

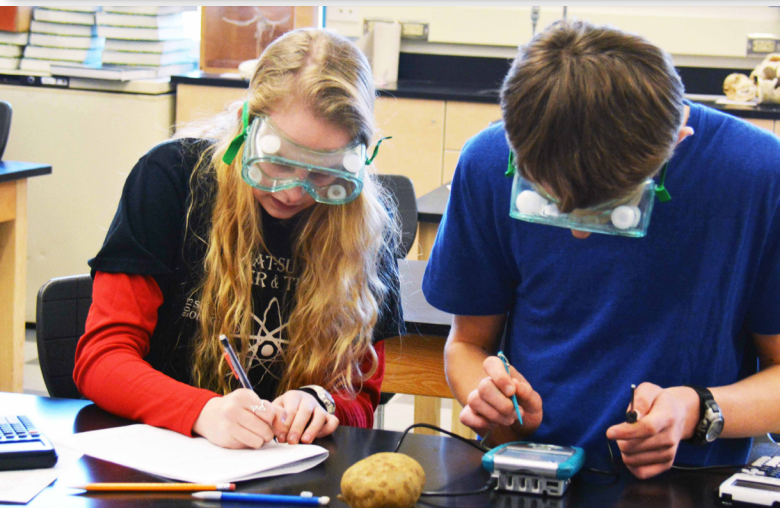


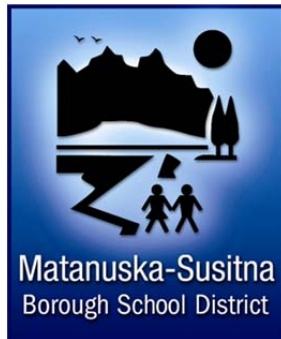
MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

A Component Unit of the Matanuska-Susitna Borough, Palmer, Alaska

Mission: Mat-Su Borough School District prepares students for success

COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Fiscal Year Ended June 30, 2014



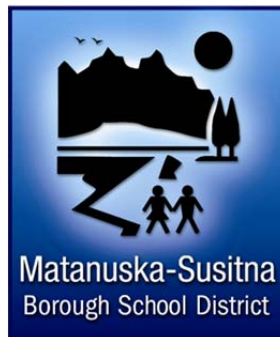


Preparing Students for Success

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2014

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT PALMER, ALASKA



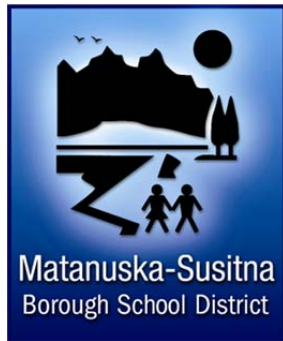
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Preparing Students for Success

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Comprehensive Annual Financial Report

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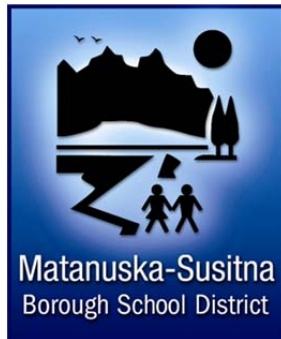
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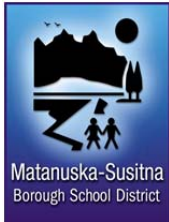
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Preparing Students for Success



MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
501 NORTH GULKANA STREET
PALMER, ALASKA 99645
Phone: 907-746-9200

December 14, 2014

Members of the Board of Education and
Residents of the Matanuska-Susitna Borough School District
Palmer, Alaska

The Comprehensive Annual Financial Report (CAFR) of the Matanuska-Susitna Borough School District (District), for the fiscal year ended June 30, 2014 is submitted herewith. This report was prepared by the District's Business Services department following the guidelines recommended by the Association of School Business Officials International and generally accepted accounting principles (GAAP). The statutes of the State of Alaska require that the Board of Education provide for an audit of all school accounts within ninety days following the close of the fiscal year, by an independent certified public accountant.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. The data, as presented, are based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. We believe the material is accurate in all aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The District's financial statements have been audited by BDO USA, LLP, a firm of independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2014 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2014, are presented fairly in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

As a recipient of federal grant awards, the District is required to undergo an audit in accordance with the provisions of the U.S. Office of Management and Budget's (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and

associated Compliance Supplement. A schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included and available in a separately issued audit in accordance with OMB Circular A-133.

As a recipient of State grant awards, the District is also required to undergo an audit in accordance with the provisions of Alaska State Regulation 2 AAC 45.010 and Audit Guide and Compliance Supplement for State Single Audits. A state financial assistance schedule, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included and available in a separately issued audit in accordance with the State of Alaska Audit Guide and Compliance Supplement for State Single Audits.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Comprehensive Annual Financial Report (CAFR)

The District's CAFR consists of four parts:

1. The introductory section includes this transmittal letter, a list of the elected officials of the School Board (Board) and their offices held, a list of selected administration officials, and the District's administrative organizational chart.
2. The financial section consists of the Management Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. Combining statements are presented when the District has at least one non-major fund of a given fund category. Various combining statements are also presented to demonstrate compliance with the Alaska Department of Education and Early Development's *Uniform Chart of Accounts and Account Code Descriptions for Public School Districts*.
3. The statistical section provides trend data and non-financial information useful in assessing a government's financial condition. It also includes demographic and other miscellaneous information of the District. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough (primary government) to give a consolidated overview of the District's financial status.
4. The Single Audit Section includes the Independent Auditor's Reports, as well as a Schedule of Findings and Questioned Costs. Also included in this section are the Schedule of State Financial Assistance and Schedule of Expenditures of Federal Awards.

The Reporting Entity

The report includes all funds of the District. The District is a component unit of the Matanuska-Susitna Borough (Borough). Therefore, the financial data are required to be reported in the Comprehensive Annual Financial Report (CAFR) of the Matanuska-Susitna Borough. Audited financial statements for the Borough are available upon request from its administrative offices. The Borough has delegated to the District the responsibility for establishing, maintaining, and operating a system of public schools, pursuant to AS 29.35.160. Governing authority has been delegated to the District's Board of Education.

Relationship with Matanuska-Susitna Borough

The Matanuska-Susitna Borough School District is a component unit of the Matanuska-Susitna Borough (Borough). Pursuant to Alaska Statute 14.12.020(c), the Borough Assembly provides the funding that must be raised from local sources to maintain and operate the District. Alaska Statute 14.14.060 states a borough can establish a centralized treasury and is responsible for major rehabilitation, all construction and major repair of school buildings. The Borough is also responsible for new construction and debt service. Accordingly, physical plant expenditures for debt service and the taxing authority necessary to repay debt lies with the Borough and these activities are reported in Borough financial reports.

In many respects the two agencies operate independently. However, the Borough does monitor the District's unspent year-end funds and requires a percentage of any unspent funds be returned to the Borough. Until recently the District, under Borough Code 3.04.110(c), was required to return 50% of the annual increase in unassigned fund balance to the Borough in the form of a lapse payment. The lapse funds were then placed in the Borough's reserve for school site acquisitions. The ordinance also stated that the District could not build its unassigned fund balance to a sum greater than \$5 million. Under that ordinance, any amount greater than \$5 million would automatically lapse back to the Borough.

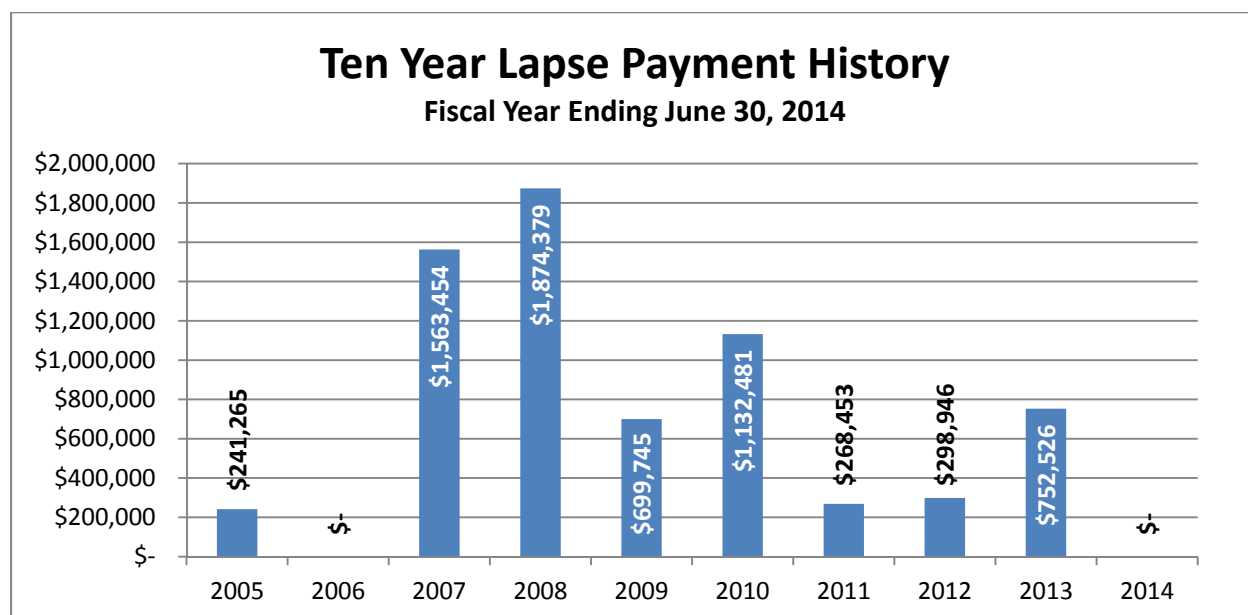
On April 17, 2013, the School Board passed Resolution No. 13-006 which requested that the Assembly consider a lapse for only "the portion of funds provided by the Matanuska-Susitna Borough with no limitation on the amount of total funds to be held as unassigned fund balance." Under Alaska Statute 14.17.505(a), a school district is allowed to accumulate unassigned fund balance up to 10% of its general fund expenditures in a given fiscal year. For the MSBSD, ten percent of general fund expenditures equal approximately \$23 million.

Through persistent lobbying efforts, Borough Code was amended by the Assembly on August 6, 2013 under Ordinance Serial No. 13-096. This ordinance called for 25% of any increase in unassigned fund balance to lapse back to the Borough with no limitation to the total amount of fund balance held by the District aside from that amount defined by AS 14.17.505(a).

The District viewed this change as being reasonable and fair-minded since 25% is roughly the same percent of local annual support provided by the Borough when compared to total general fund revenue. With this new lapse policy in place, the District hopes to build upon its reserves so that it can be better equipped during times of financial uncertainty and/or hardship.

On May 7, 2014, the Borough passed Amendment No. 1 to Ordinance Serial No. 14-014 regarding education funding, granting the District one-time permission to retain 100% of any increase to unassigned fund balance for fiscal year ending June 30, 2014. This one-time carry forward was provided in lieu of a 3% increase in local funding requested by the District for Fiscal Year 2015's budget, thereby offsetting the lack of an increased operating revenue, allowing the District to carry forward reserves that would otherwise lapse back to the Borough.

Table 1 represents the District's historical fund balance lapse to the Borough.



Included in the Financial Report are numerous statistical tables presenting a financial and statistical history of the District for the last ten years. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough to give a consolidated overview of the District's financial status.

Board of Education - Governance of the School District

Alaska Statute sections 14.12.030-180 provide for the creation of school districts in the State of Alaska and establishes a school board as the governing body for each district. The seven voting members of the Board determine policy for operation and management of the District. Each member serves for three years, elected annually for overlapping terms. In addition to the seven voting members, a non-voting student representative serves in an advisory capacity to the Board. The daily operations of the District are under the general supervision of the Superintendent.

Profile of the District

Located 35 miles north of Anchorage, the Matanuska-Susitna Borough (Mat-Su Borough) encompasses 24,502 square miles, making it roughly the size of West Virginia. The Borough's core area is commonly referred to as the "Mat-Su Valley". Aptly named, the Mat-Su Valley is bordered to the east by the Matanuska River and on the west by the Susitna River. In total, about 90,000 people reside in the Borough.

The Mat-Su Borough is situated within South-central Alaska and includes mountain ranges, valleys, glaciers, rivers, lakes, wetlands, tundra, boreal forest, farms, and vast stretches of pristine wilderness. The Borough includes portions of the Alaska Range with the tallest mountain in North America, Mount McKinley (known locally as Denali) just outside its northern border. The Mat-Su Valley also includes portions of the Chugach Mountain Range to the south and includes most of the Talkeetna and Clearwater Ranges towards the interior of the Borough.

In total, about 90,000 people currently reside in the Borough, with that number expected to continue to grow. One of the fastest growing areas in the nation, the Borough's employment growth has increased an average of 5.5 percent per year over the last decade. The Borough is also within a reasonable commuting distance from Alaska's largest city, Anchorage, with approximately 34 percent of the population commuting each day.

The Matanuska-Susitna Borough School District serves approximately 18,000 students at 45 schools. The District provides education programs for students in Pre-Kindergarten through twelfth grade.

The District schools put students and families first by providing public school choice. The District's schools include twenty elementary schools, five middle schools, five high schools, two K-12 schools, and a comprehensive correspondence/home school program. Additionally, the District hosts six charter schools and six alternative education schools which offer a wide range of specialized programs.

In 2012, the District opened its newest school: Alaska Middle College School (AMCS). AMCS is a partnership between the District and the University of Alaska, Anchorage. This program offers two years of dual credit to high school juniors and seniors. Students attending AMCS have the opportunity to graduate with a high school diploma and an associate's degree upon completion of the two year program. AMCS is just one example of the many innovative educational programs of choice offered to students of the District.

In August 2014, Valley Pathways School and the Mat-Su Day School moved into new homes when the Borough completed construction for those two facilities.

Valley Pathways' 46,239 sq. ft. facility replaces a school campus that previously consisted of 12 portables. Formerly functioning as a high school, Valley Pathways School will now serve 7th and 8th grade students in addition to 9th through 12th grade classes. The school's expanded space and technology enhancements will

provide the school's nearly 200 students with additional opportunities not previously available to them in the portable-based classrooms.

The Mat-Su Day School will house approximately 150 students in its new 21,500 sq. ft. facility. Similar to Valley Pathways, this school was also previously housed in portable or modular units. This special mission school is proud to offer a transitional educational environment where students have the opportunity to practice those academic, social, behavioral, and employability skills necessary for success in their home, school, and community settings.

Being that the Mat-Su Borough represents the fastest growing area of the State, new schools continue to be added to the District through voter approved bond elections. In FY2016, the District anticipates the opening of Joe Redington Sr. Junior/Senior High School. Following the opening of Redington, the District plans on opening two new elementary school facilities: Dena'ina and Iditarod Elementary. These new schools will be welcomed additions to the District as the average age of school facilities in the District is currently 26 years old.

Mission, Goals & Objectives

The mission of the District is to prepare students for success. A simple statement, this mission focuses on a brighter future created for students who are able to test their skills and knowledge in a safe learning environment. Founded in student preparation, the District's mission statement exudes an unwavering commitment to the future of the students it serves.

Several long-term goals have been established within the District's Strategic Plan. These goals are as follows:

- We will improve student success, achievement, and performance by focusing on their career and college readiness.
- We will increase the graduation rate.
- Our schools will welcome families and community members in the education of our youth.
- We will create and maintain a safe and healthy environment for our students and staff.

