

URBANDALE COMMUNITY SCHOOL DISTRICT
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2007

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URBANDALE COMMUNITY SCHOOL DISTRICT

OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Board of Education (Before September, 2006 Election)		
Diana Ripperger	President	2006
Cynthia Munyon	Vice President	2008
Theresa Weeg	Board Member	2006
Doug Gulling	Board Member	2007
Steve Schuler	Board Member	2007
Kirby Wood	Board Member	2007
Jerry Tormey	Board Member	2008

Board of Education (After September, 2006 Election)

Cynthia Munyon	President	2008
Doug Gulling	Vice President	2007
Steve Schuler	Board Member	2007
Kirby Wood	Board Member	2007
Jerry Tormey	Board Member	2008
Jeffrey Farrell	Board Member	2009
Diana Ripperger	Board Member	2009

School Officials

Greg Robinson, Ph.D.	Superintendent	2007
Jan Miller-Hook	District Secretary/Treasurer And Business Manager	2007
Sue Seitz for Belin, Lamson, McCormick, Zumbach, Flynn	Attorney	Indefinite
Dickinson, Mackaman, Tyler, and Hagan	Attorneys	Indefinite



Independent Auditor's Report

To the Board of Education
Urbandale Community School District
Urbandale, Iowa

We have audited the accompanying financial statements of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the Urbandale Community School District, Urbandale, Iowa, as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements listed in the table of contents. These financial statements are the responsibility of District officials. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the Urbandale Community School District as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Governmental Auditing Standards, we have also issued our report dated October 18, 2007, on our consideration of the Urbandale Community School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and budgetary comparison information on pages 5 through 11 and 46 through 48 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urbandale Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2006, (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 9, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Van Maanen & Associates, P.C.

Van Maanen & Associates, P.C.
Certified Public Accountants

October 18, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Urbandale Community School District is pleased to provide this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the District's financial performance is for the fiscal year ended June 30, 2007. We encourage readers to consider this information in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

- General Fund revenues increased from \$25,293,296 in fiscal 2006 to \$27,352,682 in fiscal 2007, while General Fund expenditures increased from \$25,803,687 in fiscal 2006 to \$28,105,953 in fiscal 2007. The District's General Fund balance decreased from \$4,167,216 in fiscal 2006 to \$3,444,140 in fiscal 2007, a 17.4 percent decrease from the prior year.
- The District has a favorable General Fund solvency ratio of 12.3 percent at fiscal year end 2007, having fluctuated between 5.5 percent and 19.2 percent during the past 13 years. The solvency ratio is widely used as a comparative tool and is considered to be a good measure of a District's financial health. It is calculated by dividing the district's undesignated and unreserved General Fund balance by its actual General Fund revenues. An ideal ratio is typically between 5 and 10 percent, according to the Iowa Association of School Boards.
- The District has utilized local option sales and services tax (LOSST) revenues for existing debt reduction and capital projects. The District's LOSST revenues for fiscal year 2007 were \$3,154,283, an increase of 7.5 percent over prior year. At its inception, the District committed 50 percent of the LOSST revenues for debt service payments of principle and interest on existing debt obligations. This voter-approved tax will sunset in 2010.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *Government-wide financial statements* that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the Government-wide statements.
- The *governmental funds statements* explain how basic service such as regular and special education were financed in the short-term as well as what remains for future spending.
- The *proprietary funds statements* offer short-term and long-term financial information about the activities the District operates like businesses, such as food services.
- The *fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of the annual report are arranged and related to one another.

Figure A-1

**Urbandale Community School District
Annual Financial Report**

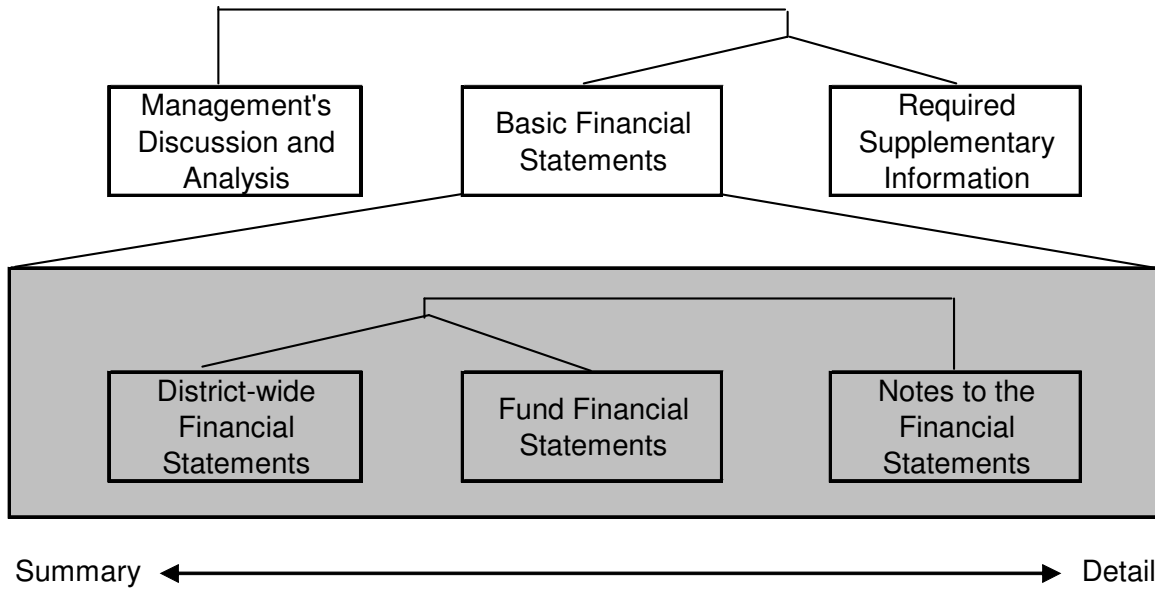


Figure A-2 below summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2 Major Features of the Government-Wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in net assets • Statement of cash flows 	<ol style="list-style-type: none"> 1. Statement of Fiduciary Net Assets 2. Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private sector companies. The Statement of Net Assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net assets* and how they have changed. Net assets - the difference between the District's assets and liabilities - are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional non-financial factors, such as changes in the District's property tax base and the condition of school building and other facilities.

In the government-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities:* Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state aid finance most of these activities.
- *Business type activities:* The District charges fees to help it cover the cost of certain services it provides. The District's food service and child care programs would be included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has three kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District's enterprise funds (one type of proprietary fund) are the same as its business type activities but provide more detail and additional information, such as cash flows. The District has two enterprise funds: the School Nutrition Fund and the Childcare Fund. *Internal service funds*, (the other kind of proprietary fund) are optional and available to report activities that provide supplies and services for other District programs and activities. At this time the District chooses not to use any internal service funds.
- *Fiduciary funds:* The District is the trustee, or fiduciary, for assets that belong to others, such as a scholarship fund. The District accounts for outside donations to specific District schools for specific purposes in this fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net Assets – Figure A-3 provides a summary of the District’s net assets for the year ended June 30, 2007 compared to 2006.

Figure A-3 Condensed Statement of Net Assets							
	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2007	2006	2007	2006	2007	2006	2006-2007
Current and other assets	\$ 49,603,602	28,731,364	729,874	679,545	50,333,476	29,410,909	71.1%
Capital assets	51,519,120	44,612,590	341,967	400,212	51,861,087	45,012,802	15.2%
Total assets	101,122,722	73,343,954	1,071,841	1,079,757	102,194,563	74,423,711	37.3%
Long-term debt outstanding	50,516,938	28,206,866	-	-	50,516,938	28,206,866	79.1%
Other liabilities	20,992,963	18,019,678	174,613	105,425	21,167,576	18,125,103	16.8%
Total liabilities	71,509,901	46,226,544	174,613	105,425	71,684,514	46,331,969	54.7%
Net assets							
Invested in capital assets, net of related debt	23,944,560	16,405,724	383,421	383,421	24,327,981	16,789,145	44.9%
Restricted	491,899	599,318	-	-	491,899	599,318	-17.9%
Unrestricted	5,176,362	10,112,368	513,807	590,911	5,690,169	10,703,279	-46.8%
Total net assets	\$ 29,612,821	27,117,410	897,228	974,332	30,510,049	28,091,742	8.6%

The District’s combined net assets increased from \$28,091,742 in prior year to \$30,510,049 for 2007, an 8.6 percent increase. As noted earlier, net assets may serve over time as useful indicators of a government’s financial position.

