

**PALOUSE PRAIRIE EDUCATIONAL
ORGANIZATION, INC.**

Moscow, Idaho

**Audited Financial Statements
For the Years Ended June 30, 2020 and 2019**

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Palouse Prairie Educational Organization, Inc. (an Idaho nonprofit corporation) which comprise the statements of financial position as of June 30, 2020 and 2019 and the related statements of activities, cash flows and functional expenses 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 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 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 Educational Organization, Inc. as of June 30, 2020 and 2019, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2020, on our consideration of Palouse Prairie Educational Organization, Inc.'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 Palouse Prairie Educational Organization, Inc.'s internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 28, 2020

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

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

We have audited, in accordance with the 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, the financial statements of Palouse Prairie Educational Organization, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Palouse Prairie Educational Organization, Inc.’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Palouse Prairie Educational Organization, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Palouse Prairie Educational Organization, Inc.’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination for deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financials statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of the section and was not designed to identify all deficiencies in the internal control that might

be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Palouse Prairie Educational Organization, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of your audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, the communication is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
September 28, 2020

FINANCIAL STATEMENTS



PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash	105,014	163,737
Investments	324,757	143,872
State support receivable	39,777	43,531
Federal support receivable	10,978	9,129
Other receivables	616	3,076
Supplies on hand	79	56
Prepaid expenses	8,022	15,634
Total current assets	<u>489,243</u>	<u>379,035</u>
Property and equipment:		
Land	472,870	392,265
Construction in progress	9,644	2,460,806
Buildings and improvements	2,652,493	-
Furniture and equipment	36,569	24,869
Less: accumulated depreciation	<u>(77,494)</u>	<u>(13,144)</u>
Net property and equipment	<u>3,094,082</u>	<u>2,864,796</u>
Other assets:		
Cash with donor restrictions	<u>12,309</u>	<u>1,199</u>
Total other assets	<u>12,309</u>	<u>1,199</u>
Total assets	<u>\$ 3,595,634</u>	<u>\$ 3,245,030</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	8,141	12,246
Accrued interest payable	7,753	11,168
Salaries and benefits payable	156,400	143,925
Current portion of long-term debt	<u>70,692</u>	<u>2,062,671</u>
Total current liabilities	<u>242,986</u>	<u>2,230,010</u>
Noncurrent portion of long-term debt	<u>2,301,640</u>	<u>58,450</u>
Total Liabilities	<u>2,544,626</u>	<u>2,288,460</u>
Net assets:		
Without donor restrictions	1,036,558	952,744
With donor restrictions	<u>14,450</u>	<u>3,826</u>
Total net assets	<u>1,051,008</u>	<u>956,570</u>
Total liabilities and net assets	<u>\$ 3,595,634</u>	<u>\$ 3,245,030</u>

