[INPUT] SCHOOL DISTRICT

Audited Financial Statements
For the Year Ended June 30, 2015

[INPUT] SCHOOL DISTRICT

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INDEPENDENT AUDITOR’S REPORT

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INDEPENDENT AUDITOR'S REPORT

Superintendent and School Board
[Input] School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, [the business-type activities, the aggregate discretely presented component units, (Delete if not applicable)]each major fund, and the aggregate remaining fund information of the *[input]* School District as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the *[input]* School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, [the business-type activities, the aggregate discretely presented component units, (Delete if not applicable)] each major fund, and the aggregate remaining fund information of the *[input]* School District, as of June 30, 2015, and the respective changes in financial position [and, where applicable, cash flows (Delete if not applicable)] thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of District Contributions on pages XX-XX, XX-XX, XX-XX and XX-XX, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the *[input]* School District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133), the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds, and the other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133) and the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information mentioned above is fairly stated in all material respects in relation to the basic financial statements as a whole.

The other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated *[date of report]*, on our consideration of the *[input]* School District's internal control over financial reporting and on 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* in considering *[input]* School District's internal control over financial reporting and compliance.

[Auditor's Signature]

[Auditor's city and state]

[Date of the auditor's report] **

** The auditor's report should not be dated earlier than the date on which the auditor has obtained sufficient appropriate audit evidence to support the opinion. This date will ordinarily be close to the date the auditor grants the entity permission to use the auditor's report in connection with the financial statements (Report release date). In many cases, the report release date will be the date the auditor delivers the report to the entity. (AU §339.23)

Note 1: For modifications to the Independent Auditor's Report as a result of business-type activities, aggregate discretely presented component units, qualifications, adverse or other deviations, refer to the AICPA Audit and Accounting Guide for State and Local Governments.

Note 2: In February 2010, the Auditing Standards Board issued Statement on Auditing Standards (SAS) No. 118, *Other Information in Documents Containing Audited Financial Statements* (AICPA, Professional Standards, AU sec. 550); SAS No. 119, *Supplementary Information in Relation to the Financial Statements as a Whole* (AICPA, Professional Standards, AU sec. 551); and SAS No. 120, *Required Supplementary Information* (AICPA, Professional Standards, AU sec 558). These standards collectively supersede AU sections 550A, 551A, and 558A, respectively, and are effective for audits of financial statements for periods beginning on or after December 15, 2010, with early application permitted. This example of an auditor's standard report on the financial statements of a state or local governmental unit issued in accordance with *Government Auditing Standards* or in a Single Audit has been revised to comply with SAS Nos. 118-120.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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The following discussion and analysis of *[input]* School District's financial performance provides an overview of the School District's financial activities for the year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position for 2015 increased/decreased $_____, including a prior period adjustment of $_____, which represents a(n) ___% increase/decrease from fiscal year 2014. Total net position for 2014 increased/decreased $_____, including a prior period adjustment of $_____, which represents a(n) ___% increase/decrease from fiscal year 2013.

- General revenues amounted to $_____ and $_____, or ___% and ___% of all revenues for fiscal years 2015 and 2014, respectively. Program specific revenues in the form of charges for services and grants and contributions accounted for $_____, or ___% of total revenues for 2015, and $_____, or ___ % of total revenues for 2014.

- The District had $_____ and $_____ in expenses for fiscal years 2015 and 2014; only $_____ for 2015 and $_____ for 2014 of these expenses was offset by program specific charges for services, grants and contributions. General revenues of $_____ for 2015 and $_____ for 2014 were/were not adequate to provide for these programs.

- Among major funds, the General Fund had $_____ in revenues and $_____ in expenditures for 2015, and $_____ in revenues and $_____ in expenditures in 2014. The General Fund's fund balance increased/decreased by $_____ from 2014 to 2015, and increased/decreased by $_____ from 2013 to 2014.

- Capital assets, net of accumulated depreciation, increased/decreased by $_____ for 2015 and increased/ decreased by $_____ for 2014. The increase/decrease for 2015 was due to the addition/disposal of _____ coupled with the increase in accumulated depreciation.

- Long-term debt increased/decreased by $_____ for 2015 and increased/decreased by $_____ for 2014. This increase/decrease for 2015 was due primarily to the issuance of general/limited obligation bonds/principal payments on outstanding long-term debt. The liability for compensated absences increased/decreased by $_____ for 2015 and increased/decreased by $_____ for 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's basic financial statements, which include government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information, supplementary information, and other information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances. These statements consist of the Statement of Net Position and the Statement of Activities, which are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents information on all the District's nonfiduciary assets and liabilities, with the differences between the two reported as "net position." Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial position is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional, sixteenth section and interest on long-term liabilities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two (*three*) categories: governmental funds and fiduciary funds. *(Add proprietary funds if applicable to the District.)*

Governmental funds – Most of the District's general activities are reported in its governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds are accounted for using the modified accrual basis of accounting and the flow of current financial resources measurement focus. The approach focuses on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at year end. The governmental fund statements provide a detailed view of the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may gain a better understanding of the long-term impact of the District's near-term financing decisions. The governmental funds Balance Sheet is reconciled to the Statement of Net Position, and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances is reconciled to the Statement of Activities to facilitate this comparison between governmental funds and governmental activities.

The District maintains individual governmental funds in accordance with the *Financial Accounting Manual for Mississippi Public School Districts.* Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds. All non-major funds are combined and presented in these reports as other governmental funds.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the District's own programs. These funds are reported using the accrual basis of accounting. The school district is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

Proprietary funds *(Only add language if the District has these funds.)*

Reconciliation of Government-wide and Fund Financial Statements

The financial statements include two schedules that reconcile the amounts reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the two statements:

Capital assets used in governmental activities are not reported on governmental funds financial statements.

Capital outlay spending results in capital assets on government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.

Bond and note proceeds result in liabilities on government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements.

Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules as required supplementary information. The District adopts an annual operating budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund and each additional major special revenue fund *(if applicable)* as required by the Governmental Accounting Standards Board.

Supplementary Information

Additionally, a Schedule of Expenditures of Federal Awards as required by OMB Circular A-133 and a Schedule of Instructional, Administrative and Other Expenditures for governmental funds can be found in this report.

Other Information

Although not a required part of the basic financial statements, the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years, is presented for purposes of additional analysis as required by the Mississippi Department of Education.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

(Option 1 – Use if the school district has no deferred inflows/outflows)
Net position may serve over time as a useful indicator of the District's financial position. Assets exceeded liabilities by $_____ as of June 30, 2015.

(Option 2 – Use if the school district has deferred inflows/outflows)
Net position may serve over time as a useful indicator of the District's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $_____ as of June 30, 2015.

The District's financial position is a product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets. *(if applicable)*

Table 1 presents a summary of the District's net position at June 30, 2015 and June 30, 2014. *(Show a column for proprietary fund, if applicable)*

GASB 68 was implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68.

Table 1
Condensed Statement of Net Position

	June 30, 2015	June 30, 2014	Percentage Change
Current assets	$	$	N/A %
Restricted assets *(if applicable)*			N/A %
Capital assets, net			N/A %
Total assets	-	-	**N/A %**
Deferred outflows of resources			**N/A %**
Current liabilities			N/A %
Long-term debt outstanding			N/A %
Net pension liability			
Total liabilities	-	-	**N/A %**
Deferred inflows of resources			**N/A %**
Net position:			
Net investment in capital assets			N/A %
Restricted			N/A %
Unrestricted			N/A %
Total net position	**$ -**	**$ -**	**N/A %**

[The following section sets forth information on the details of unrestricted net position that management may want to consider for inclusion in the MD&A.]

Additional information on unrestricted net position:

In connection with the implantation of new standards on accounting and financial reporting for pensions, management presents the following additional information:

Total unrestricted net position (deficit)	$
Less unrestricted deficit in net position resulting from recognition of the net pension liability	
Unrestricted net position, exclusive of the net pension liability effect	$

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Increase/Decrease in net capital assets in the amount of $_____.
- The principal retirement of $_____ of long-term debt.

Changes in net position

The District's total revenues for the fiscal years ended June 30, 2015 and June 30, 2014 were $_____ and $_____, respectively. The total cost of all programs and services was $_____ for 2015 and $_____ for 2014.

Table 2 presents a summary of the changes in net position for the fiscal years ended June 30, 2015 and June 30, 2014.

GASB 68 was implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68.

Table 2
Changes in Net Position

	Year Ended June 30, 2015	Year Ended June 30, 2014	Percentage Change
Revenues:			
Program revenues:			
Charges for services	$	$	N/A %
Operating grants and contributions			N/A %
Capital Grants and Contributions			N/A %
General revenues:			
Property (and gaming, *if applicable*) taxes			N/A %
Grants and contributions not restricted			N/A %
Investment earnings			N/A %
Sixteenth section sources			N/A %
Other		-	N/A %
Total revenues	-	-	**N/A %**
Expenses:			
Instruction			N/A %
Support services			N/A %
Non-instructional			N/A %
Sixteenth section			N/A %
Pension expense			
Interest on long-term liabilities			N/A %
Total expenses	-	-	**N/A %**
Increase (Decrease) in net position	-	-	**N/A %**
Net Position, July 1, as previously reported *			N/A %
Prior Period Adjustment			N/A %
Net Position, July 1, as restated *	-	-	**N/A %**
Net Position, June 30	$ -	$ -	**N/A %**

* Use "as previously reported" and "as restated" only if prior period adjustment exists.

Governmental activities

The following table presents the cost of four/five major District functional activities: instruction, support services, non-instructional, sixteenth section *(if applicable)*, and interest on long-term liabilities. The table also shows each functional activity's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost presents the financial burden that was placed on the State and District's taxpayers by each of these functions.

GASB 68 was implemented in fiscal year 2015. Prior year amounts do not reflect the implementation of GASB 68.

Table 3
Net Cost of Governmental Activities

	Total Expenses		Percentage
	2015	2014	Change
Instruction	$	$	N/A %
Support services			N/A %
Non-instructional			N/A %
Sixteenth section			N/A %
Pension Expense			N/A %
Interest on long-term liabilities			N/A %
Total expenses	**$ -**	**$ -**	**N/A %**

	Net (Expense) Revenue		Percentage
	2015	2014	Change
Instruction	$	$	N/A %
Support services			N/A %
Non-instructional			N/A %
Sixteenth section			N/A %
Pension Expense			N/A %
Interest on long-term liabilities			N/A %
Total net (expense) revenue	**$ -**	**$ -**	**N/A %**

- Net cost of governmental activities ($_____ for 2015 and $_____ for 2014) was financed by general revenue, which is primarily made up of property taxes ($_____ for 2015 and $_____ for 2014) and state and federal revenues ($_____ for 2015 and $_____ for 2014). In addition, there was $_____ and $_____ in Sixteenth Section sources for 2015 and 2014, respectively.

- Investment earnings amounted to $_____ for 2015 and $_____ for 2014.

(Additional Information should be disclosed for proprietary funds.)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of $_____, a(n) increase/decrease of $_____, which includes a prior period adjustment of $_____ and a(n) increase/decrease in inventory of $_____. $_____or ___% of the fund balance is unassigned, which represents the residual classification for the General Fund's fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The remaining fund balance of $_____ or ___% is either nonspendable, restricted, committed or assigned to indicate that it is not available for spending except only for the purposes to which it is restricted, committed or assigned.