Significant portions of the District’s combined net assets reflect its investment in capital assets, which are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, the resources necessary to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Long-term debt liabilities will be repaid through future property and sales taxes collections. Two issuances of general obligation bond debt during fiscal year 2007 totaled \$24,080,000, and bond debt retired during the same period was \$1,050,000.

As shown in A-3, the District’s investment in capital assets, net of related debt, was \$16,789,145 for 2006 and \$24,327,981 for 2007, an increase of nearly 45 percent

Changes in Net Assets – Figure A-4 summarizes and compares the District’s revenues and expenses for the fiscal years ended June 30, 2007 and 2006. These two main components are subtracted to yield the change in net assets. This exhibit utilizes the full accrual method of accounting. Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales, operating and capital grants and contributions. General revenue includes taxes and unrestricted grants such as state foundation support.

Property tax revenues of nearly \$12.5 million and unrestricted state grants of \$10.6 million, account for 61 percent of the District’s total revenues in all funds, which were \$37.9 million as shown above. The District’s total revenues for fiscal year 2007 were 9.2 percent higher than the prior year.

The District's expenses were primarily in the instruction and support services functions, which total 84 percent of the total expenses shown in Figure A-4. The District's total expenses for fiscal year 2007 were 10.2 percent higher than the prior year.

	Governmental Activities		Business Type Activities		Total District	
	Year ended June 30,		Year ended June 30,		Year ended June 30,	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for service	\$ 4,682	4,150	2,235	2,034	6,917	6,184
Operating grants, contributions and restricted interest	2,743	2,579	317	243	3,060	2,822
General revenues:						
Property tax	12,462	11,744	-	-	12,462	11,744
Local option sales and service tax	3,154	2,934	-	-	3,154	2,934
Unrestricted state grants	10,608	10,084	-	-	10,608	10,084
Unrestricted investment earnings	1,548	762	-	-	1,548	762
Other	152	167	-	-	152	167
Total revenues	<u>35,349</u>	<u>32,420</u>	<u>2,552</u>	<u>2,277</u>	<u>37,901</u>	<u>34,697</u>
Program expenses:						
Governmental activities:						
Instruction	19,259	17,987	-	-	19,259	17,987
Support services	10,591	9,765	-	-	10,591	9,765
Non-instructional programs	-	-	2,629	2,205	2,629	2,205
Other expenses	3,004	2,255	-	-	3,004	2,255
Total expenses	<u>32,854</u>	<u>30,007</u>	<u>2,629</u>	<u>2,205</u>	<u>35,483</u>	<u>32,212</u>
Transfers in (out)	-	(230)	-	230	-	-
Change in net assets	<u>\$ 2,495</u>	<u>2,183</u>	<u>(77)</u>	<u>302</u>	<u>2,418</u>	<u>2,485</u>

Governmental Activities

Total revenues for governmental activities were \$35,349,041 and total expenses were \$32,853,630. Net assets increased by \$2,495,411 during fiscal year 2007. Property tax revenues rose by 6.1 percent, primarily due to an increase in property tax valuations. Local option sales and service tax revenues increased by 7.5 percent. Unrestricted state grants increased by 5.2 percent over the prior year, largely due to an increase in state aid revenue. Unrestricted investment earnings increased by over 100 percent, primarily due to earnings on the proceeds from general obligation bonds issuances.

Figure A-5 presents the cost of three major District activities: instruction, support services, and other expenses. The table shows each activity's *net* cost, which is the total expense less any fees generated by the activities and intergovernmental aid provided for specific programs. Therefore, the net cost indicates the financial burden placed on the District's taxpayers for each of these District functions.

	Total Cost of Services	Net Cost of Services
Instruction	\$ 19,258,738	12,966,152
Support services	10,590,822	10,429,449
Other expenses	3,004,070	2,033,253
Totals	<u>\$ 32,853,630</u>	<u>25,428,854</u>

The total cost of all governmental activities was \$32,853,630. Some of this cost, or approximately \$4.7 million was financed by users of the District's programs, such as from fees or admissions revenues. Another \$2.7 million was subsidized by federal and state governments through restricted program grants and contributions. These revenues are categorized as program revenues because they are specifically related to a certain program and, therefore, must be expended within that program.

The net cost of services for all governmental activities was \$25,428,854, financed primarily with \$10.5 million in unrestricted state aid and \$15.6 million in local tax revenues. State aid and property tax are examples of general revenues, since they are not specific to a program and are available to be expended for more universal purposes within a specific fund. The costs subsidized by grants and contributions or financed by users increased by about \$700,000 over the prior year.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2007, the District had invested \$51,861,087, net of accumulated depreciation, in a broad range of assets, including school buildings, athletic facilities, computer and audiovisual equipment. As shown below, Construction in Progress increased by more than \$7.6 million over the prior year as work continued at the new high school.

	Governmental Activities		Business type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2007	2006	2007	2006	2007	2006	2006-2007
Land	\$ 1,533,992	1,533,992	-	-	1,533,992	1,533,992	0.0%
Construction in progress	26,920,593	19,241,552	-	-	26,920,593	19,241,552	39.9%
Buildings	21,958,877	22,637,685	-	-	21,958,877	22,637,685	-3.0%
Improvements	315,135	347,479	-	-	315,135	347,479	
Equipment and furniture	790,523	851,882	341,967	400,212	1,132,490	1,252,094	-9.6%
Total	\$ 51,519,120	44,612,590	341,967	400,212	51,861,087	45,012,802	15.2%

Equipment and Furniture shows a small decrease of 9.6 percent from prior year, largely due to accumulated depreciation on existing items. Total capital assets net of depreciation increased by 15.2 percent over the prior period.

Long-Term Debt

At year-end 2007, the District had \$50,295,000 in general obligation bonds, \$593,567 in obligations under capital lease, and \$1,239,622 in early retirement obligations. Total long-term debt increased by about \$22 million over the prior year, primarily due to general obligation bond issuances during fiscal year 2007.

Factors Bearing on District's Future

At the time these financial statements were prepared and audited, the District was aware of three existing circumstances that could affect the financial health in the future:

- Under Iowa's school funding formula, District funding is highly dependent upon District enrollments. Future enrollment stability is a critical element in maintaining a sound financial foundation. District enrollment increased at the start of the 2007-08 school-year by 56 students, or about 10 percent over the previous year. Revenues are also received from other districts for open enrolled students, which increased by 52 students for 2007-08. This results in a net gain to the District of 108 students. These enrollment increases will have a positive affect on District allowable growth in the following fiscal year.
- Construction of Phase II at the high school will continue during fiscal years 2008 and 2009. Additional financing for the project will occur as construction progresses.
- Major construction projects such as the new high school that is underway are typically funded through general obligation bond issues. Two factors impacting the District's future bond issuances are local property valuation increases and the allowable rate for debt service tax levy.

Contacting the District's Financial Management

The financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's commitment of accountability for the money it receives. If you have questions about this report or need additional financial information, contact Shelly Clifford, Director of Business Services, Urbandale Community School District, 11152 Aurora Avenue, Urbandale, Iowa 50322.

Basic Financial Statements

URBANDALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
June 30, 2007

	Governmental Activities	Business type Activities	Total
Assets			
Cash and cash equivalents	\$ 32,963,672	703,685	33,667,357
Receivables:			
Property tax:			
Delinquent	47,286	-	47,286
Succeeding year	15,093,957	-	15,093,957
Accounts	103,942	198	104,140
Accrued interest	564,637	-	564,637
Due from other governments	794,253	349	794,602
Inventories	-	25,642	25,642
Prepaid expense	35,855	-	35,855
Capital assets, net of accumulated depreciation (note 4)	51,519,120	341,967	51,861,087
Total assets	101,122,722	1,071,841	102,194,563
Liabilities			
Accounts payable	1,442,465	7,467	1,449,932
Salaries and benefits payable	2,637,302	23,285	2,660,587
Accrued interest payable	374,661	-	374,661
Deferred revenue:			
Succeeding year property tax	15,093,957	-	15,093,957
Other	178,850	143,861	322,711
Long-term liabilities (note 5):			
Portion due within one year:			
Bonds payable	1,350,000	-	1,350,000
Obligations under capital lease	208,749	-	208,749
Compensated absences	26,106	-	26,106
Early retirement	308,234	-	308,234
Portion due after one year:			
Bonds payable	48,945,000	-	48,945,000
Unamortized discount	(371,629)	-	(371,629)
Obligations under capital lease	384,818	-	384,818
Early retirement	931,388	-	931,388
Total liabilities	71,509,901	174,613	71,684,514
Net assets			
Invested in capital assets, net of related debt	23,944,560	341,967	24,286,527
Restricted for:			
State grants	76,594	-	76,594
Physical plant and equipment levy	301,257	-	301,257
Other special revenue purposes	114,048	-	114,048
Unrestricted	5,176,362	555,261	5,731,623
Total net assets	\$ 29,612,821	897,228	30,510,049