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

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GRANTS, AND OTHER SUPPORT			
Contributions	19,617	29,517	49,134
State support	1,393,274	-	1,393,274
Federal support	-	105,648	105,648
Interest	6,234	11	6,245
Other local	63,707	12,725	76,432
Total revenue, grants, and other support	<u>1,482,832</u>	<u>147,901</u>	<u>1,630,733</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Restrictions satisfied by payments	<u>137,277</u>	<u>(137,277)</u>	<u>-</u>
Total net assets released from restrictions	<u>137,277</u>	<u>(137,277)</u>	<u>-</u>
EXPENSE			
Program (instructional)	942,669	-	942,669
Administrative (support)	384,980	-	384,980
Non-instruction	31,016	-	31,016
Depreciation	64,350	-	64,350
Interest on long-term debt	113,280	-	113,280
Total expense	<u>1,536,295</u>	<u>-</u>	<u>1,536,295</u>
Change in net assets	83,814	10,624	94,438
Net assets - beginning of year	<u>952,744</u>	<u>3,826</u>	<u>956,570</u>
Net assets - end of year	<u>\$ 1,036,558</u>	<u>\$ 14,450</u>	<u>\$ 1,051,008</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE, GRANTS, AND OTHER SUPPORT			
Contributions	17,629	48,051	65,680
State support	1,304,803	-	1,304,803
Federal support	-	79,086	79,086
Interest	5,805	6	5,811
Other local	56,392	17,440	73,832
	<u>1,384,629</u>	<u>144,583</u>	<u>1,529,212</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Restrictions satisfied by payments	227,425	(227,425)	-
Total net assets released from restrictions	<u>227,425</u>	<u>(227,425)</u>	<u>-</u>
EXPENSE			
Program (instructional)	888,634	-	888,634
Administrative (support)	413,447	-	413,447
Non-instruction	34,687	-	34,687
Depreciation	11,368	-	11,368
Interest on long-term debt	148	-	148
Loss on disposition	247,657	-	247,657
	<u>1,595,941</u>	<u>-</u>	<u>1,595,941</u>
Change in net assets	16,113	(82,842)	(66,729)
Net assets - beginning of year	<u>936,631</u>	<u>86,668</u>	<u>1,023,299</u>
Net assets - end of year	<u>\$ 952,744</u>	<u>\$ 3,826</u>	<u>\$ 956,570</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributors	49,134	65,680
Cash received from state support	1,397,028	1,286,723
Cash received from federal support	103,799	75,972
Cash received from interest	6,245	5,811
Other cash received	78,892	73,544
Cash paid to suppliers and employees	(1,459,401)	(1,318,355)
Net cash provided by operating activities	175,697	189,375
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for property and equipment	(293,636)	(2,328,817)
Net cash used in investing activities	(293,636)	(2,328,817)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid on long-term debt	(2,355,668)	-
Cash proceeds from long term debt	2,606,879	2,121,121
Net cash provided by financing activities	251,211	2,121,121
Net increase (decrease) in cash and cash equivalents	133,272	(18,321)
Cash and cash equivalents - beginning of year	308,808	327,129
Cash and cash equivalents - end of year	\$ 442,080	\$ 308,808
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	94,438	(66,729)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	64,350	11,368
Loss on disposition of property and equipment	-	247,657
(Increase) decrease in operating assets		
State support receivable	3,754	(18,080)
Federal support receivable	(1,849)	(3,186)
Other receivables	2,460	(216)
Supplies on hand	(23)	57
Prepaid expenses	7,612	(2,372)
Increase (decrease) in operating liabilities		
Accounts payable	(4,105)	1,688
Salaries and benefits payable	12,475	8,020
Accrued interest payable	(3,415)	11,168
Net cash provided by operating activities	\$ 175,697	\$ 189,375
Cash and cash equivalents reconciliation		
Cash and cash equivalents without donor restrictions	429,771	307,609
Cash and cash equivalents with donor restrictions	12,309	1,199
	\$ 442,080	\$ 308,808

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

STATEMENT OF FUNCTIONAL EXPENSE

For the Year Ended June 30, 2020

	Program (Instructional)	Administrative (Support)	Other	Total
Salaries	614,327	203,114	5,661	823,102
Benefits	192,531	61,205	1,224	254,960
Purchased services	74,665	110,101	19,750	204,516
Supplies-materials	61,146	10,560	4,381	76,087
Debt service interest	-	-	113,280	113,280
Depreciation	-	-	64,350	64,350
Total expense	<u>\$ 942,669</u>	<u>\$ 384,980</u>	<u>\$ 208,646</u>	<u>\$ 1,536,295</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2019

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Other</u>	<u>Total</u>
Salaries	557,667	190,605	5,726	753,998
Benefits	174,723	51,409	1,137	227,269
Purchased services	89,045	165,444	26,434	280,923
Supplies-materials	67,199	5,989	1,390	74,578
Debt service interest	-	-	148	148
Depreciation	-	-	11,368	11,368
Loss on disposition of property and equipment	-	-	247,657	247,657
	<u>-</u>	<u>-</u>	<u>247,657</u>	<u>247,657</u>
Total expense	<u>\$ 888,634</u>	<u>\$ 413,447</u>	<u>\$ 293,860</u>	<u>\$ 1,595,941</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

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

Basis of Accounting - The School uses the accrual basis of accounting. Revenue are recognized as earned and expenses are recognized when incurred.

Cash - For purposes of the statement of cash flows, cash equivalents include money market mutual funds, time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. The School has no requirement to hold cash in separate accounts.

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 2018, 2019, and 2020 are subject to examination by the IRS, generally for three years after the returns are filed.

Property and Equipment - The cost of property and equipment is depreciated over the estimated useful lives of the assets. Major expenses costing at least \$5,000 which substantially increase useful lives are capitalized. Interest on borrowings for construction are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of property and equipment for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 39 years for buildings. Capitalized interest incurred on debt used to fund building construction during the years ended June 30, 2020 and 2019 was \$23,203 and \$68,162, respectively.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Depreciation expense for the years ending June 30, 2020 and 2019 was \$64,350 and \$11,368 respectively.