The School Board has established short-term objectives for FY2014-15 to better align the District with its mission and long-term goals. These priorities are listed below:

- Improve School Environments: Social-Emotional & Physical Plant
- Innovative Funding
- Utilize Social Media and Technology to Engage the Public
- Improve Relationships Through Communication
- Increase Classroom Support
- Present Short-Term Strategies to Accomplish Long-Term Goals
- Community Outreach

Three tools that are essential in meeting the District's mission and goals are academic innovation, public school choice, and excellent customer service. The District realizes that it serves the community best when it meets student needs and is responsive to parents and community stakeholders. At MSBSD, elementary schools focus on literacy and primary academic core foundations; middle schools build on the blocks of success of academic rigor and co-curricular activities for every student; and high school programs prepare students for college, military service, technical training, and success in life planning.

Initiatives

In addition to having long-term goals, the MSBSD Board of Education developed a list of objectives to help carry out goals during the 2014-15 school year. The board objectives for the upcoming school year are outlined below:

- **Improve School Environments: Social-Emotional & Physical Plant**
One of the primary goals of the School Board is to improve school environments by promoting staff and student wellness and healthy choices; revising the Suicide Prevention Protocol to help ensure the well-being of students, implementing the PACE Program (alternative education program for students on long-term suspension) to ensure students receive opportunities to continue their education during suspensions; providing ALICE (Alert, Lockdown, Inform, Counter, Evacuation) protocol training to empower staff with a toolbox of actions to help ensure student and staff safety during an active shooter event; providing professional development to continue to build leadership capacity within the District at all levels; improving staff recruiting; improving communications; opening additional schools; and focusing on efficient energy strategies.
- **Innovative Funding**
An on-going goal of the School Board is to find funding sources which allow the District to continue to provide value-added programs and professional development by improving multi-year forecasting and budgeting to identify expected future funding changes and the need to pursue alternate funding sources as needed; providing frequent communication with legislators and educating the public regarding their role in influencing funding; and ensuring good stewardship of District and Student funds.
- **Utilize Social Media and Technology to Engage the Public**
The School Board wishes to better involve Stakeholders by allowing public comment and participation via telephone in board meetings; developing district-wide scheduling and calendar capabilities; developing yearly professional development to train school personnel in District programs to include web site design and social media programs; and to publish School Board and District documents to the public.

- **Improve Relationships Through Communication**
The School Board wishes to improve interpersonal communications by implementing The Flippen Group strategies utilizing the EXCEL model and team huddles to increase communication and improve relationships; providing a District SharePoint site (Share Success) to facilitate internal communication; training staff to implement a new teacher and principal evaluation process; and implementing and utilizing software to increase public awareness of District events.
- **Increase Classroom Support**
The School Board wishes to increase the expertise in classrooms to support teachers by creating a highlights section in updates to principals, teachers, and on the website to recognize monthly schools that bring in community leaders and industry experts from the community. Additionally, the District Administration will be developing the Center for Entrepreneurial Leadership at Houston Middle and High Schools as a joint venture with local business to further increase classroom support.
- **Present Short-Term Strategies to Accomplish Long-Term Goals**
The School Board wishes to develop a model and template for mapping out short-term objectives and tasks that are tied to long-term goals by utilizing the Flippen Group's framework to meet with District leaders for strategic planning meetings and utilizing key performance indicators to measure improved efficiencies over time.
- **Community Outreach**
The School Board wishes to improve community outreach by ensuring periodic visits of School Board members and the Superintendent to schools for meetings with students and staff; increasing District visibility through the use of the "We Are MSBSD" logo; working with a demographer to involve stakeholders in establishing new school boundaries and transportation routes; expanding after school snack and summer meal programs; and utilizing all media platforms to inform, educate, and engage internal and external stakeholders with accurate, consistent, and cohesive messages.

Accountability

The District is accountable to its stakeholders in many ways. One manner in which the successes of the District's educational programs were measured in the past was via No Child Left Behind (NCLB), also known as the Elementary and Secondary Education Act (ESEA) reauthorization of 2001. More specifically, Adequate Yearly Progress (AYP) is the accountability function of No Child Left Behind that mandates all students must demonstrate competence in language arts and mathematics through written assessments given in grades 3-10.

In September 2012, the State of Alaska applied for a flexibility waiver under the Elementary and Secondary Education Act (ESEA). This waiver was approved in May 2013 by the United States Department of Education. One month after the waiver was

approved the State Board of Education & Early Development adopted a new accountability system for public schools. The new system was named the Alaska School Performance Index (ASPI). The ASPI system effectively replaces the former AYP model that was in place since 2002.

The following information on the new ASPI system was taken from a June 10, 2013 press release made by the State of Alaska, Department of Education & Early Development:

Under the new accountability system, students will continue to take state assessments in reading, writing and math. Parents and educators will use the assessment results to help understand how well each student meets state academic standards. The public will also have access to state assessment results for schools and districts in the aggregate, including a breakdown by student subgroups such as income, disability and ethnicity.

Each school and district will have its own annual goal for improvement, based on reducing its percentage of non-proficient students by half in six years, including in each subgroup of students. Results will be reported each year, as will high school graduation rates.

This accountability system will rank schools on a 100-point scale, based on student growth as well as proficiency in state assessments, attendance, high school graduation, and student performance on work-ready and college entrance exams. Based on the 100-point scale, schools will receive a rating of one to five stars.

In addition to a new accountability system, Alaska chose the Achievement and Assessment Institute (AAI) at the University of Kansas to develop a custom assessment that measures the Alaska English Language Arts & Mathematics Standards adopted in 2012. The State's previous assessment, the Standards Based Assessment (SBA) was administered for the final time in April 2014. The new, custom assessment from AAI, Alaska Measures of Progress (AMP), will be administered for the first time in spring 2015.

Budget Process

At the District level, Board Policy 3100 directs that the District budget be prepared annually to form the best possible estimates of enrollment, revenues, and expenditures. The budget development process begins in October with the 20-day student count, as administered by the State of Alaska Department of Education & Early Development (DEED). Immediately after the count period, DEED requires that each district submit their projected enrollment for the following school year by November 5. A comprehensive examination of current revenues and expenditures is analyzed to estimate a beginning fund balance for the upcoming fiscal year. Various assumptions are incorporated into the budget based on known or anticipated constraints such as negotiated salary schedule, insurance premium, or energy cost increases.

Throughout the budget process, public input, resource requests, and current and future contract obligations are used to establish educational and budgetary priorities for the proposed budget. In accordance with the Alaska Department of Education and Early Development Uniform Chart of Accounts, information is presented in the budget by fund, function, and object to help stakeholders understand where expenditures are expected to occur. The account code structure also allows the District to ensure that projected expenditures are budgeted to spend a minimum of 70 percent of its school operating expenditures in each fiscal year on the instructional component of the district budget, per Article 2 of AS 14.17.490 of Alaska Statutes.

Though local funding is not appropriated until late April or May of each year, the District is required to submit a balanced budget to the Matanuska-Susitna Borough Assembly. From January through March, the School Board deliberates over the preliminary budget and often must make assumptions about receiving more revenue or make initial cuts to expense so that the Board's financial plan communicates a balanced budget to the Assembly, per Borough Code 3.04.040.

Upon School Board adoption of the balanced preliminary budget in March of each year, the preliminary budget is submitted to the Borough Manager no later than the last Tuesday of March, per Borough Code 3.04.020(b). The official budget is then due to the Borough Assembly no later than April 1, per Borough Code 3.04.040. A message including the specific level of local effort requested by the school district must be included with the budget. Since April 1st is several weeks prior to the end of the State's legislative session, the District rarely knows the full funding picture by this date.

In April and May of each year, the Matanuska-Susitna Borough Assembly prepares a financial plan and holds public hearings on the budget. Within 30 days of the District submitting its preliminary budget to the Assembly, the Borough approves a minimum amount to be apportioned for school operations, per AS 14.14.060. The Assembly adopts a balanced budget, which includes the appropriation for the school district by May 31. After both State and local funding has been determined, the School Board then takes action to adopt its final budget in May or June. The final adopted budget, once approved by the Board of Education, is submitted to the State no later than July 15 of each year.

By July the current year's budget is in place for the fiscal year that runs July 1 to June 30. While the budget is approved prior to July 1, no major revisions to school or department funding or staffing allocations occur until after the twenty-day October student count period. Staffing needs are adjusted almost immediately following the registration process that precedes the count period. Revenue is recalculated based on enrollment; budgeted expenses are adjusted to account for the completed staffing adjustments; and a winter budget revision is presented to the Board for approval in the month of December.

In recent years, the budget methodology was redesigned in an effort to distribute limited resources in a fair, equitable, and sustainable manner, while continuing to

meet Board goals and increase student achievement. The adopted methodology involves the use of prescribed metrics and ratios applied initially to projected enrollment numbers and then adjusted following the October student count. These formulas are used as the basis for distributing available staffing and discretionary funds on a per student or programmatic basis and allows our limited funds to follow the students. This methodology provides a sound and equitable basis for allocation of funding to schools and will continue to be used into the foreseeable future.

The School Board recognizes that operational budget revisions may be necessary to ensure the District maintains a balanced budget while meeting the day-to-day needs of the District. Line item revisions may be requested by unit administrators based upon educational or non-instructional support needs. Board Policy 3110 governs such budget revisions.

- Budget revisions within a site location can be made by the budget manager without School Board approval.
- The Assistant Superintendent of Business and Operations, Director of Finance, or designee shall be authorized to approve budget revisions between budget locations that do not exceed \$100,000.
- The Superintendent or designee shall be authorized to approve budget revisions between site locations that do not exceed \$150,000.
- Revenue adjustments which increase or decrease the School District's total adopted budget shall be submitted to the School Board for ratification.

Additional internal controls, approved by administration, have been established with regard to approval limits for budget transfer requests. While site administrators have responsibility for monitoring and approving how their budgets are expended, additional monitoring occurs at the District level.

Once budget transfer requests reach \$25,000, the budget transfer must be approved by the Director of Finance. After Director of Finance approval, an internal control exists within the Enterprise Resource Planning (ERP) system's financial module which sends a notification to the Assistant Superintendent of Business and Operations indicating that a budget transfer in an amount greater than \$25,000 has been approved. For budget transfer approvals greater than \$75,000, a similar notification is sent to the Superintendent. These notifications keep administration informed of significant transactions to ensure proper oversight.

Budget revisions are entered using the school district's financial management system and follow an online workflow process. Administrative personnel enter budget transfer requests into the ERP system to be routed for the site administrator's approval and additional approvals as needed. Entry into this financial management system allows each budget transfer to immediately affect available funds. The District uses budget roll up codes within the financial software to ensure that schools and departments have flexibility in spending funds, while still maintaining internal controls that help ensure administrators stay within acceptable budget expenditure parameters. Additionally, monthly budget revisions are reported to the Board in a reading file.

These internal controls are part of the District's larger comprehensive risk management plan which also includes IT backups and disaster recovery processes in the event of a major disaster. The IT system disaster recovery plan was developed utilizing the District's financial management system functionality to switch the data load, processes, and workflow to alternate servers outside the State of Alaska. If the unexpected should occur, key staff have been identified to assist with carrying out critical functions as a part of the District's disaster recovery continuity plan. The normal day-to-day business operations are protected on a smaller scale through nightly data backups.

School and department budgets, budget process, and workflow are integrated into the financial management ERP system. The system is designed with integrated modules, each designed to assist the end user in specific critical business functions. The system provides for streamlined functions in payroll, procurement, receiving, employee expense, accounts payable, and accounting functions which then work hand-in-hand with the District's budget functions. As a result of normal business transactions such as creation of requisitions and subsequent purchase orders, funds are encumbered within the accounting codes in which budget funding has been allocated and the encumbrances are released when funds have been expended.

As funds are expended later into the fiscal year, the District begins monitoring fund balance. Board Policy 3470 establishes goals and provides guidance concerning the desired level of year-end fund balance to be maintained by the District as required by GASB Statement 54. The District's Comprehensive Annual Financial Reports (CAFR) designate fund balance as non-spendable, restricted, committed, assigned, and unassigned based on the relative strength of the restrictions that control the purposes for which amounts can be spent. The District's order of priority for the assignment of fund balance categories for subsequent events shall be to:

- Use the unassigned fund balance; then
- Use the assigned fund balance; and finally
- Use the committed fund balance.

The entire budget process, internal controls, and Board Policy are designed and implemented to enable the District to maintain financial stability for program continuity, public confidence, budget and financial compliance with government authorities, and assist the District in building adequate fund balance to offset unexpected increases in costs.

Factors Affecting Financial Condition

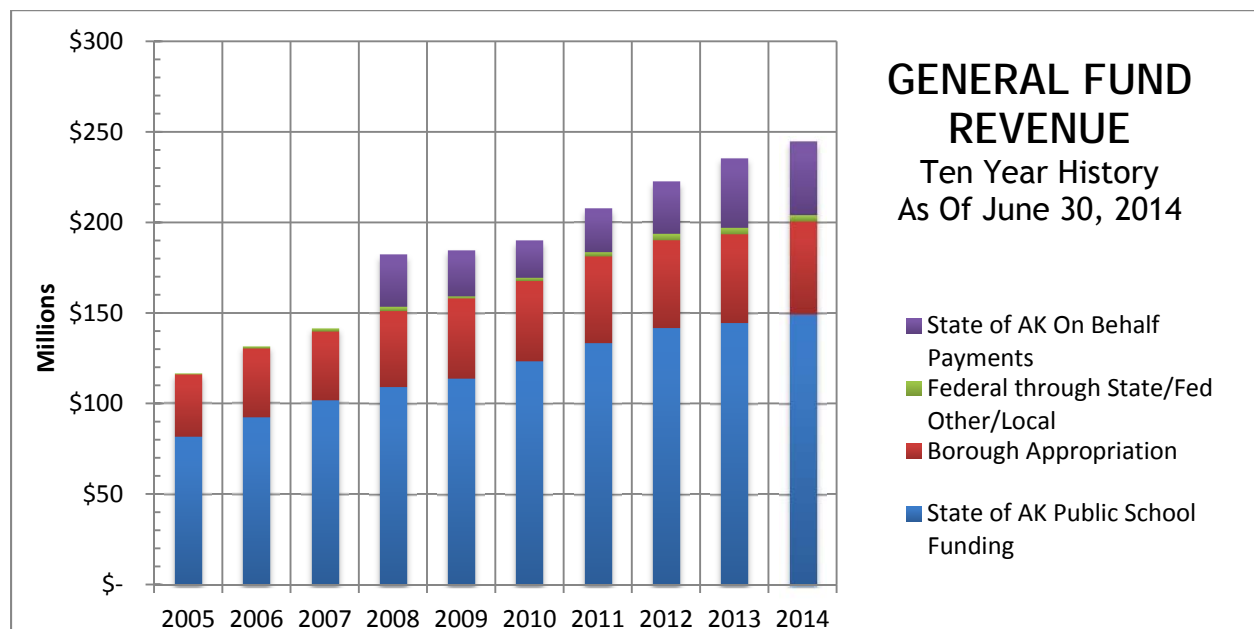
The District is largely dependent upon revenue from the State of Alaska as approximately 75% of the District's funding comes directly from the State through the State Foundation Formula and One-time funding allocations. The State Public School Funding Program sets the amount of general school funding the District receives from the State and it sets the limit of the amount to be raised from local sources under an equalization section of the formula.