The General Fund is the principal operating fund of the District. The increase/decrease in fund balance in the General Fund for the fiscal year was $_____. The fund balance of Other Governmental Funds showed a(n) increase/decrease in the amount of $_____, which includes a prior period adjustment of $_____ and a(n) increase/decrease in reserve for inventory of $_____, due primarily to _____. The increase (decrease) in the fund balances for the other major funds were as follows:

Major Fund		Increase (Decrease)
Fund 1	$	xxxxxx
Fund 2	$	(xxxxxx)
Fund 3		no increase or decrease
Fund 4		no increase or decrease

BUDGETARY HIGHLIGHTS

During the year, the District revised the annual operating budget. Budget revisions were made to address and correct the original budgets to reflect more accurately the sources and uses of funding for the School District. (Significant revisions should be explained as they apply to the District.)

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund and (*if applicable*) major special revenue fund(s) is provided in this report as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2015, the District's total capital assets were $_____, including land, school buildings, building improvements, buses, other school vehicles, furniture and equipment, and any intangible assets. This amount represents a(n) increase/decrease of $_____from 2014. Total accumulated depreciation as of June 30, 2015, was $_____, and total depreciation expense for the year was $_____, resulting in total net capital assets of $_____.

Table 4
Capital Assets, Net of Accumulated Depreciation

	June 30, 2015	June 30, 2014	Percentage Change
Land	$	$	N/A %
Construction in Progress			N/A %
Buildings			N/A %
Building improvements			N/A %
Improvements other than buildings			N/A %
Mobile equipment			N/A %
Furniture and equipment			N/A %
Leased property under capital leases			N/A %
Intangible assets			N/A %
Total	**$ -**	**$ -**	**N/A %**

Additional information on the District's capital assets can be found in Note __ included in this report.

Debt Administration. At June 30, 2015, the District had $_____in outstanding long-term debt, of which $_____is due within one year. The liability for compensated absences increased/decreased $_____ from the prior year. (Significant issues and payments should be explained as they apply to the District).

The District maintains a(n) __ bond rating.

Table 5
Outstanding Long-Term Debt

	June 30, 2015	June 30, 2014	Percentage Change
General obligation bonds payable	$	$	N/A %
Premiums/Discounts (If applicable)			
General obligation refunding bonds payable			N/A %
Premiums/Discounts (If applicable)			
Limited obligation bonds payable			N/A %
Limited obligation refunding bonds payable			N/A %
Certificates of participation payable			N/A %
Three mill notes payable			N/A %
Transportation equipment loans payable			N/A %
Shortfall notes payable			N/A %
Obligations under capital leases			N/A %
Obligations under energy efficiency leases			N/A %
Installment purchase loans payable			N/A %
Qualified zone academy bonds payable			N/A %
Qualified school construction bonds payable			N/A %
Other loans payable			N/A %
Compensated absences payable			N/A %
Total	**$ -**	**$ -**	**N/A %**

Additional information on the District's long-term debt can be found in Note __ included in this report.

CURRENT ISSUES

Insert pertinent information specific to the district here. Consider disclosing a listing of schools that are a component of the district.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have any questions about this report or need additional financial information, contact the Superintendent's Office of the *[input]* School District, *[insert address]*.

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FINANCIAL STATEMENTS

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SCHOOL DISTRICT

Statement of Net Position **Exhibit A**

June 30, 2015

	Governmental Activities
Assets	
Cash and cash equivalents	$
Cash with fiscal agents	
Investments	
Due from other governments	
Accrued interest receivable	
Other receivables, net	
Inventories	
Prepaid items	
Restricted assets	
Capital assets, non-depreciable:	
Land	
Construction in progress	
Capital assets, net of accumulated depreciation:	
Buildings	
Building improvements	
Improvements other than buildings	
Mobile equipment	
Furniture and equipment	
Leased property under capital leases	
Intangible assets	
Total Assets	0
Deferred Outflows of Resources	
List type(s) of outflows or remove section if not applicable.	
Total deferred outflows of resources	
Liabilities	
Accounts payable and accrued liabilities	
Due to other governments	
Interest payable on long-term liabilities	
Long-term liabilities, due within one year:	
Capital related liabilities	
Non-capital related liabilities	
Long-term liabilities, due beyond one year:	
Capital related liabilities	
Non-capital related liabilities	
Net pension liability	
Total Liabilities	0
Deferred Inflows of Resources	
List type(s) of inflows or remove section if not applicable.	
Unearned Revenues - Property Taxes	
Total deferred inflows of resources	

SCHOOL DISTRICT

Statement of Net Position **Exhibit A**

June 30, 2015

	Governmental Activities
Net Position	
Net investment in captial assets	
Restricted for:	
Expendable:	
School-based activities	
Debt service	
Capital improvements	
Forestry improvements	
Unemployment benefits	
Non-expendable:	
Sixteenth section	
Other	
Unrestricted	
Total Net Position	$ 0

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT

Statement of Activities **Exhibit B**

For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Instruction	$	$	$	$	$ 0
Support services					0
Non-instructional					0
Sixteenth section					0
Pension expense					
Interest on long-term liabilities					0
Total Governmental Activities	$ 0	$ 0	$ 0	$ 0	$ 0

General Revenues:	
Taxes:	
General purpose levies	
Debt purpose levies	
Gaming *(if applicable)*	
Unrestricted grants and contributions:	
State	
Federal	
Unrestricted investment earnings	
Sixteenth section sources	
Other	
Total General Revenues	0
Special items	
Extraordinary items *(Include only if applicable)*	
Transfers	
Total General Revenues, Special Items, Extraordinary Items and Transfers	0
Change in Net Position	0
Net Position - Beginning, as previously reported *	
Prior Period Adjustments	
Net Position - Beginning, as restated *	0
Net Position - Ending	$ 0

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT

Governmental Funds

Balance Sheet **Exhibit C**

June 30, 2015

	Major Funds			
	General Fund	Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$	$	$	$ 0
Cash with fiscal agents				0
Investments				0
Due from other governments				0
Accrued interest receivable				0
Other receivables, net				0
Due from other funds				0
Advance to other funds				0
Inventories				0
Prepaid items				0
Total assets	0	0	0	0
Deferred Outflows of Resources				
List type(s) of outflows or remove section if not applicable				
Total deferred outflows of resources	0	0	0	0
Total assets and deferred outflows of resources	$ 0	$ 0	$ 0	$ 0

(If no deferred Outflows, remove total and just include line for Total assets)

Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	$	$	$	$ 0
Due to other funds				0
Advances from other funds				0
Unavailable revenue *(please describe)*				0
Total Liabilities	0	0	0	0
Deferred Inflows of Resources				
List type(s) of inflows or remove section if not applicable				
Total deferred inflows of resources	0	0	0	0

SCHOOL DISTRICT

Governmental Funds

Balance Sheet **Exhibit C**

June 30, 2015

	Major Funds			
	General Fund	Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventory				0
Permanent fund principal				0
Advances				0
Prepaid items				0
Restricted:				
Debt service				0
Capital projects				0
Forestry improvement purposes				0
Grant activities				0
Unemployment benefits				0
(Please describe other purpose in detail)				0
Committed:				
Technology				0
(Please describe other purpose in detail)				0
Assigned:				
Capital improvements				0
(Please describe other purpose in detail)				0
Unassigned				0
Total Fund Balances	0	0	0	0
Total liabilities, deferred inflows of resources and fund balances	$	$	$	$

The notes to the financial statements are an integral part of this statement.

NOTE: Per Statement 65, paragraph 30, when an asset is recorded in governmental fund financial statements but the revenue is not available, the government should report a deferred inflow of resources until such time as the revenue becomes available.

SCHOOL DISTRICT

Governmental Funds

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position **Exhibit C-1**

June 30, 2015

Total fund balances for governmental funds		$
Amounts reported for governmental activities in the statement of net position are different because:		
1. Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Land	$	
Construction in progress		
Buildings		
Building improvements		
Improvements other than buildings		
Mobile equipment		
Furniture and equipment		
Leased property under capital leases		
Intangible assets		
Accumulated depreciation		0
2. Some of the district's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		
3. Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability		
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflows of resources related to pensions		
Deferred inflows of resources related to pensions		0
4. Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds		
Limited obligation bonds		
Notes payable		
Certificates of participation		
Capital lease obligations		
Unamortized charges		
Unamortized premiums		
Accrued interest payable		0
(***)		
Net position of governmental activities		$ 0

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances **Exhibit D**

For the Year Ended June 30, 2015

	Major Funds		Other	Total
	General Fund	Fund	Governmental Funds	Governmental Funds
Revenues:				
Local sources	$	$	$	$ 0
Intermediate sources				0
State sources				0
Federal sources				0
Sixteenth section sources				0
Total Revenues	0	0	0	0
Expenditures:				
Instruction				0
Support services				0
Noninstructional services				0
Sixteenth section				0
Facilities acquisition and construction				0
Debt service:				
Principal				0
Interest				0
Advance refunding escrow				0
Other *(includes debt issue costs, if any)*				0
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues over (under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Bonds and notes issued				0
Capital leases issued				0
Insurance recovery				0
Refunding bonds issued				0
Payment to escrow agent				0
Premiums on bonds and refunding bonds issued				0
Payment to refunded bond escrow agent				0
Payment to Qualified Zone Academy debt escrow agent				0
Sale of transportation equipment				0
Sale of other property				0
Operating transfers in				0
Other financing sources				0
Operating transfers out				0
Other financing uses				0
Total Other Financing Sources (Uses)	0	0	0	0
Special items, *if applicable*				0
Extraordinary items, *if applicable*				0
Net Change in Fund Balances	0	0	0	0
Fund Balances:				
July 1, 2014, as previously reported *				0
Prior period adjustments				0
July 1, 2014, as restated *	0	0	0	0
Increase (Decrease) in reserve for inventory				0
June 30, 2015	$ 0	$ 0	$ 0	$ 0

The notes to the financial statements are an integral part of this statement.

* Use "as previously reported" and "as restated" only if prior period adjustment exists.

SCHOOL DISTRICT

Governmental Funds

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2015

Exhibit D-1

Net change in fund balances - total governmental funds		$
Amounts reported for governmental activities in the statement of activities are different because:		
1. Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	$	
Depreciation expense		0
2. In the statement of activities, only the gain/loss on the sale of assets is reported, while in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.		
3. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the statement of activities:		
Bonds and notes issued		
Refunding bonds issued		
Premiums on bonds and refunding bonds issued		
Capital leases issued		
Payments of debt principal		
Payments to refunded bond escrow agent		
Payments on refunded bonds		
Accrued interest payable		0
4. [Insert reconciling items as applicable to GASB 68]		
5. Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:		
Change in compensated absences		
Change in inventory reserve		
Amortization of deferred charges, premiums and discounts		0
(***)		
Change in net position of governmental activities		$ 0

The notes to the financial statements are an integral part of this statement.

(***) Insert other adjustments needed to reconcile when appropriate.

SCHOOL DISTRICT

Fiduciary Funds

Statement of Fiduciary Net Position **(see note below)** **Exhibit E**

June 30, 2015

	Private-Purpose Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	$	$
Investments		
Accrued interest receivable		
Due from other funds		
Due from other governments		
Total Assets	0	$ 0
Liabilities		
Accounts payable and accrued liabilities		$
Due to other governments		
Due to other funds		
Due to student clubs		
Total Liabilities	0	$ 0
Net Position		
Reserved for endowments		
Held in trust		
Total Net Position	$ 0	

The notes to the financial statements are an integral part of this statement.

Note: If only agency funds are reported, the title of this exhibit should be "Statement of Fiduciary Assets and Liabilities"

NOTE: If there are deferred inflows and/or deferred outflows related to fiduciary funds, please add line items to the Statement of Fiduciary Net Position to present deferred inflows/outflows separate from assets and liabilities. See presentation on Exhibit A as an example.