Inventory - The School 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.

Net Assets - Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the School. The School’s board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantor. Some donor restrictions are temporary in nature and those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

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 its investment in the Local Government Investment Pool and all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Cost Allocation - The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. The Organization does not have any indirect expenses that would need to be allocated as of June 30, 2020 and 2019, therefore, there is no cost allocation required.

Reports Required by the State - Idaho Department of Education requires the School to submit financial information in accordance with accounting principles generally accepted in the United States of America for governmental entities. This information is included as supplemental information to the basic financial statements. The General Fund accounts for activities for general operations and the other funds presented are used to account for activities related to restricted funds and grants the School received. The effects of GASB 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27* and GASB 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, have been recorded in the Statement of Net Position.

NOTE 2 Summary of Significant Accounting Policies (Continued)

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 School has determined that no material subsequent events have occurred.

NOTE 3 Investments

The School has an account with the Local Government Investment Pool sponsored by the Idaho Legislature. The School carries the balance at fair market value, which also represents cost. The investment account is subject to market risk and is uninsured. At June 30, 2020 and 2019, the balance was \$324,757 and \$143,872, respectively.

NOTE 4 Major Funding Source

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

	<u>2020</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,393,274	85.44%
	<u>2019</u>	<u>% of Total Revenue</u>
Idaho Department of Education	1,304,803	85.33%

NOTE 5 Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
Bus upgrades	-	818
Student expeditions	12,250	-
Special revenue funds	<u>2,200</u>	<u>3,008</u>
Total	<u>\$ 14,450</u>	<u>\$ 3,826</u>

NOTE 6 Liquidity and Availability of Resources

The Organization has \$470,164 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$105,014, investments of \$324,757, and accounts receivable of \$40,393. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. The accounts receivable are subject to implied time restrictions but are expected to be collected within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7 Long-Term Debt

Long-term debt for the School as of June 30, 2020 and consists of the following:

	<u>2020</u>	<u>2019</u>
Loan payable to P1FCU. The original terms provided for monthly installments of \$15,187 with interest at a fixed rate of 6.125%. Matures February 1, 2030. Effective May 22, 2020 the terms of the loan were changed to provide for monthly installments of \$12,328 with interest at a fixed rate of 4.00% for 5 years. Beginning June 1, 2025 the interest rate will reset to a rate based on the FHLB advance rate on that date plus a margin of 3.00%. Upon the maturity date a balloon payment for the remaining balance must be paid. The loan is secured by real property.	2,313,882	-
Construction loan payable to P1FCU, monthly installments of accrued interest at a variable rate of the Prime Rate plus 1.50%, currently 7.00% per annum. Matured September 28, 2019 when the unpaid principal balance of the note was due, and was subsequently refinanced. Secured by real property.	-	2,049,121
Loan payable to a private party, monthly installments of \$1,294 with interest at a fixed rate of 3.0%. Matures June 10, 2024. The note is unsecured.	<u>58,450</u>	<u>72,000</u>
Total Long Term Debt	2,372,332	2,121,121
Less Current Portion	<u>(70,692)</u>	<u>(2,062,671)</u>
Net Long-term Debt	<u>\$ 2,301,640</u>	<u>\$ 58,450</u>

Maturities of principal amounts of long-term debt at June 30, 2020 are as follows:

Fiscal Year	
<u>Ended June 30,</u>	
2021	70,692
2022	73,427
2023	76,270
2024	79,225
2025	66,554
Thereafter	<u>2,006,164</u>
Total	<u>\$ 2,372,332</u>

NOTE 8 Building Leases

The School entered into a lease agreement on March 2, 2009. The lease commenced on July 1, 2009 and originally expired on June 30, 2012. Prior to the June 30, 2012 expiration the lease was renewed through June 30, 2016. Under the terms of the renewed lease the School was required to pay monthly installments of \$5,000 in addition to taxes and assessments during the lease term. On June 27, 2016 the lease was renewed for an additional three years requiring monthly installments of \$5,600 beginning July 1, 2016. The lease was not renewed upon its expiration at June 30, 2019, or in the future as the School occupied its own facilities in fiscal 2020.

NOTE 9 Pension Plan

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.

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, 2020, the required contribution rate as a percentage of covered payroll for members was 7.16%. The employer rate as a percentage of covered payroll was 11.94%. The School's contributions required and paid were \$94,934 and \$81,806 for the two years ended June 30, 2020 and 2019, respectively.