Effective July 1, 2014, HB 278 adjusted the BSA to increase from \$5,680 to \$5,830 in FY15, \$5,880 in FY16, and \$5,930 in FY17. Funding outside the BSA was also established (to also be distributed through the formula) at \$43M in FY15, \$32.5M in FY16, and \$20M in FY17. HB 278 represents the first multi-year funding plan for K-12 education since 2008.

Other areas addressed with the passage of HB278:

- Charter school start-up funding - \$500 per student in the initial year
- Charter school student base reduction from 120 to 75 for funding purposes in the initial 3-year period; adjusts student count for charter schools to 95% of the student rate for a school of 150 students or more
- Correspondence study - increased funding from 80% to 90% and unspent student allotments carry over from year to year as long as students remain enrolled in the District's correspondence program

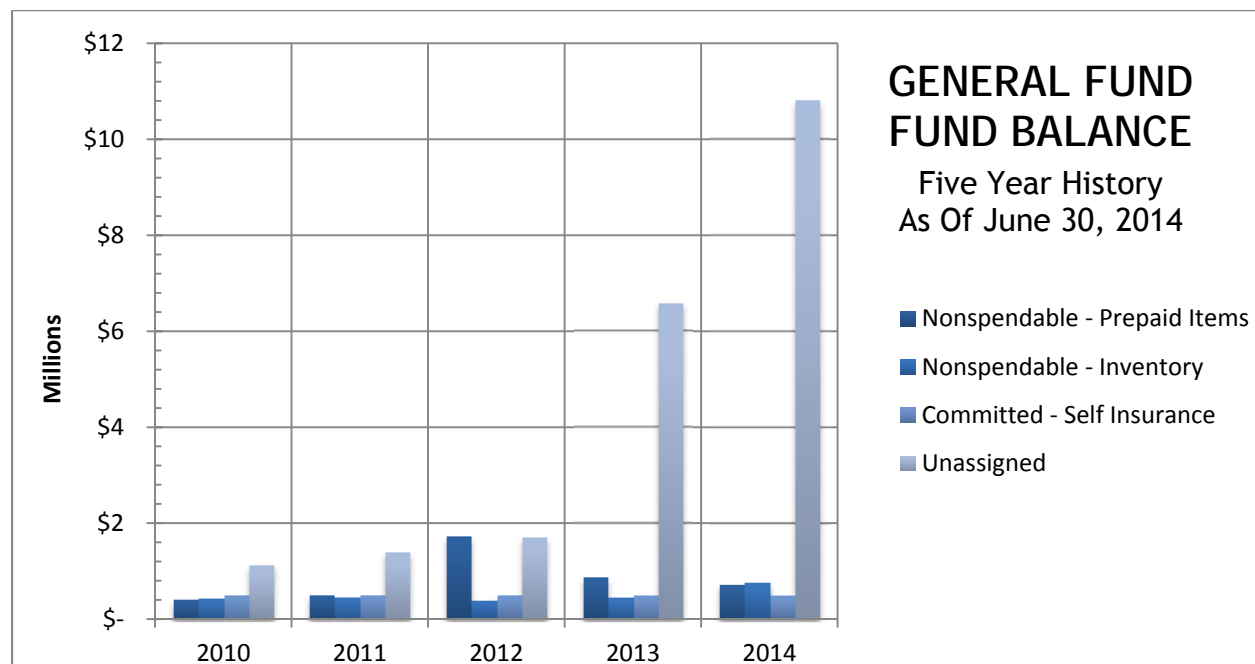
Table 2 Represents the District's historical revenue sources.



*In 2008 the State of Alaska began On Behalf Payments for the State underfunded defined benefit program.

The need to effectively and strategically manage expenditures will continue into the future, especially given the District has limited reserves available for operational security and there is no anticipated per pupil revenue increases beyond what has already been established in HB 278. Due primarily to increased student enrollment and Borough Ordinance Serial #14-014, allowing the District to keep 100% of unassigned fund balance for the fiscal year ending June 30, 2014, the District's unassigned fund balance increased by \$4,227,179 over the prior year.

The following graph represents the District's last five years of general fund balance, changed to reflect GASB 54. Unassigned fund balance is notated in the vertical bar.



Financial Forecast

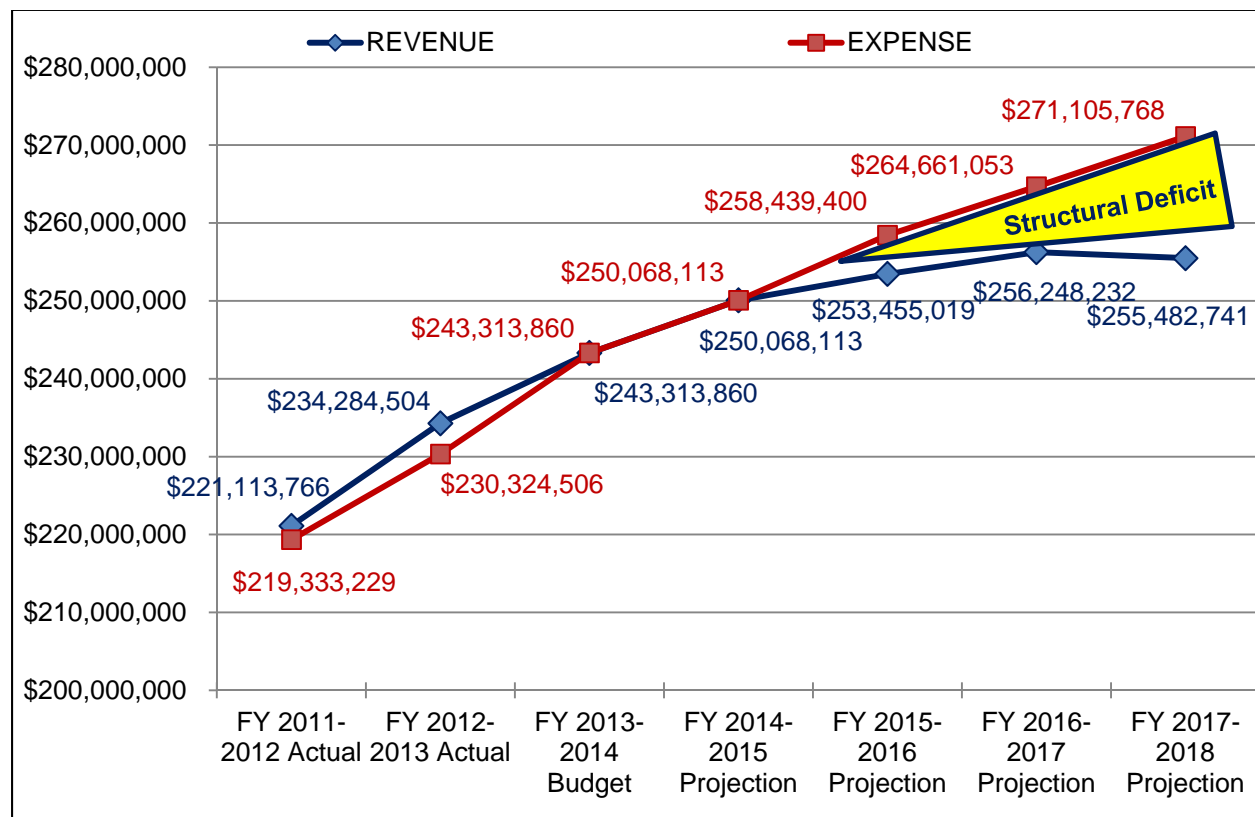
Due to greater than anticipated enrollment for FY15, the District, based on the metrics adopted in FY13, is adjusting both staff and discretionary funds to meet the educational needs of the increased student population and to balance the budget for FY15. For the FY16 budgeting purposes, student enrollment projections will take into account the temporary stagnation of enrollment experienced in FY13 as well as the greater than expected surge in FY14 and FY15.

Steps are underway to determine how best to approach the FY16 budgeting process. As the Mat-Su Borough School District attempts to forecast financial conditions beyond FY15, it becomes clear that anticipated expenses outpace projected revenue to create a structural deficit. Based on the assumptions listed below, MSBSD prepared a long-term forecast that extends through Fiscal Years 2016-18.

- Borough Revenue continues to INCREASE at 3%
- Federal Revenue Maintains with ZERO INCREASE or DECREASE
- State Energy Relief Funding continues at \$100 per Adjusted ADM
- ZERO INCREASE or DECREASE in the State Foundation Formula
- Intensive Count maintains at 321 students
- Other Local Receipts maintains with ZERO INCREASE or DECREASE
- Certificated Salaries are maintained with an average annual step INCREASE of 1.8%
- Non-Certificated Salaries are maintained with an average annual step INCREASE of 3.2%

- Health and Life insurance INCREASE at an annual rate of 8% with the INCREASE split 50/50 between employees and the District (Overall INCREASE to District costs equal 4%)
- All other deduction factors are maintained with any INCREASE due to INCREASE in Salary factors
- Utilities INCREASE at an annual rate of 10%
- Insurance Bonds & Premiums INCREASE at an annual rate of 1.5%
- Indirect rate for Grants is maintained at 5.58% annually and amounts are based on Grant projections included in the FY15 Budget Book
- Indirect rate for Charter Schools is capped at a flat 4%, in accordance with AS 14.03.260(a) as amended by House Bill 278 (HB 278) effective July 1, 2014.
- All other Non-Personnel accounts are maintained with ZERO INCREASE or DECREASE

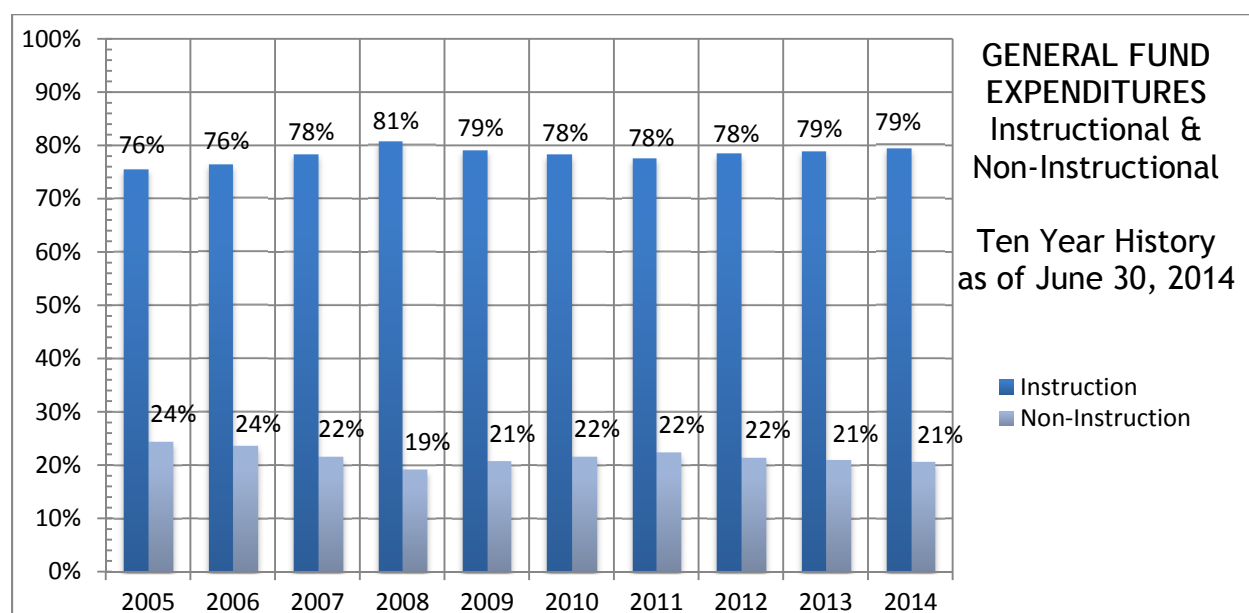
Through maintaining class sizes, current staffing levels, and other services as they exist today, the deficits in FY16, FY17, and FY18 are projected to be \$4.9 M, \$8.4 M, and \$15.6 M, respectively. This trend of expenses exceeding revenue is referred to as a structural deficit because operations cannot be sustained without specific austerity measures taking place.



*Graph was reprinted from Matanuska-Susitna Borough School District Adopted Budget Book 2014-15

The District is using multiple approaches to deal with the significant projected deficit for FY16. These approaches include attempting to increase revenue and to also dramatically reduce ongoing expenditure requirements.

In uncertain financial times the District remains diligent to prioritize current funding to the greatest benefit to our students and their achievement. Through being committed to the success of every child, MSBSD focuses its spending on the instructional area. Per Alaska Statute 14.17.520, “A district shall budget for and spend a minimum of 70 percent of its school operating expenditures in each fiscal year on the instructional component of the district budget.” MSBSD’s FY14 audited expenditures exceed the State of Alaska’s mandate by spending 79% of its operating fund within the instructional component and 21% in instructional support or non-instruction. In a recent analysis conducted by the District, Mat-Su Borough School District’s rate of spending in the instructional area was found to be among the highest of all school districts in the State.



Awards and Acknowledgements

The Association of School Business Officials International (ASBO) has awarded the Certificate of Excellence in Financial Reporting to our District for its Comprehensive Annual Financial Report (CAFR) for the period ended June 30, 2013. This was the fifth consecutive year the District applied and received this prestigious award. In order to be awarded Certificates of Excellence and Achievement, the District published an easily readable and efficiently organized CAFR. A Certificate of Excellence is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Excellence program’s requirements and we are submitting to ASBO International to determine its eligibility for another certificate.