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2007

Functions/Programs	Program Revenues			
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Governmental activities:				
Instruction:				
Regular instruction	\$ 12,873,523	3,742,108	1,113,387	-
Special instruction	3,072,752	64,372	471,249	-
Other instruction	3,312,463	814,805	86,665	-
	<u>19,258,738</u>	<u>4,621,285</u>	<u>1,671,301</u>	<u>-</u>
Support Service:				
Student services	1,402,934	-	-	-
Instructional staff services	1,622,906	-	-	-
Administration services	3,315,952	-	-	-
Operating and maintenance of plant services	3,310,848	29,272	-	-
Transportation services	938,182	31,130	100,971	-
Central support	-	-	-	-
	<u>10,590,822</u>	<u>60,402</u>	<u>100,971</u>	<u>-</u>
Non-instructional programs				
	-	-	-	-
Other expenditures:				
Long-term debt interest	2,033,253	-	-	-
AEA flowthrough	970,817	-	970,817	-
	<u>3,004,070</u>	<u>-</u>	<u>970,817</u>	<u>-</u>
Total governmental activities	32,853,630	4,681,687	2,743,089	-
Business type activities:				
Non-instructional programs:				
Nutrition services	1,390,265	1,015,078	316,790	-
Day Care services	1,239,055	1,220,348	-	-
	<u>2,629,320</u>	<u>2,235,426</u>	<u>316,790</u>	<u>-</u>
Total primary government	<u>\$ 35,482,950</u>	<u>6,917,113</u>	<u>3,059,879</u>	<u>-</u>

Exhibit B

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business Type Activities	Total
(8,018,028)	-	(8,018,028)
(2,537,131)	-	(2,537,131)
(2,410,993)	-	(2,410,993)
(12,966,152)	-	(12,966,152)
(1,402,934)	-	(1,402,934)
(1,622,906)	-	(1,622,906)
(3,315,952)	-	(3,315,952)
(3,281,576)	-	(3,281,576)
(806,081)	-	(806,081)
-	-	-
(10,429,449)	-	(10,429,449)
-	-	-
(2,033,253)	-	(2,033,253)
-	-	-
(2,033,253)	-	(2,033,253)
(25,428,854)	-	(25,428,854)
-	(58,397)	(58,397)
-	(18,707)	(18,707)
-	(77,104)	(77,104)
(25,428,854)	(77,104)	(25,505,958)

Exhibit B

URBAN DALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2007

	Program Revenues			
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Totals continued from previous pages	\$ 35,482,950	6,917,113	3,059,879	-
General Revenues:				
Property tax levied for:				
General purposes				
Debt service				
Capital outlay				
Local option sales and services tax				
Unrestricted state grants				
Unrestricted investment earnings				
Other general revenues				
Gain (loss) on sale of assets				
Total general revenues				
Transfers - capital contribution				
Change in net assets				
Net assets beginning of year				
Net assets end of year				

See notes to financial statements.

Exhibit B

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business Type Activities	Total
(25,428,854)	(77,104)	(25,505,958)
10,560,891	-	10,560,891
1,452,216	-	1,452,216
449,138	-	449,138
3,154,284	-	3,154,284
10,608,287	-	10,608,287
1,548,160	-	1,548,160
121,094	-	121,094
30,195	-	30,195
27,924,265	-	27,924,265
-	-	-
2,495,411	(77,104)	2,418,307
27,117,410	974,332	28,091,742
-	-	-
\$ 29,612,821	897,228	30,510,049

URBANDALE COMMUNITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2007

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
Assets					
Cash and pooled investments	\$ 5,757,499	14,347	26,299,588	892,238	32,963,672
Receivables:					
Property tax:					
Current year delinquent	37,282	5,362	-	4,642	47,286
Succeeding year	10,378,624	3,461,281	-	1,254,052	15,093,957
Accounts	98,891	-	-	5,051	103,942
Accrued interest	2,223	-	562,414	-	564,637
Due from other governments	794,253	-	-	-	794,253
Prepaid expenses	35,855	-	-	-	35,855
Total assets	\$ 17,104,627	3,480,990	26,862,002	2,155,983	49,603,602
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 475,354	-	917,334	49,777	1,442,465
Salaries and benefits payable	2,536,374	-	-	-	2,536,374
Payroll deductions and withholdings payable	100,928	-	-	-	100,928
Deferred revenue:					
Succeeding year tuition and fees	142,340	-	-	36,510	178,850
Succeeding year property tax	10,378,624	3,461,281	-	1,254,052	15,093,957
Compensated absences	26,106	-	-	-	26,106
Early retirement payable	761	-	-	118,247	119,008
Total liabilities	13,660,487	3,461,281	917,334	1,458,586	19,497,688
Fund balances:					
Reserved for:					
State grants	76,594	-	-	-	76,594
Debt service	-	19,709	-	-	19,709
Unreserved	3,367,546	-	25,944,668	697,397	30,009,611
Total fund balances	3,444,140	19,709	25,944,668	697,397	30,105,914
Total liabilities and fund balances	\$ 17,104,627	3,480,990	26,862,002	2,155,983	49,603,602

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT
 RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET ASSETS
 June 30, 2007

Total fund balances of governmental funds (Exhibit C) \$ 30,105,914

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 51,519,120

Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds. (374,661)

Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. (51,637,552)

Net assets of governmental activities (Exhibit A) \$ 29,612,821

See notes to financial statements.

Exhibit E

URBANDALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
Year ended June 30, 2007

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
Revenues:					
Local sources:					
Local tax	\$ 9,775,414	1,452,216	-	1,234,615	12,462,245
Tuition	3,579,207	-	-	-	3,579,207
Other	641,636	-	4,416,406	861,595	5,919,637
Intermediate sources	3,500	-	-	-	3,500
State sources	12,805,335	704	-	628	12,806,667
Federal sources	547,590	-	-	-	547,590
Total revenues	<u>27,352,682</u>	<u>1,452,920</u>	<u>4,416,406</u>	<u>2,096,838</u>	<u>35,318,846</u>
Expenditures:					
Current:					
Instruction:					
Regular instruction	12,199,712	-	-	392,642	12,592,354
Special instruction	2,938,166	-	-	-	2,938,166
Other instruction	2,239,004	-	-	938,873	3,177,877
	<u>17,376,882</u>	<u>-</u>	<u>-</u>	<u>1,331,515</u>	<u>18,708,397</u>
Support services:					
Student services	1,380,503	-	-	-	1,380,503
Instructional staff services	1,442,492	-	86,035	-	1,528,527
Administration services	3,182,290	-	-	-	3,182,290
Operation and maintenance of plant services	2,814,787	-	-	386,005	3,200,792
Transportation services	938,182	-	-	-	938,182
	<u>9,758,254</u>	<u>-</u>	<u>86,035</u>	<u>386,005</u>	<u>10,230,294</u>
Non-instructional programs	-	-	-	-	-
Other expenditures:					
Facilities acquisition	-	-	7,917,547	70,326	7,987,873
Long-term debt:					
Principal	-	1,398,299	-	-	1,398,299
Interest and fiscal charges	-	1,763,878	-	-	1,763,878
AEA flowthrough	970,817	-	-	-	970,817
	<u>970,817</u>	<u>3,162,177</u>	<u>7,917,547</u>	<u>70,326</u>	<u>12,120,867</u>
Total expenditures	<u>28,105,953</u>	<u>3,162,177</u>	<u>8,003,582</u>	<u>1,787,846</u>	<u>41,059,558</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(753,271)</u>	<u>(1,709,257)</u>	<u>(3,587,176)</u>	<u>308,992</u>	<u>(5,740,712)</u>
Other financing sources (uses):					
Sale of equipment	30,195	-	-	-	30,195
Operating transfers in	-	1,702,721	-	-	1,702,721
Operating transfers out	-	-	(1,328,206)	(374,515)	(1,702,721)
General obligation bonds issued	-	-	24,080,000	-	24,080,000
Bond issue discount	-	-	(392,275)	-	(392,275)
Total other financing sources (uses)	<u>30,195</u>	<u>1,702,721</u>	<u>22,359,519</u>	<u>(374,515)</u>	<u>23,717,920</u>
Net change in fund balances	(723,076)	(6,536)	18,772,343	(65,523)	17,977,208
Fund balances beginning of year	4,167,216	26,245	7,172,325	762,920	12,128,706
Fund balances end of year	<u>\$ 3,444,140</u>	<u>19,709</u>	<u>25,944,668</u>	<u>697,397</u>	<u>30,105,914</u>