SCHOOL DISTRICT

Fiduciary Funds

Statement of Changes in Fiduciary Net Position **Exhibit F**

For the Year Ended June 30, 2015

	Private-Purpose Trust Funds
Additions	
Interest on investments	$
Contributions and donations from private sources	
Total Additions	0
Deductions	
Scholarships awarded	
Total Deductions	0
Change in Net Position	0
Net Position	
July 1, 2014, as previously reported *	
Prior period adjustments	
July 1, 2014, as restated *	0
June 30, 2015	$ 0

The notes to the financial statements are an integral part of this statement.

* Use "as previously reported" and "as restated" only if prior period adjustment exists.

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements of the school district have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the school district's accounting policies are described below.

A. Financial Reporting Entity

[Option 1 - Select for a county school district]

As defined by accounting principles generally accepted in the United States of America, the school district is considered a "primary government." The school district is governed by a *[input number]* member board to which

[Option 1a - Select for a county school district, all members elected]

each member is elected by the citizens of each defined county district.

[Option 1b - Select for a county school district, some elected / some appointed]

[input number] are elected by citizens of each defined county district and *[input number]* are selected by the City of *[input city's name]* Board of Alderman *[or appropriate name]*.

[Option 2 - Select for a city school district]

As defined by accounting principles generally accepted in the United States of America, the school district is considered an "other stand-alone government." The school district is a related organization of, but not a component unit of, the city of *[input city name]* since the governing authority of the city selects a majority of the school district's board but does not have financial accountability for the school district.

[Continue]

For financial reporting purposes, *[input]* School District has included all funds and organizations. 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.

[If the school district has Trust Certificate/Certificates of Participation (Blended Component Unit) include the following:]

Blended component unit

The *[input name]* Leasing Authority ("the Authority") as explained in the following paragraph is considered to be a blended component unit as determined by Section 2100 of the *Codification of Governmental Accounting and Financial Reporting Standards* and is included in the district's reporting entity.

The Authority is governed by a *[input number]* member board which is appointed by the school district's governing board. Although it is legally separate from the school district, it is reported as if it is part of the primary government because its sole purpose is to provide financing for the renovation, improvement, construction, and equipping of certain school facilities. Therefore, all of the Authority's assets, liabilities, fund balances, revenues, expenditures and other financing sources and uses have been included in the government-wide financial statements of the school district (see Note __).

[If the school district has discretely presented component units, the following should be presented:]

Discretely presented component units

[The note should include a description of the component unit included within the financial reporting entity; a description of the relationship between the component units and the school district; a discussion of the criteria for including component units within the reporting entity; a discussion of how component units are reported (blended, discrete presentation, or included in the fund financial statements); and information on how to obtain a copy of the separately issued financial statements of the component units.]

Complete financial statements for each of the individual component units may be obtained from *[input source]*.

[The summary of significant accounting policies should include a disclosure regarding related organizations and the relationship that exists between the school district and any related organization. GASB statement 14:68; 2005 GAAFR page 200.]

Related Organizations

[If the school district is itself a component unit, include information concerning the primary government and a description of the nature of the relationship. Reference GASB statement 14:65; 2005 GAAFR page 200.]

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the District. For the most part, the effect of inter-fund 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 support.

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

1. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances of bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

2. Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

3. Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

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 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 restricted to meeting the operational or capital requirements of a particular function. Property taxes and other items not included among program revenues are reported instead as general revenues.

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

The school district reports the following major governmental funds:

General Fund - This is the school district's primary operating fund. The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

[List other individual major funds, if any, and a description of each.]

All other governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

Include the following for proprietary funds, if applicable

The school district reports the following major enterprise fund:

The district's enterprise fund is the _____fund. This fund is used to account for the _____ of the district.

[Continue]

The school district also reports fiduciary funds which focus on net position and changes in net position. [Omit when Statement of Changes in Fiduciary Net Position is not presented.]

The District's fiduciary funds include the following:

[List individual private purpose trust funds and agency funds presented, if any, and a description of each]

Additionally, the school district reports the following fund types:

GOVERNMENTAL FUNDS

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Permanent Funds - Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not the principal, may be used for purposes that support the district's programs.

PROPRIETARY FUNDS

Enterprise Funds – These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the school district has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

FIDUCIARY FUNDS

Private-purpose Trust Funds - Private-purpose trust funds are used to report all trust arrangements, other than those properly reported elsewhere, in which the principal and income benefit individuals, private organizations or other governments.

Agency Funds - Agency Funds are used to report resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting, as are the Fiduciary Fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred or economic asset used, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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. Measurable means knowing or being able to reasonably estimate the amount. 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. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is

conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Property taxes, 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.

[Option 1 - Use the following for county levying authority]

Ad valorem property taxes are levied by the governing authority of the county on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

[Option 2 - Use the following for city levying authority]

Ad valorem property taxes are levied by the governing authority of the city on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

[Option 3 - Use the following if the school district has both county and city levying authorities]

Ad valorem property taxes are levied by the governing authorities of the county and the city on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

[Continue]

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 the 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 is both restricted and unrestricted net position 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 effect of inter-fund activity has been eliminated from the government-wide statements.

[If the district has any proprietary funds, include the following paragraph:]

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 are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

[Continue]

Revenues from the Mississippi Adequate Education Program are appropriated on a fiscal year basis and are recorded at the time the revenues are received from the State of Mississippi.

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing, and Financial Reporting,* issued in 2012 by the Government Finance Officers Association and are consistent with the broad classifications recommended in *Financial Accounting for Local and State School Systems, 2003,* issued by the U.S. Department of Education.

D. Encumbrances

[Option 1]
An encumbrance system is not maintained to account for commitments resulting from approved purchase orders, work orders and contracts.

[Option 2]
An encumbrance system is maintained to account for commitments or assignments resulting from approved purchase orders, work orders and contracts. Encumbrances outstanding at year-end are reported as a classification of fund balances since they do not constitute expenditures or liabilities.

[Option 3]
An encumbrance system is maintained to account for commitments or assignments resulting from approved purchase orders, work orders and contracts. However, the school district attempts to liquidate all encumbrances at year-end. Encumbrances outstanding at year-end are/are not reported within committed or assigned fund balances.

E. Assets, liabilities, deferred outflows/inflows, and net position/fund balances
[Delete reference to deferred outflows/inflows if not applicable]

1. Cash, Cash equivalents and Investments

Cash and cash equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The school district deposits excess funds in the financial institutions selected by the school board. State statutes specify how these depositories are to be selected.

Investments

The school district can invest its excess funds, as permitted by Section 29-3-113, Miss. Code Ann. (1972), in interest-bearing deposits or other obligations of the types described in Section 27-105-33, Miss. Code Ann. (1972), or in any other type investment in which any other agency, instrumentality or subdivision of the State of Mississippi may invest, except that 100% of said funds are authorized to be so invested.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired.

Investments for the district, as well as for its component units *[strike if no component units]*, are reported at fair market value.

2. Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds"(i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Due from Other Governments

Due from other governments represents amounts due from the State of Mississippi and various grants and reimbursements from other governments.

4. Inventories and Prepaid Items

Donated commodities are received from the USDA and are valued at USDA cost. Other inventories are valued at cost (calculated on the first-in, first-out basis). The costs of governmental fund type inventories are reported as expenditures when purchased.

[If the district is maintaining inventory using the consumption method, insert the appropriate disclosure.]

[Use one of the following two options concerning prepaid items.]

[Option 1]
Prepaid items, such as prepaid insurance, are not reported for governmental fund types since the costs of such items are accounted for as expenditures in the period of acquisition.

[Option 2]
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and governmental fund financial statements.

5. Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable debt statutes, e.g. Qualified Zone Academy Bond sinking funds. Also, the nonexpendable portion of the Permanent Fund, if applicable, is classified as restricted assets because the 16th Section Principal fund is not available for use by the district except as provided for under state statute for loans from this fund.

6. Capital Assets

Capital assets include land, improvements to land, easements, water rights, timber rights, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at

historical cost or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair 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 thresholds in the table below.

Capital acquisition and construction are reflected as expenditures in the Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is calculated on the straight-line basis for all assets, except land.

The following schedule details the capitalization thresholds:

	Capitalization Policy	Estimated Useful Life
Land	$ 0	0
Buildings	50,000	40 years
Building improvements	25,000	20 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5-10 years
Furniture and equipment	5,000	3-7 years
Leased property under capital leases	*	*
Intangible assets	**	**

(*) The threshold amount will correspond with the amounts for the asset classifications, as listed. See Note___ for details.

(**) The estimated useful life is [describe as deemed appropriate for the district's specific intangible asset(s)]. There is no mandated maximum amortization period. Intangible assets with indefinite useful lives should not be amortized.

The term 'depreciation' includes the amortization of intangible assets.

7. Deferred outflows/inflows of resources ***[Delete section if not applicable]***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. *(List the number and type(s) of deferred outflows)*

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. *(List the number and type(s) of deferred inflows)*

See Note ___ for further details.

8. Compensated Absences

Employees of the school district accumulate sick leave at a minimum amount as required by state law. A greater amount may be provided by school district policy provided that it does not exceed the provisions for leave as provided in Sections 25-3-93 and 25-3-95. Some employees are allowed personal leave and/or vacation leave in accordance with school district policy. The district pays for unused leave for employees as required by Section 37-7-307(5), Miss. Code Ann. (1972).

The liability for these compensated absences is recorded as a long-term liability in the government-wide statements. The current portion of this liability is estimated based on historical trends. In the fund financial statements, governmental funds report the liability for compensated absences from expendable available financial resources only if the payable has matured, for example, an employee retires.

9. Long-term Liabilities and Bond Discounts/Premiums

In the government-wide, proprietary and component unit *(if applicable)* financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. See Note __ for details.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, the benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Fund Balances

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes

pursuant to constraints imposed by a formal action of the School Board, the District's highest level of decision-making authority. This formal action is the *[input formal action that is required to be taken by Board to establish the commitment.]* *[Input the following sentence if there is no committed fund balance.]* Currently there is no committed fund balance for this school district.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the _____ pursuant to authorization established by *[input policy]*.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

[Modify the following disclosure as it applies to the District.] When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the District's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

[If a minimum fund balance policy is formally adopted, describe the policy, including the action taken in adopting the policy.]

Note 2 – Cash and Cash Equivalents

[Option 1 – Use the following section if the district does **not** have cash with fiscal agents or investments reported in the basic financial statements.]

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits are imposed by statutes as follows:

Deposits. The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds and fiduciary funds was $_____ and $ _____, respectively. The carrying amount of deposits reported in the government-wide financial statements was $_____.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the district. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district. As of June 30, 2015, $_____ of the district's bank balance of $_____ was exposed to custodial credit risk. *[Strike last sentence if inapplicable.]*

Note 2 – Cash and Cash Equivalents, Cash with Fiscal Agents, and Investments

[Option 2 - Use the following section if the school district reports cash with fiscal agents and/or investments. Edit the note title accordingly.]

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits and investments are imposed by statutes as follows:

Deposits. The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

Investments. Section 29-3-113 and 37-59-43, Miss. Code Ann. (1972), authorizes the school board to invest excess funds in the types of investments authorized by Section 27-105-33(d) and (e), Miss. Code Ann. (1972). This section permits the following types of investments: (a) certificates of deposit or interest bearing accounts with qualified state depositories; (b) direct United States Treasury obligations; (c) United States Government agency, United States Government instrumentality or United States Government sponsored enterprise obligations, not to exceed fifty percent of all monies invested with maturities of thirty

days or longer; (d) direct security repurchase agreements and reverse direct security repurchase agreements of any federal book entry of only those securities enumerated in (b) and (c) above; (e) direct obligations issued by the United States of America that are deemed to include securities of, or other interests in, any open-end or closed-end management type investment company or investment trust approved by the State Treasurer and the Executive Director of the Department of Finance and Administration, not to exceed twenty percent of invested excess funds. Investment income on bond funds (Capital Projects), bond sinking funds (Debt Service Funds) and sixteenth section principal funds (Permanent Funds) must be credited to those funds. Investment income of $100 or more of any fund must be credited to that fund. Investment income of less than $100 can be credited to the General Fund.

