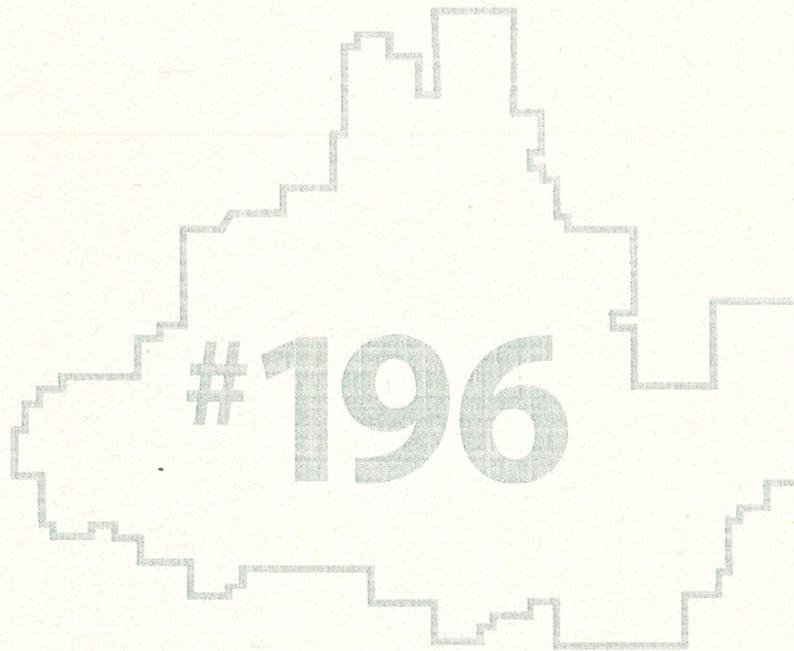


SPECIAL PURPOSE

Audit Reports

Year Ended June 30, 2011



INDEPENDENT SCHOOL DISTRICT 196
Rosemount-Apple Valley-Eagan Public Schools

Educating our students to reach their full potential

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT, MINNESOTA

Special Purpose Audit Reports

Year Ended
June 30, 2011

INDEPENDENT SCHOOL DISTRICT NO. 196

Special Purpose Audit Reports
Year Ended June 30, 2011

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS

To the School Board of
Independent School District No. 196
Rosemount, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196 (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2011. These basic financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements of the District. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

October 24, 2011

INDEPENDENT SCHOOL DISTRICT NO. 196

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
U.S. Department of Agriculture		
Passed through Minnesota Department of Education		
Child nutrition cluster		
School Breakfast Program	10.553	\$ 428,384
National School Lunch Program	10.555	3,203,827
Special Milk Program for Children	10.556	1,495
Total child nutrition cluster		3,633,706
U.S. Department of Education		
Direct		
Indian Education – Grants to Local Educational Agencies	84.060	43,345
Magnet Schools Assistance	84.165	575,397
Foreign Language Assistance	84.293	83,685
Passed through Minnesota Department of Education		
Special education cluster		
Special Education – Grants to States	84.027	4,117,116
ARRA – Special Education – Grants to States	84.391	2,684,095
Special Education – Preschool Grants	84.173	325,211
ARRA – Special Education – Preschool Grants	84.392	116,068
Total special education cluster		7,242,490
Title I Grants to Local Educational Agencies	84.010	864,542
Improving Teacher Quality State Grants	84.367	566,434
English Language Acquisition Grants	84.365	175,997
Career and Technical Education – Basic Grants to States	84.048	244,341
Adult Education – Basic Grants to States	84.002	126,977
Early intervention services cluster		
ARRA – Special Education Grants for Infants and Families	84.393	81,687
Passed through Intermediate School District No. 917		
Special Education Grants for Infants and Families	84.181	124,024
Total early intervention services cluster		205,711
Total federal awards		<u>\$ 13,762,625</u>

Note 1: This Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's basic financial statements.

