

**PALOUSE PRAIRIE EDUCATIONAL
ORGANIZATION, INC.**

Moscow, Idaho

**Audited Financial Statements
For the Years Ended June 30, 2014 and 2013**



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ORGANIZATION, INC.**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Palouse Prairie Educational Organization, Inc.
Moscow, Idaho 83843

We have audited the accompanying financial statements of Palouse Prairie Education Organization, Inc. (an Idaho nonprofit corporation) which comprise the statements of financial position as of June 30, 2014 and 2013 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Palouse Prairie Education Organization, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Hayden Ross, PLLC

Moscow, Idaho
October 1, 2014

FINANCIAL STATEMENTS



PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

STATEMENTS OF FINANCIAL POSITION
June 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash	281,795	331,900
Prepaid expenses	11,295	10,394
State and federal support receivable	35,025	14,835
Other receivables	22,431	7,125
Inventory assets	402	-
Total Current Assets	350,948	364,254
Fixed Assets		
Equipment	18,869	18,869
Building and land improvements	288,617	288,617
Construction in progress	5,500	-
Less accumulated depreciation	(38,728)	(28,961)
Net Fixed Assets	274,258	278,525
Other Assets		
Loan fees, net of accumulated amortization	-	937
Total Assets	\$ 625,206	\$ 643,716
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	6,051	11,743
Salaries and benefits payable	98,734	89,086
Current portion of long-term debt	-	11,068
Total Current Liabilities	104,785	111,897
Long-term liabilities, less current portion	-	89,626
Net Assets		
Unrestricted	520,421	442,193
Total Liabilities and Net Assets	\$ 625,206	\$ 643,716

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue, Grants, and Other Support		
Contributions	26,977	27,934
Federal support	99,554	99,799
State support	795,205	758,111
Interest	883	1,000
Other	112,045	51,848
	<u>1,034,664</u>	<u>938,692</u>
Expense		
Program (instructional)	619,325	567,333
Administrative (support)	285,533	285,022
Non-instruction	40,874	51,872
Depreciation and amortization	10,704	9,928
	<u>956,436</u>	<u>914,155</u>
Total Expense	<u>956,436</u>	<u>914,155</u>
Change in net assets - unrestricted	78,228	24,537
Net assets - beginning of year	442,193	417,656
Net assets - end of year	<u>\$ 520,421</u>	<u>\$ 442,193</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities		
Cash received from contributors	26,977	27,934
Cash received from state support	759,307	778,407
Cash received from federal support	99,554	99,799
Cash received from interest	883	1,000
Other cash received	112,045	51,848
Cash paid for interest	(4,852)	(6,040)
Cash paid to suppliers and employees	(937,825)	(883,515)
Net Cash Provided By Operating Activities	<u>56,089</u>	<u>69,433</u>
Cash Flows from Investing Activities		
Cash paid for capital outlay	-	(6,152)
Cash paid for construction in progress	(5,500)	-
Net Cash Used In Investing Activities	<u>(5,500)</u>	<u>(6,152)</u>
Cash Flows from Financing Activities		
Payment on long-term debt and fees	(100,694)	(10,386)
Net Cash Used In Financing Activities	<u>(100,694)</u>	<u>(10,386)</u>
Net Increase (Decrease) In Cash	(50,105)	52,895
Cash - Beginning of Year	<u>331,900</u>	<u>279,005</u>
Cash - End of Year	<u>\$ 281,795</u>	<u>\$ 331,900</u>
Reconciliation of Change in Net Assets to Net Cash Provided By Operating Activities:		
Change in net assets	78,228	24,537
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	10,704	9,928
Decrease (increase) in prepaid expenses	(901)	896
Decrease (increase) in federal and state support receivable	(20,190)	16,941
Decrease (increase) in other receivables	(15,306)	4,870
Decrease (increase) in inventory assets	(402)	-
Increase (decrease) in accounts payable	(5,692)	(4,737)
Increase (decrease) in salaries and benefits payable	9,648	18,513
Increase (decrease) in deferred revenue	-	(1,515)
Net Cash Provided by Operating Activities	<u>\$ 56,089</u>	<u>\$ 69,433</u>

The accompanying notes are an integral part of these financial statements.