Cash and Cash Equivalents

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds and fiduciary funds was $ _____ (which includes $ _____ of certificates of deposit with original maturities beyond three months and reported on the Balance Sheet as investments) and $ _____, respectively.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the district. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district. As of June 30, 2015, $_____ of the district's bank balance of $_____ was exposed to custodial credit risk. *[Strike last sentence if inapplicable.]*

[NOTE: Edit the remainder of Note 2 to agree with reported amounts per Statement of Net Position]

Cash with Fiscal Agents

The carrying amount of school district's cash with fiscal agents held by financial institutions was $_____.

Note to Preparer:
The GASB Statement #40 investment note disclosure below is intended to be used only as a guide. Please tailor the note disclosure to each individual school district's situation.

Investments

As of June 30, 2015, the district had the following investments.

Investment Type	Rating	Maturities (in years)	Fair Value
U.S. Government securities			$
Certificates of deposit			
Mutual funds			
Federal Home Loan Bank			
Hancock Horizon Treasury Securities			
Money Market Mutual Funds			
Total			$ -

Interest Rate Risk. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. [If the district has adopted an interest rate risk policy, then explain such policy].

Credit Risk. State law limits investments to those prescribed in Sections 27-105-33(d) and 27-105-33(e), Miss. Code Ann. (1972). The district does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk. [If the district has adopted a credit risk policy, then explain such policy]. [The credit quality rating of investments as described by nationally recognized statistical rating organizations should be disclosed].

Custodial Credit Risk - Investments. Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The district does not have a formal investment policy that addresses custodial credit risk. *Modify or strike if inapplicable >* [The investments in the Hancock Horizon Treasury Securities Money Market Mutual Funds are uninsured and unregistered and are not backed by the full faith and credit of the federal government.] Of the district's investments in _____, $_____ of underlying securities are held by the investment's counterparty, not in the name of the district. *Modify or strike if inapplicable >* [As of June 30, 2015, the district did not have any investments to which this would apply.]

Concentration of Credit Risk. Disclosure of investments by amount and issuer for any issuer that represents five percent or more of total investments is required. This requirement does not apply to investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds and external investment pools, and other pooled investments. As of June 30, 2015, the district had the following investments: [List ONLY qualifying investments comprising **more than 5 percent** of the district's total investments.]

Issuer	Fair Value	% of Total Investments
	$	

Note 3 – Inter-fund Receivables, Payables and Transfers

The following is a summary of inter-fund transactions and balances:

[NOTE: if only one section is needed, remove the lettering, i.e., A. and B.]

A. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Major fund #1	$
	Other governmental funds	
Major fund #1	General Fund	
	Other governmental funds	
Major fund #2	General Fund	
	Other governmental funds	
Other governmental funds	General Fund	
Fiduciary funds	General Fund	
Total		$ -

[Insert a summary description of the due from/to other funds transactions here.]

B. Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Major fund #1	$
	Other governmental funds	
Major fund #1	General Fund	
	Major fund #2	
	Other governmental funds	
Major fund #2	General Fund	
	Major fund #1	
	Fiduciary funds	
Other governmental funds	General Fund	
	Major fund #2	
	Other governmental funds	
Fiduciary funds	General Fund	
Total		$ -

[Insert a summary description of the advances to/from other funds transactions here.]

[The following note should be included if Sixteenth Section Principal Fund loans are reported with advances on the Balance Sheet. If advance is for another purpose, insert a basic summary description.]

Sixteenth section principal loans payable

Note: The sixteenth section principal loans payable are not reflected on the Statement of Net Position because these funds were borrowed by the General Fund from the Sixteenth Section Trust Fund (Permanent Trust) in accordance with Section 29-3-113, Miss. Code Ann. (1972). The revenues and expenditures associated with these transactions are reflected on the Statement of Revenues, Expenditures and Changes in Fund Balances.

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 - 2025			-
2026 - 2030			-
Total	$ -	$ -	$ -

C. Inter-fund Transfers

Transfers Out	Transfers In	Amount
General Fund	Major fund #1	$
	Fiduciary funds	
Major fund #1	General Fund	
	Other governmental funds	
Major fund #2	General Fund	
	Other governmental funds	
Other governmental funds	General Fund	
	Other governmental funds	
Fiduciary funds	General Fund	
Total		$ -

[Insert a summary description of Transfers In/Out transactions here.]

Note 4 – Restricted Assets

[Modify or omit this section if inapplicable. It should be presented as one paragraph, and the amounts disclosed should agree with the corresponding amounts on the Statement of Net Position.]

[Option 1]
The restricted assets represent the cash balance and investment balance, totaling $ _____ and $ _____, respectively, of the Sixteenth Section Principal Fund (Permanent Fund) which is legally restricted and may not be used for purposes that support the district's programs.

[Option 2]
In addition, the restricted assets represent the cash and investment balance, totaling $_____ and $_____, respectively, of the QZAB Bond Retirement Fund.

[Option 3]
In addition, the restricted assets represent the cash and investment balance, totaling $_____ and $_____, respectively, of the MAEP Limited Obligation Bond/Note Fund.

[Option 4]
In addition, the restricted assets represent the cash and investment balance, totaling $_____ and $_____, respectively, of the QSCB Bond Retirement Fund.

Note 5 – Capital Assets

The following is a summary of changes in capital assets for governmental activities [and business type activities] *(if applicable)*:

The term depreciation includes amortization of intangible assets. (if applicable).

	Balance 7/1/2014	Increases	Decreases	Balance 6/30/2015
Governmental Activities:				
Non-depreciable capital assets:				
Land	$	$	$	$ -
Construction-in-progress				-
Total non-depreciable capital assets	-	-	-	-
Depreciable capital assets:				
Buildings				-
Building improvements				-
Improvements other than buildings				-
Mobile equipment				-
Furniture and equipment				-
Leased property under capital leases				-
Intangible assets				-
Total depreciable capital assets	-	-	-	-
Less accumulated depreciation for:				
Buildings				-
Building improvements				-
Improvements other than buildings				-
Mobile equipment				-
Furniture and equipment				-
Leased property under capital leases				-
Intangible assets				-
Total accumulated depreciation	-	-	-	-
Total depreciable capital assets, net	-	-	-	-
Governmental activities capital assets, net	$ -	$ -	$ -	$ -

	Balance 7/1/2014	Additions	Retirements	Balance 6/30/2015
Business-type Activities:				
Depreciable capital assets:				
Buildings	$	$	$	$ -
Furniture and equipment				-
Intangible assets				-
Total depreciable capital assets	-	-	-	-
Less accumulated depreciation for:				
Buildings				-
Furniture and equipment				-
Intangible assets				-
Total accumulated depreciation	-	-	-	-
Business-type activities capital assets, net	$ -	$ -	$ -	$ -

Depreciation expense was charged to the following governmental functions:

	Amount
Governmental activities:	
Instruction	$
Support services	
Non-instructional	
Total depreciation expense - Governmental activities	$ 0
Business-type activities:	
Other business-type	
Other business-type	
Total depreciation expense - Business-type activities	$ 0

[Note: The following statement should only be disclosed if material estimates of capital assets are included in any or all of the individual capital account balances. Edit as the case may be.]

The capital assets above include significant amounts of *[insert asset classification(s) affected]* which have been valued at estimated historical cost. The estimated historical cost was based on replacement cost multiplied by the consumer price index implicit price deflator for the year of acquisition.

[Note: If significant or material adjustments are presented, include an explanation.]

Construction in progress is composed of:

	Spent to June 30, 2015	Remaining Commitment
Governmental Activities:		
(enter project name)	$	$
(enter project name)		
(enter project name)		
Total governmental activities	-	-
Business-type Activities:		
(enter project name)		
(enter project name)		
(enter project name)		
Total business-type activities	-	-
Total construction in progress	$ -	$ -

Construction projects included in governmental activities are funded with _____.

Note 6 – Long-term Liabilities

The following is a summary of changes in long-term liabilities and other obligations for governmental activities:

	Balance 7/1/2014	Additions	Reductions	Balance 6/30/2015	Amounts due within one year
A. General obligation bonds payable	$	$	$	$ -	$
General obligation refunding bonds payable				-	
Premiums/Discounts (If applicable)					
B. Limited obligation bonds payable				-	
Limited obligation refunding bonds payable				-	
Premiums/Discounts (If applicable)					
C. Certificates of participation payable				-	
D. Three mill notes payable				-	
E. Transportation equipment loans payable				-	
F. Shortfall notes payable				-	
G. Obligations under capital leases				-	
H. Obligations under energy efficiency leases				-	
I. Installment purchases loans payable				-	
J. Qualified zone academy bonds payable				-	
K. Qualified school construction bonds payable				-	
L. Other loans payable				-	
M. Compensated absences payable				-	
Total	$ -	$ -	$ -	$ -	$ -

Note: GAAP specifically require that the terms by which interest rates change for variable rate debt be disclosed. GASB Statement 38:10b; 2005 GAAFR pg 225.

Note: If the school district has pledged future revenue to repay debt, the following items are required to be disclosed, GASB Statement 48.

1. Specific revenue pledged and the approximate amount of the pledge.
2. Purpose of the debt secured by the pledge.
3. Term of the commitment (i.e. period during which the revenue will not be available.)
4. Relationship of the pledged amount of the revenue to the total for that specific revenue.
5. Comparison of the pledged revenues recognized during the period to the principal and interest requirements for the debt directly or indirectly collateralized by those revenues.

Note: Debt issued at a premium or discount should be reported and disclosed at its face amount with the discount or premium shown separately as a direct deduction from or addition to the amount of the debt.

A. General obligation bonds payable

General obligation bonds are direct obligations and pledge the full faith and credit of the school district. General obligation bonds currently outstanding are as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. General obligation bond issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. General obligation bond issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

Total general obligation bond payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

The amount of bonded indebtedness that can be incurred by the school district is limited by Sections 37-59-5 and 37-59-7, Miss. Code Ann. (1972). Total outstanding bonded indebtedness during a year can be no greater than 15% of the assessed value of the taxable property within such district, according to the then last completed assessment for taxation, unless certain conditions, as set forth in Section 37-59-7, Miss. Code Ann. (1972) have been met. As of June 30, 2015, the amount of outstanding bonded indebtedness was equal to ___% of property assessments as of October 1, 2014.

[NOTE: If the district refunded debt in the current fiscal year, where the proceeds of new debt was placed with an escrow agent to pay the old debt in a future year, include the following information.

If the district has refunded bonds/notes in prior years, insert a separate disclosure, "Prior Year Defeasance of Debt" – See Report Model, p 63 for example disclosure (Note 7).]

Advance Refunding

On *[date]*, the district issued $_____ in *[type of debt issuance]* with an average interest rate of ___% to advance refund $_____ of outstanding *[type of debt issuance]* with an average interest rate of ___%. The net proceeds of $_____ after payments of $_____ for issuance costs were deposited in an irrevocable trust with an escrow agent to provide for all future debt payment requirements on the *[type of debt issuance]*.

As a result, the *[original debt issuance]* are considered to be defeased and the liability for those bonds *[certificates, notes, etc.]* has been removed from long-term liabilities.

The district advance refunded the *[original debt issuance]* to reduce its total debt service payments over the remaining ___ years of the debt by approximately $_____ and to realize an economic gain of $_____.