The preparation of this report was accomplished through the commitment, dedication, and tireless effort of the entire Business Services Department and other departments within the District, particularly Education and Instruction and

Information Technology. We would like to express our appreciation to all the people who assisted and contributed to the preparation of this report including our primary government the Matanuska Susitna Borough. Their expertise and partnership in data collection has been tremendously helpful. We would also like to thank the members of the School Board for their support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Deena M. Paramo, Ed.D.
Superintendent



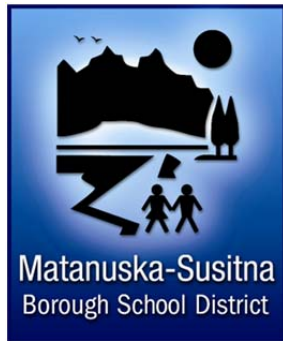
Luke Fulp, SFO
Assistant Superintendent of Business
and Operations



Rebecca G. Wright
Director of Finance



Alicia Paxton
Accounting Supervisor



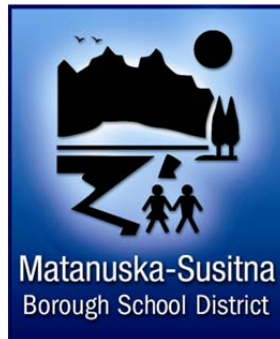
Preparing Students for Success

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

PRINCIPAL OFFICIALS

2013-2014 SCHOOL BOARD

Susan Pougher, President
Ole Larson, Vice-President
Dr. Sarah Welton, Clerk
Deborah Retherford, Member
Ray Michaelson, Member
Dr. Donna Dearman, Member
Tiffany Scott, Member



DISTRICTWIDE ADMINISTRATION

Deena M. Paramo Ed.D., Superintendent
Catherine Esary, Public Information Officer
Matt Teaford JD, EEO/Compliance Officer

Gene Stone, Assistant Superintendent of Instruction
Dr. Monica Goyette, Executive Director of Instruction
Rob Picou, Executive Director of Instruction
Mike Vrvilo, Executive Director of Instruction
Lucy Hope, Director of Student Support Services
Dale Sweetser, Assistant Director of Student Support Services
Carl Chamblee, Director of Federal Programs
Meghan McCarthy-Grant, Assistant Director of Federal Programs
Ray DePriest, Director of Career and Technical Education

Luke Fulp, Assistant Superintendent of Business & Operations
Dave Anderton, Director of Maintenance & Operations
Don Carney, Assistant Director of Maintenance
Katie Gardner, Director of Human Resources & Payroll
Justin Michaud, Director of Information Technology
Rebecca Wright, Director of Finance

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Matanuska-Susitna Borough School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

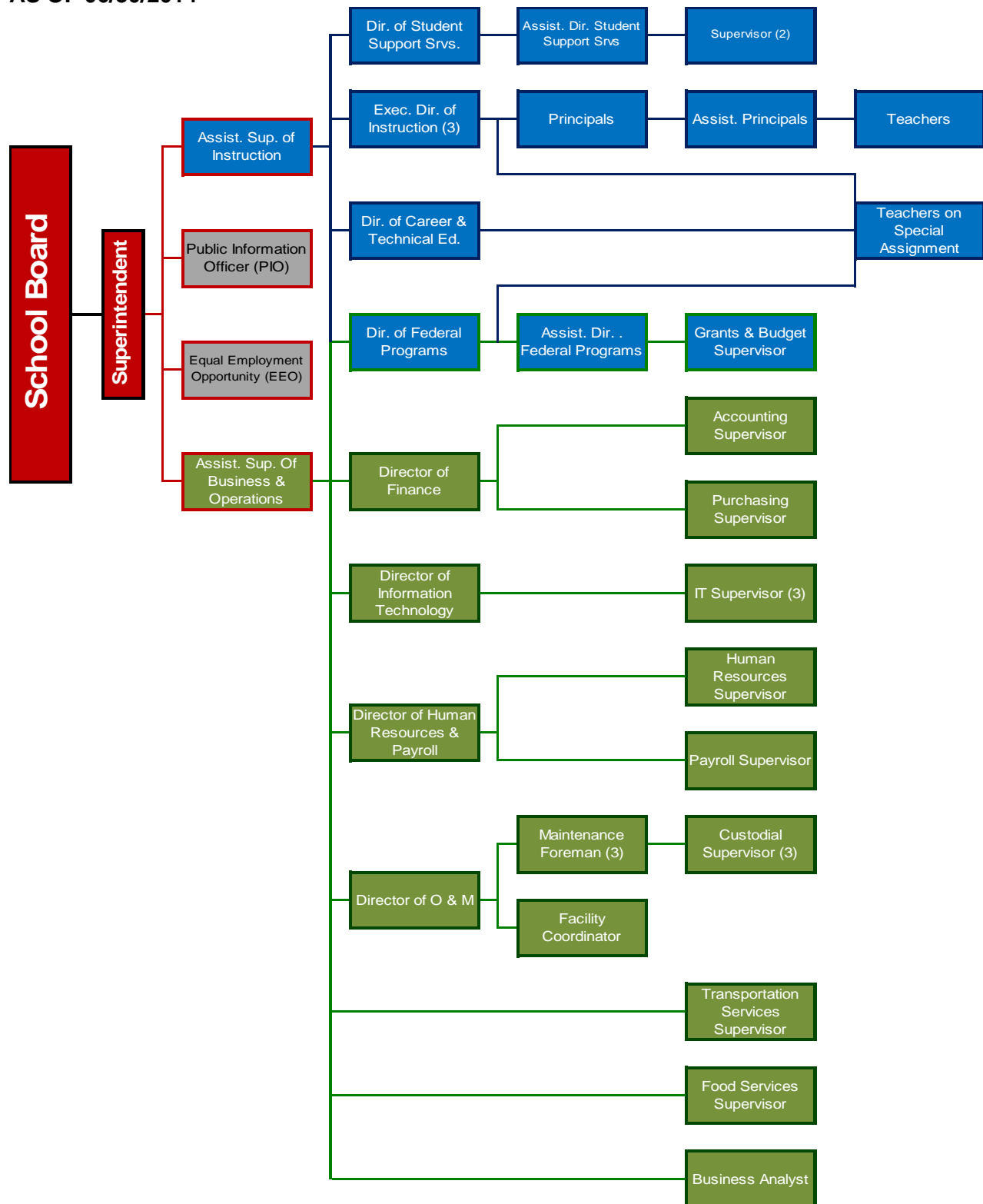
The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director

**MSBSD
ORGANIZATION CHART
AS OF 06/30/2014**

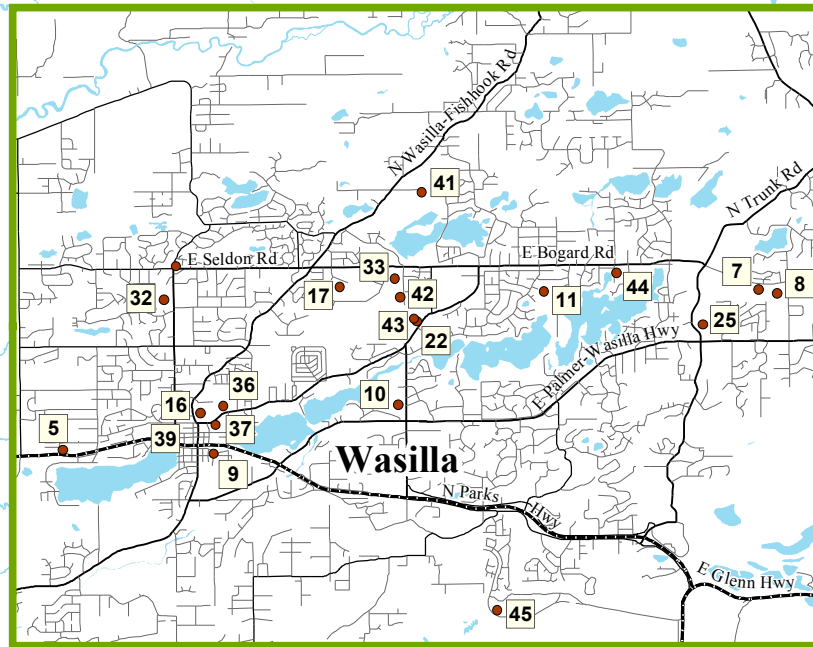


MSB School District Facilities Locations

3. Beryozova School
6. Butte Elementary
12. Glacier View School
13. Goose Bay Elementary
19. Meadow Lakes Elementary
20. Midnight Sun Charter School
21. Mid Valley High School
27. Snowshoe Elementary
28. Sutton Elementary
29. Su-Valley Jr./Sr. High
31. Talkeetna Elementary
34. Trapper Creek Elementary
38. Willow Elementary
46. Knik Elementary

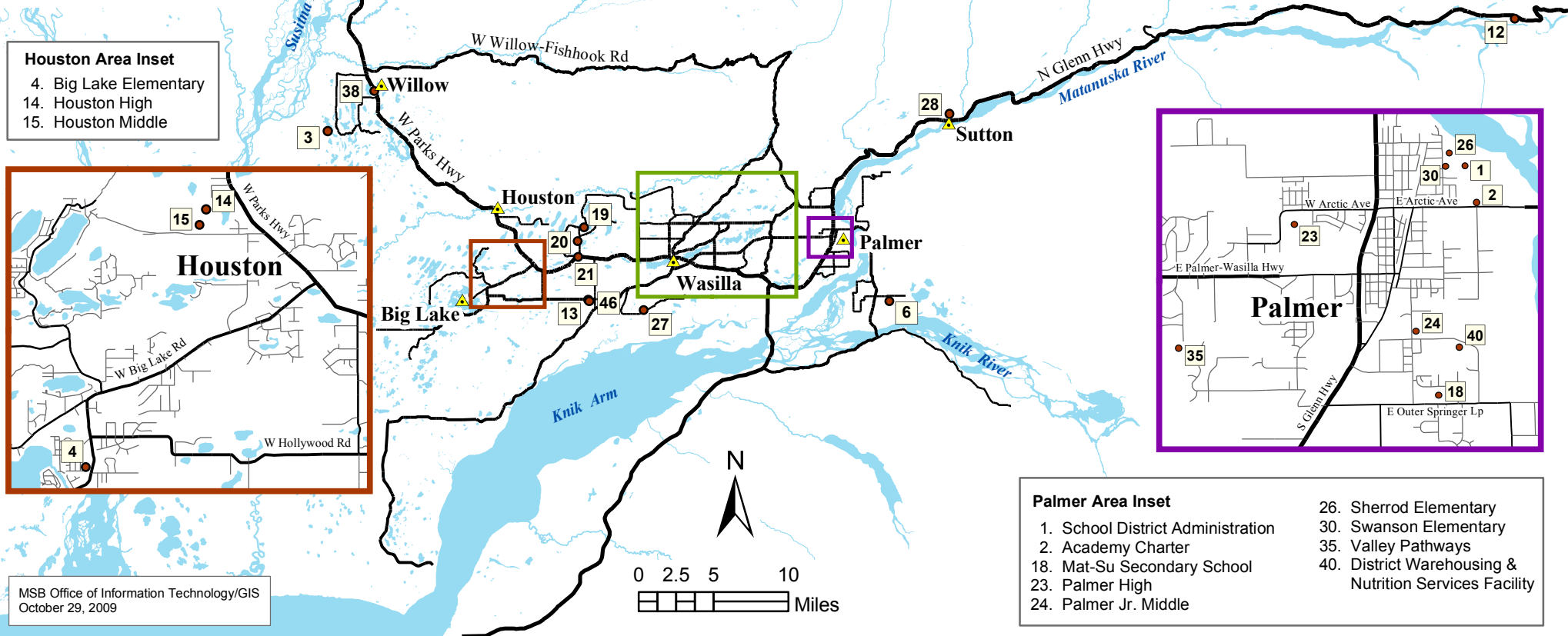
Houston Area Inset

4. Big Lake Elementary
14. Houston High
15. Houston Middle



Wasilla Area Inset

5. Burchell High
7. Colony Middle
8. Colony High
9. Correspondence Study School
10. Cottonwood Elementary
11. Finger Lake Elementary
16. Iditarod Elementary
17. Larson Elementary
22. Operations & Maint/Transportation
25. Pioneer Peak Elementary
32. Tanaina Elementary
33. Teeland Middle
36. Wasilla High
37. Wasilla Middle
39. Twindly Bridge Charter School
41. John D. Shaw Elementary
42. Mat-Su Career Center
43. Mat-Su Day School
44. Fronteras Charter School
45. Machetanz Elementary





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3601 C Street, Suite 600
Anchorage, AK 99503

Independent Auditor's Report

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District, a component unit of the Matanuska-Susitna Borough, Alaska, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the 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 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 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, each major fund, and the aggregate remaining fund information of the Matanuska-Susitna Borough School District as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows 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 management's discussion and analysis and budgetary comparison information on pages 35-47 and 75-76 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.

Additional Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Matanuska-Susitna Borough School District's basic financial statements. The combining and individual fund financial statements and schedules, and the schedule of compliance for the year ended June 30, 2014 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, and the schedule of compliance for the year ended June 30, 2014 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. The additional supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information as listed in the table of contents are fairly stated, in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2014.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Matanuska-Susitna Borough School District as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated November 14, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2013 are presented for purposes of additional analysis and are not a required part of the basic 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 2013 financial statements. The individual fund financial statements and schedules for the year ended June 30, 2013 have been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, individual fund financial statements and schedules for the year ended June 30, 2013 are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

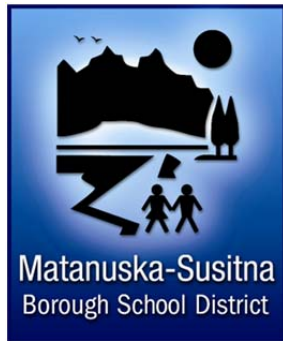
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2014 on our consideration of Matanuska-Susitna Borough 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 Matanuska-Susitna Borough School District's internal control over financial reporting and compliance.

The introductory section and statistical section have 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 them.

BDO USA, LLP

Anchorage, Alaska
November 14, 2014



Preparing Students for Success

Matanuska-Susitna Borough School District

Management's Discussion and Analysis *Year Ended June 30, 2014*

This section of Matanuska-Susitna Borough School District's comprehensive annual financial report presents our discussion and analysis of the School District's financial performance during the fiscal year ended on June 30, 2014 (FY14). We encourage readers to consider the information presented here in conjunction with the information furnished in our letter of transmittal at the front of this report and the School District's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.

Financial Statements

Key financial highlights for the fiscal year ended June 30, 2014 include the following:

On the government-wide financial statements, the assets of the School District exceeded liabilities by \$23,119,358. The School District's net position increased by \$4,941,864 for the fiscal year ended June 30, 2014. The majority of these funds are allocated in the subsequent fiscal year for capital improvements. The government-wide financial statements are a compilation of over 70 funds. For specific information regarding the general fund see exhibit G1-G3.

As of the close of the current fiscal year, the School District's total governmental funds reported a combined ending fund balance of \$20,540,434, an increase of \$4,545,736 in comparison to the beginning year balance.

At the end of the current fiscal year, the total fund balance for the General Fund was \$12,812,789. Of this amount, \$779,789 represents inventory, \$723,275 was set aside for prepaid expenses, and considered non-spendable and \$500,000 was committed for self-insurance. The unassigned fund balance for the General Fund was \$10,809,725 at June 30, 2014.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District, reporting the School District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services, such as regular and special education, were financed in the short term, as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the School District acts solely as trustee or agent for the benefit of others.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis *Year Ended June 30, 2014*

The financial statement notes also explain some of the information in the statements and provide detailed data. The statements, followed by a section of required supplemental information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

Government-wide financial statements

The design of the government-wide financial statements is to provide readers with both short-term and long-term information about the School District's overall financial status, in a manner similar to a private-sector business.

The statement of net position presents information on all of the School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

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

Both of the government-wide financial statements present functions of the School District as governmental activities, that is, functions principally supported by taxes and intergovernmental revenues. The governmental activities of the School District include; instruction, administration, student transportation, and food services among others. The government-wide financial statements are found in exhibit A-1 and B-1 of this report.

Fund financial statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on the School District's most significant or "major" funds. All School District funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Governmental fund information helps the reader determine whether there are more (or less) financial resources that can be spent in the near future to finance the School District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in the reconciliation accompanying the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The governmental funds financial statements can be found in exhibit C-1 through C-4 of this report.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis *Year Ended June 30, 2014*

Proprietary funds

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The School District maintains two types of proprietary funds, an enterprise fund and an internal service fund.

