

Financial Statements and
Related Information

2014

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014



Table of Contents

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited)	3
Financial Statement	
Combined Statement of Fiduciary Net Position	5
Notes to Combined Statement of Fiduciary Net Position	6
Combining Information	
Combining Statement of Fiduciary Net Position	9
Combining Statement of Cash Receipts and Disbursements	32
Report Required by <i>Government Auditing Standards</i>	
Independent Auditors' 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>	37



Independent Auditors' Report

Members of the Board
Jefferson County Board of Education
Louisville, Kentucky

Report on Financial Statement

We have audited the accompanying combined statement of fiduciary net position of the Elementary School Activity Funds (the "Activity Funds") of the Jefferson County Board of Education (the "Board") as of June 30, 2014, and the related notes to the combined statement of fiduciary net position.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement 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 statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Board's preparation and fair presentation of the financial statement 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 Board'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 statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined statement of fiduciary net position referred to above presents fairly, in all material respects, the net position of the Activity Funds of the Board as of June 30, 2014 in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (Unaudited) on pages 3 and 4 be presented to supplement the combined statement of fiduciary net position. Such information, although not a part of this financial statement, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statement in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Management's Discussion and Analysis (Unaudited) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statement, and other knowledge we obtained during our audit of the financial statement. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

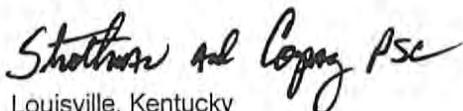
Other Information

Our audit was conducted for the purpose of forming an opinion on the combined statement of fiduciary net position taken as a whole. The combining information listed in the preceding table of contents on pages 9 through 36, is presented for purposes of additional analysis and is not a required part of the financial statement of the Activity Funds of the Board.

This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. This information has been subjected to the auditing procedures applied in our audit of the financial statement and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued a report dated November 10, 2014 on our consideration of the Board'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 the Board's internal control over financial reporting and compliance related to the Activity Funds.



Louisville, Kentucky
November 10, 2014

Management's Discussion and Analysis (Unaudited)

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

The management team of the Jefferson County Board of Education (the "Board") presents this Management's Discussion and Analysis (Unaudited) of the Elementary School Activity Funds (the "Activity Funds") for the fiscal year ended June 30, 2014. Please read it in conjunction with the Activity Funds' financial statement which is on page 5.

Government Structure

The ninety elementary schools sponsor programs to supplement the activities provided by the Board. These supplemental activities are accounted for in various funds categorized by the particular activity or group involved. The Board prescribes policies for the supervision and administration of the Activity Funds, and generally has custodial responsibility over these funds. Such custodial responsibility is mandated by the Kentucky Department of Education.

Basic Financial Statements

This financial report includes the combined statement of fiduciary net position and combining statements of fiduciary net position and cash receipts and disbursements for all ninety elementary schools. The Independent Auditors' Report on this information precedes this Management's Discussion and Analysis (Unaudited).

The Activity Funds of the Board are being presented as agency funds in accordance with Governmental Accounting Standards Board Opinion No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and related standards.

Financial Highlights

Total assets of all Activity Funds amounted to \$1,966,487 at June 30, 2014, compared to \$1,957,066 of total assets in the prior year, which reflects an increase of \$9,421. At June 30, 2014, total assets consist primarily of cash and temporary cash investments totaling \$1,881,057, compared to June 30, 2013 which reflected cash and temporary cash investments of \$1,824,624. This increase in cash and temporary cash investments was due primarily to the excess of cash receipts over cash disbursements of \$56,433 during the fiscal year ended June 30, 2014. Total liabilities of all Activity Funds amounted to \$1,966,487 at June 30, 2014, compared to total liabilities of \$1,957,066 in the prior year.

Elementary schools generate receipts for the Activity Funds primarily from student fees, athletic events admission, fund raising projects, donations, and allocations from the Board. Cash receipts of the Activity Funds amounted to \$5,959,965 during the fiscal year ended June 30, 2014, which reflects a \$154,941 decrease over the prior year's cash receipts of \$6,114,906. Disbursements by the Activity Funds amounted to \$5,903,532 and \$6,022,143 during the fiscal years ended June 30, 2014 and 2013, respectively.

Continued

Management's Discussion and Analysis (Unaudited)--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Contacting the Jefferson County Board of Education Financial Management

This financial report is designed to provide a general overview of the finances of the Jefferson County Board of Education Elementary School Activity Funds and to show management's accountability for these funds. If you have questions about this report or need additional information, contact the Chief Financial Officer/Treasurer of the Jefferson County Board of Education, P. O. Box 34020, Louisville, Kentucky 40232-3674.