B. Limited obligation bonds payable

Limited obligation bonds are direct obligations and pledge the full faith and credit of the school district. Limited obligation bonds currently outstanding are as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Limited obligation bond issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. Limited obligation bond issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

This debt will be retired from the *[input fund]*.
Total limited obligation bonds payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

The state aid capital improvement bonds are secured by an irrevocable pledge of certain revenues the district receives from the State of Mississippi pursuant to the Mississippi Accountability and Adequate Education Program Act, Sections 37-151-1 through 37-151-7, Miss. Code Ann. (1972). The state aid capital improvement bonds are not included in the computation of the debt limit percentage.

[NOTE: If the district refunded debt in the current fiscal year, where the proceeds of new debt was placed with an escrow agent to pay the old debt in a future year, include the following information.

If the district has refunded bonds/notes in prior years, insert a separate disclosure, "Prior Year Defeasance of Debt" – See Report Model, p 63 for example disclosure (Note 7).]

Advance Refunding

On *[date]*, the district issued $_____ in *[type of debt issuance]* with an average interest rate of ___% to advance refund $_____ of outstanding *[type of debt issuance]* with an average interest rate of ___%. The net proceeds of $_____ after payments of $_____ for issuance costs were deposited in an irrevocable trust with an escrow agent to provide for all future debt payment

requirements on the *[type of debt issuance]*.

As a result, the *[original debt issuance]* are considered to be defeased and the liability for those bonds *[certificates, notes, etc.]* has been removed from long-term liabilities.

The district advance refunded the *[original debt issuance]* to reduce its total debt service payments over the remaining ___ years of the debt by approximately $_____ and to realize an economic gain of $_____.

C. Certificates of participation payable

As more fully explained in Note ___, certificates of participation have been issued by the school district. Certificates of participation currently outstanding are as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Certificates of participation issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. Certificates of participation issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

Total certificates of participation payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

D. Three mill notes payable

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Three mill notes payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. Three mill notes payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

Total three mill notes payable payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

E. Transportation equipment loans payable

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Transportation equipment loans payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

This debt will be retired from the *[input fund]*.

2. Transportation equipment loans payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

This debt will be retired from the *[input fund]*.

Total transportation equipment loans payable payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

F. Shortfall notes payable

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The amount outstanding is included in due from other governments on the Statement of Net Position.

The following is a schedule by years of the total payments due on this debt:

1. Shortfall notes payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. Shortfall notes payable issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

Total shortfall notes payable payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
Total	$ -	$ -	$ -

G. Obligations under capital leases

The school district has entered into a lease agreement as lessee for financing the acquisition of _____ at a cost of $_____with a down payment of $_____. This lease qualifies as a capital lease for accounting purposes.

The various options available to the lessee for this lease are as follows:

1.

2.

3.

4.

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest and Maintenance Charges	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

[NOTE: Use the following paragraph ONLY IF the school district DOES NOT use the effective interest method.]

The school district uses the straight-line method of amortization for the lease payments which is not in accordance with accounting principles generally accepted in the United States of America. However, the difference between the effective interest method and the straight-line method is not considered material.

This debt will be retired from the *[input fund]*.

H. Obligations under energy efficiency leases

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Obligations under energy efficiency leases issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

This debt will be retired from the *[input fund]*.

2. Obligations under energy efficiency leases issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$ $	$	-
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ - $	- $	-

This debt will be retired from the *[input fund]*.

Total obligations under energy efficiency leases payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

An energy efficiency lease agreement dated *[date]*, was executed by and between the district, the lessee, and *[institution]*, the lessor.

The agreement authorized the borrowing of $_____ for the purchase of energy efficiency equipment, machinery, supplies, building modifications and other energy saving items. Payments of the lease shall be made from the district maintenance fund *[edit if another fund]* and not exceed fifteen (15) years.

The district entered into this energy efficiency lease agreement under the authority of Section 31-7-14, Miss. Code Ann. (1972).

Upon written notice to the lessor, the lessee has the option of repaying the total amount due as set forth by the agreement.

I. Installment purchases loans payable

The school district has entered into *[input]* installment purchases agreements as listed above. Property under these installment purchases agreements are composed of the following:

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Installment purchase loan issue of *[Date]*:

Year Ending June 30		Principal	Interest	Total
2016	$	$	$	-
2017				-
2018				-
2019				-
2020				-
2021 – 2025				-
2026 – 2030				-
2031 – 2035				-
2036 – 2040				-
Total	$	- $	- $	-

This debt will be retired from the *[input fund]*.

2. Installment purchase loan issue of *[Date]*:

Year Ending June 30		Principal	Interest	Total
2016	$	$	$	-
2017				-
2018				-
2019				-
2020				-
2021 – 2025				-
2026 – 2030				-
2031 – 2035				-
2036 – 2040				-
Total	$	- $	- $	-

This debt will be retired from the *[input fund]*.

Total installment purchases loans payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

J. Qualified zone academy bonds payable

As more fully explained in Note ___, debt has been issued by the school district that qualifies as Qualified Zone Academy bonds. Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

K. Qualified school construction bonds payable

As more fully explained in Note ___, debt has been issued by the school district that qualifies as Qualified School Construction bonds. Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

L. Other loans payable

The school district has issued debt instruments granted under the authority of *[input applicable state statute]*.

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
1.				$	$
2.					
Total				$ -	$ -

The following is a schedule by years of the total payments due on this debt:

1. Other loan issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

2. Other loan issue of *[Date]*:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

This debt will be retired from the *[input fund]*.

Total other loans payments for all issues:

Year Ending June 30	Principal	Interest	Total
2016	$	$	$ -
2017			-
2018			-
2019			-
2020			-
2021 – 2025			-
2026 – 2030			-
2031 – 2035			-
2036 – 2040			-
Total	$ -	$ -	$ -

M. Compensated absences payable

As more fully explained in Note 1(E)(8), compensated absences payable is adjusted on an annual basis as required by Section 37-7-307(5), Miss. Code Ann. (1972). Compensated absences will be paid from the fund from which the employees' salaries were paid.

Note 7 – Prior Year Defeasance of Debt

In prior years, the *[input]* School District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the district's financial statements. On June 30, 2015, $_____ of bonds outstanding are defeased.

Note 8 – Impairment of Assets

During the current fiscal year, the *[input]* School District has recognized that the following assets qualified as impaired due to *[description of the impairment]*.

Governmental Type Activities:

Classification (Instruction, Support Services, etc.)	Asset Qualifying As Impaired	Historical Cost	Less: Accumulated Depreciation	Carrying Value	Recognized Property Insurance Recovery	(Gain) Loss
		$	$	$ -	$	$ -
				-		-
				-		-
				-		-
				-		-
				-		-
Total Governmental Activities		$ -	$ -	$ -	$ -	$ -

This impairment loss is reported on the financial statements as a *[program expense, operating expense, special item, or extraordinary item]*.

Note 9 – Short-Term Financing

During the fiscal year ended June 30, 2015, the school district participated in the following short-term financing(s) for the purpose of _____:

[Option 1]

A. Mississippi School Boards Association (MSBA) cash flow management program.

Under this program, the school district issued a revenue anticipation note payable, and the proceeds from such issuance were held by the financial institution serving as trustee under the program. The school district made periodic withdrawals from the trustee based on its cash flow needs. A fixed rate of return was earned on the investable note proceeds held by the trustee, and such earnings were used to cover the interest and related issuance costs of the note. Depending upon whether the earnings were more or less than the interest and related issuance costs, the school district received a distribution from or made a payment to the trustee.

All transactions related to participation in this program are accounted for as part of the school district's General Fund.

[Option 1a - NOTE: Add the following paragraph if the note matures AFTER June 30]
The revenue anticipation note payable did not mature until after the end of the current fiscal year; however, the school district repaid any withdrawals to the trustee prior to the end of the current fiscal year. Consequently, the note is reflected as a fund liability, not as a long-term liability. The current balance at June 30, 2015, was $_____.
[This disclosure should also address how the district intends to finance the repayment of the short-term debt outstanding at the end of the period (for instance, repayment from operating revenues, a rollover of the obligations, or replacement with long-term debt.)]

[Option 2]

A. Bank-financed short term debt.

The school district issued a revenue anticipation note payable to *[input]*, and the proceeds from such issuance are accounted for as a current liability in the *[input]* fund of the school district. Once the cash flow was available, the district made a payment consisting of principal and interest to the trustee.

All transactions related to participation in this program are accounted for as part of the school district's General Fund.

B. Changes in short-term debt activity recorded in the governmental activities during fiscal year 2015 are as follows:

[List all short term individual debt instruments, including Tax/Revenue Anticipation Notes.]

Description	Balance 7/1/2014	Additions	Reductions	Balance 6/30/2015
1.	$	$	$	$ -
2.				-
3.				-
Total	$ -	$ -	$ -	$ -

Note 10 – Other Commitments

[NOTE: The following two statements may not apply. Remove the statement(s) that does/do not apply.]

Commitments under construction contracts are described in Note___.

Commitments under re-roofing and renovation contracts amount to $_____.

Operating leases:

[Option 1: only one lease]

The school district has an operating lease for *[input]*.

[Include: General description of the leasing arrangements, current year rental costs (with separate amounts for minimum rentals, contingency rentals, and sublease rentals.) Additional disclosures are required for sublease rentals for non-cancelable subleases.]

Lease expenditures for the year ended June 30, 2015, amounted to $_____. Future lease payments for this lease are as follows:

Year Ending June 30	Amount
2016	$
2017	
2018	
2019	
2020	
2021 – 2025	
2026 – 2030	
2031 – 2035	
2036 – 2040	
Total	$ -

[Option 2: more than one lease]

[Include: General description of the leasing arrangements, current year rental costs (with separate amounts for minimum rentals, contingency rentals, and sublease rentals.) Additional disclosures are required for sublease rentals for non-cancelable subleases.]

The school district has several operating leases for the following:

1.

2.

3.

Lease expenditures for the year ended June 30, 2015, amounted to $_____.

Future lease payments for these leases are as follows:

Year Ending June 30	Amount
2016	$
2017	
2018	
2019	
2020	
2021 – 2025	
2026 – 2030	
2031 – 2035	
2036 – 2040	
Total	$ -

Note 11 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description. The school district contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201 or by calling (601) 359-3589 or 1-800-444-PERS.

Benefits provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial

reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions. PERS members are required to contribute 9.00% of their annual covered salary, and the school district is required to contribute at an actuarially determined rate. The employer's rate as of June 30, 2015 was 15.75% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The school district's contributions to PERS for the fiscal years ending June 30, 2015, 2014 and 2013 were $_____, $_____ and $_____, respectively, which equaled the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the school district reported a liability of $_____ for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the school district's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. At June 30, 2014, The school district's proportion was ____ percent.

[In future years, the increase or decrease in the proportion percentage would need to be disclosed here. If there are changes of benefit terms that affected the measurement of the total pension liability since the prior measurement date, the District should disclose information required by paragraph 80e of Statement 68 here. If changes expected to have a significant effect on the measurement of the District's proportionate share of the net pension liability had occurred between the measurement date and the reporting date, the District should disclose information required by paragraph 80f of Statement 68 here.]

For the year ended June 30, 2015, the District recognized pension expense of $_____. At June 30, 2015 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	$
Net difference between projected and actual earnings on pension plan investments		
Changes of assumptions		
Changes in proportion and differences between District contributions and proportionate share of contributions		
District contributions subsequent to the measurement date		
Total	$	$

$_____ reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2016. [Remove previous sentence if not applicable.] Other amounts

reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	$
2017	
2018	
2019	
2020	
Thereafter	

Actuarial assumptions. The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	4.25 – 19.50 percent, including inflation
Investment rate of return	8.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2015, set forward two years for males.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2012. The experience report is dated June 12, 2013.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges ae combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
U.S. Broad	34	%	5.20	%
International Equity	19		5.00	
Emerging Markets Equity	8		5.45	
Fixed Income	20		0.25	
Real Assets	10		4.00	
Private Equity	8		6.15	
Cash	1		(0.50)	
Total	100	%		

Discount rate. The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7 percent) or 1-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
District's proportionate share of the net pension liability	$	$	$

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

[If the District reported payables to the defined benefit pension plan, it should disclose information required by paragraph 122 of Statement 68.]