The School District uses enterprise funds to account for; Mat-Su Construction Trades, Adult Welding Class Fund, Families in Transition, Alaska Works Partnership Fund, and Parent Advisory/Local Wellness Fund.

Internal service funds are an accounting process used to accumulate and allocate costs internally among the School Districts' various functions. The School District uses an internal service fund to account for Worker's Compensation and Employee Health Benefits self-insurance.

Because the enterprise funds are financially immaterial to the financial statements and because they fall within the general educational mission of the School District, these funds are accounted for as governmental activity in the government-wide statement. The basic proprietary fund financial statements can be found in exhibit D-1 through D-3 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found in exhibit E-1 of this report.

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 exhibit E-1 of this report.

Other information

Combining statements for major and nonmajor funds are presented immediately following the required supplementary information. Combining and individual funds statements and schedules can be found immediately following the Required Supplementary Information section to the financial statements.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Government-wide Financial Analysis

Net Position

Net position may serve over time as a useful indicator of a government's financial position. The School District's total assets exceeded liabilities by \$23,119,358 for the fiscal year ended June 30, 2014. Of this amount, \$16,453,611 was unrestricted, and \$5,772 was restricted for a scholarship program. The remaining \$6,659,975 is invested in the School District's capital assets (e.g., furniture, equipment, and software). The School District uses these capital assets to provide services, supplies, and equipment to its students; consequently, these assets are not available for future spending. Current liabilities have remained relatively stable at the end of each fiscal year and include: accounts payable, payroll accruals, unemployment payable, health/life insurance payable, student lunch account deferred revenue, and grant deferred revenue. The analysis below focuses on net position (Table 1) and on the next page on change in net position (Table 2) for the School District.

Table 1
Net Position of Governmental Activities

June 30,	2014	2013
Assets		
Current and other assets	\$ 31,818,525	\$ 27,925,174
Capital assets	6,659,975	6,935,776
Total Assets	38,478,500	34,860,950
Liabilities		
Current liabilities	11,074,512	11,559,897
Non-current liabilities	4,284,630	5,123,559
Total Liabilities	15,359,142	16,683,456
Net Position		
Net investment in capital assets	6,659,975	6,935,776
Restricted	5,772	5,768
Unrestricted	16,453,611	11,235,950
Total Net Position	23,119,358	18,177,494
Total Liabilities and Net Position	\$ 38,478,500	\$ 34,860,950

Governmental Activities

The following condensed table of changes in net position displays the revenues and expenses for the current year. The results of this year's operations for the School District as a whole are reported in the Statement of Activities in exhibit B-1 of this report. Table 2 provides condensed information from the Statement of Activities.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Table 2
Statement of Activities

Year Ended June 30,	2014	2013
Revenues		
Program revenues:		
Charges for services	\$ 1,143,678	\$ 1,238,418
Operating grants and contributions	74,179,332	73,268,002
General revenues:		
State grants not restricted	152,514,643	144,671,947
Borough district appropriations	51,226,720	48,845,260
E-rate	977,158	818,873
Facility use	159,835	120,788
Out of district reimbursement	1,500,450	1,501,007
Medicaid and other	430,906	1,411,517
Total Revenues	282,132,722	271,875,812
Expenses		
Instruction	115,177,488	111,528,252
Special education instruction	39,598,495	37,990,290
Special education support services - student	14,890,203	14,444,346
Support services - students	10,221,597	10,142,769
Support services - instruction	11,920,978	12,929,046
School administration	9,750,103	9,251,490
School administration support services	10,237,800	9,321,729
District administration	2,381,199	2,510,421
District administration support services	11,473,216	11,152,661
Operations and maintenance of plant	23,899,444	23,314,018
Student activities	4,261,180	4,127,474
Student transportation	14,625,526	14,984,891
Community services	33,206	28,425
Food services	6,158,475	6,227,749
Construction and facilities acquisition	2,561,948	1,086,884
Total Expenses	277,190,858	269,040,445
Change in net position	4,941,864	2,835,367
Net Position, beginning of year	18,177,494	15,342,127
Net Position, end of year	\$ 23,119,358	\$ 18,177,494

The cost of all governmental activities in FY14 was \$277,190,858. Users of the School District's programs paid some of the cost of the School District's programs (\$1,143,678). The federal and state government subsidized certain programs with grants and contributions (\$74,179,332). Most of the School Districts' costs were paid with the State of Alaska Foundation Program (\$144,272,582), which does not include State of Alaska On-Behalf Payments (\$41,046,226), one-time Safety funds (\$2,517,299), and one-time State Energy Relief funds (\$2,996,786). The Borough Appropriation (\$51,226,720) is derived from local property tax assessments. The Statement of Activities is in exhibit B-1 of this report.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Table 3 presents the total cost of services for the School District's main functional activities. Net Cost of Services represents the Total Cost of Services less charges for services and revenue from operating grants and contributions. The net cost shows the financial burden placed on the School District's General Fund by each of these functions.

Table 3
Net Cost of Governmental Activities

Governmental Activities	Fiscal Year 2014		Fiscal Year 2013	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Expenditures				
Instruction	\$ 154,775,983	\$ 118,879,972	\$ 149,518,542	\$ 114,655,637
Support services - school	37,032,778	26,548,348	37,516,161	24,884,874
School administration	19,987,903	17,285,182	18,573,219	15,870,498
District administration	13,854,415	9,859,821	13,663,082	11,233,196
Operations and maintenance	23,899,444	23,707,783	23,314,018	23,059,794
Student activities	4,261,180	2,878,734	4,127,474	2,741,242
Student transportation	14,625,526	(444,281)	14,984,891	463,078
Community services	33,206	8,502	28,425	-
Food services	6,158,475	581,839	6,227,749	538,822
Construction and facilities acquisition	2,561,948	2,561,948	1,086,884	1,086,884
Total	\$ 277,190,858	\$ 201,867,848	\$ 269,040,445	\$ 194,534,025

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Reviewing the funds helps the reader consider whether the School District is being accountable for the resources provided by the State, Borough, and others and may provide more insight into the School District's overall financial health.

Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$20,540,434 as reported in exhibit C1.

Table 4 reconciles total ending fund balances for the governmental funds with total net position on the government-wide statement of net position.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Table 4
Reconciliation of Total Fund Balances for Governmental Funds
to Net Position for Governmental Activities

June 30,	2014	2013
Total fund balance - governmental funds at June 30	\$ 20,540,434	\$ 15,994,698
Cost of capital assets (net of accumulated depreciation)	6,659,975	6,935,776
Compensated absences (accrued leave)	(4,284,630)	(5,123,559)
Internal service fund (Medical Self Insurance)	-	167,000
Enterprise fund net position	203,579	203,579
Net Position At June 30	\$ 23,119,358	\$ 18,177,494

The School District had three major governmental funds in FY14. A major fund is defined as a fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item.

The General Fund is the principal operating fund and a major fund of the School District. At the end of the current fiscal year, the total General Fund balance was \$12,812,789, which includes non-spendable and committed funds. The unassigned fund balance as of June 30, 2014, was \$10,809,725. The District has two other major funds: Capital Improvement Projects Capital Project Fund, and Title I-A Basic Special Revenue Fund.

The Capital Improvements Fund is established to fund much needed equipment and infrastructure improvements to our aging buildings including upgrading internet speed to school sites, replacing technology equipment, and upgrading facilities for community meetings. The Capital Improvements Projects Fund had a fund balance at the end of the current year of \$5,895,826.

Title I, Part A of the Elementary and Secondary Education Act provides financial assistance to local educational agencies and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards. The Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance, which identifies all three major funds, are located in exhibits C-1 and C-3 of this report.

Table 5 presents a summary of General Fund revenue, compares current year with the previous year, and shows the increase or (decrease) and percentage of change.

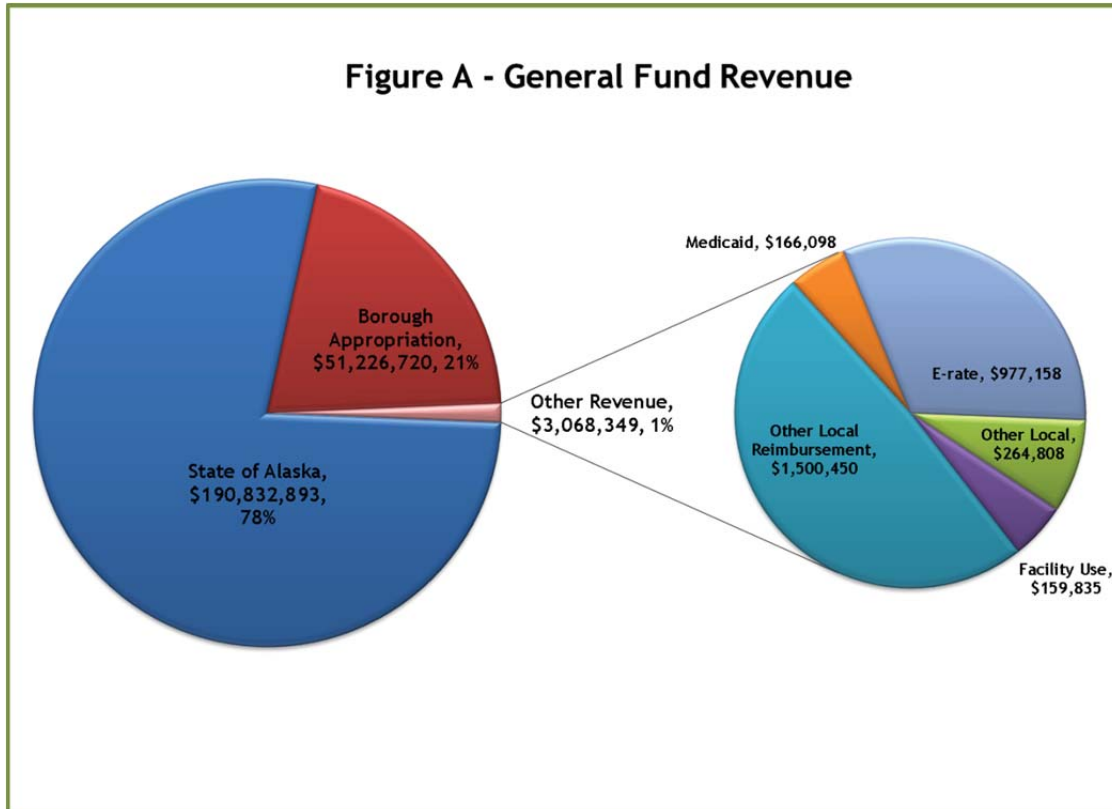
Table 5
General Fund Revenue

	2014	2013	Increase (Decrease)	Percentage Increase (Decrease)
Borough appropriation	\$ 51,226,720	\$ 48,845,260	\$ 2,381,460	4.88%
Other local	1,925,093	2,027,334	(102,241)	-5.04%
State of Alaska	190,832,893	182,990,197	7,842,696	4.29%
Federal E-Rate	977,158	818,873	158,285	19.33%
Federal Medicaid	166,098	1,005,974	(839,876)	-83.49%
Total Revenue	\$ 245,127,962	\$ 235,687,638	\$ 9,440,324	4.01%

Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Figure A presents a chart of General Fund revenue by source for the fiscal year ended June 30, 2014.



The School District experienced a revenue increase of \$9,440,324 or 4.01%, of which \$2,727,978 is attributed to the State mandated On-Behalf accounting adjustment over the prior year for the TRS and PERS public retirement system. The School District received \$2,996,786 in FY14 for Safety and Security monies that were not awarded in FY13. The Borough appropriation increased \$2,381,460 over the amount received in FY13. Another factor increasing District revenue was the increase in average daily membership by more than 230 students from the prior fiscal year. This resulted in an increase of State revenue of 2,530,484 to the School District.

Table 6 presents a summary of General Fund expenditures by function and compares it with the previous year reflecting the increase or (decrease) and the percentage of that change from the previous year. There was an increase of 3.22% in expenditures for the District for FY14. This was primarily salary column movements, increased cost of health insurance premiums, and increased on-behalf retirement contributions from the State.

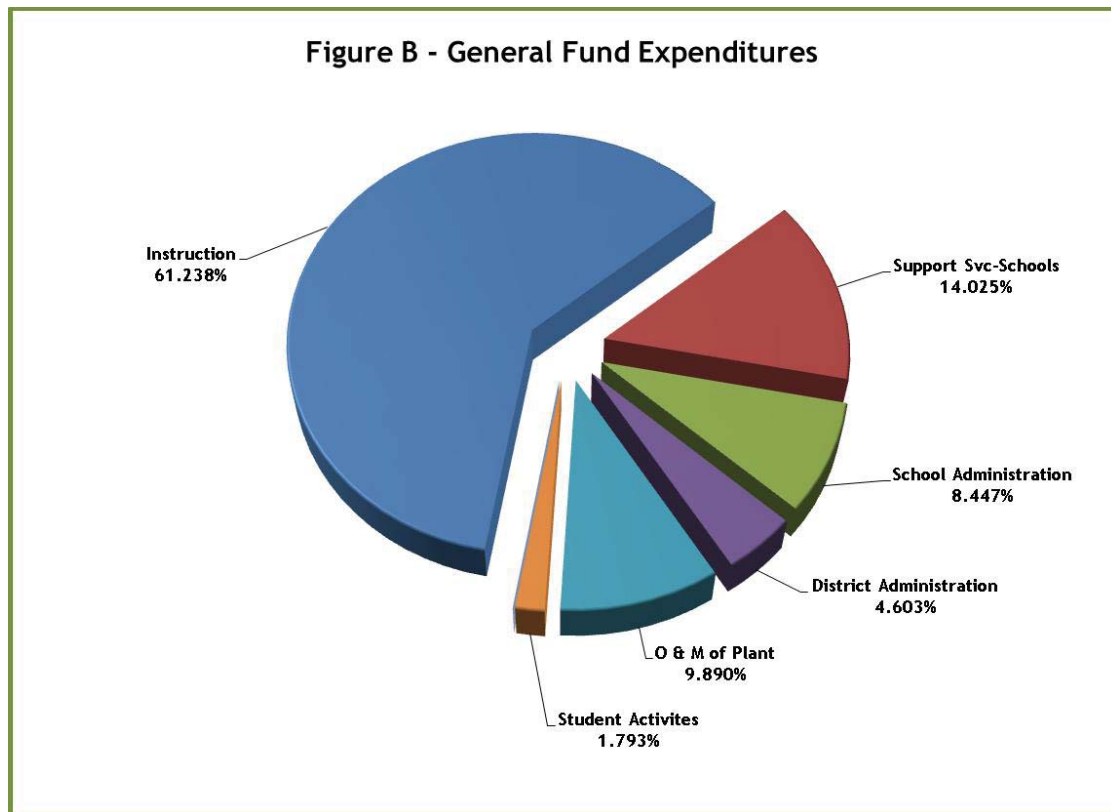
Matanuska-Susitna Borough School District

Management's Discussion and Analysis Year Ended June 30, 2014

Table 6
General Fund Expenditures

	2014	2013	Increase (Decrease)	Percentage Increase (Decrease)
Instruction	\$ 145,553,218	\$ 141,299,242	\$ 4,253,976	3.01%
Support services - school	33,335,560	31,377,990	1,957,570	6.24%
School administration	20,077,626	18,576,646	1,500,980	8.08%
District administration	10,940,968	12,134,819	(1,193,851)	-9.84%
Operations and maintenance	23,506,360	22,758,531	747,829	3.29%
Student activities	4,260,872	4,123,821	137,051	3.32%
Food services	9,547	8,350	1,197	14.34%
Total Expenditures	\$ 237,684,151	\$ 230,279,399	\$ 7,404,752	3.22%

Figure B presents a chart of General Fund expenditures by function for the fiscal year ended June 30, 2014.