Combined Statement of Fiduciary Net Position

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Assets

Cash	\$ 1,865,057
Temporary cash investments	16,000
Accounts receivable	5,742
Inventory	<u>79,688</u>

Total Assets \$ 1,966,487

Liabilities

Accounts payable	\$ 25,967
Due to student groups	<u>1,940,520</u>

Total Liabilities \$ 1,966,487

See Notes to Combined Statement of Fiduciary Net Position

Notes to Combined Statement of Fiduciary Net Position

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Note A--Fund Structure and Summary of Significant Accounting Policies

Fund Structure--The Jefferson County Board of Education (the "Board") Elementary School Activity Funds (the "Activity Funds") provide funding for the programs in ninety elementary schools, special educational and other related facilities for Board sponsored programs and to supplement the activities provided by the Board. The Board prescribes policies for the supervision and administration of the Activity Funds, in accordance with the requirements of the Kentucky Department of Education as set forth in its publication, "A Uniform Program of Accounting for School Activity Funds." Salaries for the treasurers of Activity Funds and other administrative support are paid by the Board and recorded in the Board's General Fund.

Elementary schools generate revenue for the Activity Funds primarily from allocations from the Board, athletic event admissions, fund raising projects and donations.

Basis of Accounting--The combined statement of fiduciary net position of the Activity Funds has been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The combined statement of fiduciary net position was prepared in accordance with GASB No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and related standards.

The Activity Funds are fiduciary/agency funds of the Board. For financial purposes, the accounting treatment applied to a fund is determined by its measurement focus. These fiduciary/agency funds are accounted for by using an economic resources measurement focus and the accrual basis of accounting.

Inventory--Inventory, consisting primarily of bookstore supplies and vending machine supplies, is stated at the lower of cost (using the first-in, first-out method) or market.

Use of Estimates--The preparation of the combined statement of fiduciary net position requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of this financial statement. Actual results could differ from those estimates.

Subsequent Events--In preparing this financial statement, management of the Board has evaluated events and transactions for potential recognition or disclosure through November 10, 2014, the date of financial statement was available to be issued.

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Note B--Cash and Temporary Cash Investments

Generally accepted accounting principles require the Activity Funds to disclose how they address custodial credit risk, interest rate risk, credit risk and concentration of credit risk.

Statutes authorize the Activity Funds to invest in the following:

- (1) Obligations of the United States and of its agencies and instrumentalities, repurchase agreements and specially approved AAA rated corporate bonds;
- (2) Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and municipalities;
- (3) Any savings and loan associations insured by an agency of the United States up to the amount insured
- (4) Interest bearing deposits in national and state banks chartered in Kentucky and insured by an agency of the United States up to the amount so insured, and in larger amounts providing such bank shall pledge securities having a current quoted market value at least equal to any uninsured deposits.

Temporary cash investments consist of certificates of deposit at various financial institutions located in Jefferson County, Kentucky, with various maturity dates and rates of interest. Such temporary cash investments are stated at cost, which approximates their market value.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Activity Funds' deposits may not be returned to it. All cash deposits and temporary cash investments of the Activity Funds are covered by depositor insurance provided by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per depositor. Any amounts in excess of FDIC coverage are covered by pledged securities at the various financial institutions in the Board's name.

By investing in certificates of deposit, the Activity Funds have minimized their exposure to credit risk. Interest rate risk is minimized by primarily investing in certificates of deposits with maturity dates of one year or less.

Continued

Notes to Combined Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

Note B--Cash and Temporary Cash Investments--Continued

Temporary cash investment activity during the year ended June 30, 2014 is summarized as follows:

	Temporary Cash Investments July 1, 2013	Deposits	Withdrawals	Temporary Cash Investments June 30, 2014
Auburndale Elementary	\$ 5,000			\$ 5,000
Brandeis Elementary	5,000			5,000
Smyrna Elementary	6,000			6,000
	<u>\$ 16,000</u>			<u>\$ 16,000</u>

Note C--Future Funding

Funding for the Activity Funds is generally dependent upon the fund raising ability of the students, parents and others in the elementary schools, and the success of the other programs. Continuation of the various activities in each elementary school is predicated upon the ability of students, parents and others to raise funds, the students' intent to continue their activities, and upon the Board's continued support of these activities.

