

Financial Statements and
Related Information

2014

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

June 30, 2014



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

June 30, 2014

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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 Middle 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 financial 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 the 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.

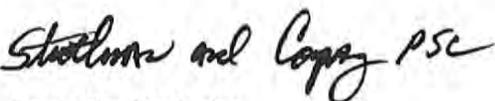
Other Information

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 16, 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
Middle 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 Middle 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 on page 5.

Government Structure

The twenty-seven middle schools, special educational schools and other related facilities 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 twenty-seven middle 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 Statement 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 \$1,537,512 at June 30, 2014, compared to \$1,523,640 of total assets in the prior year, which reflects an increase of \$13,872. At June 30, 2014, total assets consist primarily of cash and temporary cash investments totaling \$1,412,584, compared to June 30, 2013 which reflected cash and temporary cash investments of \$1,391,748. This increase in cash and temporary cash investments was due primarily to the excess of cash receipts over cash disbursements of \$30,836 during the fiscal year ended June 30, 2014. Total liabilities of all Activity Funds amounted to \$1,537,512 at June 30, 2014, compared to total liabilities of \$1,523,640 in the prior year.

Middle 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 \$4,368,022 during the fiscal year ended June 30, 2014, which reflects a \$61,124 decrease from prior year's cash receipts of \$4,429,146. Disbursements by the Activity Funds amounted to \$4,337,186 and \$4,324,987 during the fiscal years ended June 30, 2014 and 2013, respectively.

Continued

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

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

June 30, 2014

Assets

Cash	\$ 1,295,018
Temporary cash investments	117,566
Accounts receivable	4,196
Inventory	<u>120,732</u>

Total Assets \$ 1,537,512

Liabilities

Accounts payable	\$ 36,352
Due to student groups	<u>1,501,160</u>

Total Liabilities \$ 1,537,512

See Notes to Combined Statement of Fiduciary Net Position

**Jefferson County Board of Education
Middle 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") Middle School Activity Funds (the "Activity Funds") provide funding for the programs in twenty-seven middle schools, special educational schools 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.

Middle 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 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 the financial statement was available to be issued.

**Jefferson County Board of Education
Middle 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
Middle 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
Barret Traditional Middle School	\$ 25,000			\$ 25,000
Carrithers Middle School	15,000			15,000
Highland Middle School	5,038			5,038
Thomas Jefferson Middle School	10,000			10,000
Knight Middle School	10,000		\$ 10,000	10,000
Noe Middle School	10,000			10,000
Stuart Middle School	52,528			52,528
	<u>\$ 127,566</u>	<u>\$</u>	<u>\$ 10,000</u>	<u>\$ 117,566</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 middle schools, and the success of the other programs. Continuation of the various activities in each middle 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
Middle School Activity Funds**

June 30, 2014

	<u>Total</u>	<u>Barret Traditional Middle School</u>	<u>Binet School</u>	<u>Carrithers Middle School</u>
Assets				
Cash	\$ 1,295,018	\$ 126,481	\$ 34,725	\$ 35,307
Temporary cash investments	117,566	25,000		15,000
Accounts receivable	4,196	2		1
Inventory	<u>120,732</u>	<u>15,713</u>		<u>1,543</u>
Total Assets	<u><u>\$ 1,537,512</u></u>	<u><u>\$ 167,196</u></u>	<u><u>\$ 34,725</u></u>	<u><u>\$ 51,851</u></u>
Liabilities				
Accounts payable	\$ 36,352	\$ 14,401		\$ 607
Due to student groups	<u>1,501,160</u>	<u>152,795</u>	<u>\$ 34,725</u>	<u>51,244</u>
Total Liabilities	<u><u>\$ 1,537,512</u></u>	<u><u>\$ 167,196</u></u>	<u><u>\$ 34,725</u></u>	<u><u>\$ 51,851</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	<u>Conway Middle School</u>	<u>Crosby Middle School</u>	<u>Duvalle Education Center</u>	<u>Farnsley Middle School</u>
Assets				
Cash	\$ 37,837	\$ 109,472	\$ 4,594	\$ 82,968
Temporary cash investments				
Accounts receivable				
Inventory	<u>371</u>	<u>97</u>	<u>249</u>	<u>436</u>
Total Assets	<u><u>\$ 38,208</u></u>	<u><u>\$ 109,569</u></u>	<u><u>\$ 4,843</u></u>	<u><u>\$ 83,404</u></u>
Liabilities				
Accounts payable	\$ 279			\$ 219
Due to student groups	<u>37,929</u>	<u>\$ 109,569</u>	<u>\$ 4,843</u>	<u>83,185</u>
Total Liabilities	<u><u>\$ 38,208</u></u>	<u><u>\$ 109,569</u></u>	<u><u>\$ 4,843</u></u>	<u><u>\$ 83,404</u></u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	Frost Middle School	Highland Middle School	Jefferson County Traditional Middle School	Thomas Jefferson Middle School
Assets				
Cash	\$ 12,958	\$ 62,946	\$ 62,286	\$ 39,034
Temporary cash investments		5,038		10,000
Accounts receivable		228		
Inventory	363	73	17,693	11,093
	<u>363</u>	<u>73</u>	<u>17,693</u>	<u>11,093</u>
Total Assets	<u>\$ 13,321</u>	<u>\$ 68,285</u>	<u>\$ 79,979</u>	<u>\$ 60,127</u>
Liabilities				
Accounts payable	\$ 325		\$ 2,204	\$ 379
Due to student groups	12,996	\$ 68,285	77,775	59,748
	<u>12,996</u>	<u>\$ 68,285</u>	<u>77,775</u>	<u>59,748</u>
Total Liabilities	<u>\$ 13,321</u>	<u>\$ 68,285</u>	<u>\$ 79,979</u>	<u>\$ 60,127</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	Johnson Traditional Middle School	Kammerer Middle School	Alex R. Kennedy Metro Middle School	Knight Middle School
Assets				
Cash	\$ 85,790	\$ 135,826	\$ 16,655	\$ 6,181
Temporary cash investments				
Accounts receivable		80		
Inventory	19,831	1,843	40	799
Total Assets	<u>\$ 105,621</u>	<u>\$ 137,749</u>	<u>\$ 16,695</u>	<u>\$ 6,980</u>
Liabilities				
Accounts payable	\$ 119	\$ 276		\$ 274
Due to student groups	105,502	137,473	16,695	6,706
Total Liabilities	<u>\$ 105,621</u>	<u>\$ 137,749</u>	<u>\$ 16,695</u>	<u>\$ 6,980</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	Lassiter Middle School	Meyzeek Middle School	Myers Middle School	Newburg Middle School
Assets				
Cash	\$ 44,394	\$ 34,399	\$ 30,099	\$ 47,740
Temporary cash investments				
Accounts receivable		570		422
Inventory	18,304	560		6,327
	<u>18,304</u>	<u>560</u>		<u>6,327</u>
Total Assets	<u>\$ 62,698</u>	<u>\$ 35,529</u>	<u>\$ 30,099</u>	<u>\$ 54,489</u>
Liabilities				
Accounts payable	\$ 1,124		\$ 12	\$ 1,919
Due to student groups	61,574	\$ 35,529	30,087	52,570
	<u>61,574</u>	<u>\$ 35,529</u>	<u>30,087</u>	<u>52,570</u>
Total Liabilities	<u>\$ 62,698</u>	<u>\$ 35,529</u>	<u>\$ 30,099</u>	<u>\$ 54,489</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	Noe Middle School	Olmsted Academy North	Olmsted Academy South	Ramsey Middle School
Assets				
Cash	\$ 96,301	\$ 11,852	\$ 45,655	\$ 88,940
Temporary cash investments	10,000			
Accounts receivable	3			
Inventory	2,347	1,820	6,792	8,060
Total Assets	<u>\$ 108,651</u>	<u>\$ 13,672</u>	<u>\$ 52,447</u>	<u>\$ 97,000</u>
Liabilities				
Accounts payable	\$ 5,110	\$ 1,970	\$ 444	
Due to student groups	103,541	11,702	52,003	\$ 97,000
Total Liabilities	<u>\$ 108,651</u>	<u>\$ 13,672</u>	<u>\$ 52,447</u>	<u>\$ 97,000</u>