The District expenditures increased 3.22% overall from the prior fiscal year. The majority of this increase was spent directly on instruction of students and student support services, resulting in an overall 4.03% increase over FY13 expenditures related to instruction and student support services. Of this increase, 3.01% was for instruction, 6.24% was for school support services, and 8.08% was for school administration. Student activities expenditures also increased by 3.32%.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis

Year Ended June 30, 2014

Operations and maintenance of plant experienced a 3.29% increase due to maintaining and aiding the upgrades and improvement of District facilities as well as increasing utilities costs. The items not classifiable as Capital Assets within the Capital Improvement Project Fund were expended as improvement of plant thereby raising the FY14 operations and maintenance expenditures. District administration which includes services provided by payroll processing, purchasing, information technology, accounting, human resources, and business administration expenditures experienced a 9.84% decrease for FY14, due in large part to finding alternative funding sources for major IT purchases, savings in costs for bonds and insurance, and a reduction in professional services contracts within this function.

Proprietary Funds

The School District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of Mat-Su Construction Trades of \$203,579 represents the construction projects built by District students. The net position from the sale of previous construction projects are reinvested in new properties for students involved in the Career and Technical Education program to experience real world trades and activities. During FY14 Mat-Su Construction trades has been building its twentieth home that will be for sale next year.

General Fund Budgetary Highlights

The School District Board of Education holds public hearings and approves the School District budget by function. The Matanuska-Susitna Borough then approves the appropriation of funds for the School District budget. Once approved state law requires the District submit its budget to the State of Alaska, Department of Education and Early Development.

The ending difference between the final amended budget and actual expended amounts in the General Fund equaled \$375,861. The difference can be attributed to:

1. Realized a savings of \$288,223 in certificated salaries due to long-term leave of absences.
2. A savings was experienced in non-certificated salaries in the area of operations and maintenance of plant in the amount of \$194,276.

Capital Asset and Debt Administration

Capital assets

The School District's investment in capital assets for its governmental and business type activities as of June 30, 2014, amounts to \$6,659,975 (net of accumulated depreciation). This investment in capital assets consists primarily of equipment and furnishings. Additional information is available in footnote 3 of the notes to the financial statements.

Debt Administration

The School District's long-term obligations include \$4,284,630 for compensated absences or accrued leave. Additional information about annual leave is available in footnote 4 of the notes to the financial statements. Additionally footnote 12 states that GASB 68 will require all governments to report any "net pension liability" as newly defined for fiscal period ended June 30, 2015. This liability will be shown on the Statement of Net Position.

Matanuska-Susitna Borough School District

Management's Discussion and Analysis *Year Ended June 30, 2014*

The School District is opposed to this reporting requirement being passed down to the District or Local Borough level.

Economic Factors and Next Year's Budgets and Rates

As the School District continues to grow, the expenditures and revenues increase. Unfortunately, the expenditures and revenues do not increase at the same rate, leaving the School District vulnerable to a structural deficit. This reality makes it necessary for the School District to seek new revenue sources and find new ways to mitigate on-going costs. Although salary increases are negotiated, personnel costs have put significant pressures on the General Fund.

In setting the budgets for FY15, the School District considered a number of issues, with government-wide impacts among them, resulting in the following assumptions:

- Student enrollment is expected to grow slightly. The original budget for FY15 was set with a projected student enrollment of 17,594.
- The Intensive count maintains at 385 students.
- Borough Revenue remains at \$51,291,720 for the second year in a row.
- House Bill 278 (HB 278) made some significant changes for student funding for FY 2015 school year through FY 2017.
 - The State Foundation Formula increases the base student allocation (BSA) by \$150 in FY 2015, \$50 in FY 2016, and again by \$50 in FY 2017. Funding levels are maintained in FY 2018.
 - The State Correspondence Factor increases to 0.90 in FY 2015, and is maintained thereafter.
 - One-time energy relief is being provided to school districts for the next three years. MSBSD expects to receive \$5,169,723 in FY 2015, \$3,907,349 in FY 2016, and \$2,404,522 in FY 2017.
- PERS/TRS cost sharing will continue in FY15. The School District estimates that the on-behalf retirement contributions from the State will equal \$40,096,469.
- Regular movement on the salary schedule, or the cost of retention, for all employee groups contributed to an overall increase of approximately \$3,908,860.
- The District experienced a rate hold for health premiums heading into FY 2015. Although there was no rate increase budgeted, premiums have increased 129% over the last 10 years. This growth rate is alarming and essentially unsustainable.
- Energy costs experienced an increase over prior year as the School District budgeted \$5.4 million for heating oil, natural gas, and electricity. In analyzing audited figures over the most recent ten year period, the School District found that energy cost have increased by \$2,104,431, equating to a 61% increase when the expense is taken on a per pupil basis to account for enrollment growth over that same period.
- Insurance Bonds & Premiums increase at an annual rate of 1.5%.
- Student transportation is expected to incur a revenue shortfall and require a subsidy of \$625,000; this shortfall reflects the service costs that are greater than current funding levels for the State's pupil transportation program.
- Lastly, Nutrition Services is expected to incur a revenue shortfall and require a subsidy of \$332,114 resulting from excess of costs over revenues.

Matanuska-Susitna Borough School District

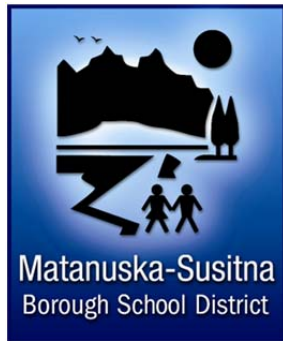
Management's Discussion and Analysis *Year Ended June 30, 2014*

The School District continues to work toward building a fund balance. At the end of FY13, the Mat-Su Assembly approved an ordinance reducing the School District's lapse of unspent funds back to the Borough to 25% of the net change in fund balance. At the end of FY14, the Assembly approved for the School District to keep 100% of the change in fund balance from FY14 for use in FY15 in lieu of a requested 3% increase in local funding. This one-year arrangement is expected to significantly offset the impact of maintaining the Borough appropriation at FY14 levels while the School District's costs continue to increase with a growing student population. At the end of FY15, any increase in net fund balance will be subject to Ordinance #13-096, requiring twenty-five percent of the increase be lapsed back to the Borough. The remaining seventy-five percent will help build fund balances, not exceeding the amount allowed by the then current version of Alaska Statue 14.17.505, to build an adequate reserve over time to offset either unanticipated costs or structural deficits in future years.

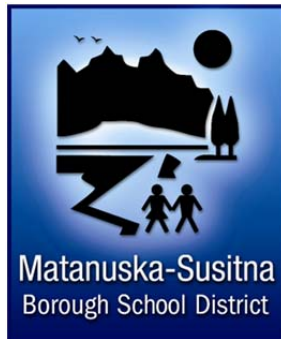
Requests for Information

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the School District and show the School District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Rebecca Wright, Director of Finance
Matanuska-Susitna Borough School District
501 N. Gulkana St.
Palmer, Alaska 99645
Phone: (907) 746-9260



Preparing Students for Success



Preparing Students for Success

Matanuska-Susitna Borough School District

Statement of Net Position

<i>June 30, 2014</i>	Governmental Activities
Assets	
Cash and investments	\$ 21,027,609
Accounts receivable:	
Federal and state grants	5,464,702
Other	1,139,330
Receivable from the Borough	1,842,051
Inventory	1,619,558
Prepaid items	725,275
Capital assets, net of accumulated depreciation	6,659,975
Total Assets	\$ 38,478,500
Liabilities and Net Position	
Liabilities	
Accounts payable	\$ 3,214,395
Accrued payroll and related liabilities	5,855,343
Payable to student activities fund	40,000
Unearned revenue	887,430
Insurance claims incurred but not reported	1,077,344
Noncurrent liabilities - accrued leave - due within one year	4,284,630
Total Liabilities	15,359,142
Net Position	
Net investment in capital assets	6,659,975
Restricted - scholarships	5,772
Unrestricted	16,453,611
Total Net Position	23,119,358
Total Liabilities and Net Position	\$ 38,478,500

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Statement of Activities

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contri- butions	
<i>Year Ended June 30, 2014</i>	Expenses			Govern- mental Activities
Governmental Activities				
Instruction	\$ 115,177,488	\$ -	\$ 27,389,972	\$ (87,787,516)
Special education instruction	39,598,495	-	8,506,039	(31,092,456)
Special education support services - students	14,890,203	-	3,401,421	(11,488,782)
Support services - students	10,221,597	-	2,260,446	(7,961,151)
Support services - instruction	11,920,978	-	4,822,563	(7,098,415)
School administration	9,750,103	-	2,702,721	(7,047,382)
School administration support services	10,237,800	-	-	(10,237,800)
District administration	2,381,199	-	2,689,953	308,754
District administration support services	11,473,216	-	1,304,641	(10,168,575)
Operations and maintenance of plant	23,899,444	-	191,661	(23,707,783)
Student activities	4,261,180	-	1,382,446	(2,878,734)
Student transportation	14,625,526	-	15,069,807	444,281
Community services	33,206	-	24,704	(8,502)
Food services	6,158,475	1,143,678	4,432,958	(581,839)
Construction and facilities acquisition	2,561,948	-	-	(2,561,948)
	\$ 277,190,858	\$ 1,143,678	\$ 74,179,332	(201,867,848)
General Revenues				
Borough contribution				51,226,720
State grants and entitlements not restricted to a specific purpose				152,514,643
E-rate				977,158
Medicaid reimbursement				166,098
Facility use				159,835
Out of district reimbursement				1,500,450
Other				264,808
Total General Revenues				206,809,712
Change in net position				4,941,864
Net Position, beginning of year				18,177,494
Net Position, end of year				\$ 23,119,358

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Governmental Funds

Balance Sheet

	Major Funds					Total Govern- mental Funds
	General	Title I-A Basic Special Revenue	Capital Improvement Projects Capital Project	Nonmajor Funds		
<i>June 30, 2014</i>						
Assets						
Cash and investments	\$ 10,812,660	\$ -	\$ 6,020,725	\$ 2,009,690	\$ 18,843,075	
Accounts receivable:						
Federal and state grants	-	2,112,914	-	3,351,788	5,464,702	
Other	695,471	-	-	2,285,910	2,981,381	
Inventory	779,789	-	-	630,557	1,410,346	
Prepaid items	723,275	-	-	-	723,275	
Due from other funds	8,343,533	-	-	-	8,343,533	
Total Assets	\$ 21,354,728	\$ 2,112,914	\$ 6,020,725	\$ 8,277,945	\$ 37,766,312	
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 2,639,517	\$ 48,304	\$ 124,899	\$ 384,726	\$ 3,197,446	
Accrued payroll and related liabilities	5,855,343	-	-	-	5,855,343	
Unearned revenue	7,079	-	-	745,511	752,590	
Due to other funds	-	2,064,610	-	5,315,889	7,380,499	
Payable to student activities fund	40,000	-	-	-	40,000	
Total Liabilities	8,541,939	2,112,914	124,899	6,446,126	17,225,878	
Fund Balances						
Nonspendable	1,503,064	-	-	630,557	2,133,621	
Restricted	-	-	-	5,772	5,772	
Committed	500,000	-	5,895,826	-	6,395,826	
Assigned	-	-	-	1,195,490	1,195,490	
Unassigned	10,809,725	-	-	-	10,809,725	
Total Fund Balances	12,812,789	-	5,895,826	1,831,819	20,540,434	
Total Liabilities and Fund Balances	\$ 21,354,728	\$ 2,112,914	\$ 6,020,725	\$ 8,277,945	\$ 37,766,312	

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2014

Total fund balances of governmental funds	\$ 20,540,434
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	
Furnishings and equipment	\$ 13,985,080
Accumulated depreciation	<u>(7,325,105)</u>
	6,659,975
Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities.	
This liability consists of accrued leave.	(4,284,630)
Amounts reported in the Proprietary Funds of the District are used to support ongoing educational programs. Their activities are appropriately recorded with governmental activities in the statement of net position.	
	<u>203,579</u>
Net position of governmental activities	<u>\$ 23,119,358</u>

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District
Governmental Funds
Statement of Revenues, Expenditures and Changes
in Fund Balances

	Major Funds					Total Govern- mental Funds
	General	Title	Capital	Nonmajor Funds		
		I-A	Improvement			
		Basic Special Revenue	Projects Capital Project			
<i>Year Ended June 30, 2014</i>						
Revenues						
Local sources:						
Borough appropriation	\$ 51,226,720	\$ -	\$ -	\$ -	\$ 51,226,720	
Facility use	159,835	-	-	-	159,835	
Other local	1,500,450	-	-	1,296,546	2,796,996	
Borough capital projects	-	-	-	5,426,465	5,426,465	
Other	264,808	-	-	-	264,808	
State of Alaska	190,832,893	-	-	16,164,379	206,997,272	
Federal sources:						
E-rate	977,158	-	-	-	977,158	
Medicaid reimbursement	166,098	-	-	-	166,098	
Direct grants	-	-	-	1,073,904	1,073,904	
Grants passed through the State of Alaska	-	3,428,826	-	12,558,439	15,987,265	
Grants passed through intermediate agencies	-	-	-	653,930	653,930	
Total Revenues	245,127,962	3,428,826	-	37,173,663	285,730,451	
Expenditures						
Current:						
Instruction	108,679,976	3,247,609	7,000	4,074,375	116,008,960	
Special education instruction	36,873,242	-	-	2,722,750	39,595,992	
Special education support services - students	13,852,749	-	-	1,124,724	14,977,473	
Support services - students	10,296,301	-	-	-	10,296,301	
Support services - instruction	9,186,510	-	-	2,694,780	11,881,290	
School administration	9,727,761	-	-	-	9,727,761	
School administration support services	10,349,865	-	-	-	10,349,865	
District administration	1,846,213	-	-	495,669	2,341,882	
District administration support services	9,094,755	181,217	-	532,162	9,808,134	
Operations and maintenance of plant	23,506,360	-	-	548,068	24,054,428	
Student activities	4,260,872	-	-	28,655	4,289,527	
Student transportation	-	-	-	14,628,406	14,628,406	
Community services	-	-	-	24,700	24,700	
Food services	9,547	-	-	6,301,244	6,310,791	
Non-current - construction and facilities acquisition	-	-	2,677,967	4,378,238	7,056,205	
Total Expenditures	237,684,151	3,428,826	2,684,967	37,553,771	281,351,715	
Excess (deficiency) of revenues over expenditures	7,443,811	-	(2,684,967)	(380,108)	4,378,736	
Other Financing Sources (Uses)						
Transfers in	167,000	-	2,500,000	724,608	3,391,608	
Transfers out	(3,224,608)	-	-	-	(3,224,608)	
Net Other Financing Sources (Uses)	(3,057,608)	-	2,500,000	724,608	167,000	
Net change in fund balances	4,386,203	-	(184,967)	344,500	4,545,736	
Fund Balances, beginning of year	8,426,586	-	6,080,793	1,487,319	15,994,698	
Fund Balances, end of year	\$ 12,812,789	\$ -	\$ 5,895,826	\$ 1,831,819	\$ 20,540,434	

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2014

Net change in fund balances - total governmental funds	\$ 4,545,736
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental Funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays:

Capital outlay	\$ 774,314	
Depreciation expense	<u>(1,050,115)</u>	
		(275,801)

Amounts reported in the Proprietary Funds of the District are used to support ongoing educational programs. Their activities are appropriately recorded with governmental activities in the statement of activities.