Note 2: Non-monetary assistance of \$560,735 is reported in this schedule, representing the value of commodities received and disbursed for the U.S. Department of Agriculture National School Lunch Program (CFDA No. 10.555).

Note 3: All pass-through entities listed above use the same CFDA numbers as the federal grantors to identify these grants, and have not assigned any additional identifying numbers.

Note 4: The District provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Amount Provided
Improving Teacher Quality State Grants	84.367	\$ 16,178
Career and Technical Education – Basic Grants to States	84.048	\$ 129,892



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the School Board of
Independent School District No. 196
Rosemount, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196 (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2011. 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.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District'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 the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Question Costs, we identified one deficiency in internal control over financial reporting that we consider to be a material weakness.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be a material weakness.

(continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are 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 noted certain matters that we reported to management of the District, in a separate letter dated October 24, 2011.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the School Board, others within the District, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Mallory, Montague, Karnowski, Radosevich & Co., P.A.

October 24, 2011



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the School Board of
Independent School District No. 196
Rosemount, Minnesota

Compliance

We have audited Independent School District No. 196's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *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, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

As described in item 2011-2 in the accompanying Schedule of Findings and Questioned Costs, the District did not comply with requirements regarding reporting that are applicable to its early intervention services cluster. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to those programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the District complied, in all material respects, with the 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, 2011.

(continued)

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified one deficiency in internal control over compliance that we consider to be a material weakness.

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 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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2 to be a material weakness.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the School Board, others within the District, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Malloy, Montague, Karmowski, Radosevich & Co., P.A.

October 24, 2011



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH MINNESOTA STATE LAWS AND REGULATIONS

To the School Board of
Independent School District No. 196
Rosemount, Minnesota

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196 (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2011.

We conducted our audit 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 provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the Office of the State Auditor pursuant to Minnesota Statute § 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions* covers seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, uniform financial accounting and reporting standards for school districts, and miscellaneous provisions. Our study included all of the listed categories.

The results of our tests indicate that, for the items tested, the District complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of management, the School Board, others within the District, and the state of Minnesota and is not intended to be, and should not be, used by anyone other than these specified parties.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

October 24, 2011

INDEPENDENT SCHOOL DISTRICT NO. 196

Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

A. SUMMARY OF AUDIT RESULTS

This summary is formatted to provide federal granting agencies and pass-through agencies answers to specific questions regarding the audit of federal awards.

Financial Statements

What type of auditor's report is issued? X Unqualified
 Qualified
 Adverse
 Disclaimer

Internal control over financial reporting:

Material weakness(es) identified? X Yes No

Significant deficiencies identified? Yes X None reported

Noncompliance material to the financial statements noted? Yes X No

Federal Awards

Internal controls over major federal award programs:

Material weakness(es) identified? X Yes No

Significant deficiencies identified? Yes X None reported

Type of auditor's report issued on compliance for major programs?

U.S. Department of Agriculture child nutrition cluster	Unqualified
U.S. Department of Education	
Magnet Schools Assistance	Unqualified
Early intervention services cluster	Qualified
Special education cluster	Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? X Yes No

Programs tested as major programs:

Program or Cluster	CFDA No.
The U.S. Department of Agriculture child nutrition cluster consisting of:	
– School Breakfast Program	10.553
– National School Lunch Program	10.555
– Special Milk Program for Children	10.556
Magnet Schools Assistance	84.165
The U.S. Department of Education early intervention services cluster consisting of:	
– Special Education – Grants for Infants and Families	84.181
– ARRA – Special Education – Grants for Infants and Families	84.393
The U.S. Department of Education special education cluster consisting of:	
– Special Education – Grants to States	84.027
– ARRA – Special Education – Grants to States	84.391
– Special Education – Preschool Grants	84.173
– ARRA – Special Education – Preschool Grants	84.392

Threshold for distinguishing type A and B programs. \$ 412,879

Does the auditee qualify as a low-risk auditee? Yes X No

INDEPENDENT SCHOOL DISTRICT NO. 196

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2011

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2011-1 Segregation of Duties

Criteria – Internal control over financial reporting.