PERSI is subject to pronouncement issued by the Governmental Accounting Standards Board (GASB) and was required to implement GASB 67, *Financial Reporting for Pension Plan-an amendment of GASB Statement No. 25*, effective as of June 30, 2014. The statement established standards and specified the required approach for measuring the pension liability of contributing entities for benefits provided through the pension plan (the net pension liability). As of June 30, 2019, the most recent available audited financial statement of PERSI at the time of issuance, the Plan was reported to be 93.79% funded. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019 the School's proportion was 0.0211846% and the estimated net pension liability was \$241,816.

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.

NOTE 10 Other Post-Employment Benefit Plan – Sick Leave Plan

The School contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Group retiree health, dental, accident, and life insurance premiums may qualify as a benefit. Retirees who have a sick leave account can use their balance as a credit towards these premiums paid directly to the applicable insurance company.

The contribution rate for employees are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. Beginning January 1, 2020, PERSI approved an 18-month rate holiday. During the rate holiday, all sick leave contribution rates are 0%. The District's contributions required and paid were \$4,520 and \$8,390 for the two years ended June 30, 2020 and 2019, respectively.

PERSI is subject to pronouncement issued by the Governmental Accounting Standards Board (GASB) and was required to implement GASB 74, *Financial Reporting for postemployment Benefit Plans Other Than Pension Plans*, effective as of June 30, 2017. The statement established standards and specified the required approach for measuring the OPEB asset of contributing entities for benefits provided through the OPEB plan (the net OPEB asset). As of June 30, 2019, the most recent available audited financial statement of PERSI at the time of issuance, the Plan was reported to be 138.51% funded. The School's proportion of the net OPEB asset was based on the School's share of contributions in the Base Plan OPEB plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019, the School's proportion was 0.0508379% and the estimated OPEB sick leave asset was \$48,693.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. The reports may be obtained from PERSI's website www.persi.idaho.gov.

NOTE 11 Concentration of Credit Risk

The Organization maintains bank accounts at two financial institutions. Accounts at an Institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at these institutions exceeded federally insured limits at various times throughout the year

NOTE 12 COVID-19 Pandemic

In March 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. There have been mandates from governing authorities requiring forced closures of schools, businesses, and other facilities and organizations. While the disruption is expected to be temporary, the current circumstances are evolving and dynamic. The full extent and duration of the impact of COVID-19 on the School's operations and financial performance is currently unknown, and depends on future developments that are uncertain and unpredictable. Because of this, it may have a material adverse impact on the School's business, results of operations, financial position, and cash flows.

NOTE 13 Reclassifications

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY 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, 2020 and 2019, and have issued our report thereon dated September 28, 2020, 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 supplementary information presented on pages 19 through 34 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 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 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 basic financial statements taken as a whole.

Hayden Ross, PLLC

Moscow, Idaho
September 28, 2020

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

SCHEDULE I - STATEMENT OF NET POSITION
June 30, 2020

ASSETS		
Current assets:		
Cash	105,014	
Investments	324,757	
State support receivable	39,777	
Federal support receivable	10,978	
Other receivables	616	
Supplies on hand	79	
Prepaid expenses	8,022	
Total current assets	<u>489,243</u>	
Noncurrent assets:		
Land	472,870	
Construction in progress	9,644	
Capital assets being depreciated	2,689,062	
Less: accumulated depreciation	(77,494)	
Cash with donor restrictions	12,309	
Net OPEB asset - sick leave	48,693	
Total noncurrent assets	<u>3,155,084</u>	
Total assets		<u>3,644,327</u>
DEFERRED OUTFLOWS OF RESOURCES		
Net OPEB - sick leave related items	9,855	
Pension related items	143,936	
Total deferred outflows of resources		<u>153,791</u>
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	15,894	
Salaries and benefits payable	156,400	
Current portion of long-term debt	70,692	
Total current liabilities	<u>242,986</u>	
Noncurrent liabilities:		
Net pension liability	241,816	
Noncurrent portion of long-term debt	2,301,640	
Total noncurrent liabilities	<u>2,543,456</u>	
Total liabilities		<u>2,786,442</u>
DEFERRED INFLOWS OF RESOURCES		
Net OPEB - sick leave related items	2,814	
Pension related items	110,879	
		<u>113,693</u>
NET POSITION		
Net investment in capital assets	721,750	
Restricted	12,309	
Unrestricted	163,924	
Total net position		<u>\$ 897,983</u>
Adjustments to conform with GAAP:		
Pension related items:		
Net OPEB Asset - sick leave	(48,693)	
Deferred outflow of resources	(153,791)	
Deferred inflow of resources	113,693	
Net pension liability	241,816	
Total adjustments to confirm with GAAP		<u>153,025</u>
Net Assets - End of year (GAAP)		<u>\$ 1,051,008</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

