>	<u>5,963,359</u>
Fund balances (deficit) - ending	<u>\$ 3,179,279</u>	<u>\$ 180,949</u>	<u>\$ 1,026,167</u>	<u>\$ (319,659)</u>	<u>\$ 4,066,736</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Dayton School District No. 8 have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported by the District.

B. Reporting Entity

Dayton School District No. 8 was organized under the provisions of ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected eight-member board of directors who approve the administrative officials. The daily functions of the District are under supervision of the Superintendent.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. The primary sources of revenue are property taxes and state revenues.

Special Revenue Fund – The Special Revenue Fund accounts for the majority of state and federal grant money received and disbursed by the district. Also accounted for in this fund are fundraising and student fees restricted for cocurricular activities and projects. Primary expenditures are for costs associated with the school nutrition program.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

Debt Service Fund – The Debt Service Fund accounts for the repayment of principal and interest on long-term debt. The primary source of revenue is property taxes.

Capital Projects Fund – The Capital Projects Fund accounts for major capital improvements and deferred maintenance. The primary source of revenue is investment earnings.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in governmental activities are eliminated.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fund financial statements are reported using the economic resources measurement focus within the limitations of the cash basis of accounting. This basis recognizes assets, liabilities, fund balance/net position, revenues, and expenditures when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenues for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) are not recorded in the financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements would use the modified accrual basis of accounting and the government-wide financial statements would be presented on the accrual basis of accounting.

F. Budgetary Information

Annual budgets are adopted on the cash basis of accounting. The District budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital projects funds.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

The District begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the board of directors by resolution prior to the beginning of the District's fiscal year. The board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

Total instruction, support services, enterprise and community services, debt service, facility acquisition and construction, operating contingencies, and interfund transfers for each fund are the levels of control established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line-item budgets within appropriation categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. A supplemental budget less than 10% of a fund's original budget may be adopted by the board of directors at a regular board meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the board of directors.

Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the board of directors. During the year, there were no supplemental budgets. The District does not use encumbrances and appropriations lapse at year end.

Budget amounts shown in the financial statements reflect the original budget amounts.

G. Assets, Liabilities, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

State statutes authorize the District to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the states of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and savings accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

3. Net Position Flow Assumption

Sometimes, the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

4. Fund Balance Flow Assumption

Sometimes, the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

5. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Restricted fund balance includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The board of directors is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as committed. The board of directors may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The District reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., board of directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts that the District intends to use for a specific purpose. Intent can be expressed by the board of directors or by an official or body to which the board of directors delegates authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The District has not formally adopted a minimum fund balance policy.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

2. Property Taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes levied are certified by the District no later than July 15 and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15.

3. Retirement Plan

Most of the District's employees participate in Oregon's Public Employees Retirement System (PERS). Contributions and expenditures are made on a current basis, as required by the plan.

I. Use of Estimates

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures Over Appropriations

The District expended funds in excess of appropriations, which is in violation of Oregon Budget Law. The following appropriations were over-expended for the fiscal year ended June 30, 2025:

<u>Fund</u>	<u>Function</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General	Instruction	\$ 7,405,558	\$ 7,486,597	\$ 81,039
General	Enterprise and community	5,000	6,757	1,757
General	Debt service	72,123	78,896	6,773
General	Facilities acquisition	-	103,003	103,003
Special Revenue	Support services	899,831	961,268	61,437

B. Deficit Fund Balance

At June 30, 2025, the Capital Projects Fund reported a deficit fund balance of \$319,659. This deficit will be eliminated as resources are obtained.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

Dayton School District No. 8 maintains a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the fund financial statements as cash and cash equivalents. Additionally, certain funds held separate cash accounts. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. The District participates in an external investment pool (State of Oregon Local Government Investment Pool (LGIP)). The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by Oregon Revised Statutes (ORS) and the Oregon Investment Council (OIC). The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury. These funds are invested, exercising reasonable care, skill, and caution. Investments in the LGIP are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which established diversification percentages and specifies the types and maturities of investments. The portion of the external investment pool that belongs to local government investment participants is reported in an Investment Trust Fund in the State's Annual Comprehensive Financial Report (ACFR). A copy of the State's ACFR may be obtained at the Oregon State Treasury, 867 Hawthorne Avenue SE., Salem, Oregon 97301.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset.