Note 12 – Sixteenth Section Lands

Sixteenth section school lands, or lands granted in lieu thereof, constitute property held in trust for the benefit of the public schools. The school board, under the general supervision of the Office of the Secretary of State, has control and jurisdiction of said school trust lands and of all funds arising from any disposition thereof. It is the duty of the school board to manage the school trust lands and all funds arising therefrom as trust property. Accordingly, the board shall assure that adequate compensation is received for all uses of the trust lands, except for uses by the public schools. The following are the future rental payments to be made to the school district for the use of school trust lands. These future rental payments are from existing leases and do not anticipate renewals or new leases.

Year Ending June 30	Amount
2016	$
2017	
2018	
2019	
2020	
2021 – 2025	
2026 – 2030	
2031 – 2035	
2036 – 2040	
Total	$ -

Note 13 – Deficit Fund Balance of Individual Funds

[Option 1 - Only the district maintenance fund has a deficit fund balance]

The District Maintenance Fund, included in the General Fund for financial reporting purposes, has a deficit fund balance in the amount of $_____. The deficit fund balance of the District Maintenance Fund is in violation of Section 37-61-19, Miss. Code Ann. (1972), which imposes personal liability on any school official who knowingly enters into any contract, incurs any liability, or makes any expenditure in excess of the resources available for the fiscal year under certain circumstances.

[Option 2 - Use the following language if two or more funds, including the District Maintenance Fund,

have deficit fund balances.]

A general listing of the individual funds that have a deficit fund balance, including amounts of the deficit, is as follows:

Fund	Fund Balance
	$

The deficit fund balances, as listed above, are in violation of Section 37-61-19, Miss. Code Ann. (1972), which imposes personal liability on any school official who knowingly enters into any contract, incurs any liability, or makes any expenditure in excess of the resources available for the fiscal year under certain circumstances.

[Option 3 - Use the following language if only one fund other than the District Maintenance Fund has a deficit fund balance, and the District Maintenance Fund has available funds to cover the deficit.]

The *[input]* Fund has a deficit fund balance in the amount of $_____.

The deficit fund balance is in violation of Section 37-61-19, Miss. Code Ann. (1972). However, this deficit could have been eliminated with a transfer from the District Maintenance Fund (General Fund). Section 37-61-21, Miss. Code Ann. (1972), allows the school board of the school district, with the assistance from the superintendent, to transfer resources to and from functions and funds within the budget when and where needed under certain circumstances.

[Option 4 - Use the following language if two or more funds other than the District Maintenance Fund have deficit fund balances, and the District Maintenance Fund has available funds to cover the deficits.]

A general listing of the individual funds that have a deficit fund balance, including amounts of the deficit, is as follows:

Fund	Fund Balance
	$

The deficit fund balances, as listed above, are in violation of Section 37-61-19, Miss. Code Ann. (1972). These deficits could have been eliminated with a transfer from the District Maintenance Fund (General Fund). Section 37-61-21, Miss. Code Ann. (1972), allows the school board of the school district, with the assistance from the superintendent, to transfer resources to and from functions and funds within the budget when and where needed under certain circumstances.

[Option 5 - Use the following language if two or more funds other than the District Maintenance Fund have deficit fund balances, and the District Maintenance Fund DOES NOT have available funds to cover the deficits]

A general listing of the individual funds that have a deficit fund balance, including amounts of the deficit, is as follows:

Fund	Fund Balance
	$

The deficit fund balances are in violation of Section 37-61-19, Miss. Code Ann. (1972). Section 37-61-21, Miss. Code Ann. (1972), allows the school board of the school district, with the assistance from the

superintendent, to transfer resources to and from functions and funds within the budget when and where needed under certain circumstances. However, funds are not available to eliminate these deficits. Section 37-61-19, Miss. Code Ann. (1972), imposes personal liability on any school official who knowingly enters into any contract, incurs any liability, or makes any expenditure in excess of the resources available for the fiscal year under certain circumstances.

Note 14 – Prior Period Adjustments

A summary of significant Net Position/Fund Balance adjustments is as follows:

Exhibit B - Statement of Activities

	Explanation		Amount
1.	Implementation of GASB 68 and 71:		$
	Net pension liability (measurement date)		
	Deferred outflows - contributions made during fiscal year 2014		
	Total prior period adjustment related to GASB 68 and 71		
2.			
3.			
	Total	-	$ -

Exhibit D - Statement of Revenues, Expenditures and Changes in Fund Balances

Fund	Explanation	Amount
General Fund		$
Major Fund		
Other governmental funds		
Total		$ -

Exhibit F - Statement of Changes in Fiduciary Net Position

	Explanation	Amount
1.		$
2.		
3.		
	Total	$ -

Note 15 – Contingencies

Federal Grants – The school district has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowances resulting from the grantor audit may become a liability of the school district.

Litigation – [EXAMPLE]>> The school district is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the school district with respect to the various proceedings. However, the school district's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the school district.

Note 16 – Contingent Liabilities

[NOTE: This note refers to excessive interest revenue earned on debt proceeds above interest paid on the debt. The calculation would be made by a bond attorney or some other expert.]

During *[input]* of 2015, the district issued $_____ in [general obligation bonds] for [capital improvements].

The Internal Revenue Code (IRC) and Arbitrage Rebate Regulations issued by the Internal Revenue Service (IRS) require a rebate to the Federal Government of excess investment earnings on bond proceeds if the yield on those earnings exceeds the effective yield on the related tax-exempt bonds issued. Excess earnings must be rebated every five years, or upon maturity of the bonds, whichever is earlier.

[Option 1 - No calculation was made by the school district]
During the current year, the arbitrage calculation was not made.

[Option 2 - Calculation was made and the school district possibly may owe money to the IRS]

The arbitrage calculation resulted in $_____ of possible excess earnings, which has the potential of being rebated to the IRS. This amount is reported as a reserve for arbitrage commitments in the _____ Fund.

Note 17 – Risk Management

[Option 1 - Use if the school district only has commercial insurance to cover claims]
The school district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

[Option 2 - Use if the school district belongs to a risk pool for coverage]
The school district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except as described below, the district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Participation in Public Entity Risk Pool

[NOTE: Select the option that applies.]

[Option 2a]
The school district is a member of the Mississippi School Boards Association Workers' Compensation Trust (MSBAWCT). The trust is a risk-sharing pool; such a pool is frequently referred to as a self-insurance pool. The trust consists of approximately 77 school districts and covers risks of loss arising from injuries to the members' employees. The Mississippi Workers' Compensation Commission requires that an indemnity agreement be executed by each member in a workers' compensation self-insurance pool for the purpose of jointly and severally binding the pool and each of the employers comprising the group to meet the workers' compensation obligations of each member. Each member of MSBAWCT contributes quarterly to a fund held in trust by Wells Fargo in Portland, Oregon. The funds in the trust account are used to pay any claim up to $750,000. For a claim exceeding $750,000, MSBAWCT has insurance which will pay the excess to the statutory amount required by the Mississippi Workers' Compensation Commission Act. If total claims during a year were to deplete the trust account, then the member school districts would be required to pay for the deficiencies. [The district has not had an additional assessment for excess losses incurred by the pool.]

Note: There has been only one assessment in the history of the pool, which was for a group of fund years from 10/01/1993 through 09/30/2004; if an additional assessment applied to the District on September 30, 2005 is still outstanding, replace the last sentence with the following paragraph:
On September 30, 2005, *[input]* School District was assessed an additional assessment of $_____. The balance of the additional assessment as of June 30, 2015 was $_____. This assessment is allowed to be repaid at a rate of 5% of their current premium per year until the total assessment is fully paid as long as they continue as members. If a member leaves the pool, they must repay the complete balance of the assessment within two years in equal installments.

[Option 2b]
The school district is a member of the Mississippi Municipal Workers' Compensation Group (MMWCG). The group is a risk-sharing pool; such a pool is frequently referred to as a self-insurance pool. MMWCG covers risks of loss arising from injuries to the school district's employees. The Mississippi Workers' Compensation Commission requires that an indemnity agreement be executed by each member in a workers' compensation self-insurance pool for the purpose of jointly and severally binding the pool and each of the employers comprising the group to meet the workers' compensation obligations of each member. Each member of the MMWCG contributes quarterly to a fund held in trust. The funds in the trust account are used to pay any claim up to $500,000. For a claim exceeding $500,000, MMWCG has insurance which will pay the excess up to the statutory amount required by the Mississippi Workers'

Compensation Commission Act. If total claims during a year were to deplete the trust account, then the pool members would be required to pay for the deficiencies. The district has not had an additional assessment for excess losses incurred by the pool.

Note 18 – Uncertainties

In cases where a township is occupied by two or more school districts, state law requires that available sixteenth section funds shall be divided between the school districts lying wholly or partly within such townships in proportion to the number of children enrolled and residing in each school district. In order to determine what portions of available sixteenth section funds are due to or from other school districts, the superintendent of each school district is required to compile lists of such children in compliance with Section 29-3-121, Miss. Code Ann. (1972). Because none of the school districts which share townships with *[input]* School District nor the *[input]* School District itself filed lists of children as required, no division of sixteenth section revenues has been accrued as a receivable or payable, as the case may be.

Of the townships with which *[input]* School District is shared by other school districts, *[input]* School District has control of some of the sixteenth section property. A portion of the sixteenth section revenues (rents, leases, timber sales, etc.) to which *[input]* School District received on these sections may be due other school districts. In addition, for the other townships where another school district controls the sixteenth section property, *[input]* School District may be entitled to a portion of the sixteenth section revenues that the other school district received. Because none of the school districts compiled and filed lists of educable children as state law requires in either the current year or in preceding years, neither the amounts of any liabilities owed to other school districts nor the amounts of any receivables due from other school districts can be determined.

Note 19 – Trust Certificates

A trust agreement dated *[date of agreement]*, was executed by and between the school district and *[input]*, as trustees.

The trust agreement authorized the issuance of trust certificates in the principal amount of $_____. Approximately $_____ was used to provide financing for the construction and renovation of school buildings and related facilities and equipment (the "project"); the remainder of approximately $_____ was used to pay the cost of issuance.

The project is leased to the school district in accordance with the provisions of the Emergency School Leasing Authority Act as described in Section 37-7-351, et seq., Miss. Code Ann. (1972). The lease represents a capital lease under which ownership of the project will transfer to the school district upon complete retirement of the trust certificates. The school district is obligated to make lease payments to the trustee in an amount equal to the debt service requirements for the trust certificates. The lease rental payments by the school district are used by the trustee to pay the principal and interest payments due on the trust certificates.

It is not anticipated the project will have sufficient value to satisfy the certificates in the event the school district defaults under the lease; therefore, the source of payment of the certificates is the responsibility of the school district. See Note __ for details regarding the debt service requirement on the trust certificates.

Using the guidance provided in Section 2100 of the *Codification of Governmental Accounting and Financial Reporting Standards* dealing with defining the reporting entity, the trust accounts created by this trust agreement were deemed to constitute an inseparable part of the school district. Therefore, the assets, liabilities, fund balances, revenues, expenditures and other financing sources/uses of the trust accounts created by this trust agreement are part of the school district's financial statements, thereby eliminating the effects of the lease agreement for financial reporting purposes.