SCHEDULE II - BALANCE SHEET
June 30, 2020

	General	Child Nutrition	Title I-A, ESSA Improving Basic Programs	CARES ACT - ESSERF	IDEA Part B (611 School Age 3-21)	School Based Medicaid	Title IV-A, ESSA - Student Support and Academic Enrichment	Title V-B, ESSA Rural Education Initiative	Title II-A, ESEA - Supporting Effective Instruction	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES										
Assets:										
Cash	117,264	-	-	-	-	59	-	-	-	117,323
Investments	324,757	-	-	-	-	-	-	-	-	324,757
State support receivable	39,777	-	-	-	-	-	-	-	-	39,777
Federal support receivable	-	-	-	8,730	273	241	1,230	504	-	10,978
Other receivables	616	-	-	-	-	-	-	-	-	616
Supplies on hand	79	-	-	-	-	-	-	-	-	79
Prepaid expenses	8,022	-	-	-	-	-	-	-	-	8,022
Due from other funds	10,978	-	-	-	-	-	-	-	-	10,978
Total assets	<u>501,493</u>	<u>-</u>	<u>-</u>	<u>8,730</u>	<u>273</u>	<u>300</u>	<u>1,230</u>	<u>504</u>	<u>-</u>	<u>512,530</u>
Deferred outflows of resources	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 501,493</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,730</u>	<u>\$ 273</u>	<u>\$ 300</u>	<u>\$ 1,230</u>	<u>\$ 504</u>	<u>\$ -</u>	<u>\$ 512,530</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE										
Liabilities:										
Accounts payable and other current liabilities	15,894	-	-	-	-	-	-	-	-	15,894
Accrued payroll and benefits	156,400	-	-	-	-	-	-	-	-	156,400
Due to other funds	-	-	-	8,730	273	241	1,230	504	-	10,978
Total liabilities	<u>172,294</u>	<u>-</u>	<u>-</u>	<u>8,730</u>	<u>273</u>	<u>241</u>	<u>1,230</u>	<u>504</u>	<u>-</u>	<u>183,272</u>
Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-
Fund balance:										
Nonspendable	8,101	-	-	-	-	-	-	-	-	8,101
Restricted	12,250	-	-	-	-	59	-	-	-	12,309
Unrestricted	308,848	-	-	-	-	-	-	-	-	308,848
Total Fund balance	<u>329,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329,258</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 501,493</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,730</u>	<u>\$ 273</u>	<u>\$ 300</u>	<u>\$ 1,230</u>	<u>\$ 504</u>	<u>\$ -</u>	<u>\$ 512,530</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**SCHEDULE III - RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES**

June 30, 2020

Total Fund Balances - Governmental Funds	329,258
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	3,171,576
Accumulated depreciation	(77,494)
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	143,936
Deferred inflow of resources	(110,879)
Certain OPEB sick leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	9,855
Deferred inflow of resources	(2,814)
Total Net OPEB asset for PERSI sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds	48,693
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:	
Loans payable	(2,372,332)
Net pension liability	<u>(241,816)</u>
Total Net Position - Governmental Activities	<u>\$ 897,983</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