The classification of securities within the fair value hierarchy is based on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- *Level 1* – Unadjusted quoted prices for identical investments in active markets.
- *Level 2* – Observable inputs other than quoted market prices.
- *Level 3* – Unobservable inputs.

The LGIP investments are not required to be categorized under the fair value hierarchy. The fair value of the District's position in the LGIP is the same as the value of the pool shares.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

Credit Risk

Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Government Investment Pool. The board may authorize the investment or reinvestment of funds that are not immediately needed for the operations of the District. Such investments will comply with state law and Oregon Administrative Rules.

Investments

As of June 30, 2025, the District had the following investments:

	Credit Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Pool	Unrated	-	\$ 2,649,691

Interest Rate Risk

The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increases in interest rates.

Concentration of Credit Risk – Investments

The District does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100 percent of the District's investments are in the Oregon Local Government Investment Pool.

Custodial Credit Risk – Investments

This is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District does not have a policy that limits the amount of investments that can be held by counterparties.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the District's deposits may not be returned. All District deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter-end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

The District holds accounts at US Bank, for which the FDIC provides insurance coverage of \$250,000 for demand deposit accounts and \$250,000 for time and savings accounts. At June 30, 2025, the District had deposits of \$250,000 insured by the FDIC and \$702,627 collateralized by the PFCP.

Deposits

The District's deposits and investments at June 30, 2025 are as follows:

Checking accounts	\$ 1,417,045
Investments	<u>2,649,691</u>
Total cash and cash equivalents	<u>\$ 4,066,736</u>

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	\$ 2,854,593
Capital Projects Fund	<u>5,027</u>
Total governmental activities - unrestricted	<u>2,859,620</u>
Governmental activities - restricted	
Special Revenue Fund	180,949
Debt Service Fund	<u>1,026,167</u>
Total governmental activities - restricted	<u>1,207,116</u>
Total cash and investments	<u>\$ 4,066,736</u>

Restricted cash is for student activities, food services, and debt service.

B. Interfund Transfers

Operating transfers are reflected as other financing sources (uses) in the governmental funds. Interfund transfers during the year consisted of:

	Transfers in:		
	Special Revenue Fund	Capital Projects Fund	Total
Transfers out:			
General Fund	<u>\$ 152,167</u>	<u>\$ 200,000</u>	<u>\$ 352,167</u>

The purposes of the interfund transfers were to reserve funds for student activities and capital projects.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

C. Constraints on Fund Balances

Constraints on fund balances reported on the balance sheet are as follows:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Fund balances (deficit):					
Restricted for:					
Debt service	\$ -	\$ -	\$ 1,026,167	\$ -	\$ 1,026,167
Student activities	-	255,789	-	-	255,789
Food services	-	193,040	-	-	193,040
Unassigned	<u>3,179,279</u>	<u>(267,880)</u>	<u>-</u>	<u>(319,659)</u>	<u>2,591,740</u>
Total fund balances (deficit)	<u>\$ 3,179,279</u>	<u>\$ 180,949</u>	<u>\$ 1,026,167</u>	<u>\$ (319,659)</u>	<u>\$ 4,066,736</u>

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

B. Pension Plan

1. Plan Description

The District is a participating employer in the Oregon Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer, defined benefit, and defined contribution pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement System Board to administer and manage the system. All benefits of the system are established by the legislature, pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available annual comprehensive financial report and actuarial valuation, both of which can be obtained at: <https://www.oregon.gov/pers/emp/pages/annual-reports.aspx>.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

2. Benefits Provided

a. Tier One/Tier Two Retirement Benefits (ORS Chapter 238)

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The base benefit is based on years of service and final average salary. A percentage (1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have had a contribution in each of five calendar years or have reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the fair value of underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0%.

b. Oregon Public Service Retirement Plan (OPSRP) Pension Program (Defined Benefit)

Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions and earnings. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

Disability Benefits

A member who has accrued 10 or more years of retirement credit before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0%.

c. OPSRP Individual Account Program (IAP) (Defined Contribution)