(167,000)

Amount reported in the Governmental Funds includes revenues and expenditures for Borough funded capital projects. However, in the statement of activities, the revenues and expenditures are eliminated. These amounts consisted of:

Revenues	\$ 5,426,465
Expenditures	<u>(5,426,465)</u>

-

Some expenses reported in the statement of activities such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the amount of change in annual leave.

838,929

Change in Net Position of Governmental Activities

\$ 4,941,864

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Proprietary Funds
Statement of Net Position

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Funds
<i>June 30, 2014</i>		
Assets		
Cash and investments	\$ 139,940	\$ 2,044,594
Prepaid items	2,000	-
Inventory	209,212	-
Total Assets	\$ 351,152	\$ 2,044,594
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 5,109	\$ 11,840
Due to other funds	7,624	955,410
Unearned revenue	134,840	-
Insurance claims incurred but not reported	-	1,077,344
Total Current Liabilities	147,573	2,044,594
Net Position - unrestricted	203,579	-
Total Liabilities and Net Position	\$ 351,152	\$ 2,044,594

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Proprietary Funds

Statement of Revenues, Expenses and Changes in Net Position

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Funds
<i>Year Ended June 30, 2014</i>		
Operating Revenues		
Interfund charges	\$ -	\$ 1,819,236
Sales	9,411	-
Total Operating Revenues	9,411	1,819,236
Operating Expenses		
Claims expense	-	1,651,477
Instruction	5,311	-
Support services - instruction	4,100	-
General and administrative	-	167,848
Total Operating Expenses	9,411	1,819,325
Operating loss	-	(89)
Nonoperating revenue - interest income	-	89
Transfers out	-	(167,000)
Change in net position	-	(167,000)
Net Position, beginning of year	203,579	167,000
Net Position, end of year	\$ 203,579	\$ -

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Proprietary Funds
Statement of Cash Flows

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Funds
<i>Year Ended June 30, 2014</i>		
Cash Flows from (for) Operating Activities		
Receipts from interfund charges	\$ -	\$ 2,536,786
Receipts from customers and users	15,600	-
Payments to suppliers	(28,419)	(1,594,382)
Net cash flows from (for) operating activities	(12,819)	942,404
Cash Flows for Noncapital Financing Activities		
Transfer out	-	(167,000)
Cash Flows from Investing Activities		
Interest received	-	89
Net increase (decrease) in cash and cash equivalents	(12,819)	775,493
Cash and Cash Equivalents, beginning of year	152,759	1,269,101
Cash and Cash Equivalents, end of year	\$ 139,940	\$ 2,044,594
Reconciliation of Change in Net Position to Cash Flows from (for) Operating Activities:		
Operating loss	\$ -	\$ (89)
Adjustments to reconcile operating loss to net cash flows from (for) operating activities:		
Increase in inventories	(31,741)	-
Increase in due to other funds	7,624	717,550
Increase in accounts payable	5,109	11,840
Increase in unearned revenue	6,189	-
Increase in insurance claims incurred but not reported	-	213,103
Total adjustments	(12,819)	942,493
Net Cash Flows from (for) Operating Activities	\$ (12,819)	\$ 942,404

See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Student Activities Agency Fund

Statement of Fiduciary Assets and Liabilities

June 30, 2014

Assets

Cash and investments	\$ 1,686,140
Receivable from general fund	40,000

Total Assets	\$ 1,726,140
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Liabilities

Due to student activities and community schools	\$ 1,726,140
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See accompanying notes to basic financial statements.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements June 30, 2014

1. Summary of Significant Accounting Policies

The financial statements of the Matanuska-Susitna Borough School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The accompanying financial statements include all the activities of the Matanuska-Susitna Borough School District. The District is a component unit of the Matanuska-Susitna Borough, Alaska.

Pursuant to Alaska Statutes, Title 29.43.030, the Matanuska-Susitna Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the School Board of the Matanuska-Susitna Borough School District. Members of the School Board are elected by the public. The School Board has control over hiring and firing of employees and the power to contract and purchase equipment. The School Board is required to submit an annual budget to the Borough Assembly for approval, and all bonded indebtedness is through the Borough.

The financial statements included in this report are for Matanuska-Susitna Borough School District only. There are no component units for which the District is financially accountable, nor do any special financial relationships exist between the District and any other entity.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District, except for the fiduciary funds and activities. In general, the effect of interfund activity has been removed from these statements to minimize the double-counting of internal activities. The District reports *governmental activities*, which normally are supported by intergovernmental revenues.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as *general revenues* of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The focus of the fund financial statements is on major funds which are presented in separate columns. Nonmajor funds are aggregated and presented in a single column.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

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

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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. 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only to the extent they have matured.

Charges for services, intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the District.

The District reports the following major funds based on quantitative criteria:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

The *Title I-A Basic Special Revenue Fund* addresses the needs for schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards.

The *Capital Improvement Projects Capital Project Fund* is to account for all resources used for acquiring capital facilities including real property, initial equipment, additions and major repairs or improvements to facilities. This fund includes all projects funded by State construction grants, bonded indebtedness, and district designated capital projects.

The other funds of the District are considered nonmajor and are as follows:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Enterprise Funds are used to account for Mat-Su Construction Trades Program, Adult Welding Classes, Alaska Works Partnership, and other programs on a for-profit basis. Because the enterprise funds are immaterial to the financial statements, and because they fall within the educational mission of the District, these funds are accounted for as *governmental activities* in the government-wide financial statements.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Internal Service Funds are used to account for the processing of worker's compensation and health insurance self-insurance transactions provided across all funds. These funds directly benefit other governmental funds. Therefore, the internal service funds are also classified as *governmental activities* in the government-wide financial statements.

An agency fund accounts for the assets held on behalf of the student organizations. This fund is reported using the *accrual basis of accounting*.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. Operating expenses for the enterprise funds include the costs of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budgets

Annual budgets for operations are adopted by the School Board for operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting for governmental funds.

The adopted School Operating Fund budget is submitted to the Matanuska-Susitna Borough for review and approval. The approved budget is also submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board retains line item authority once the annual Borough appropriation to the District is approved by the Borough Assembly.

The Matanuska-Susitna Borough Assembly adopted an ordinance that permits the District to retain three quarters of the increases of its unassigned fund balance.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the School Operating Fund and Special Revenue Funds. Borough ordinance does not permit any outstanding encumbrances at the end of the fiscal year.

F. Cash and Investments

The District's cash and investments are considered to be cash on hand, demand deposits, and certificate of deposits with original maturities of three months or less from the date of acquisition. For the Statement of Cash Flows, the District reports these amounts as cash and cash equivalents.

G. Short-Term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

H. Inventories and Prepaid Items

Inventories are valued using the consumption method at cost (first-in, first-out) for both the government wide and fund financial statements. Inventory in the General Fund consists of heating fuel for the schools and other buildings. Inventory in the Special Revenue Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Payments made to vendors for services that will benefit periods beyond June 30, 2014, are recorded as prepaid items. Year-end prepaid items are recorded as assets and are classified as “nonspendable” fund balance, indicating that such amounts do not represent “available spendable resources.”

I. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the balance sheet of the fund financial statements.

All purchased capital assets are valued at cost. Donated capital assets are valued at their estimated fair market value on the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. The buildings (and the related debt) are owned and capitalized by the Borough and are not recorded in these financial statements.

All reported capital assets are depreciated. Depreciation is computed on the straight line method over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles. Maintenance and repairs of a routine nature that do not add to the value of the asset are charged as expenditures as incurred and are not capitalized.

J. Accrued Leave

All permanent employees earn and accrue vacation and sick leave. Unused leave is accrued utilizing current salary cost as earned by employees and recorded as a liability in the government-wide statement of net position. No compensated absence liability is recorded in the fund financial statements.

K. Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balances comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the District's Board—the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the District's Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The District's Superintendent has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order as needed.

L. Unearned Revenue

Amounts received from grantor agencies, which are restricted as to use and have not been expended for the intended use are shown on the balance sheet and statement of net position as unearned revenue.

M. Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Cash and investments

The District's cash and investment resources for general operations are maintained in a central treasury maintained by the Borough. In addition, the District maintains its own accounts for specific purposes such as the Worker's Compensation Fund and the Student Activity accounts. Negative cash balances have been reclassified to "due to other funds."

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. All of the U.S. government agency investments are rate AA+ by Standard and Poor's.

Interest Rate Risk

To limit exposure to declines in fair values of investments, Borough policy requires that investments be limited to securities or money market mutual funds. Policy generally requires maturity dates of five years or less, although under certain conditions, the Borough may invest its securities with maturity dates exceeding five years. The Borough requires all deposits and investments be fully collateralized.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District is a component unit of the Matanuska-Susitna Borough (Borough). The Borough Assembly has approved an investment policy, which includes the District, under which the Borough may invest only in and through United States banks, credit unions and brokers, investments fully collateralized if the amount is more than insurance provided, and institutions with third-party security agreements for collateral on file with the Borough. The cash deposits in the accounts maintained in the School District's name are insured by the Federal Deposit Insurance Corporation or covered by collateralization agreements.

3. Capital Assets

Capital asset activity for the year ended June 30, 2014 follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Governmental Activities				
Furnishings and equipment	\$ 14,618,647	\$ 774,314	\$ (1,407,881)	\$ 13,985,080
Accumulated depreciation	(7,682,871)	(1,050,115)	1,407,881	(7,325,105)
Net Capital Assets	\$ 6,935,776	\$ (275,801)	\$ -	\$ 6,659,975

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Depreciation expense was charged to the governmental functions of the District as follows for the year ended June 30, 2014:

Support services - students	\$ 703
Support services - instruction	31,637
School administration support services	8,269
District administration	5,337
District administration support services	176,083
Operations and maintenance of plant	283,223
Student transportation	5,608
Food services	30,634
Construction and facilities acquisition	508,621
Total Depreciation	\$ 1,050,115

In addition, significant capital construction and related capital asset activity relevant to the District has been recorded on the Matanuska-Susitna Borough's financial statements.

4. Long-Term Obligations

A schedule of changes in long-term liabilities for the year ended June 30, 2014 follows:

<i>Year ended June 30,</i>	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Annual Leave	\$ 5,123,559	\$ 5,347,735	\$ (6,186,664)	\$ 4,284,630

Accrued leave is considered to be due within one year. In addition, significant debt and related repayment activities relevant to the District are recorded on the Matanuska-Susitna Borough's financial statements.

Annual leave balances are typically liquidated by the General Fund.

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Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

5. Leases

The District has operating leases for buildings and equipment used for education program sites. Rent and lease expenditures was \$2,437,199 for the year ended June 30, 2014. The future minimum lease payments for these are as follows:

Fiscal Year Ending June 30,

2015	\$ 2,287,783
2016	1,435,793
2017	1,390,406
2018	1,207,651
2019	1,053,548
Thereafter	3,419,321

	\$ 10,794,502
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6. Interfund Receivables, Payables, and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2014, follows:

Due from Other Funds

Due from the nonmajor governmental funds to the General Fund for short-term operating advances	\$ 5,315,889
Due from Title I-A Basic Special Revenue Fund to the General Fund for short-term operating advances	2,064,610
Due from Enterprise Funds to the General Fund for short-term operating advances	7,624
Due from Internal Service Fund to the General Fund for short-term operating advances	955,410

Total Amount Due From Other Funds	\$ 8,343,533
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Transfers

To nonmajor governmental funds from the General Fund for operating subsidy	\$ 724,608
To the Capital Improvement Projects Capital Project Fund from the General Fund for capital acquisition subsidy	2,500,000
To General Fund from Internal Service Fund to close fund	167,000

Total Transfers to Other Funds	\$ 3,391,608
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Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

7. Defined Benefit Pension Plans

The District participates in two defined benefit pension plans. The Teachers' Retirement System (TRS) is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The Public Employees' Retirement System (PERS) is a cost-sharing multiple employer plan which covers eligible State and local government employees, other than teachers. Both Plans were established and are administered by the State of Alaska to provide pension, postemployment healthcare, death, and disability benefits. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

The Plans are included in comprehensive annual financial reports that include financial statements and other required supplemental information. The reports are available at the following address:

Department of Administration
Division of Retirement and Benefits
P.O. Box 110203
Juneau, Alaska 99811-0203

PERS Conversion to Cost Sharing

In April 2008, the Alaska Legislature passed legislation which converted the existing Public Employees Retirement System (PERS) from an agent-multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. Under the cost-sharing arrangement, the State of Alaska Division of Retirement and Benefits no longer tracks individual employer assets and liabilities. Rather, all plan costs and past service liabilities are shared among all participating employers.

That same year, the State of Alaska passed additional legislation which statutorily capped the employer contribution, established a state funded "on-behalf" contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages attributable to the defined contribution plan described later in these footnotes.

Employee Contribution Rates

Regular employees are required to contribute 6.75% of their annual covered salary (2.97% for pension and 3.78% for healthcare) for PERS and 8.65% (4.45% for pension and 4.20% for healthcare) for TRS.

Employer and Other Contribution Rates

There are three contribution rates associated with the pension and healthcare contributions and related liabilities:

Contractual Rates: These are the required funding rates for participating employers. The contractual PERS rate is statutorily capped at 22% of eligible wages, subject to a wage floor, and other termination events. The contractual TRS rate is statutorily capped at 12.56%. Both PERS and TRS contributions are calculated against all participating PERS and TRS payroll, respectively, including those wages attributable to employees in the defined contribution plans.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

ARM Board Adopted Rates: These are the rates formally adopted by the Alaska Retirement Management Board. These rates are actuarially determined to calculate annual funding requirements of the Plans, without regard to the statutory rate caps. There are no constraints or restrictions on the actuarial cost method or other assumptions used in the valuations, other than those established and agreed to by the ARM Board.

Current legislation provides that the State of Alaska will contribute the difference between the ARM Board adopted rates and the contractual (statutory) rates. These additional contributions are recognized by each employer as an on-behalf payment and are reflected as revenue and expense/expenditures within the financial statements.

GASB 43 Rates: These are the rates used to determine the long-term pension and healthcare liability for plan accounting purposes in accordance with generally accepted accounting principles as established by GASB. Certain actuarial methods and assumptions for these rate calculations are mandated by GASB. For FY14, the rate uses an 8.00% pension discount rate for both PERS and TRS and a 5.41% and 5.08% healthcare discount rate for PERS and TRS, respectively. Additionally, the GASB 43 rates disregard all future Medicare Part D payments.

The GASB 43 rates differ significantly from the ARM Board adopted rates as a direct result of differences in the actuarial valuation methodology and assumptions.