Combining Information

Combining Statement of Fiduciary Net Position

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Total</u>	<u>Atkinson Elementary School</u>	<u>Auburndale Elementary School</u>	<u>Audubon Traditional Elementary School</u>
Assets				
Cash	\$ 1,865,057	\$ 21,687	\$ 25,676	\$ 4,931
Temporary cash investments	16,000		5,000	
Accounts receivable	5,742			
Inventory	<u>79,688</u>	<u>126</u>	<u>57</u>	<u>257</u>
Total Assets	<u><u>\$ 1,966,487</u></u>	<u><u>\$ 21,813</u></u>	<u><u>\$ 30,733</u></u>	<u><u>\$ 5,188</u></u>
Liabilities				
Accounts payable	\$ 25,967		\$ 85	
Due to students groups	<u>1,940,520</u>	<u>\$ 21,813</u>	<u>30,648</u>	<u>\$ 5,188</u>
Total Liabilities	<u><u>\$ 1,966,487</u></u>	<u><u>\$ 21,813</u></u>	<u><u>\$ 30,733</u></u>	<u><u>\$ 5,188</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Bates Elementary School	Blake Elementary School	Bloom Elementary School	Blue Lick Elementary School
Assets				
Cash	\$ 37,003	\$ 22,285	\$ 17,024	\$ 11,029
Temporary cash investments				
Accounts receivable			104	
Inventory	44	852	73	1,735
	<u>44</u>	<u>852</u>	<u>73</u>	<u>1,735</u>
Total Assets	<u>\$ 37,047</u>	<u>\$ 23,137</u>	<u>\$ 17,201</u>	<u>\$ 12,764</u>
Liabilities				
Accounts payable	\$ 2,680		\$ 216	
Due to students groups	34,367	\$ 23,137	16,985	\$ 12,764
	<u>34,367</u>	<u>\$ 23,137</u>	<u>16,985</u>	<u>\$ 12,764</u>
Total Liabilities	<u>\$ 37,047</u>	<u>\$ 23,137</u>	<u>\$ 17,201</u>	<u>\$ 12,764</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Bowen Elementary School	Brandeis Elementary School	Breckinridge Franklin Elementary School	Byck Elementary School
Assets				
Cash	\$ 19,044	\$ 19,066	\$ 15,277	\$ 16,822
Temporary cash investments		5,000		
Accounts receivable				40
Inventory	36	597	695	329
Total Assets	\$ 19,080	\$ 24,663	\$ 15,972	\$ 17,191
Liabilities				
Accounts payable				
Due to students groups	\$ 19,080	\$ 24,663	\$ 15,972	\$ 17,191
Total Liabilities	\$ 19,080	\$ 24,663	\$ 15,972	\$ 17,191

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Camp Taylor Elementary School	Cane Run Elementary School	Carter Traditional Elementary School	Malcolm B. Chancey, Jr. Elementary School
Assets				
Cash	\$ 3,838	\$ 24,903	\$ 55,322	\$ 21,570
Temporary cash investments				
Accounts receivable				40
Inventory	20	867	10,932	48
Total Assets	\$ 3,858	\$ 25,770	\$ 66,254	\$ 21,658
Liabilities				
Accounts payable				\$ 51
Due to students groups	\$ 3,858	\$ 25,770	\$ 66,254	21,607
Total Liabilities	\$ 3,858	\$ 25,770	\$ 66,254	\$ 21,658

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Chenoweth Elementary School	Garvin H. Cochran Elementary School	Garland S. Cochrane Elementary School	Coleridge Taylor Elementary School
Assets				
Cash	\$ 23,294	\$ 22,838	\$ 5,479	\$ 12,741
Temporary cash investments				
Accounts receivable	600		60	
Inventory	4,492	174	60	571
Total Assets	\$ 28,386	\$ 23,012	\$ 5,599	\$ 13,312
Liabilities				
Accounts payable	\$ 65			
Due to students groups	28,321	\$ 23,012	\$ 5,599	\$ 13,312
Total Liabilities	\$ 28,386	\$ 23,012	\$ 5,599	\$ 13,312