Benefit Terms

The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account is established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP IAP may receive the amounts in their employee account, rollover account, and vested employer-funded account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, or 20-year period or an anticipated life span option. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a \$200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives, in a lump sum, the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

OPERS contracts with Voya Financial to maintain IAP participant records.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

3. Contributions

PERS' funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation, which became effective July 1, 2023. Employer contributions for the year ended June 30, 2025 were \$1,958,822, excluding amounts to fund employer-specific liabilities. The rates in effect for the fiscal year ended June 30, 2025 were 3.68% for Tier One/Tier Two general service members, 0.84% for OPSRP Pension Program general service members, and 6% for OPSRP IAP.

C. Concentrations

1. Collective Bargaining Agreements

At June 30, 2025, approximately 65% of the District's employees were covered by collective bargaining agreements.

D. Restatement

The District restated beginning net position and fund balance as follows:

Government-Wide Basis	
	Governmental Activities
Net position - beginning, as originally reported	\$ 5,449,894
To remove prior year payroll liabilities for cash basis reporting	512,418
Client corrections	<u>(591)</u>
Net position - beginning, as restated	<u>\$ 5,961,721</u>
Report Basis	
	General Fund
Fund balance - beginning, as originally reported	\$ 4,044,552
To remove prior year payroll liabilities for cash basis reporting	<u>512,418</u>
Fund balance - beginning, as restated	<u>\$ 4,556,970</u>

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2025

E. New Pronouncements

For the fiscal year ended June 30, 2025, the District implemented the following new accounting standard:

GASB Statement No. 102, *Certain Risk Disclosures* – This statement improves reporting by providing users of financial statements with essential information that previously was not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact.

The District will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

F. Subsequent Events

Management has evaluated subsequent events through January 27, 2026, which was the date that the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Local revenue	\$ 3,352,316	237,674	\$ 3,589,990
Intermediate revenue	102,000	(72,998)	29,002
State revenues	<u>9,056,290</u>	<u>(547,454)</u>	<u>8,508,836</u>
Total revenues	<u>12,510,606</u>	<u>(382,778)</u>	<u>12,127,828</u>
EXPENDITURES			
Current			
Instruction	7,405,558	81,039	7,486,597
Support services	5,935,722	(457,623)	5,478,099
Enterprise and community services	5,000	1,757	6,757
Debt service	72,123	6,773	78,896
Facilities acquisition and construction	-	103,003	103,003
Contingency	<u>1,500,000</u>	<u>(1,500,000)</u>	<u>-</u>
Total expenditures	<u>14,918,403</u>	<u>(1,765,051)</u>	<u>13,153,352</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,407,797)</u>	<u>1,382,273</u>	<u>(1,025,524)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	(100,000)	-
Transfers out	(431,200)	(79,033)	(352,167)
Other uses	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(332,200)</u>	<u>(19,967)</u>	<u>(352,167)</u>
Net change in fund balance	(2,739,997)	1,362,306	(1,377,691)
Fund balance - beginning, as restated	<u>3,240,000</u>	<u>1,316,970</u>	<u>4,556,970</u>
Fund balance - ending	<u>\$ 500,003</u>	<u>\$ 2,679,276</u>	<u>\$ 3,179,279</u>

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

SPECIAL REVENUE FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Local revenues	\$ 478,272	\$ 200,928	\$ 679,200
State revenues	2,128,858	(100,831)	2,028,027
Federal revenues	<u>1,020,116</u>	<u>345,702</u>	<u>1,365,818</u>
Total revenues	<u>3,627,246</u>	<u>445,799</u>	<u>4,073,045</u>
EXPENDITURES			
Current			
Instruction	3,181,249	(188,225)	2,993,024
Support services	899,831	61,437	961,268
Enterprise and community services	<u>630,200</u>	<u>(36,156)</u>	<u>594,044</u>
Total expenditures	<u>4,711,280</u>	<u>(162,944)</u>	<u>4,548,336</u>
Excess (deficiency) of revenues over (under) expenditures	(1,084,034)	608,743	(475,291)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>266,080</u>	<u>(113,913)</u>	<u>152,167</u>
Net change in fund balances	(817,954)	494,830	(323,124)
Fund balance - beginning	<u>817,954</u>	<u>(313,881)</u>	<u>504,073</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 180,949</u>	<u>\$ 180,949</u>