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Notes to the Financial Statements

NOTE 1 **Organization**

The Palouse Prairie Educational Organization, Inc. (the School) is a nonprofit and nonsectarian public educational organization dedicated to the cultivation of student knowledge, skills, awareness and understanding necessary for success in the 21st century. Our vision is to develop students who can acquire, analyze, apply information, think creatively and solve problems. In accordance with our mission, the key goal of the educational program at the School is to academically challenge each child commensurate with his or her abilities and to prepare each child for success in today's and tomorrow's world. The charter serves elementary school aged children (K-8th) in the Latah County area. The School was approved in 2008 by the Idaho Charter School Commission. The School is a center for Expeditionary Learning (EL): Expeditionary Learning is a comprehensive school reform and school development model for elementary, middle and high schools.

NOTE 2 **Summary of Significant Accounting Policies**

Restricted Support - The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

Basis of Accounting - The School uses the accrual basis of accounting. Revenue from grants is recognized as it is earned, and expense is recognized when incurred.

Accounts Receivable - No allowance for uncollectible accounts was calculated by the School, all receivables were deemed to be collectible.

Income Tax Status - The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business. The School's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after the returns are filed.

Fixed Assets - The cost of fixed assets is depreciated over the estimated useful lives of the assets. Depreciation is computed on the straight-line method for

financial reporting purposes. The capitalization amount for fixed assets is \$3,000. Depreciation expense for the years ending June 30, 2014 and 2013 was \$9,767 and \$9,553 respectively.

Inventory - The District does not follow the practice of capitalizing expendable supplies at year-end in the General Fund. All supplies are recorded as expenditures in the period in which they were sold.

Use of Estimates - The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

Statement of Cash Flows - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Reports Required by the State - The income statements required by the State included in the supplemental information breaks out the unrestricted activity. The General fund accounts for activities for general operations. The Special revenue fund account for the activities from the grant the School received.

Subsequent Events - Subsequent events have been evaluated through the date of the auditor's report. This is the date the financial statements were available to be issued. The Organization has concluded that no subsequent events have occurred.

NOTE 3 Major Funding Source

The School received a majority of its revenue from the Idaho Department of Education.

	<u>2014</u>	<u>% of Total Revenue</u>
Idaho Department of Education	795,205	76.86%
	<u>2013</u>	<u>% of Total Revenue</u>
Idaho Department of Education	758,111	80.76%

NOTE 4 Employee's Retirement System

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The

authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website www.persi.idaho.gov.

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2014, the required contribution rate as a percentage of covered payrolls for members was 6.79%. The employer rate as a percentage of covered payroll was 11.32%. The School's contributions required and paid were \$53,661, \$43,360 and \$37,573 for the years ended June 30, 2014, 2013 and 2012, respectively.

NOTE 5 Building Leases

The School entered into a lease agreement with Timothy W. Brown on March 2, 2009. The lease commenced on July 1, 2009 and ended on June 30, 2012. The annual rent was \$50,400 paid in monthly installments of \$4,200 on the first day of each month, increasing to \$4,700 for the 2011-2012 fiscal year, as part of a phase-in increase. In addition, the School was required to pay taxes and assessments during the lease term.

The lease expiration date was changed from the June 30, 2012 to June 30, 2016 upon reaching the June 30, 2012 expiration date. Future minimum lease payments by fiscal year are as follows:

2015	\$60,000
2016	<u>\$60,000</u>
Total	<u>\$120,000</u>

In addition, the School will be required to pay taxes and assessments during the lease term.

NOTE 6 Long-Term Debt

Long-term debt for the School as of June 30, 2014 and 2013 consists of the following:

	<u>2014</u>	<u>2013</u>
Building improvements loan with US Bank payable at \$1,368.79 per month including interest of 5.6% until January 5, 2016. Final payment was made in full on September 12, 2013.	_____ -	<u>100,694</u>
Total Long-term Debt	-	100,694
Less Current Portion	<u>(-)</u>	<u>(11,068)</u>
Net Long-term Debt	<u>\$ -</u>	<u>\$89,626</u>

ADDITIONAL INFORMATION



**INDEPENDENT AUDITOR'S REPORT ON
ADDITIONAL INFORMATION**

To the Board of Directors
Palouse Prairie Educational Organization, Inc.
Moscow, Idaho 83843

We have audited the financial statements of Palouse Prairie Educational Organization, Inc. as of and for the years ended June 30, 2014 and 2013, and have issued our report thereon dated October 1, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The other additional information presented on pages 11 through 22 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financials 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Hayden Ross, PLLC