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 Year ended June 30, 2007

Net change in fund balances - total governmental funds (Exhibit E) **\$ 17,977,208**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the Statement of Net Assets and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. Capital outlay expenditures exceeded depreciation expense in the current year as follows:

Expenditures for capital assets	\$ 8,028,080	
Depreciation expense	<u>(1,121,550)</u>	6,906,530

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Current year issues exceeded repayments as follows:

Issued	\$ (24,080,000)	
Repaid	<u>1,398,299</u>	(22,681,701)

Bonds issued at a premium provide current financial resource to governmental funds, but increase the long-term liabilities of in the statement of net assets. The premiums on issued bonds exceeded the amortized premiums as follows:

Discounts on issued bonds	\$ 392,275	
Amortization of discounts expense	<u>(20,646)</u>	371,629

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. (248,729)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Early retirement	\$ 170,474	
Compensated absences	<u>-</u>	<u>170,474</u>

Change in net assets of governmental activities (Exhibit B) **\$ 2,495,411**

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUND
June 30, 2007

	Enterprise Funds
Assets	
Cash and pooled investments	\$ 703,685
Receivables:	
Accounts	198
Due from other governments	349
Inventories	25,642
Capital assets, net of accumulated depreciation	341,967
Total assets	1,071,841
 Liabilities	
Accounts payable	7,467
Salaries and benefits payable	23,285
Deferred revenue:	
Other	143,861
Total liabilities	174,613
 Net assets	
Invested in capital assets, net of related debt	341,967
Unrestricted	555,261
Total net assets	\$ 897,228

See notes to financial statements.

Exhibit H

URBANDALE COMMUNITY SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUND
 Year ended June 30, 2007

	Enterprise Funds
Operating revenue:	
Local sources:	
Charges for services	\$ 2,235,426
Operating expenses:	
Non-instructional programs:	
Community service operations:	
Other	1,239,055
Food service operations:	
Depreciation	58,245
Other	1,332,020
Total operating expenses	2,629,320
Operating loss	(393,894)
Non-operating revenue (expenses):	
State sources	12,122
Federal sources	304,668
Total non-operating revenue	316,790
Change in net assets	(77,104)
Net assets beginning of year	974,332
Net assets end of year	\$ 897,228

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year ended June 30, 2007

	Enterprise Funds
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 1,038,628
Cash received from miscellaneous operating activities	1,262,010
Cash payments to employees for services	(1,703,362)
Cash payments to suppliers for goods or services	(828,543)
Net cash used by operating activities	(231,267)
Cash flows from non-capital financing activities:	
State grants received	12,122
Federal grants received	257,332
Net cash provided by non-capital financing activities	269,454
Net increase in cash and cash equivalents	38,187
Cash and cash equivalents at beginning of year	665,498
Cash and cash equivalents at end of year	\$ 703,685
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (393,894)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Commodities used	47,336
Depreciation	58,245
(Increase) in receivables	(547)
(Increase) in inventories	(11,595)
Increase in accounts payable	2,991
Increase in salaries and benefits payable	438
Increase in deferred revenue	65,759
Net cash used by operating activities	\$ (231,267)

Non-cash investing, capital and financing activities:

During the year ended June 30, 2007, the District received federal commodities valued at \$47,366.

See notes to financial statements.

URBAN DALE COMMUNITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
June 30, 2007

	Agency
Assets	
Cash and pooled investments	\$ 94,115
Prepaid expense	35,852
	129,967
Liabilities	
Accounts payable	992
Other payables	128,975
	129,967
Net assets	\$ -

See notes to financial statements.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

(1) **Summary of Significant Accounting Policies**

Urbandale Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the City of Urbandale, Iowa. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Urbandale Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District. Urbandale Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organization – The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Polk County Assessor's Conference Board.

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Assets and the Statement of Activities report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Assets presents the District's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management, but can be removed or modified.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2007

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other non-major governmental funds.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenses, including instructional, support and other costs.

The Debt Service Fund is utilized to account for the payment of interest and principal on the District's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities.

The District's proprietary funds consist of the Enterprise, School Nutrition Fund and the Enterprise, Adventure-time Day Care Fund. These funds are used to account for the food service operations and the child daycare operations of the District.

The District also reports fiduciary funds which focus on net assets and changes in net assets. The District's fiduciary fund includes the following:

The Agency Fund is used to account for assets held by the District as an agent for individuals, private organization and other governments. The Agency Fund is custodial in nature, assets equal liabilities, and does not involve measurement of results of operations.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2007

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

The proprietary fund of the District applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, they have a maturity date no longer than three months.

Property Tax Receivable – Property tax in the governmental funds are accounted for using the modified accrual basis of accounting.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2005 assessed property valuations; is for the tax accrual period July 1, 2006 through June 30, 2007 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April, 2006.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 5,000
Buildings	5,000
Improvements other than buildings	5,000
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	5,000

Property, furniture and equipment are depreciated using the straight line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50 years
Improvements other than buildings	20-50 years
Furniture and equipment	5-15 years

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

Deferred Revenue - Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of unspent grant proceeds as well as property tax receivables and other receivables not collected within sixty days after year end.

Deferred revenue on the Statement of Net Assets includes the succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation benefits payable to employees. However, these benefits must be used by the end of the following fiscal year, June 30, 2007. As such, these benefits are reported as a current liability in the General Fund as part of salaries and benefits payable.

Long-term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Assets.

Fund Equity – In the governmental fund financial statements, reservations of fund balance are reported for amounts not available for appropriation or legally restricted by outside parties for use for a specific purpose.

Restricted Net Assets – In the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2007, expenditures did not exceed the amounts budgeted.

(2) **Cash and Pooled Investments**

The District's deposits in banks at June 30, 2007 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

At June 30, 2007, the District had investments as follows:

Wells Fargo Adv Government MM Fund	\$	733,468
Fannie Mae Notes		7,418,750
West Bank Certificate of Deposit		14,587,383
Iowa School Joint Investment Trust:		
Diversified Portfolio		3,597
Flex CD		9,000,000
	\$	<u>31,743,198</u>

The investments are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Interest rate risk. The District's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the District.

Credit risk. The investments in the Wells Fargo Adv Government Money Market Fund, the Fannie Mae Notes and the Iowa School Joint Investment Trust Diversified Portfolio were rated Aaa by Moody's Investors Service.

(3) Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2007 is as follows:

Transfer to	Transfer from	Amount
Debt Service	Physical Plant & Equipment Levy	\$ 374,515
Debt Service	Capital Projects	1,328,206
		<u>\$ 1,702,721</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

(4) Capital Assets

Capital assets activity for the year ended June 30, 2007 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,533,992	-	-	1,533,992
Construction in progress	19,241,552	7,679,041	-	26,920,593
Total capital assets not being depreciated	20,775,544	7,679,041	-	28,454,585
Capital assets being depreciated:				
Buildings	37,188,998	170,837	-	37,359,835
Improvements other than buildings	367,963	-	-	367,963
Furniture and equipment	1,175,261	178,202	-	1,353,463
Leased equipment	1,229,756	-	-	1,229,756
Total capital assets being depreciated	39,961,978	349,039	-	40,311,017
Less accumulated depreciation for:				
Buildings	14,551,313	849,645	-	15,400,958
Improvements other than buildings	20,484	32,344	-	52,828
Furniture and equipment	966,091	69,073	-	1,035,164
Leased equipment	587,044	170,488	-	757,532
Total accumulated depreciation	16,124,932	1,121,550	-	17,246,482
Total capital assets being depreciated, net	23,837,046	(772,511)	-	23,064,535
Governmental activities capital assets, net	\$ 44,612,590	6,906,530	-	51,519,120
Business type activities:				
Furniture and equipment	\$ 675,413	-	-	675,413
Less accumulated depreciation	275,201	58,245	-	333,446
Business type activities capital assets, net	\$ 400,212	(58,245)	-	341,967
Depreciation expense was charged by the District as follows:				
Governmental activities:				
Instruction:				
Regular			\$	426,189
Special				134,586
Other				134,586
Support services:				
Student support				22,431
Instructional staff				134,586
Administration				134,586
Operation and maintenance of plant				134,586
				<u>1,121,550</u>
Unallocated depreciation				-
Total governmental activities depreciation expense			\$	<u>1,121,550</u>
Business type activities:				
Food services			\$	<u>58,245</u>