GENERAL FUND
SCHEDULE IV - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Interest	6,234	6,000	234
School fees and charges	23,726	19,500	4,226
Contributions/donations	49,134	45,000	4,134
Other local	39,981	38,000	1,981
Total local	<u>119,075</u>	<u>108,500</u>	<u>10,575</u>
State:			
Base support	1,013,582	1,003,485	10,097
Benefit apportionment	138,745	138,745	-
Other state support	165,795	165,000	795
Lottery/additional state maintenance	14,336	14,000	336
Other state revenue	60,816	60,700	116
Total state	<u>1,393,274</u>	<u>1,381,930</u>	<u>11,344</u>
Total revenues	<u>1,512,349</u>	<u>1,490,430</u>	<u>21,919</u>
EXPENDITURES			
Instruction:			
Salaries	576,551	575,343	(1,208)
Benefits	184,805	191,321	6,516
Purchased services	50,978	57,307	6,329
Supplies-materials	60,762	60,900	138
Total instruction	<u>873,096</u>	<u>884,871</u>	<u>11,775</u>
Support:			
Salaries	185,595	186,256	661
Benefits	58,464	60,432	1,968
Purchased services	110,101	112,900	2,799
Supplies-materials	10,020	13,800	3,780
Capital objects	11,700	-	(11,700)
Total support	<u>375,880</u>	<u>373,388</u>	<u>(2,492)</u>
Non-instruction:			
Benefits	433	-	(433)
Contingency Budget	-	72,465	72,465
Total expenditures	<u>1,249,409</u>	<u>1,330,724</u>	<u>81,315</u>
Excess (deficiency) of revenues over (under) expenditures	262,940	159,706	103,234
Other financing sources (uses)			
Transfer out	(146,183)	(211,905)	65,722
Change in fund balance	116,757	<u>\$ (52,199)</u>	<u>\$ 168,956</u>
Fund Balance - Beginning of year	<u>212,442</u>		
Fund Balance - End of year	329,199		
Adjustments to conform with GAAP:			
Capitalize capital objects	30,356		
Accumulated depreciation	(12,913)		
Net Assets - End of year (GAAP)	<u>\$ 346,642</u>		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**GENERAL FUND
SCHEDULE V - SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
For the Year Ended June 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION:			
Elementary school:			
Salaries	528,081	525,002	(3,079)
Benefits	169,479	172,021	2,542
Purchased services	48,572	50,245	1,673
Supplies-materials	43,415	43,300	(115)
Total elementary school	<u>789,547</u>	<u>790,568</u>	<u>1,021</u>
Special education:			
Salaries	48,470	50,341	1,871
Benefits	15,326	19,300	3,974
Purchased services	210	4,862	4,652
Supplies-materials	57	300	243
Total special education	<u>64,063</u>	<u>74,803</u>	<u>10,740</u>
School activity:			
Purchased services	2,196	2,200	4
Supplies-materials	17,290	17,300	10
Total school activity	<u>19,486</u>	<u>19,500</u>	<u>14</u>
TOTAL INSTRUCTION:			
Salaries	576,551	575,343	(1,208)
Benefits	184,805	191,321	6,516
Purchased services	50,978	57,307	6,329
Supplies-materials	60,762	60,900	138
Total instruction	<u>\$ 873,096</u>	<u>\$ 884,871</u>	<u>\$ 11,775</u>
SUPPORT:			
Board of education:			
Purchased services	4,875	5,000	125
School administration:			
Salaries	120,889	121,337	448
Benefits	35,627	37,167	1,540
Total school administration	<u>156,516</u>	<u>158,504</u>	<u>1,988</u>
Business operation:			
Salaries	42,654	42,654	-
Benefits	13,907	14,449	542
Purchased services	49,433	51,300	1,867
Supplies-materials	4,790	4,400	(390)
Capital objects	11,700	-	(11,700)
Total business operation	<u>122,484</u>	<u>112,803</u>	<u>(9,681)</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

GENERAL FUND

SCHEDULE V - SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)

For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
SUPPORT (Continued):			
Buildings - care (custodial):			
Salaries	18,742	19,216	474
Benefits	7,646	7,060	(586)
Purchased services	26,237	26,400	163
Supplies-materials	1,971	2,600	629
Total buildings - care (custodial)	<u>54,596</u>	<u>55,276</u>	<u>680</u>
Maintenance - student occupied:			
Salaries	3,310	3,049	(261)
Benefits	1,284	1,756	472
Purchased services	270	1,000	730
Supplies-materials	1,480	1,500	20
Total maintenance - student occupied	<u>6,344</u>	<u>7,305</u>	<u>961</u>
Maintenance - grounds:			
Purchased services	2,595	2,500	(95)
Supplies-materials	384	3,300	2,916
Total maintenance - grounds	<u>2,979</u>	<u>5,800</u>	<u>2,821</u>
Security:			
Purchased services	1,657	1,700	43
Supplies-materials	1,279	1,800	521
Total security	<u>2,936</u>	<u>3,500</u>	<u>564</u>
Pupil-to-school transportation:			
Purchased services	25,034	25,000	(34)
Supplies-materials	116	200	84
Total pupil-to-school transportation	<u>25,150</u>	<u>25,200</u>	<u>50</u>
TOTAL SUPPORT:			
Salaries	185,595	186,256	661
Benefits	58,464	60,432	1,968
Purchased services	110,101	112,900	2,799
Supplies-materials	10,020	13,800	3,780
Capital objects	11,700	-	(11,700)
Total support	<u>\$ 375,880</u>	<u>\$ 373,388</u>	<u>\$ (2,492)</u>
NON-INSTRUCTION			
Benefits	<u>\$ 433</u>	<u>\$ -</u>	<u>\$ (433)</u>