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

DEBT SERVICE FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Local revenue	\$ 2,105,000	\$ 494,906	\$ 2,599,906
EXPENDITURES			
Debt services	<u>2,552,811</u>	<u>-</u>	<u>2,552,811</u>
Excess (deficiency) of revenues over (under) expenditures	(447,811)	494,906	47,095
Fund balance - beginning	<u>900,000</u>	<u>79,072</u>	<u>979,072</u>
Fund balance - ending	<u>\$ 452,189</u>	<u>\$ 573,978</u>	<u>\$ 1,026,167</u>

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

CAPITAL PROJECTS FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual Budget Basis
REVENUES			
Local revenue	\$ 170,000	\$ (54,946)	\$ 115,054
EXPENDITURES			
Current			
Support services	548,500	(222,943)	325,557
Capital outlay	874,557	(642,157)	232,400
Total expenditures	1,423,057	(865,100)	557,957
Excess (deficiency) of revenues over (under) expenditures	(704,557)	587,211	(442,903)
OTHER FINANCING SOURCES (USES)			
Transfers in	201,000	(1,000)	200,000
Net change in fund balance	(503,557)	586,211	(242,903)
Fund balance (deficit) - beginning	1,052,056	(1,128,812)	(76,756)
Fund balance (deficit) - ending	\$ 548,499	\$ (542,601)	\$ (319,659)

**AUDIT COMMENTS AND DISCLOSURES REQUIRED BY
STATE REGULATIONS**



**INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS**

Board of Directors
Dayton School District No. 8
Dayton, Oregon 97114

We have audited the basic financial statements of Dayton School District No. 8 as of and for the year ended June 30, 2025 and have issued our report thereon dated January 27, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Compliance

As part of obtaining reasonable assurance about whether Dayton School District No. 8's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures, which included, but were not limited to, the following:

Deposit of public funds with financial institutions (ORS Chapter 295)

Indebtedness limitations, restrictions, and repayment

Budgets legally required (ORS Chapter 294)

Insurance and fidelity bonds in force or required by law

Programs funded from outside sources

Authorized investment of surplus funds (ORS Chapter 294)

Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)

Student Success Act's Student Investment Account (SIA) Funding

State school fund factors and calculation

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

1. The District expended funds in excess of appropriations, which is in violation of Oregon Budget Law. The following appropriations were over-expended for the fiscal year ended June 30, 2025;

Fund	Function	Appropriations	Expenditures	Excess
General	Instruction	\$ 7,405,558	\$ 7,486,597	\$ 81,039
General	Enterprise and community	5,000	6,757	1,757
General	Debt service	72,123	78,896	6,773
General	Facilities acquisition	-	103,003	103,003
Special Revenue	Support services	899,831	961,268	61,437

OAR 162-010-0230 Internal Control

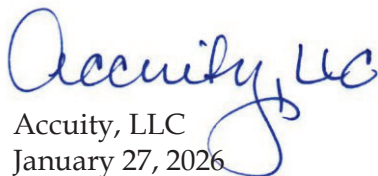
In planning and performing our audit, we considered Dayton School District No. 8's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Dayton School District No. 8's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Dayton School District No. 8's internal control over financial reporting.

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 over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a deficiency in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs as item 2025-001, that we consider to be a material weakness. We also identified a deficiency in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs as item 2025-002, that we consider to be a significant deficiency.

This report is intended solely for the information and use of the board of directors and management of Dayton School District No. 8 and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in blue ink that reads "Accuity, LLC". The signature is stylized, with the "A" being a large loop and the "C" being a large loop. The "LLC" is written in a smaller, more standard script.

Accuity, LLC
January 27, 2026

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SUPPLEMENTAL INFORMATION REQUIRED BY OREGON DEPARTMENT OF EDUCATION

For the Year Ended June 30, 2025

Part A is needed for computing Oregon's full allocation for ESEA, Title I, and other Federal Funds for Education.