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

(5) Long-term Liabilities

Changes in long-term liabilities for the year ended June 30, 2007 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
General obligation bonds	\$ 27,265,000	24,080,000	1,050,000	50,295,000	1,350,000
Obligation under capital lease	738,402	-	144,835	593,567	208,749
Obligation under land installment contract	203,464	-	203,464	-	-
Early retirement	1,403,059	155,704	319,141	1,239,622	308,234
Compensated absences	50,457	-	24,351	26,106	26,106
	<u>\$ 29,660,382</u>	<u>24,235,704</u>	<u>1,741,791</u>	<u>52,154,295</u>	<u>1,893,089</u>

General Obligation Bonds Payable

Details of the District's June 30, 2007 general obligation bonded indebtedness are as follows:

Year ending June 30,	School Refunding Bond Issue on December 1, 1996			
	Interest Rate	Principal	Interest	Total
2008	3.00%	\$ 715,000	70,900	785,900
2009	3.20%	725,000	36,250	761,250
		<u>\$ 1,440,000</u>	<u>107,150</u>	<u>1,547,150</u>

Year ending June 30,	Bond Issue on June 1, 2004			
	Interest Rate	Principal	Interest	Total
2008		\$ -	745,900	745,900
2009		-	745,900	745,900
2010	4.25%	725,000	745,900	1,470,900
2011	4.38%	755,000	715,087	1,470,087
2012	4.38%	790,000	682,056	1,472,056
2013	4.63%	825,000	647,494	1,472,494
2014	4.75%	865,000	609,338	1,474,338
2015	5.00%	1,000,000	568,250	1,568,250
2016	5.00%	1,000,000	518,250	1,518,250
2017	5.00%	1,000,000	468,250	1,468,250
2018	5.00%	1,000,000	418,250	1,418,250
2019	5.00%	1,000,000	368,250	1,368,250
2020	5.00%	1,150,000	318,250	1,468,250
2021	5.00%	1,210,000	260,750	1,470,750
2022	5.00%	1,270,000	200,250	1,470,250
2023	5.00%	1,335,000	136,750	1,471,750
2024	5.00%	1,400,000	70,000	1,470,000
		<u>\$ 15,325,000</u>	<u>8,218,925</u>	<u>23,543,925</u>

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

Year ending June 30,	Bond Issue on October 1, 2005			
	Interest Rate	Principal	Interest	Total
2008	3.55%	\$ 375,000	349,256	724,256
2009	3.55%	400,000	335,944	735,944
2010	3.55%	425,000	321,744	746,744
2011	3.55%	450,000	306,656	756,656
2012	3.55%	450,000	290,681	740,681
2013	3.55%	475,000	274,706	749,706
2014	3.55%	500,000	257,844	757,844
2015	3.55%	425,000	240,094	665,094
2016	3.55%	500,000	225,006	725,006
2017	3.65%	575,000	207,256	782,256
2018	3.70%	625,000	186,269	811,269
2019	3.75%	725,000	163,144	888,144
2020	3.80%	650,000	135,956	785,956
2021	3.85%	675,000	111,256	786,256
2022	3.85%	700,000	85,269	785,269
2023	3.88%	725,000	58,319	783,319
2024	3.90%	775,000	30,225	805,225
		<u>\$ 9,450,000</u>	<u>3,579,625</u>	<u>13,029,625</u>

Year ending June 30,	Bond Issue on July 1, 2006			
	Interest Rate	Principal	Interest	Total
2008	4.250%	\$ 260,000	663,684	923,684
2009	4.250%	250,000	652,634	902,634
2010	4.250%	580,000	642,009	1,222,009
2011	4.250%	600,000	617,359	1,217,359
2012	4.375%	625,000	591,859	1,216,859
2013	4.375%	655,000	565,296	1,220,296
2014	4.375%	680,000	536,640	1,216,640
2015	4.375%	710,000	506,890	1,216,890
2016	4.500%	745,000	475,828	1,220,828
2017	4.500%	775,000	443,234	1,218,234
2018	4.550%	815,000	408,359	1,223,359
2019	4.600%	850,000	371,684	1,221,684
2020	4.625%	890,000	333,009	1,223,009
2021	4.625%	935,000	292,069	1,227,069
2022	4.625%	975,000	248,825	1,223,825
2023	4.625%	1,025,000	203,731	1,228,731
2024	4.625%	1,075,000	156,325	1,231,325
2025	4.625%	1,125,000	106,606	1,231,606
2026	4.625%	1,180,000	54,575	1,234,575
		<u>\$ 14,750,000</u>	<u>7,870,616</u>	<u>22,620,616</u>

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

Year ending June 30,	Bond Issue on January 1, 2007			Total
	Interest Rate	Principal	Interest	
2008		\$ -	502,611	502,611
2009	3.65%	235,000	361,158	596,158
2010	3.65%	215,000	352,580	567,580
2011	3.65%	220,000	344,732	564,732
2012	3.65%	245,000	336,702	581,702
2013	3.65%	240,000	327,760	567,760
2014	3.65%	240,000	319,000	559,000
2015	3.65%	250,000	310,240	560,240
2016	3.65%	245,000	301,115	546,115
2017	3.70%	250,000	292,172	542,172
2018	3.75%	275,000	282,923	557,923
2019	3.85%	260,000	272,610	532,610
2020	3.90%	270,000	262,600	532,600
2021	3.90%	275,000	252,070	527,070
2022	3.95%	290,000	241,345	531,345
2023	3.95%	295,000	229,890	524,890
2024	3.95%	285,000	218,238	503,238
2025	3.95%	2,570,000	206,980	2,776,980
2026	3.95%	2,670,000	105,465	2,775,465
		<u>\$ 9,330,000</u>	<u>5,520,191</u>	<u>14,850,191</u>

Year ending June 30,	Total Bond Indebtedness		
	Principal	Interest	Total
2008	\$ 1,350,000	2,332,351	3,682,351
2009	1,610,000	2,131,886	3,741,886
2010	1,945,000	2,062,233	4,007,233
2011	2,025,000	1,983,834	4,008,834
2012	2,110,000	1,901,298	4,011,298
2013	2,195,000	1,815,256	4,010,256
2014	2,285,000	1,722,822	4,007,822
2015	2,385,000	1,625,474	4,010,474
2016	2,490,000	1,520,199	4,010,199
2017	2,600,000	1,410,912	4,010,912
2018	2,715,000	1,295,801	4,010,801
2019	2,835,000	1,175,688	4,010,688
2020	2,960,000	1,049,815	4,009,815
2021	3,095,000	916,145	4,011,145
2022	3,235,000	775,689	4,010,689
2023	3,380,000	628,690	4,008,690
2024	3,535,000	474,788	4,009,788
2025	3,695,000	313,586	4,008,586
2026	3,850,000	160,040	4,010,040
	<u>\$ 50,295,000</u>	<u>25,296,507</u>	<u>75,591,507</u>

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

Capital Lease Payable

The District entered into capital lease arrangements on June 15, 2004, July 5, 2005 and June 30, 2006 for the purchase of computer equipment for the District. The following is a schedule of the future minimum payments required under the lease together with their present value as of June 30, 2007:

Year ending June 30,	Apple Computer, Inc. Capital Lease			
	2004 Lease	2005 Lease	2006 Lease	Total
2008	\$ 160,584	-	73,258	233,842
2009	-	227,038	73,258	300,296
2010	-	-	73,258	73,258
2011	-	-	73,258	73,258
Total minimum lease payments	160,584	227,038	293,032	680,654
Less amount representing interest	8,078	35,434	43,575	87,087
Present value of minimum lease payments	\$ 152,506	191,604	249,457	593,567

(6) Operating Leases

The District entered into a five-year agreement which expires in February, 2009 for the lease of its administrative offices. The agreement requires minimum base rents at various monthly rates plus a prorated share of the property and operating expenses. The District has the right to cancel the lease on the twenty fourth month should the High School bond issue pass. The total minimum lease commitment under the agreement is as follows:

Year ending June 30,	Minimum Lease Payments
2008	\$ 42,888
2009	28,592
	<u>\$ 71,480</u>

The total lease expense for the year ended June 30, 2007 was \$42,888.

(7) Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.70% of their annual salary and the District is required to contribute 5.75% of annual covered payroll for the years ended June 30, 2007, 2006, and 2005. Contribution requirements are established by state statute. The District's contribution to IPERS for the years ended June 30, 2007, 2006 and 2005, were \$1,095,945, \$939,476, and \$902,823, respectively, equal to the required contributions for each year.