Note 20 – Qualified Zone Academy Bonds

Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34) provides for a source of capital at no or at nominal interest rates for costs incurred by certain public schools in connection with the establishment of special academic programs from kindergarten through secondary school, in partnership with the business community. The school district, in agreement with *[insert partner],* has entered into such an arrangement dated *[date of arrangement]*. [NOTE: Describe the arrangement].

This agreement establishes a method of repayment for a qualified interest-free debt instrument. The agreement requires the school district to deposit funds annually into a sinking fund account on or before *[insert date(s) or time frame]*. The amount on deposit at June 30, 2015 was $_____. The amount accumulated in the sinking fund at the end of the ten-year period will be sufficient to retire the debt. The following schedule reports the annual deposits to be made to the sinking fund by the school district.

Year Ending June 30	Amount
2016	$
2017	
2018	
2019	
2020	
Thereafter	
Total	$ -

Note 21 – Qualified School Construction Bonds

Section 1521 of the American Recovery and Reinvestment Act (ARRA) of 2009 provides for a source of capital at no or at nominal interest rates for costs incurred by certain public schools in connection with the construction, rehabilitation or repair of a public school facility or for the acquisition of land where a school will be built. Investors receive Federal income tax credits at prescribed tax credit rates in lieu of interest, which essentially allows state and local governments to borrow without incurring interest costs. While Qualified School Construction Bonds (QSCBs) are intended to be interest free to a borrower, the ARRA legislation allows a lender to charge supplemental interest, and such supplemental interest is the responsibility of the school district.

When the stated interest rate on the QSCB results in interest payments that exceed the supplemental interest payments discussed in the preceding paragraph, the school district may apply for a direct cash subsidy payment from the U.S. Treasury which is intended to reduce the stated interest rate to a nominal percentage. These subsidy payments do not include the amount of any supplemental interest paid on a QSCB. For the year ended June 30, 2015, the subsidy payments amounted to $_____.

The school district makes equal annual payments into a sinking fund which is used to payoff the bonds at termination. The current maturity limit of tax credit bonds is 17 years, per the U. S. Treasury Department. Under this program, ten percent of the proceeds must be subject to a binding commitment to be spent within six months of issuance and 100% must be spent within three years. Up to two percent of bond

proceeds can be used to pay costs of issuance. The amount on deposit at June 30, 2015 was $_____. The amount accumulated in the sinking fund at the end of the seventeen-year period will be sufficient to retire the debt. The following schedule reports the annual deposits to be made to the sinking fund by the school district.

Year Ending June 30	Amount
2016	$
2017	
2018	
2019	
2020	
2021 – 2025	
2026 – 2030	
Thereafter	
Total	$ -

NOTE: Amount in sinking fund disclosed in this note should also be disclosed in Note 4 as a restricted asset.

Note 22 – Alternative School Consortium

The school district entered into an Alternative School Agreement dated *[date of agreement]* creating the *[Name of the consortium]*. This consortium was created pursuant to the provisions of Section 37-13-92 (6), Miss. Code Ann. (1972), and approved by the Mississippi Department of Education and includes the *[input]* School District, *[input]* School District and *[input]* School District.

Section 37-13-92 (6), Miss. Code Ann. (1972), allows two or more adjacent school districts to enter into a contract to operate an alternative school program. The school board of the school district designated by the agreement as the lead district will serve as the governing board of the alternative school program. Transportation for students attending the alternative school program will be the responsibility of the individual school district sending the students.

The *[input]* School District has been designated as the lead school district for the *[Name of the consortium]*, and the operations of the consortium are included in its financial statements.

[Option 1 - NOTE: Only where the school district is acting as the agent of record would the following financial information be included.]

The following Statement of Revenues, Expenditures and Changes in Fund Balances is presented to detail the financial activity of the *[Name of the consortium]*.

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2015

Revenues	
Local sources:	
Tuition from other LEA's within the state:	
[Input] School District	$
[Input] School District	
[Input] School District	
Total tuition from other LEA's within the state	-
Interest	
Total local sources	-
State sources	
Federal sources	
Total Revenues	-
Expenditures	
Salaries	
Employee benefits	
Purchased professional and technical services	
Other professional services	
Purchased property services	
Other purchased services	
Supplies	
Property	
Other	
Total Expenditures	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Other Financing Sources/Uses:	
[List individual sources/uses]	
Total Other Financing Sources/Uses	-
Net Change in Fund Balance	-
Fund Balance:	
July 1, 2014, as previously reported....use only if ppa exists	
Prior period adjustments	
July 1, 2014, as restated....use only if ppa exists	-
June 30, 2015	$ -

Note 23 – Vocational School Consortium

The school district entered into a Vocational Educational Agreement dated *[date of agreement]* creating the *[Name of the consortium]*. This consortium was created pursuant to the provisions of Section 37-31-73, Miss. Code Ann. (1972), and approved by the Mississippi Department of Education. The consortium includes the *[List all individual school districts, counties, municipalities and/or community/junior colleges]*.

Section 37-31-73, Miss. Code Ann. (1972), authorizes the above noted entities to enter into an agreement that would provide for the construction or operation of a regional vocational education center. Any such agreement should provide for a designated fiscal agent, providing the method of financing the

construction and operation of such facilities, the manner in which such facilities are to be controlled and staffed and detail procedures for student admission and transportation services for those students.

The *[input]* School District has been designated as the fiscal agent for the *[Name of the consortium]*, and the operations of the consortium are included in its financial statements.

[Option 1 - NOTE: Only when the school district is acting as the agent of record would the following information be reported.]

The following Statement of Revenues, Expenditures and Changes in Fund Balances is presented to detail the financial activity of the *[Name of the consortium]*.

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2015

Revenues	
Local sources:	
Tuition from other LEA's within the state:	
[Input] School District	$
[Input] School District	
[Input] School District	
Total tuition from other LEA's within the state	-
Interest	
Total local sources	-
State sources	
Federal sources	
Total Revenues	-
Expenditures	
Salaries	
Employee benefits	
Purchased professional and technical services	
Other professional services	
Purchased property services	
Other purchased services	
Supplies	
Property	
Other	
Total Expenditures	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Other Financing Sources/Uses:	
[List individual sources/uses]	
Total Other Financing Sources/Uses	-
Net Change in Fund Balance	-
Fund Balance:	
July 1, 2014, as previously reported….use only if ppa exists	
Prior period adjustments	
July 1, 2014, as restated….use only if ppa exists	-
June 30, 2015	$ -

Note 24 - Insurance loss recoveries

The *[input]* School District received $_____ in insurance loss recoveries related to _____ damage during the 2014-2015 fiscal year. In the government-wide Statement of Activities, the insurance loss recoveries were reported as [charges for services] and allocated among the expense functions based on the following percentages:

Insurance Loss Recoveries	Percentage	Expense Function
$	#DIV/0!	Instruction
	#DIV/0!	Support services
	#DIV/0!	Non-instructional
$ -	#DIV/0!	

Note 25 – Effect of Deferred Amounts on Net Position

[This is an illustrative disclosure showing an example disclosure where a deferred inflow and/or outflow had a significant effect on net position. Note should be adjusted based on the specific circumstances of the school district. Based on GASB Statement No. 63, paragraphs 13 and 14 disclosures need to be made to show the detail of the different types of deferred amounts unless the significant components are presented on the face of the financial statements and disclosures should be made to explain the significant effects of deferred amounts on net position, if any. In the year of implementation any reclassifications, along with their effects, must also be disclosed, if applicable.]

The unrestricted net position amount of $_____ includes the effect of deferring the recognition of revenue from the up-front payment in the parking facilities service concession arrangement. The $_____ balance of the deferred inflow of resources at June 30, 2015 will be recognized as revenue and increase unrestricted net position over the remaining ___ years of the agreement.

Note 26 – School District Consolidation

[The following paragraph is an example. Cater the paragraph to the specific details of the consolidation and whether or not one District merged into another or a new District was created.]

As a result of (Bill or statute requiring the consolidation), on (date of consolidation), _____ School District and _____ School District were consolidated with _____ School District to form a new school district known as _____ Consolidated School District. The intent of the statutory consolidation is to enable _____ Consolidated School District to save money and provide better education. The initial opening balances of _____ Consolidated School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in the separate financial statements of _____ School District and _____ School District as of June 30, 2014 as follows:

[Insert columns for the number of school districts consolidated. The following table is an example of the presentation of how the required information can be disclosed. The format is not required, only a suggestion. District's should consult GASB 69 to ensure that all disclosures applicable to the District's combination are disclosed as each combination may have unique facts and circumstances.]

	[SCHOOL DISTRICT NAME]	[SCHOOL DISTRICT NAME]	TOTAL	ADJUSTMENTS DEBIT (CREDIT)	TOTAL
ASSETS					
Current assets			$ -		$ -
Capital assets			-		$ -
Other assets			-		$ -
Total assets	-	-	-	-	-
DEFERRED OUTFLOWS OF RESOURCES					
[List or delete if not applicable]			-	-	-
LIABILITIES					
Current liabilities			-		-
Noncurrent liabilities			-		-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
[List or delete if not applicable]			-		-
NET POSITION					
Net investment in capital assets			-		-
Restricted			-		-
Unrestricted			-		-
Total net position	$ -	$ -	$ -	$ -	$ -

[If any adjustments were made in the schedule above, explain the reason for the adjustment.]

Note 27 – Extraordinary Items and/or Special Items

Note 28 - Subsequent Events

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying

notes. Management of the *[input]* School District evaluated the activity of the district through *[insert date]*, (the date the financial statements were available to be issued), and determined that the following subsequent event(s) has (have) occurred requiring disclosure in the notes to the financial statements:

[Provide details of subsequent events.]

[SCHOOL DISTRICTS USING THIS MODEL FOR DISCLOSURES SHOULD ADD ANY ADDITIONAL DISCLOSURES THAT ARE DEEMED NECESSARY AND REMOVE ANY DISCLOSURES THAT ARE INAPPLICABLE. THE ABOVE SHOULD ONLY BE USED AS A GUIDE.]

REQUIRED SUPPLEMENTARY INFORMATION

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SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Positive (Negative)	
	Original	Final	(GAAP Basis)	Original to Final	Final to Actual
Revenues:					
Local sources	$	$	$	$ 0	$ 0
Intermediate sources				0	0
State sources				0	0
Federal sources				0	0
Sixteenth section sources				0	0
Total Revenues	0	0	0	0	0
Expenditures:					
Instruction				0	0
Support services				0	0
Noninstructional services				0	0
Sixteenth section				0	0
Facilities acquisition and construction				0	0
Debt service:					
Principal				0	0
Interest				0	0
Advance refunding escrow				0	0
Other				0	0
Total Expenditures	0	0	0	0	0
Excess (Deficiency) of Revenues over (under) Expenditures	0	0	0	0	0
Other Financing Sources (Uses):					
Bonds and notes issued				0	0
Capital leases issued				0	0
Insurance recovery				0	0
Refunding bonds issued				0	0
Payment to escrow agent				0	0
Premiums on bonds and refunding bonds issued				0	0
Payment to refunded bond escrow agent				0	0
Payment to Qualified Zone Academy debt escrow agent				0	0
Sale of transportation equipment				0	0
Sale of other property				0	0
Operating transfers in				0	0
Other financing sources				0	0
Operating transfers out				0	0
Other financing uses				0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Special items, *if applicable*				0	0
Extraordinary items, *if applicable*				0	0
Net Change in Fund Balances	0	0	0	0	0
Fund Balances:					
July 1, 2014, as previously reported *				0	0
Prior period adjustments				0	0
July 1, 2014, as restated *	0	0	0	0	0
Increase (Decrease) in reserve for inventory				0	0
June 30, 2015	$ 0	$ 0	$ 0	$ 0	$ 0

The notes to the required supplementary information are an integral part of this schedule.