A.	Energy Bill for Heating – All Funds: Please enter your expenditures for electricity, heating fuel, and water and sewage for these Functions and Objects.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%;">Objects 325, 326, 327</td> </tr> <tr> <td>Function 2540</td> <td style="text-align: right;">\$ 359,723.62</td> </tr> <tr> <td>Function 2550</td> <td style="text-align: right;">\$ -</td> </tr> </table>		Objects 325, 326, 327	Function 2540	\$ 359,723.62	Function 2550	\$ -
	Objects 325, 326, 327							
Function 2540	\$ 359,723.62							
Function 2550	\$ -							

B.	Replacement of Equipment – General Fund: Include all General Fund expenditures in object 542, except for the following exclusions:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">\$</td> <td style="width: 20%;">-</td> </tr> </table>	\$	-
\$	-			

Exclude these functions:

1113, 1122, and 1132	Co-curricular Activities	2550	Pupil Transportation
1140	Pre-Kindergarten	3100	Food Service
1300	Continuing Education	3300	Community Services
1400	Summer School	4150	Construction

SINGLE AUDIT SECTION

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

Federal Grantor, Pass through Grantor, Program Title	Pass-Through Grantor Number	ALN	Revenues	Expenditures
<u>U.S. Department of Education</u>				
Passed through Oregon State Department of Education				
Title I Grants to Local Educational Agencies	2253	84.010	\$ 440,257	\$ 262,366
Special Education Cluster				
IDEA Special Education Grants To States	2253	84.027	155,841	426,348
Preschool Grants	2253	84.173	2,627	2,627
Total Special Education Cluster			158,468	428,975
English Language Acquisition	2253	84.365	31,610	14,326
Supporting Effective Instruction State Grants	2253	84.367	45,209	45,209
Student Support and Academic Enrichment	2253	84.424	20,900	20,900
COVID-19 - Elementary & Secondary Schools Emergency Relief Fund*	2253	84.425	233,182	228,984
Total Passed through Oregon State Department of Education			929,626	1,000,760
Passed through Oregon State University				
Gaining Early Awareness and Readiness for Undergraduate Programs	N/A	84.334	-	12,454
Total U.S. Department of Education			929,626	1,013,214
<u>U.S. Department of Agriculture</u>				
Passed through Oregon State Department of Education				
Child Nutrition Cluster*				
National School Breakfast Program	2253	10.553	136,212	136,212
National School Lunch Program	2253	10.555	231,569	231,569
National School Lunch Program - Supply Chain Assistance	2253	10.555	32,794	32,794
National School Lunch Program - Commodities	2253	10.555	28,570	28,570
Summer Food Service Program for Children	2253	10.559	6,961	6,961
Summer Food Service Program for Children - Commodities	2253	10.559	86	86
Total Child Nutrition Cluster			436,192	436,192
Total federal expenditures			\$ 1,365,818	\$ 1,449,406

*Major program

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

I. PURPOSE OF SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Dayton School District No. 8's under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the activities of the District, it is not intended to and does not present the financial position, changes in net position, nor the operating funds' revenues and expenses.

II. SIGNIFICANT ACCOUNTING POLICIES FOR FEDERAL AWARD EXPENDITURES

A. Basis of Presentation

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

B. Federal Financial Assistance

Pursuant to the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

C. Major Programs

The Uniform Guidance establishes criteria to be used in defining major federal financial assistance programs. Major programs of the District are those programs selected for testing by the auditor using a risk assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

D. Reporting Entity

The reporting entity is fully described in the notes to the District's basic financial statements. Additionally, the Schedule includes all federal programs administered by the District for the year ended June 30, 2025.

E. Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the cash basis of accounting.