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Coral Ridge Elementary School</u>	<u>Crums Lane Elementary School</u>	<u>Dixie Elementary School</u>	<u>Dunn Elementary School</u>
Assets				
Cash	\$ 47,283	\$ 11,445	\$ 3,770	\$ 49,729
Temporary cash investments				
Accounts receivable				
Inventory	<u>1,619</u>	<u>661</u>	<u>697</u>	<u></u>
Total Assets	<u><u>\$ 48,902</u></u>	<u><u>\$ 12,106</u></u>	<u><u>\$ 4,467</u></u>	<u><u>\$ 49,729</u></u>
Liabilities				
Accounts payable				
Due to students groups	<u>\$ 48,902</u>	<u>\$ 12,106</u>	<u>\$ 4,467</u>	<u>\$ 49,729</u>
Total Liabilities	<u><u>\$ 48,902</u></u>	<u><u>\$ 12,106</u></u>	<u><u>\$ 4,467</u></u>	<u><u>\$ 49,729</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Eisenhower Elementary School</u>	<u>Engelhard Elementary School</u>	<u>Fairdale Elementary School</u>	<u>Farmer Elementary School</u>
Assets				
Cash	\$ 36,512	\$ 23,514	\$ 10,944	\$ 42,349
Temporary cash investments				
Accounts receivable		15		
Inventory	<u>2,419</u>	<u>168</u>	<u>1,855</u>	<u>48</u>
Total Assets	<u><u>\$ 38,931</u></u>	<u><u>\$ 23,697</u></u>	<u><u>\$ 12,799</u></u>	<u><u>\$ 42,397</u></u>
Liabilities				
Accounts payable				\$ 4,200
Due to students groups	<u>\$ 38,931</u>	<u>\$ 23,697</u>	<u>\$ 12,799</u>	<u>38,197</u>
Total Liabilities	<u><u>\$ 38,931</u></u>	<u><u>\$ 23,697</u></u>	<u><u>\$ 12,799</u></u>	<u><u>\$ 42,397</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Fern Creek Elementary School	Field Elementary School	Foster Academy	Frayser Elementary School
Assets				
Cash	\$ 22,542	\$ 13,260	\$ 13,570	\$ 12,033
Temporary cash investments				
Accounts receivable				
Inventory	<u>130</u>	<u></u>	<u>112</u>	<u>122</u>
Total Assets	<u>\$ 22,672</u>	<u>\$ 13,260</u>	<u>\$ 13,682</u>	<u>\$ 12,155</u>
Liabilities				
Accounts payable	\$ 321			
Due to students groups	<u>22,351</u>	<u>\$ 13,260</u>	<u>\$ 13,682</u>	<u>\$ 12,155</u>
Total Liabilities	<u>\$ 22,672</u>	<u>\$ 13,260</u>	<u>\$ 13,682</u>	<u>\$ 12,155</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Gilmore Lane Elementary School	Goldsmith Elementary School	Greathouse Shryrock Traditional Elementary School	Greenwood Elementary School
Assets				
Cash	\$ 15,287	\$ 13,672	\$ 54,695	\$ 42,108
Temporary cash investments				
Accounts receivable		638		
Inventory	562		10,172	223
	<u>562</u>	<u>638</u>	<u>10,172</u>	<u>223</u>
Total Assets	<u>\$ 15,849</u>	<u>\$ 14,310</u>	<u>\$ 64,867</u>	<u>\$ 42,331</u>
Liabilities				
Accounts payable			\$ 390	\$ 476
Due to students groups	\$ 15,849	\$ 14,310	64,477	41,855
	<u>15,849</u>	<u>14,310</u>	<u>64,477</u>	<u>41,855</u>
Total Liabilities	<u>\$ 15,849</u>	<u>\$ 14,310</u>	<u>\$ 64,867</u>	<u>\$ 42,331</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Gutermuth Elementary School	Hartstern Elementary School	Hawthorne Elementary School	Hazelwood Elementary School
Assets				
Cash	\$ 10,174	\$ 12,178	\$ 51,235	\$ 1,160
Temporary cash investments				
Accounts receivable	155		207	
Inventory	<u>81</u>	<u>896</u>	<u>32</u>	<u>194</u>
Total Assets	<u>\$ 10,410</u>	<u>\$ 13,074</u>	<u>\$ 51,474</u>	<u>\$ 1,354</u>
Liabilities				
Accounts payable				
Due to students groups	<u>\$ 10,410</u>	<u>\$ 13,074</u>	<u>\$ 51,474</u>	<u>\$ 1,354</u>
Total Liabilities	<u>\$ 10,410</u>	<u>\$ 13,074</u>	<u>\$ 51,474</u>	<u>\$ 1,354</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Hite Elementary School	Indian Trail Elementary School	Jacob Elementary School	Jeffersontown Elementary School
Assets				
Cash	\$ 37,244	\$ 23,257	\$ 9,605	\$ 28,529
Temporary cash investments				
Accounts receivable			95	
Inventory	114	84	868	122
	<u>114</u>	<u>84</u>	<u>868</u>	<u>122</u>
Total Assets	<u>\$ 37,358</u>	<u>\$ 23,341</u>	<u>\$ 10,568</u>	<u>\$ 28,651</u>
Liabilities				
Accounts payable	\$ 1,580	\$ 201	\$ 630	\$ 211
Due to students groups	35,778	23,140	9,938	28,440