Condition – Independent School District No. 196 (the District) has limited segregation of duties over cash receipts collected at sites outside of the District's central business office. At the various district school sites, one individual is responsible for: the collection of cash receipts, preparing the deposits, and creating the initial records used to record the receipts. There is no verification of cash collections by someone independent of the cash deposit process.

Questioned Costs – Not applicable.

Context – This is a current year and prior year finding.

Cause – The limited segregation of duties is primarily caused by the limited size of the District's business office staff at each school site.

Effect – One important element of internal accounting controls is an adequate segregation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction. A lack of segregation of duties subjects the District to a higher risk that errors or fraud could occur and not be detected in a timely manner in the normal course of business.

Recommendation – We recommend that someone not involved in the initial receipt and deposit of cash perform procedures to verify that all cash collected at the various district school sites is being deposited, such as having the District's business office staff obtain and review original documentation for cash received at the schools.

Corrective Action Plan

Actions Planned – Based on recommendations of the Office of the State Auditor and through the annual audit, the District has developed a revised district-wide procedural manual for cash receipts to eliminate or mitigate this internal control weakness.

Official Responsible – Jeffrey Solomon, Director of Finance and Operations.

Planned Completion Date – June 30, 2012.

Disagreement With or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – Jeffrey Solomon, Director of Finance and Operations, will make the entire business office aware of its objective to address this condition and supervise the progress of planned actions during the year.

INDEPENDENT SCHOOL DISTRICT NO. 196

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2011

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

**MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND REPORTABLE INSTANCES
OF NONCOMPLIANCE – *EARLY INTERVENTION SERVICES CLUSTER (ARRA SPECIAL EDUCATION –
GRANTS FOR INFANTS AND FAMILIES – CFDA No. 84.393)***

2011-2 Internal Controls Over Compliance With Federal Reporting Requirements

Criteria – Management is responsible for establishing and maintaining effective internal control over compliance with requirements applicable to federal programs, including Section 1512 of the American Recovery and Reinvestment Act (ARRA) which requires recipients to report a quarterly estimate of the number of jobs created or retained through the use of ARRA funds.

Condition – During our audit, we noted that the District did not have sufficient controls in place to assure compliance with this requirement for the major program noted above, which resulted in noncompliance with a type of federal compliance requirement that could have a direct and material effect on these programs. The District did not submit any of the four required quarterly jobs data surveys for this program.

Questioned Costs – Not applicable.

Context – This is a current year and prior year finding.

Cause – The District did not submit the quarterly jobs data surveys for this federal program.

Effect – Noncompliance with the reporting requirements could be viewed as a violation of the award agreement.

Recommendation – We recommend that the District submit the quarterly jobs data surveys to report the number of the jobs created and retained as a result of funding received through the ARRA.

Corrective Action Plan

Actions Planned – The District's Director of Finance and Operations will submit the quarterly jobs data surveys for all applicable federal programs, and the survey data information will be reviewed for completeness prior to submission.

Official Responsible – Jeffrey Solomon, Director of Finance and Operations.

Planned Completion Date – December 31, 2011.

Disagreement With or Explanation of Finding – The District is in agreement with this finding.

Plan to Monitor – Jeffrey Solomon, Director of Finance and Operations, will review procedures prior to the above planned completion date.

INDEPENDENT SCHOOL DISTRICT NO. 196

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2011

D. FINDINGS – MINNESOTA LEGAL COMPLIANCE AUDIT

None.

E. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

DEPARTMENT OF EDUCATION

2010-2 Special Education Cluster (CFDA No. 84.027)

Condition – Management is responsible for establishing and maintaining effective internal controls, including monitoring over the Special Education – Grants to States reporting requirements. One of the elements of the internal controls over the recording of expenditures in the District is that personal activity reports are completed for each employee with time coded to the program in order to verify the services were performed. The District did not have personal activity reports on file for 3 of the 20 employees tested.