Moscow, Idaho
October 1, 2014

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2014

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non- Instruction</u>	<u>Total</u>
Salaries	397,332	113,121	6,456	516,909
Benefits	112,159	32,645	894	145,698
Purchased services	77,804	135,542	33,330	246,676
Supplies-materials	27,178	4,225	194	31,597
Interest	4,852	-	-	4,852
Depreciation and amortization	10,704	-	-	10,704
Total Expense	<u>\$ 630,029</u>	<u>\$ 285,533</u>	<u>\$ 40,874</u>	<u>\$ 956,436</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2013

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non- Instruction</u>	<u>Total</u>
Salaries	356,554	112,476	5,334	474,364
Benefits	97,046	36,945	1,847	135,838
Purchased services	65,398	128,478	44,177	238,053
Supplies-materials	42,295	7,123	514	49,932
Interest	6,040	-	-	6,040
Depreciation and amortization	9,928	-	-	9,928
Total Expense	<u>\$ 577,261</u>	<u>\$ 285,022</u>	<u>\$ 51,872</u>	<u>\$ 914,155</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
 Moscow, Idaho

SCHEDULE II - BALANCE SHEET
 June 30, 2014

	General	Child Nutrition	Title I-A	IDEA Part B	REAP	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Cash	281,795	-	-	-	-	281,795
State and federal support receivable	20,367	2,317	6,399	3,692	2,250	35,025
Other receivables	22,431	-	-	-	-	22,431
Inventory assets	402	-	-	-	-	402
Prepaid expenses	11,295	-	-	-	-	11,295
Due from other funds	14,658	-	-	-	-	14,658
Total assets	<u>350,948</u>	<u>2,317</u>	<u>6,399</u>	<u>3,692</u>	<u>2,250</u>	<u>365,606</u>
Deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 350,948</u>	<u>\$ 2,317</u>	<u>\$ 6,399</u>	<u>\$ 3,692</u>	<u>\$ 2,250</u>	<u>\$ 365,606</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE						
Liabilities:						
Accounts payable	6,051	-	-	-	-	6,051
Accrued payroll and benefits	98,733	-	-	-	-	98,733
Due to other funds	-	2,317	6,399	3,692	2,250	14,658
Total liabilities	<u>104,784</u>	<u>2,317</u>	<u>6,399</u>	<u>3,692</u>	<u>2,250</u>	<u>119,442</u>
Deferred inflows of resources	-	-	-	-	-	-
Fund balance:						
Unassigned	246,164	-	-	-	-	246,164
Total Fund balance	<u>246,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,164</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 350,948</u>	<u>\$ 2,317</u>	<u>\$ 6,399</u>	<u>\$ 3,692</u>	<u>\$ 2,250</u>	<u>\$ 365,606</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

GENERAL FUND
SCHEDULE III - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Interest	883	750	133
School fees and charges	37,681	37,000	681
Contributions/donations	26,977	23,000	3,977
Other local	61,076	36,000	25,076
Total local	<u>126,617</u>	<u>96,750</u>	<u>29,867</u>
State:			
Base support	652,469	729,761	(77,292)
Exceptional child support	1,716	-	1,716
Benefit apportionment	82,771	-	82,771
Other state support	51,423	35,700	15,723
Lottery/additional state maintenance	3,409	3,400	9
Other state revenue	3,417	14,500	(11,083)
Total state	<u>795,205</u>	<u>783,361</u>	<u>11,844</u>
Federal:			
Other indirect	2,355	-	2,355
Total revenues	<u>924,177</u>	<u>880,111</u>	<u>44,066</u>
EXPENDITURES			
Instruction:			
Salaries	365,519	371,664	6,145
Benefits	107,869	110,002	2,133
Purchased services	41,154	42,099	945
Supplies-materials	26,353	35,582	9,229
Total instruction	<u>540,895</u>	<u>559,347</u>	<u>18,452</u>
Support:			
Salaries	113,121	107,371	(5,750)
Benefits	32,645	32,725	80
Purchased services	135,542	141,500	5,958
Supplies-materials	4,225	5,500	1,275
Total support	<u>285,533</u>	<u>287,096</u>	<u>1,563</u>
Non-instruction:			
Benefits	494	-	(494)
Capital outlay	5,500	15,000	9,500
Debt service	105,546	104,900	(646)
Contingency Budget	-	44,477	44,477
Total expenditures	<u>937,968</u>	<u>1,010,820</u>	<u>72,852</u>
Excess (deficiency) of revenues over expenditures	<u>(13,791)</u>	<u>(130,709)</u>	<u>116,918</u>
Other financing uses:			
Transfer out	(3,471)	(5,161)	1,690
Change in fund balance	(17,262)	<u>\$ (135,870)</u>	<u>\$ 116,918</u>
Fund Balance - Beginning of year	<u>263,426</u>		
Fund Balance - End of year (Budget Basis)	246,164		
Adjustments to conform with GAAP:			
Capitalize capital objects	194,539		
Capitalize loan fees	1,875		
Construction in progress	5,500		
Amortization expense	(1,875)		
Depreciation expense	(18,438)		
Proceeds from loan	(245,000)		
Principal payments	245,000		
Net Assets - End of year (GAAP)	<u>\$ 427,765</u>		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