* Use "as previously reported" and "as restated" only if prior period adjustment exists.

SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERS
Last 10 Fiscal Years*

	2015
District's proportion of the net pension liability (asset)	
District's proportionate share of the net pension liability (asset)	$
District's covered-employee payroll	
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	
Plan fiduciary net position as a percentage of the total pension liability	

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.
This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

[NOTE: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Districts should present information for those years for which information is available.]

SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERS
Last 10 Fiscal Years*

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution										
Contributions in relation to the contractually required contribution	$									
Contribution deficiency (excess)	$ 0	0	0	0	0	0	0	0	0	0
District's covered-employee payroll										
Contributions as a percentage of covered-employee payroll										

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

[NOTE: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Districts should present information for those years for which information is available.]

Budgetary Comparison Schedule

(1) Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

(2) Budget Amendments and Revisions

The budget is adopted by the school board and filed with the taxing authority. Amendments can be made on the approval of the school board. By statute, final budget revisions must be approved on or before October 15. A budgetary comparison is presented for the General Fund and each major Special Revenue Fund *(if applicable)* consistent with accounting principles generally accepted in the United States of America.

Pension Schedules

(1) Changes of benefit terms

[Disclose any changes noted.]

(2) Changes of assumptions

[Disclose any changes noted.]

SUPPLEMENTARY INFORMATION

SCHOOL DISTRICT

Supplementary Information

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Grantor/ Pass-through Grantor/ Program Title	Catalog of Federal Domestic Assistance No.	Federal Expenditures
U.S. Department of Agriculture		
Passed-through Mississippi Department of Education:		
Child nutrition cluster:		
School breakfast program	10.553	$
National school lunch program	10.555	
Special milk program for children	10.556	
Summer food service program for children	10.559	
Total child nutrition cluster		0
Total passed-through Mississippi Department of Education		0
Total U.S. Department of Agriculture		0
U.S. Department of Defense		
Direct Program:		
Reserve Officers' Training Corps	12.xxx	
Total U.S. Department of Defense		0
Federal Communications Commission		
Administered through the Universal Service Administrative Company:		
The schools and libraries program of the universal service fund	32.xxx	
Total Federal Communications Commission		0
U.S. Department of Education		
Passed-through Mississippi Department of Education:		
Career and technical education - basic grants to states	84.048	
Safe and drug-free schools and communities- national programs	84.184	
Safe and drug-free schools and communities- state grants	84.186	
Twenty-first century community learning centers	84.287	
Education technology state grants	84.318	
Gaining early awareness and readiness in undergraduate programs	84.334	
Reading first state grants	84.357	
Rural education	84.358	
English language acquisition grants	84.365	
Improving teacher quality-State Grants	84.367	
Education jobs fund	84.410	
Subtotal		0
Title I Part A cluster:		
Title I grants to local educational agencies ***	84.010	
Total Title I Part A cluster		0
Special education cluster:		
Special education - grants to states	84.027	
Special education - preschool grants	84.173	
Total special education cluster		0
Educational technology state grants cluster		
Educational technology state grants	84.318	
Educational technology state grants, Recovery Act	84.386	
Total educational technology state grants cluster		0

SCHOOL DISTRICT

Supplementary Information

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Grantor/ Pass-through Grantor/ Program Title	Catalog of Federal Domestic Assistance No.	Federal Expenditures
Education for homeless children and youth cluster:		
Education for homeless children and youth	84.196	
Total Education for homeless children and youth cluster		0
Total passed-through Mississippi Department of Education		0
Total U.S. Department of Education		0
U.S. Department of Health and Human Services		
Passed-through [Select one: (Mississippi Department of Health) or (Mississippi Department of Human Services)]:		
Abstinence education program	93.235	
Subtotal		
TANF cluster:		
Temporary assistance for needy families	93.558	
Total TANF cluster		
CCDF cluster:		
Child care and development block grant	93.575	
Total CCDF cluster		
Medicaid cluster:		
Medical assistance program	93.778	
Total Medicaid cluster		
Total passed-through [Select one: (Mississippi Department of Health) or (Mississippi Departme		0
Passed-through the Mississippi Department of Education:		
Cooperative agreements to support comprehensive school health programs to prevent the spread of HIV and other important health problems	93.938	
Subtotal		
Medicaid cluster:		
Medical assistance program	93.778	
Total Medicaid cluster		
Total passed-through Mississippi Department of Education		0
Total U.S. Department of Health and Human Services		0
U.S. Department of Homeland Security		
Community disaster loans	97.030	
Passed-through Mississippi Emergency Management Agency:		
Disaster Grants - Public Assistance (Presidentially declared disasters)	97.036	
Total passed-through Mississippi Emergency Management Agency		0
Total Department of Homeland Security		0
Corporation for National and Community Service		
Passed-through the Mississippi Department of Education:		
Program Development and Innovation Grants	94.007	
Total passed-through Mississippi Department of Education		0
Total Corporation for National and Community Service		0
Total for All Federal Awards		$ 0

NOTES TO SCHEDULE

1. This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the financial statements.
2. The expenditure amounts include transfers out.
3. The pass-through entities did not assign identifying numbers to the school district.

*** If no 84.389 included, then 84.010 would not be part of a cluster.

SCHOOL DISTRICT

Supplementary Information

Schedule of Instructional, Administrative and Other Expenditures - Governmental Funds
For the Year Ended June 30, 2015

Expenditures	Total	Instruction and Other Student Instructional Expenditures	General Administration	School Administration	Other
Salaries and fringe benefits	$ 0				
Other	0				
Total	$ 0	0	0	0	0
Total number of students *	1,000				
Cost per student	$ 0	0	0	0	0

For purposes of this schedule, the following columnar descriptions are applicable:

Instruction and Other Student Instructional Expenditures - includes the activities dealing directly with the interaction between teachers and students. Included here are the activities of teachers, teachers aides or classroom assistants of any type.

General Administration - includes expenditures for the following functions: Support Services - General Administration and Support Services - Business.

School Administration - includes expenditures for the following function: Support Services - School Administration.

Other - includes all expenditure functions not included in Instruction or Administration Categories.

* includes the number of students reported on the ADA report submission for month 9, which is the final submission for the fiscal year

[NOTE: Total expenditures above should agree to total expenditures per Exhibit D.]

OTHER INFORMATION

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Last Four Years
UNAUDITED

	2015	2014*	2013*	2012*
Revenues:				
Local sources	$	$	$	$
Intermediate sources				
State sources				
Federal sources				
Sixteenth section sources				
Total Revenues	0	0	0	0
Expenditures:				
Instruction				
Support services				
Noninstructional services				
Sixteenth section				
Facilities acquisition and construction				
Debt service:				
Principal				
Interest				
Advance refunding escrow				
Other				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues over (under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Bonds and notes issued				
Capital leases issued				
Insurance recovery				
Refunding bonds issued				
Payment to escrow agent				
Premiums on bonds and refunding bonds issued				
Payment to refunded bond escrow agent				
Payment to Qualified Zone Academy debt escrow agent				
Sale of transportation equipment				
Sale of other property				
Operating transfers in				
Other financing sources				
Operating transfers out				
Other financing uses				
Total Other Financing Sources (Uses)	0	0	0	0
Special items, *if applicable*				
Extraordinary items, *if applicable*				
Net Change in Fund Balances	0	0	0	0
Fund Balances:				
Beginning of period, as previously reported **				
Prior period adjustments				
Beginning of period, as restated **	0	0	0	0
Increase (Decrease) in reserve for inventory				
End of Period	$ 0	$ 0	$ 0	$ 0

*SOURCE - PRIOR YEAR AUDIT REPORTS

** Use "as previously reported" and "as restated" only if prior period adjustment exists.

SCHOOL DISTRICT

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Funds
Last Four Years
UNAUDITED

	2015	2014*	2013*	2012*
Revenues:				
Local sources	$	$	$	$
Intermediate sources				
State sources				
Federal sources				
Sixteenth section sources				
Total Revenues	0	0	0	0
Expenditures:				
Instruction				
Support services				
Noninstructional services				
Sixteenth section				
Facilities acquisition and construction				
Debt service:				
Principal				
Interest				
Advance refunding escrow				
Other				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues over (under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Bonds and notes issued				
Capital leases issued				
Insurance recovery				
Refunding bonds issued				
Payment to escrow agent				
Premiums on bonds and refunding bonds issued				
Payment to refunded bond escrow agent				
Payment to Qualified Zone Academy debt escrow agent				
Sale of transportation equipment				
Sale of other property				
Operating transfers in				
Other financing sources				
Operating transfers out				
Other financing uses				
Total Other Financing Sources (Uses)	0	0	0	0
Special items, *if applicable*				
Extraordinary items, *if applicable*				
Net Change in Fund Balances	0	0	0	0
Fund Balances:				
Beginning of period, as previously reported **				
Prior period adjustments				
Beginning of period, as restated **	0	0	0	0
Increase (Decrease) in reserve for inventory				
End of Period	$ 0	$ 0	$ 0	$ 0

*SOURCE - PRIOR YEAR AUDIT REPORTS

** Use "as previously reported" and "as restated" only if prior period adjustment exists.

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

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See the AICPA's Illustrative Auditor's Reports at:

http://www.aicpa.org/InterestAreas/GovernmentalAuditQuality/Resources/IllustrativeAuditorsReports/Pages/default.aspx

http://www.aicpa.org/InterestAreas/GovernmentalAuditQuality/Resources/IllustrativeAuditorsReports/DownloadableDocuments/IllustrativeAuditorReports2013YB.pdf

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

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

Superintendent and School Board
[Input] School District

&&&

[Option 1] Use the following language if the district materially complied with Section 37-61-33(3)(a)(iii).

The results of our procedures performed to test compliance with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), disclosed no instances of noncompliance. The district reported $_____ of classroom supply funds carried over from previous years.

&&&

[Option 2] Use the following language if 1 immaterial finding relative to other state laws and regulations.

The results of procedures performed to test compliance with certain other state laws and regulations and our audit of the financial statements disclosed the following immaterial instance of noncompliance with other state laws and regulations. Our finding and recommendation and your response are as follows:

[Insert immaterial finding, recommendation and response]

&&&

&&&

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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[INPUT] SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section I: Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued:

2. Internal control over financial reporting:
   a. Material weakness(es) identified? (Yes/No)
   b. Significant deficiency(ies) identified? (Yes/None reported)

3. Noncompliance material to financial statements noted? (Yes/No)

Federal Awards:

4. Internal control over major programs:
   a. Material weakness(es) identified? (Yes/No)
   b. Significant deficiency(ies) identified? (Yes/None reported)

5. Type of auditor's report issued on compliance for major programs:

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

7. Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster

8. Dollar threshold used to distinguish between type A and type B programs: $300,000*

9. Auditee qualified as low-risk auditee? (yes/no)

*Use amount unless total federal expenditures exceed $10,000,000

Section II: Financial Statement Findings

[Option 1] (Insert if no findings reported in Section II)

The results of our tests did not disclose any findings related to the financial statements that are required to be reported under *Government Auditing Standards*.

[Option 2] (Insert findings reported in Section II)

This section should identify the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in a Circular A-133 audit.

Audit findings that relate to both the financial statements and federal awards should be reported in both Section II and Section III. However, the reporting in one section may be in summary form with a reference to a detailed reporting in the other section of the schedule. For example, a material weakness in internal control that affects an entity as a whole, including its federal awards, generally would be reported in detail in Section II. Section III would then include a summary identification of the finding and a reference back to the specific finding in Section II.

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AUDITEE'S CORRECTIVE ACTION PLAN

AND / OR

SUMMARY OF PRIOR FEDERAL AUDIT FINDINGS

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