Recommendation – The auditor recommended that the District improve procedures and internal controls over the collection and retention of personal activity reports for services provided in special education program.

Current Status – The recommendation was adopted and no similar findings were reported in the audit for the year ended June 30, 2011.

**2010-3 Special Education Cluster (CFDA Nos. 84.391 and 84.392) and
2010-4 ARRA – State Fiscal Stabilization Funds – Education State Grants (CFDA No. 84.394)**

Condition – Section 1512 of the American Recovery and Reinvestment Act (ARRA) requires recipients to report on a quarterly basis an estimate of the number of jobs created or retained due to the ARRA funds. It was noted that the District did not submit any of the four required quarterly jobs surveys for the CFDA No. 84.391, ARRA Special Education – Grants to States and the CFDA No. 84.392, ARRA – Special Education – Preschool Grants programs within the special education cluster (2010-3); and that the District did not submit two of the four required quarterly jobs surveys for the CFDA No. 84.394, ARRA – State Fiscal Stabilization Funds – Education State Grants (2010-4).

Recommendation – The auditor recommended that the District submit the quarterly jobs data surveys to report the number of the jobs created and retained as a result of funding received through the ARRA.

Current Status – The recommendation was adopted and this was not a finding in the current year for the programs listed above.



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INDEPENDENT AUDITOR'S REPORT ON UNIFORM FINANCIAL
ACCOUNTING AND REPORTING STANDARDS COMPLIANCE TABLE

To the School Board of
Independent School District No. 196
Rosemount, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196 (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2011. These basic financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe ^{that} our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards (UFARS) Compliance Table is presented for purposes of additional analysis as required by the Minnesota Department of Education, and is not a required part of the basic financial statements. The accompanying UFARS Compliance Table has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

October 24, 2011

INDEPENDENT SCHOOL DISTRICT NO. 196

Uniform Financial Accounting and Reporting Standards
Compliance Table
June 30, 2011

	Audit	UFARS	Audit – UFARS
General Fund			
Total revenue	\$ 291,964,857	\$ 291,964,856	\$ 1
Total expenditures	\$ 284,070,429	\$ 284,070,428	\$ 1
Nonspendable			
460 Nonspendable fund balance	\$ 773,859	\$ 773,859	\$ –
Restricted/reserve			
403 Staff development	\$ –	\$ –	\$ –
405 Deferred maintenance	\$ –	\$ –	\$ –
406 Health and safety	\$ 508,888	\$ 508,888	\$ –
407 Capital projects levy	\$ (56,450)	\$ (56,450)	\$ –
408 Cooperative revenue	\$ –	\$ –	\$ –
411 Severance pay	\$ –	\$ –	\$ –
413 Projects funded by COP	\$ –	\$ –	\$ –
414 Operating debt	\$ –	\$ –	\$ –
416 Levy reduction	\$ –	\$ –	\$ –
417 Taconite building maintenance	\$ –	\$ –	\$ –
423 Certain teacher programs	\$ –	\$ –	\$ –
424 Operating capital	\$ 1,482,791	\$ 1,482,791	\$ –
426 \$25 taconite	\$ –	\$ –	\$ –
427 Disabled accessibility	\$ –	\$ –	\$ –
428 Learning and development	\$ –	\$ –	\$ –
434 Area learning center	\$ 227,131	\$ 227,131	\$ –
435 Contracted alternative programs	\$ –	\$ –	\$ –
436 State approved alternative program	\$ –	\$ –	\$ –
438 Gifted and talented	\$ –	\$ –	\$ –
441 Basic skills programs	\$ –	\$ –	\$ –
445 Career and technical programs	\$ –	\$ –	\$ –
446 First grade preparedness	\$ –	\$ –	\$ –
449 Safe schools levy	\$ (351,367)	\$ (351,367)	\$ –
450 Pre-kindergarten	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
453 Unfunded severance and retirement levy	\$ –	\$ –	\$ –
Restricted			
464 Restricted fund balance	\$ –	\$ –	\$ –
Committed			
418 Committed for separation	\$ –	\$ –	\$ –
461 Committed fund balance	\$ –	\$ –	\$ –
Assigned			
462 Assigned fund balance	\$ 8,962,579	\$ 8,962,579	\$ –
Unassigned			
422 Unassigned fund balance	\$ 23,950,321	\$ 23,950,323	\$ (2)
Food Service			
Total revenue	\$ 11,324,285	\$ 11,324,284	\$ 1
Total expenditures	\$ 11,314,364	\$ 11,314,364	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ 319,961	\$ 319,961	\$ –
Restricted			
452 OPEB liability not in trust	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ 2,252,757	\$ 2,252,757	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Community Service			
Total revenue	\$ 8,980,519	\$ 8,980,519	\$ –
Total expenditures	\$ 9,083,515	\$ 9,083,515	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted/reserve			
426 \$25 taconite	\$ –	\$ –	\$ –
431 Community education	\$ 360,438	\$ 360,438	\$ –
432 ECFE	\$ 33,354	\$ 33,354	\$ –
444 School readiness	\$ 98,364	\$ 98,364	\$ –
447 Adult basic education	\$ 341,468	\$ 341,468	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
Restricted			
464 Restricted fund balance	\$ 90	\$ 90	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