	<u>35,778</u>	<u>23,140</u>	<u>9,938</u>	<u>28,440</u>
Total Liabilities	<u>\$ 37,358</u>	<u>\$ 23,341</u>	<u>\$ 10,568</u>	<u>\$ 28,651</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Johnsontown Road Elementary School	John F. Kennedy Montessori Elementary School	Kenwood Elementary School	Kerrick Elementary School
Assets				
Cash	\$ 4,472	\$ 28,064	\$ 29,632	\$ 15,196
Temporary cash investments				
Accounts receivable				
Inventory	<u>95</u>	<u>139</u>	<u>28</u>	<u>788</u>
Total Assets	<u>\$ 4,567</u>	<u>\$ 28,203</u>	<u>\$ 29,660</u>	<u>\$ 15,984</u>
Liabilities				
Accounts payable		\$ 1,148	\$ 135	
Due to students groups	<u>\$ 4,567</u>	<u>27,055</u>	<u>29,525</u>	<u>\$ 15,984</u>
Total Liabilities	<u>\$ 4,567</u>	<u>\$ 28,203</u>	<u>\$ 29,660</u>	<u>\$ 15,984</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	King Elementary School	Klondike Lane Elementary School	Laukhuf Elementary School	Layne Elementary School
Assets				
Cash	\$ 19,198	\$ 30,987	\$ 45,688	\$ 16,880
Temporary cash investments				
Accounts receivable				
Inventory	<u>78</u>	<u>1,114</u>	<u>1,239</u>	<u>403</u>
Total Assets	<u>\$ 19,276</u>	<u>\$ 32,101</u>	<u>\$ 46,927</u>	<u>\$ 17,283</u>
Liabilities				
Accounts payable		\$ 3,170	\$ 2,527	\$ 217
Due to students groups	<u>\$ 19,276</u>	<u>28,931</u>	<u>44,400</u>	<u>17,066</u>
Total Liabilities	<u>\$ 19,276</u>	<u>\$ 32,101</u>	<u>\$ 46,927</u>	<u>\$ 17,283</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Lincoln Elementary School</u>	<u>Low Elementary School</u>	<u>Luhr Elementary School</u>	<u>Maupin Elementary School</u>
Assets				
Cash	\$ 10,995	\$ 27,132	\$ 12,463	\$ 8,262
Temporary cash investments				
Accounts receivable		892		20
Inventory		103	539	2,454
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 10,995</u></u>	<u><u>\$ 28,127</u></u>	<u><u>\$ 13,002</u></u>	<u><u>\$ 10,736</u></u>
Liabilities				
Accounts payable		\$ 909	\$ 147	
Due to students groups	\$ 10,995	27,218	12,855	\$ 10,736
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u><u>\$ 10,995</u></u>	<u><u>\$ 28,127</u></u>	<u><u>\$ 13,002</u></u>	<u><u>\$ 10,736</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	John B. McFerran Preparatory Academy	Medora Elementary School	Middletown Elementary School	Mill Creek Elementary School
Assets				
Cash	\$ 27,124	\$ 7,808	\$ 17,661	\$ 6,504
Temporary cash investments				
Accounts receivable	30			
Inventory	7,416	542	90	74
	<u>7,416</u>	<u>542</u>	<u>90</u>	<u>74</u>
Total Assets	<u>\$ 34,570</u>	<u>\$ 8,350</u>	<u>\$ 17,751</u>	<u>\$ 6,578</u>
Liabilities				
Accounts payable		\$ 103		\$ 195
Due to students groups	\$ 34,570	8,247	\$ 17,751	6,383
	<u>34,570</u>	<u>8,247</u>	<u>17,751</u>	<u>6,383</u>
Total Liabilities	<u>\$ 34,570</u>	<u>\$ 8,350</u>	<u>\$ 17,751</u>	<u>\$ 6,578</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Minors Lane Elementary School</u>	<u>Norton Elementary School</u>	<u>Okolona Elementary School</u>	<u>Portland Elementary School</u>
Assets				
Cash	\$ 7,846	\$ 60,682	\$ 25,862	\$ 8,805
Temporary cash investments				
Accounts receivable				
Inventory		164	788	111
	<u>7,846</u>	<u>60,846</u>	<u>26,650</u>	<u>8,916</u>
Total Assets	<u>\$ 7,846</u>	<u>\$ 60,846</u>	<u>\$ 26,650</u>	<u>\$ 8,916</u>
Liabilities				
Accounts payable		\$ 169	\$ 87	
Due to students groups	\$ 7,846	60,677	26,563	\$ 8,916
	<u>7,846</u>	<u>60,846</u>	<u>26,650</u>	<u>8,916</u>
Total Liabilities	<u>\$ 7,846</u>	<u>\$ 60,846</u>	<u>\$ 26,650</u>	<u>\$ 8,916</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Price Elementary School</u>	<u>Rangeland Elementary School</u>	<u>Roosevelt Perry Elementary School</u>	<u>Rutherford Elementary School</u>
Assets				
Cash	\$ 16,168	\$ 21,405	\$ 11,750	\$ 12,287
Temporary cash investments				
Accounts receivable			35	38
Inventory	<u>100</u>	<u>328</u>	<u>29</u>	<u>8</u>