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

ALL SPECIAL REVENUE FUNDS
SCHEDULE VI - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2020

	Child Nutrition	Charter School Grant	Title I-A, ESSA Improving Basic Programs	CARES ACT - ESSERF	IDEA Part B (611 School Age 3-21)	School Based Medicaid	Title IV-A, ESSA - Student Support and Academic Enrichment	Title V-B, ESSA Rural Education Initiative	Title II-A, ESEA - Supporting Effective Instruction	Total
REVENUES										
Local:										
Lunch sales	12,725	-	-	-	-	-	-	-	-	12,725
Earnings on investments	-	-	-	-	-	11	-	-	-	11
Total local	12,725	-	-	-	-	11	-	-	-	12,736
Federal:										
Restricted	16,880	-	21,586	8,730	22,320	4,031	10,000	17,852	4,249	105,648
Total revenues	29,605	-	21,586	8,730	22,320	4,042	10,000	17,852	4,249	118,384
EXPENDITURES										
Instruction:										
Salaries	-	-	14,813	-	11,227	-	5,580	6,156	-	37,776
Benefits	-	-	2,914	-	2,292	-	1,800	720	-	7,726
Purchased services	-	-	2,580	-	8,496	5,636	2,620	4,355	-	23,687
Supplies-materials	-	-	79	-	305	-	-	-	-	384
Total instruction	-	-	20,386	-	22,320	5,636	10,000	11,231	-	69,573
Support:										
Salaries	-	-	1,200	6,849	-	-	-	5,221	4,249	17,519
Benefits	-	-	-	1,341	-	-	-	1,400	-	2,741
Supplies-materials	-	-	-	540	-	-	-	-	-	540
Total support	-	-	1,200	8,730	-	-	-	6,621	4,249	20,800
Non-instruction:										
Salaries	5,661	-	-	-	-	-	-	-	-	5,661
Benefits	791	-	-	-	-	-	-	-	-	791
Purchased services	19,750	-	-	-	-	-	-	-	-	19,750
Supplies-materials	4,381	-	-	-	-	-	-	-	-	4,381
Total non-instruction	30,583	-	-	-	-	-	-	-	-	30,583
Total expenditures	30,583	-	21,586	8,730	22,320	5,636	10,000	17,852	4,249	120,956
Excess (deficiency) of revenues over (under) expenditures	(978)	-	-	-	-	(1,594)	-	-	-	(2,572)
Other financing sources (uses)										
Transfer in	978	-	-	-	-	1,200	-	-	-	2,178
Change in fund balance	-	-	-	-	-	(394)	-	-	-	(394)
Fund Balance - Beginning of year	-	-	-	-	-	453	-	-	-	453
Fund Balance - End of year	-	-	-	-	-	59	-	-	-	59
Adjustments to conform with GAAP:										
Capitalize capital objects	-	6,212	-	-	-	-	-	-	-	6,212
Depreciation expense	-	(4,071)	-	-	-	-	-	-	-	(4,071)
Net Assets - End of year (GAAP)	\$ -	\$ 2,141	\$ -	\$ -	\$ -	\$ 59	\$ -	\$ -	\$ -	\$ 2,200

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

CHILD NUTRITION FUND
SCHEDULE VII - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Local:			
Lunch sales	12,725	12,500	225
Federal:			
Restricted	16,880	13,000	3,880
Total revenues	29,605	25,500	4,105
EXPENDITURES			
Non-instruction:			
Salaries	5,661	6,080	419
Benefits	791	1,025	234
Purchased services	19,750	19,800	50
Supplies-materials	4,381	750	(3,631)
Total expenditures	30,583	27,655	(2,928)
Excess (deficiency) of revenues over (under) expenditures	(978)	(2,155)	1,177
Other financing sources (uses)			
Transfer in	978	2,155	(1,177)
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

TITLE I-A, ESSA - IMPROVING BASIC PROGRAMS FUND
SCHEDULE VIII - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	21,586	21,728	(142)
EXPENDITURES			
Instruction:			
Salaries	14,813	14,647	(166)
Benefits	2,914	3,039	125
Purchased services	2,580	2,580	-
Supplies-materials	79	262	183
Total instruction	20,386	20,528	142
Support:			
Salaries	1,200	1,200	-
Total expenditures	21,586	21,728	142
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