INDEPENDENT SCHOOL DISTRICT NO. 196

Uniform Financial Accounting and Reporting Standards
 Compliance Table (continued)
 June 30, 2011

	Audit	UFARS	Audit – UFARS
Building Construction			
Total revenue	\$ 39,547	\$ 39,548	\$ (1)
Total expenditures	\$ 9,370,326	\$ 9,370,326	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted/reserve			
407 Capital projects levy	\$ –	\$ –	\$ –
409 Alternative facility program	\$ (91,298)	\$ (91,298)	\$ –
413 Project funded by COP	\$ 497,568	\$ 497,568	\$ –
Restricted			
464 Restricted fund balance	\$ 1,112,631	\$ 1,112,631	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Debt Service			
Total revenue	\$ 17,441,154	\$ 17,441,154	\$ –
Total expenditures	\$ 18,117,917	\$ 18,117,918	\$ (1)
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted/reserve			
425 Bond refundings	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
Restricted			
464 Restricted fund balance	\$ 4,314,347	\$ 4,314,347	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Trust			
Total revenue	\$ 1,876,181	\$ 1,876,181	\$ –
Total expenditures	\$ 1,848,266	\$ 1,848,266	\$ –
422 Net assets	\$ 585,962	\$ 585,963	\$ (1)
Internal Service			
Total revenue	\$ 1,271,217	\$ 1,271,218	\$ (1)
Total expenditures	\$ 677,894	\$ 677,894	\$ –
422 Net assets	\$ (2,760,276)	\$ (2,760,276)	\$ –
OPEB Revocable Trust Fund			
Total revenue	\$ 8,141,346	\$ 8,141,346	\$ –
Total expenditures	\$ 6,728,066	\$ 6,728,066	\$ –
422 Net assets	\$ 32,250,203	\$ 32,250,203	\$ –
OPEB Irrevocable Trust Fund			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
422 Net assets	\$ –	\$ –	\$ –
OPEB Debt Service Fund			
Total revenue	\$ 1,791,577	\$ 1,791,576	\$ 1
Total expenditures	\$ 1,708,488	\$ 1,708,488	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
425 Bond refundings	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ 382,903	\$ 382,903	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

Note: Statutory restricted deficits, if any, are reported in unassigned fund balances in the financial statements in accordance with accounting principles generally accepted in the United States of America.