Total Assets	<u><u>\$ 16,268</u></u>	<u><u>\$ 21,733</u></u>	<u><u>\$ 11,814</u></u>	<u><u>\$ 12,333</u></u>
Liabilities				
Accounts payable		\$ 1,380		\$ 100
Due to students groups	<u>\$ 16,268</u>	<u>20,353</u>	<u>\$ 11,814</u>	<u>12,233</u>
Total Liabilities	<u><u>\$ 16,268</u></u>	<u><u>\$ 21,733</u></u>	<u><u>\$ 11,814</u></u>	<u><u>\$ 12,333</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	St. Matthews Elementary School	Sanders Elementary School	Schaffner Traditional Elementary School	Semple Elementary School
Assets				
Cash	\$ 18,387	\$ 26,980	\$ 30,386	\$ 7,329
Temporary cash investments				
Accounts receivable	200			
Inventory	104	954	24	2,808
	<u>104</u>	<u>954</u>	<u>24</u>	<u>2,808</u>
Total Assets	<u>\$ 18,691</u>	<u>\$ 27,934</u>	<u>\$ 30,410</u>	<u>\$ 10,137</u>
Liabilities				
Accounts payable		\$ 538	\$ 125	\$ 352
Due to students groups	\$ 18,691	27,396	30,285	9,785
	<u>\$ 18,691</u>	<u>27,396</u>	<u>30,285</u>	<u>9,785</u>
Total Liabilities	<u>\$ 18,691</u>	<u>\$ 27,934</u>	<u>\$ 30,410</u>	<u>\$ 10,137</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Shacklette Elementary School	Shelby Elementary School	Slaughter Elementary School	Smyrna Elementary School
Assets				
Cash	\$ 6,416	\$ 11,573	\$ 1,107	\$ 19,163
Temporary cash investments				6,000
Accounts receivable		302		
Inventory	496	2,626	19	5,498
	<u>496</u>	<u>2,626</u>	<u>19</u>	<u>5,498</u>
Total Assets	<u>\$ 6,912</u>	<u>\$ 14,501</u>	<u>\$ 1,126</u>	<u>\$ 30,661</u>
Liabilities				
Accounts payable		\$ 247		
Due to students groups	\$ 6,912	14,254	\$ 1,126	\$ 30,661
	<u>6,912</u>	<u>14,254</u>	<u>1,126</u>	<u>30,661</u>
Total Liabilities	<u>\$ 6,912</u>	<u>\$ 14,501</u>	<u>\$ 1,126</u>	<u>\$ 30,661</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Stonestreet Elementary School	Stopher Elementary School	Trunnell Elementary School	Tully Elementary School
Assets				
Cash	\$ 15,600	\$ 50,259	\$ 13,695	\$ 13,453
Temporary cash investments				
Accounts receivable	136		695	
Inventory	219	690	154	
	<u>15,955</u>	<u>50,949</u>	<u>14,544</u>	<u>13,453</u>
Total Assets	<u>\$ 15,955</u>	<u>\$ 50,949</u>	<u>\$ 14,544</u>	<u>\$ 13,453</u>
Liabilities				
Accounts payable	\$ 437	\$ 462	\$ 79	\$ 1,440
Due to students groups	15,518	50,487	14,465	12,013
	<u>15,955</u>	<u>50,949</u>	<u>14,544</u>	<u>13,453</u>
Total Liabilities	<u>\$ 15,955</u>	<u>\$ 50,949</u>	<u>\$ 14,544</u>	<u>\$ 13,453</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Unsold Learning Center</u>	<u>Watson Lane Elementary School</u>	<u>Watterson Elementary School</u>	<u>Wellington Elementary School</u>
Assets				
Cash	\$ 825	\$ 29,931	\$ 13,967	\$ 16,265
Temporary cash investments				
Accounts receivable		57		465
Inventory	38	2,261	125	457
	<u>38</u>	<u>2,261</u>	<u>125</u>	<u>457</u>
Total Assets	<u>\$ 863</u>	<u>\$ 32,249</u>	<u>\$ 14,092</u>	<u>\$ 17,187</u>
Liabilities				
Accounts payable		\$ 338	\$ 240	
Due to students groups	\$ 863	31,911	13,852	\$ 17,187
	<u>863</u>	<u>31,911</u>	<u>13,852</u>	<u>17,187</u>
Total Liabilities	<u>\$ 863</u>	<u>\$ 32,249</u>	<u>\$ 14,092</u>	<u>\$ 17,187</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	<u>Wheatley Elementary School</u>	<u>Wheeler Elementary School</u>	<u>Wilder Elementary School</u>	<u>Wilkerson Elementary School</u>
Assets				
Cash	\$ 7,647	\$ 37,110	\$ 24,411	\$ 37,100
Temporary cash investments				
Accounts receivable	73	20		
Inventory	<u>354</u>	<u>45</u>		<u>420</u>
Total Assets	<u><u>\$ 8,074</u></u>	<u><u>\$ 37,175</u></u>	<u><u>\$ 24,411</u></u>	<u><u>\$ 37,520</u></u>
Liabilities				
Accounts payable	\$ 72	\$ 84		\$ 160
Due to students groups	<u>8,002</u>	<u>37,091</u>	<u>\$ 24,411</u>	<u>37,360</u>
Total Liabilities	<u><u>\$ 8,074</u></u>	<u><u>\$ 37,175</u></u>	<u><u>\$ 24,411</u></u>	<u><u>\$ 37,520</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