URBANDALE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2007

(8) Termination Benefits

The District offers a voluntary early retirement plan to its employees. To be eligible for the benefits, an employee must have completed at least fifteen years of full-time service to the District and must have reached the age of fifty-five on or before June 30 in the calendar year in which early retirement commences. The application for early retirement is subject to approval by the Board of Education.

Early retirement benefits are equal to 30% of the salary (salary only – excluding longevity, teacher compensation add-ons, flex spending, car allowance, extra duty, shift differential, overtime pay or TSA allowance) with single insurance until the employee is eligible for Medicare. The maximum retirement benefit is \$30,000.

Early retirement benefits are paid in three equal installments beginning in January following the start of retirement. The second payment is paid the following July, and the third and final payment is paid during July of the next year. At June 30, 2007, the District had obligations to thirty-seven participants with a total liability of \$1,239,622. Actual early retirement expenditures for the year ended June 30, 2007 totaled \$319,141.

(9) Risk Management

Urbandale Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(10) Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$970,817 for the year ended June 30, 2007 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

(11) Construction Commitment

The District has entered into contracts totaling \$43,478,219 for the construction of a new school and remodeling projects. As of June 30, 2007, costs of \$26,920,593 had been incurred against the contract. The balance of \$16,557,626 remaining at June 30, 2007 will be paid as work on the project progresses.

Required Supplementary Information

Urbandale Community School District

URBAN DALE COMMUNITY SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS
 AND PROPRIETARY FUNDS
 REQUIRED SUPPLEMENTARY INFORMATION
 Year ended June 30, 2007

	Governmental Funds Actual	Proprietary Funds Actual
Revenues:		
Local sources	\$ 21,961,089	2,235,426
Intermediate sources	3,500	-
State sources	12,806,667	12,122
Federal sources	547,590	304,668
Total revenues	<u>35,318,846</u>	<u>2,552,216</u>
Expenditures:		
Instruction	18,708,397	-
Support services	10,230,294	-
Non-instructional programs	-	2,629,320
Other expenditures	12,120,867	-
Total expenditures	<u>41,059,558</u>	<u>2,629,320</u>
Excess (deficiency) of revenues over (under) expenditures	(5,740,712)	(77,104)
Other financing sources, net	<u>23,717,920</u>	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	17,977,208	(77,104)
Balances beginning of year	<u>12,128,706</u>	<u>974,332</u>
Balances end of year	<u>\$ 30,105,914</u>	<u>897,228</u>

See accompanying independent auditor's report.

Total Actual	Budgeted Amounts		Final to Actual Variance- Positive (Negative)
	Original	Final	
24,196,515	18,511,961	18,511,961	5,684,554
3,500	-	-	3,500
12,818,789	15,106,184	15,106,184	(2,287,395)
852,258	657,100	657,100	195,158
<u>37,871,062</u>	<u>34,275,245</u>	<u>34,275,245</u>	<u>3,595,817</u>
18,708,397	18,369,472	18,781,923	73,526
10,230,294	10,389,109	10,389,109	158,815
2,629,320	2,751,560	2,751,560	122,240
12,120,867	12,742,791	13,742,199	1,621,332
<u>43,688,878</u>	<u>44,252,932</u>	<u>45,664,791</u>	<u>1,975,913</u>
(5,817,816)	(9,977,687)	(11,389,546)	5,571,730
<u>23,717,920</u>	<u>-</u>	<u>-</u>	<u>23,717,920</u>
17,900,104	(9,977,687)	(11,389,546)	29,289,650
<u>13,103,038</u>	<u>15,973,412</u>	<u>15,973,412</u>	<u>(2,870,374)</u>
<u><u>31,003,142</u></u>	<u><u>5,995,725</u></u>	<u><u>4,583,866</u></u>	<u><u>26,419,276</u></u>

URBANDALE COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING
Year ended June 30, 2007

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except Private Purpose Trust and Agency Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the modified accrual basis. Encumbrances are not recognized on the modified accrual basis budget and appropriations lapse at year end.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment increasing budgeted expenditures by \$1,411,859.

Other Supplementary Information

URBANDALE COMMUNITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2007

	Management	Student Activity	Public Education & Recreation Levy	Physical Plant and Equipment Levy	Total
Assets					
Cash and pooled investments	\$ 397,340	195,287	57,391	242,220	892,238
Receivables:					
Property tax:					
Delinquent	2,996	-	471	1,175	4,642
Succeeding year	795,002	-	127,764	331,286	1,254,052
Accounts	-	5,051	-	-	5,051
Total assets	\$ 1,195,338	200,338	185,626	574,681	2,155,983
Liabilities and Fund Equity					
Liabilities:					
Accounts payable	-	49,777	-	-	49,777
Deferred revenue:					
Succeeding year property tax	795,002	-	127,764	331,286	1,254,052
Succeeding year activity fee	-	36,510	-	-	36,510
Early retirement payable	118,247	-	-	-	118,247
Total liabilities	913,249	86,287	127,764	331,286	1,458,586
Fund equity:					
Unreserved fund balances	282,089	114,051	57,862	243,395	697,397
Total liabilities and fund equity	\$ 1,195,338	200,338	185,626	574,681	2,155,983

See accompanying independent auditor's report.

URBANDALE COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 Year ended June 30, 2007

	Management	Student Activity	Public Education & Recreation Levy	Physical Plant and Equipment Levy	Total
Revenues:					
Local sources:					
Local tax:					
Property tax	\$ 739,171	-	116,261	307,791	1,163,223
Utility tax replacement excise tax	46,306	-	7,283	17,803	71,392
	<u>785,477</u>	<u>-</u>	<u>123,544</u>	<u>325,594</u>	<u>1,234,615</u>
Other local sources:					
Interest on investments	-	6,082	-	10,855	16,937
Student activities	-	814,805	-	-	814,805
Miscellaneous	16,992	5,061	7,800	-	29,853
	<u>16,992</u>	<u>825,948</u>	<u>7,800</u>	<u>10,855</u>	<u>861,595</u>
	<u>802,469</u>	<u>825,948</u>	<u>131,344</u>	<u>336,449</u>	<u>2,096,210</u>
State sources:					
Revenue in lieu of taxes :					
Military credit	406	-	64	158	628
Total revenues	<u>802,875</u>	<u>825,948</u>	<u>131,408</u>	<u>336,607</u>	<u>2,096,838</u>
Expenditures:					
Instruction:					
Regular, special, and vocational instruction:					
Benefits	392,642	-	-	-	392,642
	<u>392,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>392,642</u>
Co-curricular instruction:					
Salaries	-	485	-	-	485
Benefits	-	2,539	-	-	2,539
Services	-	53,178	-	-	53,178
Supplies	-	882,671	-	-	882,671
	<u>-</u>	<u>938,873</u>	<u>-</u>	<u>-</u>	<u>938,873</u>
Total instruction	<u>392,642</u>	<u>938,873</u>	<u>-</u>	<u>-</u>	<u>1,331,515</u>
Support services:					
Operation and maintenance of plant services:					
Services	367,405	-	-	-	367,405
Property	-	-	18,600	-	18,600
Total support services	<u>367,405</u>	<u>-</u>	<u>18,600</u>	<u>-</u>	<u>386,005</u>

Schedule 2

URBANDALE COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 Year ended June 30, 2007

	Management	Student Activity	Public Education & Recreation Levy	Physical Plant and Equipment Levy	Total
Other expenditures:					
Facilities acquisition and construction:					
Supplies	-	-	-	-	-
Services	-	-	70,326	-	70,326
Total other expenditures	-	-	70,326	-	70,326
Total expenditures	760,047	938,873	88,926	-	1,787,846
Excess (deficiency) of revenues over (under) expenditures	42,828	(112,925)	42,482	336,607	308,992
Other financing uses:					
Operating transfers out	-	-	-	(374,515)	(374,515)
Total other financing uses	-	-	-	(374,515)	(374,515)
Excess (deficiency) of revenues and other financing sources over (under) expen- ditures and other financing uses	42,828	(112,925)	42,482	(37,908)	(65,523)
Fund balances beginning of year	239,261	226,976	15,380	281,303	762,920
Fund balances end of year	\$ 282,089	114,051	57,862	243,395	697,397

See accompanying independent auditor's report.