GENERAL FUND

SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL

For the Year Ended June 30, 2014

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION:			
Kindergarten/elementary			
Salaries	323,056	328,708	5,652
Benefits	96,375	98,576	2,201
Purchased services	40,206	41,811	1,605
Supplies-materials	25,602	34,582	8,980
Total kindergarten/elementary	<u>485,239</u>	<u>503,677</u>	<u>18,438</u>
Special Education			
Salaries	42,463	42,956	493
Benefits	11,494	11,426	(68)
Purchased services	948	288	(660)
Supplies-materials	751	1,000	249
Total exceptional child	<u>55,656</u>	<u>55,670</u>	<u>14</u>
TOTAL INSTRUCTION:			
Salaries	365,519	371,664	6,145
Benefits	107,869	110,002	2,133
Purchased services	41,154	42,099	945
Supplies-materials	26,353	35,582	9,229
Total Instruction	<u>\$ 540,895</u>	<u>\$ 559,347</u>	<u>\$ 18,452</u>
SUPPORT:			
Board of Education			
Purchased services	450	1,000	550
School administration			
Salaries	69,985	65,570	(4,415)
Benefits	19,536	19,890	354
Total school administration	<u>89,521</u>	<u>85,460</u>	<u>(4,061)</u>
Business operation			
Salaries	35,757	35,280	(477)
Benefits	10,841	10,839	(2)
Purchased services	91,770	95,000	3,230
Supplies-materials	1,772	3,100	1,328
Total business operation	<u>140,140</u>	<u>144,219</u>	<u>4,079</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**GENERAL FUND
SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)
For the Year Ended June 30, 2014**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT:Continued			
Custodial			
Salaries	7,379	6,521	(858)
Benefits	2,268	1,996	(272)
Purchased services	2,180	2,500	320
Supplies-materials	1,868	1,800	(68)
Total custodial	<u>13,695</u>	<u>12,817</u>	<u>(878)</u>
Maintenance - student occupied			
Purchased services	<u>26,024</u>	<u>27,800</u>	<u>1,776</u>
Maintenance - Grounds			
Purchased services	1,125	1,200	75
Supplies-materials	585	600	15
Total maintenance - grounds	<u>1,710</u>	<u>1,800</u>	<u>90</u>
Pupil Transportation			
Purchased services	<u>13,993</u>	<u>14,000</u>	<u>7</u>
TOTAL SUPPORT:			
Salaries	113,121	107,371	(5,750)
Benefits	32,645	32,725	80
Purchased services	135,542	141,500	5,958
Supplies-materials	4,225	5,500	1,275
Total Support	<u>\$ 285,533</u>	<u>\$ 287,096</u>	<u>\$ 1,563</u>
NON-INSTRUCTION			
Benefits	<u>\$ 494</u>	<u>\$ -</u>	<u>\$ (494)</u>
CAPITAL ASSET PROGRAM			
Capital outlay	<u>\$ 5,500</u>	<u>\$ -</u>	<u>\$ (5,500)</u>
OTHER SERVICES			
Principal	100,694	-	(100,694)
Interest	4,852	4,900	48
Total other services	<u>\$ 105,546</u>	<u>\$ 4,900</u>	<u>\$ (100,646)</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