June 30, 2014

	Wilt Elementary School	Whitney M. Young Elementary School	Zachary Taylor Elementary School
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash	\$ 20,142	\$ 11,053	\$ 13,463
Temporary cash investments			
Accounts receivable		825	
Inventory	1,120	62	1,440
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 21,262	\$ 11,940	\$ 14,903
	<u> </u>	<u> </u>	<u> </u>
Liabilities			
Accounts payable			
Due to students groups	\$ 21,262	\$ 11,940	\$ 14,903
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	\$ 21,262	\$ 11,940	\$ 14,903
	<u> </u>	<u> </u>	<u> </u>

See Independent Auditors' Report

Combining Statement of Cash Receipts and Disbursements

**Jefferson County Board of Education
Elementary School Activity Funds**

Year Ended June 30, 2014

<u>Name of School</u>	<u>Cash Balance July 1, 2013</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Atkinson Elementary School	\$ 22,712	\$ 19,885	\$ 20,910	\$ 21,687
Auburndale Elementary School	24,003	37,265	35,592	25,676
Audubon Traditional Elementary School	693	106,460	102,222	4,931
Bates Elementary School	27,177	98,557	88,731	37,003
Blake Elementary School	19,372	24,903	21,990	22,285
Bloom Elementary School	16,295	76,721	75,992	17,024
Blue Lick Elementary School	11,309	36,848	37,128	11,029
Bowen Elementary School	14,123	122,402	117,481	19,044
Brandeis Elementary School	16,759	262,178	259,871	19,066
Breckinridge Franklin Elementary School	24,868	46,244	55,835	15,277
Byck Elementary School	15,525	30,653	29,356	16,822
Camp Taylor Elementary School	6,929	25,639	28,730	3,838
Cane Run Elementary School	23,652	39,394	38,143	24,903
Carter Traditional Elementary School	65,290	146,433	156,401	55,322
Malcolm B. Chancey, Jr. Elementary School	16,185	82,407	77,022	21,570
Chenoweth Elementary School	26,556	69,654	72,916	23,294
Garvin H. Cochran Elementary School	26,526	33,072	36,760	22,838
Garland S. Cochrane Elementary School	4,843	26,952	26,316	5,479
Coleridge Taylor Elementary School	10,837	246,698	244,794	12,741
Coral Ridge Elementary School	43,237	36,647	32,601	47,283

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

Year Ended June 30, 2014

<u>Name of School</u>	<u>Cash Balance July 1, 2013</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Crums Lane Elementary School	13,614	28,166	30,335	11,445
Dixie Elementary School	5,810	21,850	23,890	3,770
Dunn Elementary School	43,105	133,931	127,307	49,729
Eisenhower Elementary School	30,700	122,657	116,845	36,512
Engelhard Elementary School	29,863	27,414	33,763	23,514
Fairdale Elementary School	9,077	51,773	49,906	10,944
Farmer Elementary School	38,789	198,137	194,577	42,349
Fern Creek Elementary School	31,080	68,986	77,524	22,542
Field Elementary School	13,579	92,670	92,989	13,260
Foster Academy	15,630	55,545	57,605	13,570
Frayser Elementary School	10,087	17,010	15,064	12,033
Gilmore Lane Elementary School	14,617	13,982	13,312	15,287
Goldsmith Elementary School	20,736	32,444	39,508	13,672
Greathouse Shryrock Traditional Elementary School	41,466	195,183	181,954	54,695
Greenwood Elementary School	42,145	50,541	50,578	42,108
Gutermuth Elementary School	11,264	25,240	26,330	10,174
Hartstern Elementary School	13,371	22,936	24,129	12,178
Hawthorne Elementary School	52,510	35,046	36,321	51,235
Hazelwood Elementary School	3,024	14,325	16,189	1,160
Hite Elementary School	27,065	121,807	111,628	37,244