URBANDALE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
 Year ended June 30, 2007

Account	Balance Beginning of Year	Interaccount Transfers	Revenues and Financing Sources	Expenditures	Balance End of Year
Academic Decathlon	\$ -				-
Activities/Athletics	(34,225)	48,297	72,702	85,717	1,057
Art	752	-	1,585	390	1,947
Art Club	127	-	-	-	127
At Risk	672	-	-	-	672
Boys Basketball	(473)	-	46,679	46,206	-
Boys Baseball	(320)	-	42,929	42,609	-
Boys Cross Country	(17)	-	2,112	2,095	-
Boys Football	(4,598)	-	60,469	55,791	80
Boys Golf	150	-	3,556	3,706	-
Boys Soccer	(1,455)	-	19,754	18,299	-
Boys Track	(62)	-	6,442	6,380	-
Boys Wrestling	6,817	-	19,183	26,000	-
Cadet Teachers	520	-	-	-	520
Character Counts	-	-	1,537	756	781
Cheerleaders	156	-	21,903	22,059	-
Computer Club	2,610	(2,610)	-	-	-
Cross Country	(395)	-	395	-	-
Debate	687	(687)	-	-	-
DECA	1,141	-	30,837	31,752	226
Drug Foundation	450	-	-	-	450
Environmental Club	121	-	-	-	121
ESL Activity	31	-	-	-	31
Family Consumer Science	12	-	301	301	12
Flag Drill Team	97	-	-	-	97
Future Business Leaders	18	-	1,456	1,194	280
GAPP School Exchange	1,051	-	600	-	1,651
German Club	109	-	2,058	1,130	1,037
Girls Basketball	(1,831)	-	16,064	14,233	-
Girls Cross Country	677	-	3,960	4,637	-
Girls Golf	26	-	450	415	61
Girls Soccer	1,193	-	10,542	11,735	-
Girls Softball	5,453	-	26,867	32,320	-
Girls Tennis	(150)	-	1,211	1,061	-
Girls Track	256	-	6,685	6,941	-
Girls Volleyball	(188)	-	26,805	26,617	-
Guidance	291	-	1,285	1,363	213
H.S. Support Fund	35	-	-	-	35
Human Rights	5	-	-	-	5
Industrial Arts Club	2,681	-	1,740	409	4,012
Industrial Arts House	1,645	-	-	-	1,645
Instrumental Music	10,846	-	22,582	33,428	-
International Friends Club	384	-	-	-	384
Japanese Trip Account	294	-	50	-	344
Jayhawker	12,087	(10,000)	-	2,013	74
Jaywalkers	(14,598)	-	43,222	28,624	-
Key Club	2,789	-	1,234	1,756	2,267
Library	5,224	-	1,934	1,324	5,834
Lock	154	-	-	-	154
Mass Media	423	-	-	-	423
Media Paper Fees	19	-	-	-	19
MCNS - Reaching Training	180	-	-	-	180
Music	695	-	-	681	14
Parenting Comm. Network	850	-	-	-	850
Peer Helpers	188	-	-	-	188

URBANDALE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
 Year ended June 30, 2007

Account	Balance Beginning of Year	Interaccount Transfers	Revenues and Financing Sources	Expenditures	Balance End of Year
Pep Club	143	-	-		143
Physics	84	-	-	40	44
Picture	-	-	1,970	-	1,970
Science Activity	549	-	-	-	549
Spanish Trip	1,100	-	4,792	5,170	722
Speech and Drama	1,394	-	9,112	6,748	3,758
Special Ed	500	-	-	-	500
Special Projects	33,243	-	6,082	32,992	6,333
Strings	103	-	-	-	103
Student Participation Fee	-	-	62,594	62,594	-
Student Pop	-	-	60	-	60
Student Senate	35,805	(35,000)	3,177	1,850	2,132
Summer School/Driver Ed	22	-	-	-	22
Tag Activities	261	-	-	-	261
Tag Activities Fees	9,095	-	2,073	1,354	9,814
Tag Trips	145	-	-	-	145
Teen Leadership Connection	99	-	-	-	99
The Roaring Leo Club	416	-	473	619	270
US West Tech Project	145	-	-	-	145
Vocal Music	30,202	-	125,094	155,296	-
Webster Elementary	-	-	2,813	1,318	1,495
Yearbook	15,625	-	18,712	33,874	463
Building Activity	22,537	-	37,943	59,995	485
Elementary Band Fundraiser	4,041	-	2,298	4,044	2,295
I-Movie Club	4,101	-	3,364	3,143	4,322
Jensen Activity	13,482	-	11,855	8,663	16,674
Jensen Media Paper	823	-	-	823	-
Jensen Web Clickers	-	-	189	-	189
K.A. Media Paper	240	-	-	240	-
K.A. Activity	6,819	-	3,644	3,968	6,495
M.S. Atlases	3,966	-	1,042	1,922	3,086
M.S. Tag Store Account	1,364	-	181	-	1,545
Memory Book	9,289	-	2,646	11,907	28
Olmsted Activity	8,949	-	14,129	13,905	9,173
Olmsted Media Paper	4,526	-	-	4,381	145
Olmsted Web Clickers	-	-	414	-	414
Rolling Green Activity	4,774	-	7,188	6,505	5,457
Rolling Green Media Paper	1,751	-	-	278	1,473
Rolling Green Web Clickers	3,908	-	826	1,734	3,000
Valerius Activity	3,487	-	4,148	3,184	4,451
Valerius Media Paper	384	-	-	384	-
Total	\$ 226,976	-	825,948	938,873	114,051

See accompanying independent auditor's report.

URBANDALE COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF NET ASSETS
 PROPRIETARY FUNDS
 June 30, 2007

	Enterprise Funds		
	Adventure- time	School Nutrition	Total
Assets			
Cash and pooled investments	\$ 319,320	384,365	703,685
Receivables:			
Accounts	175	23	198
Due from other governments	-	349	349
Inventories	-	25,642	25,642
Fixed assets:			
Equipment	-	675,413	675,413
Accumulated depreciation	-	(333,446)	(333,446)
Total assets	319,495	752,346	1,071,841
Liabilities			
Accounts payable	6,202	1,265	7,467
Salaries and benefits payable	17,175	6,110	23,285
Deferred revenue	99,422	44,439	143,861
Total liabilities	122,799	51,814	174,613
Net assets			
Invested in capital assets, net of related debt	-	341,967	341,967
Unrestricted	196,696	358,565	555,261
Total net assets	\$ 196,696	700,532	897,228

See accompanying independent auditor's report.

Schedule 5

URBAN DALE COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET ASSETS - PROPRIETARY FUNDS
 Year ended June 30, 2007

	Enterprise Funds		
	Adventure- time	School Nutrition	Total
Operating revenue:			
Local sources:			
Other local sources:			
Sale of lunches and breakfasts	\$ -	1,013,564	1,013,564
Sale of services	1,212,371	-	1,212,371
Miscellaneous food service revenue	7,977	1,514	9,491
Total operating revenue	<u>1,220,348</u>	<u>1,015,078</u>	<u>2,235,426</u>
Operating expenses:			
Non-instructional programs:			
Community service operations:			
Salaries	970,309	-	970,309
Benefits	121,104	-	121,104
Supplies	147,642	-	147,642
	<u>1,239,055</u>	<u>-</u>	<u>1,239,055</u>
Food services operations:			
Salaries	-	544,008	544,008
Benefits	-	68,379	68,379
Services	-	17,553	17,553
Supplies	-	7,907	7,907
Food supplies	-	692,656	692,656
Depreciation	-	58,245	58,245
Other	-	1,517	1,517
	<u>-</u>	<u>1,390,265</u>	<u>1,390,265</u>
Total operating expenses	<u>1,239,055</u>	<u>1,390,265</u>	<u>2,629,320</u>
Operating loss	<u>(18,707)</u>	<u>(375,187)</u>	<u>(393,894)</u>
Non-operating revenue:			
State sources	-	12,122	12,122
Federal sources	-	304,668	304,668
Total non-operating revenue	<u>-</u>	<u>316,790</u>	<u>316,790</u>
Changes in net assets	(18,707)	(58,397)	(77,104)
Net assets beginning of year	<u>215,403</u>	<u>758,929</u>	<u>974,332</u>
Net assets end of year	<u>\$ 196,696</u>	<u>700,532</u>	<u>897,228</u>

See accompanying independent auditor's report.