Continued

Combining Statement of Fiduciary Net Position--Continued

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

June 30, 2014

	Stuart Middle School	Waller Williams Environmental School	Western Middle School	Westport Middle School
Assets				
Cash	\$ 25,616	\$ 5,605	\$ 2,850	\$ 8,507
Temporary cash investments	52,528			
Accounts receivable		100	2,554	236
Inventory	5,737	72	163	406
Total Assets	<u>\$ 83,881</u>	<u>\$ 5,777</u>	<u>\$ 5,567</u>	<u>\$ 9,149</u>
Liabilities				
Accounts payable		\$ 115	\$ 5,567	\$ 1,008
Due to student groups	\$ 83,881	5,662		8,141
Total Liabilities	<u>\$ 83,881</u>	<u>\$ 5,777</u>	<u>\$ 5,567</u>	<u>\$ 9,149</u>

See Independent Auditors' Report

Combining Statement of Cash Receipts and Disbursements

**Jefferson County Board of Education
Middle 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>
Barret Traditional Middle School	\$ 138,261	\$ 309,718	\$ 321,498	\$ 126,481
Binet School	36,211	59,571	61,057	34,725
Carrithers Middle School	30,609	112,009	107,311	35,307
Conway Middle School	41,897	120,745	124,805	37,837
Crosby Middle School	119,455	297,293	307,276	109,472
Duvalle Education Center	3,562	15,526	14,494	4,594
Farnsley Middle School	76,265	303,362	296,659	82,968
Frost Middle School	11,191	27,820	26,053	12,958
Highland Middle School	62,702	161,880	161,636	62,946
Jefferson County Traditional Middle School	55,161	323,520	316,395	62,286
Thomas Jefferson Middle School	19,781	87,218	67,965	39,034
Johnson Traditional Middle School	100,427	194,691	209,328	85,790
Kammerer Middle School	117,501	240,420	222,095	135,826
Alex R. Kennedy Metro Middle School	13,056	5,835	2,236	16,655
Knight Middle School	717	57,097	51,633	6,181
Lassiter Middle School	26,261	76,212	58,079	44,394
Meyzeek Middle School	51,118	358,647	375,366	34,399
Myers Middle School	28,583	90,863	89,347	30,099
Newburg Middle School	44,074	285,980	282,314	47,740
Noe Middle School	105,368	325,971	335,038	96,301
Olmsted Academy North	5,571	66,256	59,975	11,852
Olmsted Academy South	50,475	123,601	128,421	45,655
Ramsey Middle School	86,104	331,849	329,013	88,940
Stuart Middle School	26,833	98,796	100,013	25,616
Waller Williams Environmental School	8,875	12,161	15,431	5,605
Western Middle School	2,289	52,804	52,243	2,850
Westport Middle School	1,835	228,177	221,505	8,507
Total	<u>\$ 1,264,182</u>	<u>\$ 4,368,022</u>	<u>\$ 4,337,186</u>	<u>\$ 1,295,018</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 Middle 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, 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 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 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 and 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