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

Year Ended June 30, 2014

<u>Name of School</u>	<u>Cash Balance July 1, 2013</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Indian Trail Elementary School	21,310	32,005	30,058	23,257
Jacob Elementary School	12,029	38,544	40,968	9,605
Jeffersontown Elementary School	27,664	72,523	71,658	28,529
Johnsontown Road Elementary School	8,094	41,052	44,674	4,472
John F. Kennedy Montessori Elementary School	27,797	191,656	191,389	28,064
Kenwood Elementary School	26,658	65,305	62,331	29,632
Kerrick Elementary School	12,753	31,098	28,655	15,196
King Elementary School	14,246	34,930	29,978	19,198
Klondike Lane Elementary School	25,564	42,914	37,491	30,987
Laukhuf Elementary School	38,650	54,745	47,707	45,688
Layne Elementary School	9,987	30,454	23,561	16,880
Lincoln Elementary School	15,225	47,752	51,982	10,995
Lowe Elementary School	22,397	74,548	69,813	27,132
Luhr Elementary School	14,737	67,552	69,826	12,463
Maupin Elementary School	9,734	28,179	29,651	8,262
John B. McFerran Preparatory Academy	28,056	78,198	79,130	27,124
Medora Elementary School	11,700	76,428	80,320	7,808
Middletown Elementary School	17,516	60,723	60,578	17,661
Mill Creek Elementary School	1,610	37,571	32,677	6,504
Minors Lane Elementary School	8,529	18,983	19,666	7,846

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

Year Ended June 30, 2014

<u>Name of School</u>	<u>Cash Balance July 1, 2013</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Norton Elementary School	66,136	229,831	235,285	60,682
Okolona Elementary School	18,279	47,850	40,267	25,862
Portland Elementary School	12,849	17,282	21,326	8,805
Price Elementary School	12,364	30,359	26,555	16,168
Rangeland Elementary School	14,127	41,062	33,784	21,405
Roosevelt Perry Elementary School	12,127	16,087	16,464	11,750
Rutherford Elementary School	29,994	76,603	94,310	12,287
St. Matthews Elementary School	18,416	66,376	66,405	18,387
Sanders Elementary School	20,469	55,022	48,511	26,980
Schaffner Traditional Elementary School	27,151	79,847	76,612	30,386
Semple Elementary School	6,614	20,915	20,200	7,329
Shacklette Elementary School	20,206	24,363	38,153	6,416
Shelby Elementary School	24,687	35,630	48,744	11,573
Slaughter Elementary School	1,905	23,340	24,138	1,107
Smyrna Elementary School	23,294	42,058	46,189	19,163
Stonestreet Elementary School	9,740	34,984	29,124	15,600
Stopher Elementary School	28,259	426,152	404,152	50,259
Trunnell Elementary School	10,376	55,543	52,224	13,695
Tully Elementary School	6,861	193,488	186,896	13,453
Unsel Learning Center		1,363	538	825

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education
Elementary School Activity Funds**

Year Ended June 30, 2014

<u>Name of School</u>	<u>Cash Balance July 1, 2013</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Watson Lane Elementary School	28,860	31,879	30,808	29,931
Watterson Elementary School	17,963	52,994	56,990	13,967
Wellington Elementary School	11,521	31,580	26,836	16,265
Wheatley Elementary School	5,331	20,371	18,055	7,647
Wheeler Elementary School	25,652	86,543	75,085	37,110
Wilder Elementary School	23,041	52,659	51,289	24,411
Wilkerson Elementary School	42,473	38,441	43,814	37,100
Wilt Elementary School	21,343	31,988	33,189	20,142
Whitney M. Young Elementary School	14,960	32,585	36,492	11,053
Zachary Taylor Elementary School	14,947	38,955	40,439	13,463
Total	<u><u>\$ 1,808,624</u></u>	<u><u>\$ 5,959,965</u></u>	<u><u>\$ 5,903,532</u></u>	<u><u>\$ 1,865,057</u></u>

See Independent Auditors' Report

Report Required by *Government Auditing Standards*

**Independent Auditors' 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***



**Independent Auditors' 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***

Members of the Board
Jefferson County Board of Education
Louisville, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined statement of fiduciary net position of the Elementary School Activity Funds (the "Activity Funds") of the Jefferson County Board of Education (the "Board") as of June 30, 2014, and the related notes to combined statement of fiduciary net position, which collectively comprise the Activity Funds' basic financial statement, and have issued our report thereon dated November 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board'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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statement will not be prevented or detected 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 the 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; therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

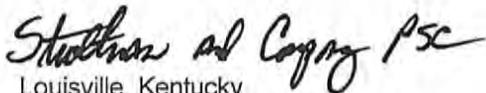
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statement is free of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that we reported to management of the Board in a separate letter dated November 10, 2014.

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



Louisville, Kentucky
November 10, 2014