SCHEDULE V - COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2014

	Child Nutrition	IDEA Part B School Age	Charter School Grant	Title I-A, ESEA Improving Basic Programs	Title II-A, ESEA Improving Teacher Quality	Title IV-A, ESEA Rural Education Achieve Prog	Total
REVENUES							
Local:							
Lunch sales	13,288	-	-	-	-	-	13,288
Federal:							
Restricted	23,553	18,909	-	29,599	5,125	20,013	97,199
Total revenues	36,841	18,909	-	29,599	5,125	20,013	110,487
EXPENDITURES							
Instruction:							
Salaries	-	-	-	21,313	-	10,500	31,813
Benefits	-	-	-	4,290	-	-	4,290
Purchased services	-	18,675	-	3,337	5,125	9,513	36,650
Supplies-materials	-	234	-	591	-	-	825
Total instruction	-	18,909	-	29,531	5,125	20,013	73,578
Non-instruction:							
Salaries	6,456	-	-	-	-	-	6,456
Benefits	400	-	-	-	-	-	400
Purchased services	33,262	-	-	68	-	-	33,330
Supplies-materials	194	-	-	-	-	-	194
Total non-instruction	40,312	-	-	68	-	-	40,380
Total expenditures	40,312	18,909	-	29,599	5,125	20,013	113,958
Excess (deficiency) of revenues over expenditures	(3,471)	-	-	-	-	-	(3,471)
Other financing sources:							
Transfer in	3,471	-	-	-	-	-	3,471
Change in fund balance	-	-	-	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-	-	-	-
Fund Balance - End of year	-	-	-	-	-	-	-
Adjustments to conform with GAAP:							
Capitalize capital objects	-	-	112,947	-	-	-	112,947
Depreciation expense	-	-	(20,291)	-	-	-	(20,291)
Net Assets - End of year (GAAP)	\$ -	\$ -	\$ 92,656	\$ -	\$ -	\$ -	\$ 92,656

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

CHILD NUTRITION
SCHEDULE VI - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Local:			
Lunch sales	13,288	36,000	(22,712)
Federal:			
Restricted	23,553	-	23,553
Total revenues	36,841	36,000	841
EXPENDITURES			
Non-instruction:			
Salaries	6,456	6,378	(78)
Benefits	400	1,083	683
Purchased services	33,262	33,500	238
Supplies-materials	194	200	6
Total non-instruction	40,312	41,161	849
Total expenditures	40,312	41,161	849
Excess (deficiency) of revenues over expenditures	(3,471)	(5,161)	1,690
Other financing sources:			
Transfer in	3,471	5,161	(1,690)
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**IDEA PART B SCHOOL-AGE FUND
SCHEDULE VII - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>18,909</u>	<u>19,212</u>	<u>(303)</u>
EXPENDITURES			
Instruction:			
Purchased Services	18,675	19,212	537
Supplies-materials	<u>234</u>	<u>-</u>	<u>(234)</u>
Total instruction	<u>18,909</u>	<u>19,212</u>	<u>303</u>
Total expenditures	<u>18,909</u>	<u>19,212</u>	<u>303</u>
Change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance - Beginning of year	<u>-</u>		
Fund Balance - End of year	<u>\$ -</u>		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**IDEA PART B SCHOOL-AGE FUND
SCHEDULE VII - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>18,909</u>	<u>19,212</u>	<u>(303)</u>
EXPENDITURES			
Instruction:			
Purchased Services	18,675	19,212	537
Supplies-materials	<u>234</u>	<u>-</u>	<u>(234)</u>
Total instruction	<u>18,909</u>	<u>19,212</u>	<u>303</u>
Total expenditures	<u>18,909</u>	<u>19,212</u>	<u>303</u>
Change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance - Beginning of year	<u>-</u>		
Fund Balance - End of year	<u>\$ -</u>		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

TITLE I-A, ESEA - IMPROVING BASIC PROGRAMS FUND
SCHEDULE VIII - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	29,599	29,600	(1)
Total revenues	29,599	29,600	(1)
EXPENDITURES			
Instruction:			
Salaries	21,313	21,313	-
Benefits	4,290	4,290	-
Purchased services	3,337	3,406	69
Supplies-materials	591	591	-
Total instruction	29,531	29,600	69
Non-instruction:			
Purchased services	68	-	(68)
Total expenditures	29,599	29,600	1
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

TITLE II-A, ESEA - IMPROVING TEACHER QUALITY FUND
SCHEDULE IX - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	5,125	5,125	-
Total revenues	5,125	5,125	-
EXPENDITURES			
Instruction:			
Purchased Services	5,125	5,125	-
Total expenditures	5,125	5,125	-
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

TITLE VI-B, ESEA - RURAL EDUCATION ACHIEVEMENT PROGRAMS
SCHEDULE X - REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2014

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	20,013	20,013	-
EXPENDITURES			
Instruction:			
Salaries	10,500	10,500	-
Purchased Services	9,513	9,513	-
Total instruction	20,013	20,013	-
Total expenditures	20,013	20,013	-
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		