URBAN DALE COMMUNITY SCHOOL DISTRICT
COMBINING SCHEDULE OF CASH FLOWS - PROPRIETARY FUNDS
Year ended June 30, 2007

	Enterprise Funds		
	Adventure- time	Student Nutrition	Total
Cash flows from operating activities:			
Cash received from sale of lunches and breakfasts	\$ -	1,038,628	1,038,628
Cash received from miscellaneous operating activities	1,262,010	-	1,262,010
Cash payments to employees for services	(1,091,223)	(612,139)	(1,703,362)
Cash payments to suppliers for goods or services	(145,916)	(682,627)	(828,543)
Net cash provided (used) by operating activities	<u>24,871</u>	<u>(256,138)</u>	<u>(231,267)</u>
Cash flows from non-capital financing activities:			
State grants received	-	12,122	12,122
Federal grants received	-	257,332	257,332
Net cash provided by non-capital financing activities	<u>-</u>	<u>269,454</u>	<u>269,454</u>
Net increase in cash and cash equivalents	24,871	13,316	38,187
Cash and cash equivalents at beginning of year	<u>294,449</u>	<u>371,049</u>	<u>665,498</u>
Cash and cash equivalents at end of year	<u>\$ 319,320</u>	<u>384,365</u>	<u>703,685</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating loss	\$ (18,707)	(375,187)	(393,894)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Commodities used	-	47,336	47,336
Depreciation	-	58,245	58,245
(Increase) in receivables	(175)	(372)	(547)
(Increase) in inventories	-	(11,595)	(11,595)
Increase in accounts payable	1,726	1,265	2,991
Increase in salaries and benefits payable	190	248	438
Increase in deferred revenue	41,837	23,922	65,759
Net cash provided (used) by operating activities	<u>\$ 24,871</u>	<u>(256,138)</u>	<u>(231,267)</u>

Non-cash investing, capital and financing activities:

During the year ended June 30, 2007, the District received federal commodities valued at \$47,336.

See accompanying independent auditor's report.

URBANDALE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUND
 Year ended June 30, 2007

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Assets				
Cash	\$ 97,130	\$ 36,128	39,143	94,115
Prepaid expense	-	35,852	-	35,852
Total assets	\$ 97,130	\$ 71,980	\$ 39,143	\$ 129,967
Liabilities				
Accounts payable	\$ 276	992	276	992
Fiduciary liabilities	96,854	32,121	-	128,975
Total liabilities	\$ 97,130	33,113	276	129,967

See accompanying independent auditor's report.

URBAN DALE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION
 ALL GOVERNMENTAL FUNDS
 FOR THE LAST FIVE YEARS

	Modified Accrual Basis				
	2007	2006	2005	2004	2003
Revenues:					
Local sources:					
Local tax	\$ 12,462,245	11,744,150	9,750,575	10,360,388	10,217,745
Tuition	3,579,207	3,029,192	2,808,071	2,791,249	2,460,528
Other	5,919,637	4,960,173	4,464,451	3,958,665	3,841,958
Intermediate sources	3,500	59,245	64,032	-	-
State sources	12,806,667	11,988,093	11,253,792	10,907,982	11,098,101
Federal sources	547,590	622,358	465,842	227,507	229,277
Total	<u>\$ 35,318,846</u>	<u>32,403,211</u>	<u>28,806,763</u>	<u>28,245,791</u>	<u>27,847,609</u>
Expenditures:					
Instruction:					
Regular instruction	\$ 12,592,354	11,229,073	11,603,223	11,842,571	11,332,841
Special instruction	2,938,166	2,764,943	2,293,389	1,310,821	1,320,698
Other instruction	3,177,877	3,303,712	2,234,517	2,069,716	1,816,463
Support services:					
Student services	1,380,503	1,215,891	1,154,219	1,256,766	1,265,832
Instructional staff services	1,528,527	1,071,345	863,833	716,993	749,501
Administration services	3,182,290	3,338,334	2,756,534	2,604,124	2,864,958
Operation and maintenance of plant services	3,200,792	2,778,499	2,189,167	2,073,942	2,102,798
Transportation services	938,182	819,778	795,186	725,629	705,242
Central support services	-	-	-	10,000	15,000
Other expenditures:					
Facilities acquisition	7,987,873	17,376,103	3,672,970	1,555,812	1,946,611
Long-term debt:					
Principal	1,398,299	3,943,464	1,622,214	1,484,140	1,267,478
Interest and other charges	1,763,878	1,105,710	1,049,009	328,152	473,678
AEA flowthrough	970,817	892,229	846,216	847,006	897,431
Total	<u>\$ 41,059,558</u>	<u>49,839,081</u>	<u>31,080,477</u>	<u>26,825,672</u>	<u>26,758,531</u>

See accompanying independent auditor's report.

URBANDALE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2007

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
Food Distribution (non-cash)	10.550	FY 07	<u>\$ 47,336</u>
School Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY 07	18,456
National School Lunch Program	10.555	FY 07	<u>238,525</u>
			<u>256,981</u>
U.S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY 07	<u>122,829</u>
Vocational Education - Basic Grants to States	84.048	FY 07	<u>82,485</u>
Safe and Drug-Free Schools and Communities- National Programs	84.184	FY 07	<u>7,698</u>
State Grants for Innovative Programs	84.298	FY 07	<u>4,789</u>
Improving Teacher Quality State Grants	84.367	FY 07	<u>70,856</u>
Grants for State Assessments and Related Activities	84.369	FY 07	<u>11,732</u>
Heartland Area Education Agency			
Special Education - Grants to States	84.027	FY 07	<u>169,443</u>
Total			<u>\$ 774,149</u>

Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Urbandale Community School District and is presented on the accrual or modified accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditor's report.



Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance
With Government Auditing Standards

To the Board of Education of
Urbandale Community School District:

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Urbandale Community School District as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements listed in the table of contents and have issued our report thereon dated October 18, 2007. We conducted our audit in accordance with U.S. generally accepted auditing standards 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

In planning and performing our audit, we considered Urbandale Community School 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 our opinion on the effectiveness of Urbandale Community School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Urbandale Community School 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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We identified no deficiencies in internal control over financial reporting that we consider to be significant deficiencies and no deficiencies we consider to be material weaknesses.

A control deficiency exists when the design or operation of the 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 significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Urbandale Community School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of Urbandale Community School District's financial statements that is more than inconsequential will not be prevented or detected by Urbandale Community School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by Urbandale Community School District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Urbandale Community School 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, non-compliance 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 non-compliance or other matters that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2007 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Urbandale Community School District's responses to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we have expressed our conclusions on the District's responses, we did not audit Urbandale Community School District's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Urbandale Community School District and other parties to whom Urbandale Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Urbandale Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Van Maanen & Associates, P.C.

Van Maanen & Associates, P.C.
Certified Public Accountants

October 18, 2007



Independent Auditor's Report on Compliance with Requirements Applicable
to Each Major Program and on Internal Control over Compliance
in Accordance with OMB Circular A-133

To the Board of Education of
Urbandale Community School District:

Compliance

We have audited the compliance of Urbandale Community School District with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. Urbandale Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of Urbandale Community School District's management. Our responsibility is to express an opinion on Urbandale Community School District's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, 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 Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 Urbandale Community School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Urbandale Community School District's compliance with those requirements.

In our opinion, Urbandale Community School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of Urbandale Community School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing our audit, we considered Urbandale Community School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Urbandale Community School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the District's internal control that might be significant deficiencies or material weaknesses as defined below. We identified no deficiency in internal control over compliance that we consider to be a material weakness.

A control deficiency in the District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control. We noted no deficiency in internal control over compliance that we consider to be a material weakness.

Urbandale Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the District's responses, we did not audit Urbandale Community School District's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Urbandale Community School District and other parties to whom Urbandale Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

Van Maanen & Associates, P.C.

Van Maanen & Associates, P.C.
Certified Public Accountants

October 18, 2007

URBANDALE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2007

Part I: Summary of the Independent Auditor's Results

- (a) Unqualified opinions were issued on the financial statements.
- (b) No significant deficiencies in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No significant deficiencies in internal control over major programs were disclosed by the audit of the financial statements.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) Major programs were as follows:
 - CFDA Number 84.027 - Special Education - Grants to States
 - Clustered programs:
 - CFDA Number 10.553 - School Breakfast Program
 - CFDA Number 10.555 - National School Lunch Program
- (g) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (h) Urbandale Community School District did not qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE

No matters were noted.

SIGNIFICANT DEFICIENCIES

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON-COMPLIANCE

No matters were noted.

SIGNIFICANT DEFICIENCIES

No matters were noted.

URBANDALE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2007

Part IV: Other Findings Related to Required Statutory Reporting

- IV-A-06 Certified Budget - Expenditures for the year ended June 30, 2007, did not exceed the certified budget amount.
- IV-B-06 Questionable Expenditures - No expenditures were noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-06 Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- IV-D-06 Business Transactions - No business transactions were noted between the District and District officials or employees.
- IV-E-06 Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.
- IV-F-06 Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- IV-G-06 Certified Enrollment - No variances were noted in the basic enrollment data certified to the Department of Education.
- IV-H-06 Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- IV-I-06 Certified Annual Report - The Certified Annual Report was filed with the Department of Education timely.