**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**

Board of Directors
Dayton School District No. 8
Dayton, Oregon 97114

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 financial statements of the governmental activities and each major fund of Dayton School District No. 8 as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Dayton School District No. 8's basic financial statements, and have issued our report thereon dated January 27, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dayton School District No. 8's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Dayton School District No. 8's internal control. Accordingly, we do not express an opinion on the effectiveness of Dayton School District No. 8's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination 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 over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a deficiency in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs as item 2025-001, that we consider to be a material weakness. We also identified a deficiency in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs as item 2025-002, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dayton School District No. 8’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards*:

- 1. The District expended funds in excess of appropriations, which is in violation of Oregon Budget Law. The following appropriations were over-expended for the fiscal year ended June 30, 2025;

<u>Fund</u>	<u>Function</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General	Instruction	\$ 7,405,558	\$ 7,486,597	\$ 81,039
General	Enterprise and community	5,000	6,757	1,757
General	Debt service	72,123	78,896	6,773
General	Facilities acquisition	-	103,003	103,003
Special Revenue	Support services	899,831	961,268	61,437

Dayton School District No. 8’s Responses to Findings

The District’s responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Dayton School District No. 8’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 District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Accuity, LLC
Albany, Oregon

January 27, 2026



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Dayton School District No. 8
Dayton, Oregon 97114

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Dayton School District No. 8's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Dayton School District No. 8 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Dayton School District No. 8 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Dayton School District No. 8's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Dayton School District No. 8's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Dayton School District No. 8's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Dayton School District No. 8's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Dayton School District No. 8's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Dayton School District No. 8's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Accuity, LLC
Albany, Oregon

January 27, 2026

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor's opinion issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	Yes
• Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No
Identification of major programs:	

<u><i>Assistance Listing Number(s) (ALN)</i></u>	<u><i>Name of Federal Program or Cluster</i></u>
84.425	Elementary and Secondary Schools Emergency Relief Fund
10.55X	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

2025-001

Finding Title	Accounts receivable, accounts payable, and accrued payroll liabilities recorded in general ledger as presented for audit.
Type of Finding	Material Weakness
Criteria	As a cash basis District, revenue should be recorded in the period received, payables should be only recorded in the period they are paid,
Condition	Accruals were recorded in the current fiscal year, which is not in accordance with the cash basis of accounting. This is due to a changeover in staffing.
Cause of Condition	Lack of understanding of the cash basis of accounting standards and cutoff requirements.
Potential Effect of Condition	Financial statement misstatement due to overstated revenues, overstated expenses.
Prevalence	Systemic
Recommendation	We recommend that the District review posting procedures to ensure items are only recorded in the period received (revenue) or paid (payroll/expenses). This will also allow for more efficient reconciliation and reporting.
Management's Response	The District is committed to implementing comprehensive accounting procedures that will ensure accounts receivable, accounts payable, and accrued payroll liabilities are recorded in accordance with proper accounting principles.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

Finding Number	2025-002
Finding Title	District staff lacks the ability to draft financial statements in accordance with the cash basis of accounting, including note disclosures and required schedules
Type of Finding	Significant Deficiency
Criteria	Preparing the financial statements prior to the commencement of a financial audit can be a valuable internal control to prevent misstatements in the preparation and disclosure of the financial statements.
Condition	Finance staff does not prepare their own financial statements and, instead, has contracted with our office to prepare the financial statements.
Cause of Condition	Finance staff is competent and capable, and performs daily and monthly functions very well. However, their experience in preparing modified cash basis financial statements and related disclosures is limited.
Potential Effect of Condition	Finance staff may not be able to prevent or detect a material misstatement in the preparation and disclosure of the financial statements. Misstatements in financial statements may include not only misstated financial amounts, but also the omission of disclosures required by the modified cash basis of accounting.
Prevalence	Systemic
Recommendation	We do not recommend any change in the preparation and disclosure of the financial statements, but the board of directors and management of the District should be aware of this deficiency and stress the importance of thorough review of the financial statements prior to approval of the audit.
Management's Response	The District is implementing a robust corrective plan to ensure all staff are well-versed in cash-based accounting procedures. Comprehensive training opportunities will be provided for all new staff members.

DAYTON SCHOOL DISTRICT NO. 8
Yamhill County, Oregon

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

SECTION III - STATUS OF PRIOR YEAR FINDINGS

Finding Number	Status
2024-001	Fiscal Management System - Improper Revenue Recognition Repeat finding - see 2025-001.
2024-002	Fiscal Management Personnel Skills, Knowledge and Experience Corrected during fiscal year ended June 30, 2025.
2024-003	Schedule of Expenditures of Federal Awards Corrected during fiscal year ended June 30, 2025.