CARES ACT - ESSERF FUND
SCHEDULE IX - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2020

REVENUES

Federal:		
Restricted		<u>8,730</u>

EXPENDITURES

Support:		
Salaries	6,849	
Benefits	1,341	
Supplies-materials	<u>540</u>	
Total support:	<u>8,730</u>	

Total expenditures		<u>8,730</u>
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Change in fund balance		-
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Fund balance - beginning of year		<u>-</u>
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Fund balance - end of year		<u><u>\$ -</u></u>
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PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

IDEA PART B (611 SCHOOL AGE 3-21) FUND
SCHEDULE X - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>22,320</u>	<u>24,366</u>	<u>(2,046)</u>
EXPENDITURES			
Instruction:			
Salaries	11,227	13,680	2,453
Benefits	2,292	2,838	546
Purchased Services	8,496	7,638	(858)
Supplies-materials	<u>305</u>	<u>210</u>	<u>(95)</u>
Total expenditures	<u>22,320</u>	<u>24,366</u>	<u>2,046</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

SCHOOL-BASED MEDICAID FUND
SCHEDULE XI - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Favorable (Unfavorable)
REVENUES			
Local:			
Earnings on investments	11	-	11
Federal:			
Restricted	4,031	4,000	31
Total revenues	4,042	4,000	42
EXPENDITURES			
Instruction:			
Purchased services	5,636	4,000	(1,636)
Total expenditures	5,636	4,000	(1,636)
Excess (deficiency) of revenues over (under) expenditures	(1,594)	-	(1,594)
Other financing sources (uses)			
Transfer in	1,200	-	1,200
Change in fund balance	(394)	\$ -	\$ (394)
Fund balance - beginning of year	453		
Fund balance - end of year	\$ 59		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.

Moscow, Idaho

**TITLE IV-A, ESSA - STUDENT SUPPORT AND ACADEMIC ENRICHMENT FUND
SCHEDULE XII - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>10,000</u>	<u>10,000</u>	<u>-</u>
EXPENDITURES			
Instruction:			
Salaries	5,580	5,580	-
Benefits	1,800	1,800	-
Purchased services	<u>2,620</u>	<u>2,620</u>	<u>-</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</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 V-B, ESSA - RURAL EDUCATION INITIATIVE FUND
SCHEDULE XIII - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	17,852	17,852	-
Total revenues	17,852	17,852	-
EXPENDITURES			
Instruction:			
Salaries	6,156	6,156	-
Benefits	720	720	-
Purchased services	4,355	4,355	-
Total instruction	11,231	11,231	-
Support:			
Salaries	5,221	5,221	-
Benefits	1,400	1,400	-
Total support	6,621	6,621	-
Total expenditures	17,852	17,852	-
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 - SUPPORTING EFFECTIVE INSTRUCTION FUND
SCHEDULE XIV - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	4,249	4,247	2
EXPENDITURES			
Support			
Salaries	4,249	4,247	(2)
Change in fund balance	-	\$ -	\$ -
Fund Balance - Beginning of year	-		
Fund Balance - End of year	\$ -		

PALOUSE PRAIRIE EDUCATIONAL ORGANIZATION, INC.
Moscow, Idaho

PLANT FACILITY FUND
SCHEDULE XV - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2020

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES	-	-	-
EXPENDITURES			
Capital objects	281,936	314,000	32,064
Debt service principal	2,355,668	30,000	(2,325,668)
Debt service interest	113,280	144,750	31,470
Total expenditures	2,750,884	488,750	(2,262,134)
Excess (deficiency) of revenues over (under) expenditures	(2,750,884)	(488,750)	2,262,134
Other financing sources (uses)			
Proceeds from bonds, cap leases, et al	2,606,879	279,000	2,327,879
Transfer in	144,005	209,750	(65,745)
Total other financing sources	2,750,884	488,750	2,262,134
Change in fund balance	-	\$ -	\$ 4,524,268
Fund balance - beginning of year	-		
Fund balance - end of year	-		
Adjustments to conform with GAAP:			
Capitalized capital objects	3,135,008		
Accumulated depreciation	(60,510)		
Long-term debt	(2,372,332)		
Net Assets - End of year (GAAP)	\$ 702,166		