Contribution rates for the year ended June 30, 2014 were determined as part of the June 30, 2011 actuarial valuation and are as follows:

<i>PERS</i>	Contractual Rate	ARM Board Adopted Rate	GASB 43 Rate
Pension	10.64%	18.38%	27.94%
Postemployment healthcare	11.36%	17.30%	52.55%
Total Contribution Rate	22.00%	35.68%	80.49%

<i>TRS</i>	Contractual Rate	ARM Board Adopted Rate	GASB 43 Rate
Pension	6.66%	33.73%	50.91%
Postemployment healthcare	5.90%	19.89%	61.27%
Total Contribution Rate	12.56%	53.62%	112.18%

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Annual Pension and Postemployment Healthcare Cost - PERS

The District is required to contribute 22% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 13.68% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, this contribution is considered an on-behalf payment and is recorded as revenue and expense/expenditures in these financial statements. However, because the District is not statutorily obligated for these payments, the State's contributions, in the amounts of \$4,187,300, \$4,178,043, and \$3,249,659 for 2014, 2013, and 2012, respectively, have been excluded from pension and OPEB cost as shown below.

<i>Year Ended June 30,</i>	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	School District Contri- butions	% of TBC Contributed
2014	\$ 2,489,422	\$ 2,657,880	\$ 5,147,302	\$ 5,147,302	100%
2013	2,324,529	2,963,954	5,288,483	5,288,483	100%
2012	2,509,435	2,758,462	5,267,897	5,267,897	100%

Annual Pension and Postemployment Healthcare Cost - TRS

The District is required to contribute 12.56% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 41.06% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, this contribution is considered an on-behalf payment and is recorded as revenue and expense/expenditures in these financial statements. However, because the District is not statutorily obligated for these payments, the State's contributions, in the amounts of \$36,858,926, \$34,140,205, and \$25,502,869 for 2014, 2013, and 2012, respectively, have been excluded from pension and OPEB cost as shown below.

<i>Year Ended June 30,</i>	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	School District Contri- butions	% of TBC Contributed
2014	\$ 4,551,931	\$ 4,032,491	\$ 8,584,422	\$ 8,584,422	100%
2013	4,408,819	4,163,126	8,571,945	8,571,945	100%
2012	5,279,636	3,178,556	8,458,192	8,458,192	100%

8. Defined Contribution Pension Plans

Employees hired after July 1, 2006 participate in PERS Tier IV and TRS Tier III Defined Contribution Retirement Plans. Both Plans are administered by the State of Alaska, Department of Administration. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plans are individual pension accounts, retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Employee Contribution Rates

Employees are required to contribute 8.0% of their annual covered salary. This amount goes directly to the individual's account.

Employer Contribution Rates

For the year ended June 30, 2014, the District was required to contribute the following amounts based on covered salary:

	PERS Tier IV	TRS Tier III
Individual account	5.00%	7.00%
Retiree medical plan	0.48%	0.47%
Occupational death and disability benefits	0.20%	0.00%
	5.68%	7.47%

In addition, the employer must contribute to the Health Reimbursement Arrangement. AS 39.30.370 establishes this contribution amount as "three percent of the average annual employee compensation of *all employees of all employers* in the plan." As of July 1, 2013, for actual remittance, this amount is calculated as a flat rate for each full time or part-time employee per pay period and approximates \$1,897 per year for each full-time employee and \$1.22 per hour for each part-time employee.

Finally, the total employer contribution must equal 22% of covered payroll and 12.56% of covered payroll for PERS and TRS, respectively. After subtracting the defined contribution (DC) rates and the HRA contribution, any residual amount of the 22% or 12.56% is deposited into the defined benefit (DB) plan. Locally known as the defined benefit unfunded liability (DBUL) payment, this amount is intended to mitigate against the declining payroll base that resulted from the creation of the DC plan.

Employees are immediately vested in their own contributions and vest 25% per year in employer contributions. The District and employee contributions to PERS including the HRA contribution for the year ended June 30, 2014 were \$1,185,590 and \$896,066, respectively. The District and employee contributions to TRS for the year ended June 30, 2014 were \$2,562,978 and \$1,916,041, respectively.

9. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation, and (f) medical insurance costs of employees.

Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for bodily injury, personal injury, and property damage, and errors and omissions. For these policies, premiums have increased over the last few years, however settlements have not exceeded coverage amounts.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

Accounting for Self Insurance

For the year ended June 30, 2014, the District was self-insured for its workers' compensation insurance program. All claims reported under the self-insurance program are paid by the District. Commercial stop-loss coverage limits the liability to \$500,000 per individual claim. The District accrues an estimate of claims incurred but not reported at year end.

Following is a schedule of changes in claims liabilities for the two years ended June 30, 2013 and 2014 for the workers' compensation plan.

	Workers' Compensation Insurance
Claims Liability at June 30, 2012	\$ 1,006,292
Claims expense	1,501,736
Claims paid	(1,643,787)
Claims Liability at June 30, 2013	\$ 864,241
Claims expense	1,819,325
Claims paid	(1,606,222)
Claims Liability at June 30, 2014	\$ 1,077,344

10. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, would become a liability of the School Operating Fund.

The District receives a substantial portion of its revenue from state and local grants and the Matanuska-Susitna Borough. Significant changes in these revenue sources could have a material effect on the operations of the District.

The District provides services solely to those residents of the Matanuska-Susitna Borough, Alaska and near-by communities as within the State defined District boundaries. Changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect on the District's funding and operations.

From time to time, the District may be a participant in legal proceedings related to the conduct of its business. In the normal course of business, it also has various commitments and contingent liabilities, which are not reflected in the accompanying financial statements. In the opinion of the management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

11. Fund Balances / Appropriation Lapse

Matanuska-Susitna Borough Ordinance Number 13-096 requires that the School District refund or lapse one-quarter of its increase in unassigned fund balance annually as defined by the Borough. For fiscal year 2014 the Matanuska-Susitna Borough has allowed a one year waiver for this requirement. Due to the waiver the School District has not recorded a lapse for 2014.

Fund balances, reported in the District's individual major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints at June 30, 2014:

	Major Funds			
	General Fund	Capital Improvements Projects	Nonmajor Funds	Totals
Nonspendable:				
Inventory	\$ 779,789	\$ -	\$ 630,557	\$ 1,410,346
Prepaid items	723,275	-	-	723,275
Total nonspendable	1,503,064	-	630,557	2,133,621
Restricted - Scholarships	-	-	5,772	5,772
Committed:				
Insurance reserve	500,000	-	-	500,000
Construction	-	5,895,826	-	5,895,826
Total committed	500,000	5,895,826	-	6,395,826
Assigned:				
Student transportation	-	-	1,144,022	1,144,022
Food services	-	-	15,153	15,153
SV fire damage reclamation	-	-	36,315	36,315
Total assigned	-	-	1,195,490	1,195,490
Unassigned	10,809,725	-	-	10,809,725
Total Fund Balances	\$ 12,812,789	\$ 5,895,826	\$ 1,831,819	\$ 20,540,434

12. New Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates. Management has not fully evaluated the potential effects of these statements, but believes that GASB Statement 68 will result in the biggest reporting change. Actual impacts have not yet been determined:

Matanuska-Susitna Borough School District

Notes to Basic Financial Statements

GASB 68 - Accounting and Financial Reporting for Pensions - Effective for year-end June 30, 2015 - This statement changes the reporting and disclosure requirements for governments that participate in pension plans. This statement modifies the participating employer side reporting in connection with the Plan reporting at GASB 67.

GASB 69 - Government Combinations and Disposals of Government Operations -Effective for year-end June 30, 2015 - This statement contains certain disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and effects of these transactions.

GASB 71 - Pension Transition for Contributions Made Subsequent to the Measurement Date - Effective for year-end June 30, 2015 - This statement is a companion to GASB Statement 68 and clarifies treatment of contributions made by a contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

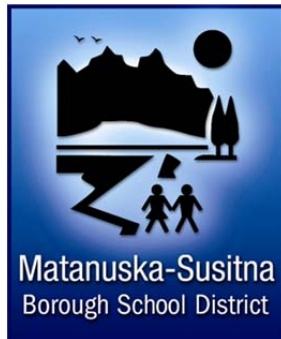
Required Supplementary Information

Matanuska-Susitna Borough School District
General (School Operating) Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

Year Ended June 30, 2014	Budget		Actual	Variance
	Original	Final		with Final Budget
Revenues				
Local sources:				
Borough appropriation	\$ 51,291,720	\$ 51,226,720	\$ 51,226,720	\$ -
Facility use	-	159,835	159,835	-
Other local reimbursement	1,210,679	1,500,450	1,500,450	-
Other	-	264,777	264,808	31
State of Alaska	181,891,752	191,381,706	190,832,893	(548,813)
Federal grants	900,000	1,123,956	1,143,256	19,300
Total Revenues	235,294,151	245,657,444	245,127,962	(529,482)
Expenditures - current				
Instruction	109,280,990	108,806,244	108,679,976	126,268
Special education instruction	35,474,653	37,030,990	36,873,242	157,748
Special education support services - students	12,352,474	13,897,508	13,852,749	44,759
Support services - students	9,946,092	10,274,791	10,296,301	(21,510)
Support services - instruction	7,402,270	9,211,540	9,186,510	25,030
School administration	9,667,166	9,757,681	9,727,761	29,920
School administration support services	9,044,299	10,408,394	10,349,865	58,529
District administration	1,571,042	1,855,106	1,846,213	8,893
District administration support services	11,880,566	9,152,881	9,094,755	58,126
Operations and maintenance of plant	24,922,796	23,386,197	23,506,360	(120,163)
Student activities	3,473,556	4,269,133	4,260,872	8,261
Community services	38,217	-	-	-
Food services	-	9,547	9,547	-
Total Expenditures	235,054,121	238,060,012	237,684,151	375,861
Excess of revenues over expenditures	240,030	7,597,432	7,443,811	(153,621)
Other Financing Sources (Uses)				
Transfers in	-	-	167,000	167,000
Transfers out	(1,575,000)	(3,224,608)	(3,224,608)	-
Net Other Financing Sources (Uses)	(1,575,000)	(3,224,608)	(3,057,608)	167,000
Net change in fund balance	\$ (1,334,970)	\$ 4,372,824	4,386,203	\$ 13,379
Fund Balance, beginning of year			8,426,586	
Fund Balance, end of year			\$ 12,812,789	

Matanuska-Susitna Borough School District
Title I-A Basic Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget		Actual	Variance
	Original	Final		with Final Budget
Revenues - federal education grants passed through the State of Alaska	\$ 3,368,240	\$ 3,428,826	\$ 3,428,826	\$ -
Expenditures - current				
Instruction	3,190,225	3,247,609	3,247,609	-
District administration support services	178,015	181,217	181,217	-
Total Expenditures	3,368,240	3,428,826	3,428,826	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund Balance, beginning of year			-	
Fund Balance, end of year			\$ -	



Preparing Students for Success

Additional Supplementary Information

Matanuska-Susitna Borough School District

General (School Operating) Fund
Balance Sheet

<i>June 30,</i>	2014	2013
Assets		
Cash and investments	\$ 10,812,660	\$ 8,753,335
Accounts receivable - other	695,471	616,611
Due from Borough	-	1,352,343
Inventory	779,789	460,194
Prepaid items	723,275	883,846
Due from other funds	8,343,533	6,108,965
Total Assets	\$ 21,354,728	\$18,175,294
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 2,639,517	\$2,319,880
Accrued payroll and related liabilities	5,855,343	6,670,802
Unearned revenue	7,079	5,500
Due to Borough	-	752,526
Payable to student activities agency fund	40,000	-
Total Liabilities	8,541,939	9,748,708
Fund Balance		
Nonspendable	1,503,064	1,344,040
Committed	500,000	500,000
Unassigned	10,809,725	6,582,546
Total Fund Balance	12,812,789	8,426,586
Total Liabilities and Fund Balances	\$ 21,354,728	\$18,175,294

Matanuska-Susitna Borough School District

General (School Operating) Fund
 Schedule of Revenues, Expenditures
 and Changes in Fund Balance - Budget and Actual

Year Ended June 30,	2014			2013
	Budget	Actual	Variance with Budget	Actual
Revenues				
Local sources:				
Borough appropriation	\$ 51,226,720	\$ 51,226,720	\$ -	\$ 48,845,260
Facility use	159,835	159,835	-	120,788
Other local reimbursement	1,500,450	1,500,450	-	1,501,007
Other	264,777	264,808	31	405,539
Total local sources	53,151,782	53,151,813	31	50,872,594
State sources:				
PERS on behalf	4,465,964	4,187,300	(278,664)	4,178,043
TRS on behalf	37,129,075	36,858,926	(270,149)	34,140,205
Public school funding	144,272,582	144,272,582	-	141,742,098
Senate Bill 18	2,517,299	2,517,299	-	2,929,851
House Bill 65	2,996,786	2,996,786	-	-
Total state sources	191,381,706	190,832,893	(548,813)	182,990,197
Federal sources:				
E-rate	977,158	977,158	-	818,873
Medicaid reimbursement	146,798	166,098	19,300	1,005,974
Total federal sources	1,123,956	1,143,256	19,300	1,824,847
Total Revenues	245,657,444	245,127,962	(529,482)	235,687,638
Expenditures - current				
Instruction	108,806,244	108,679,976	126,268	105,757,701
Special education instruction	37,030,990	36,873,242	157,748	35,541,541
Special education support services - students	13,897,508	13,852,749	44,759	13,067,692
Support services - students	10,274,791	10,296,301	(21,510)	10,118,303
Support services - instruction	9,211,540	9,186,510	25,030	8,191,995
School administration	9,757,681	9,727,761	29,920	9,241,119
School administration support services	10,408,394	10,349,865	58,529	9,335,527
District administration	1,855,106	1,846,213	8,893	2,015,382
District administration support services	9,152,881	9,094,755	58,126	10,119,437
Operations and maintenance of plant	23,386,197	23,506,360	(120,163)	22,758,531
Student activities	4,269,133	4,260,872	8,261	4,123,821
Food services	9,547	9,547	-	8,350
Total Expenditures	238,060,012	237,684,151	375,861	230,279,399
Excess of revenues over expenditures	7,597,432	7,443,811	(153,621)	5,408,239
Other Financing Sources (Uses)				
Transfers in	-	167,000	167,000	-
Transfers out	(3,224,608)	(3,224,608)	-	(1,306,620)
Net Other Financing Sources (Uses)	(3,224,608)	(3,057,608)	167,000	(1,306,620)
Net change in fund balance	\$ 4,372,824	4,386,203	\$ 13,379	4,101,619
Fund Balance, beginning of year		8,426,586		4,324,967
Fund Balance, end of year		\$ 12,812,789		\$ 8,426,586

Matanuska-Susitna Borough School District

General (School Operating) Fund

Schedule of Expenditures - Budget and Actual

<i>Year Ended June 30,</i>	2014			2013
	Budget	Actual	Variance with Budget	Actual
Expenditures				
Instruction:				
Certificated salaries	\$ 51,437,070	\$ 51,725,293	\$ (288,223)	\$ 53,339,160
Non-certificated salaries	2,538,350	2,538,350	-	886,252
Employee benefits	44,933,873	44,639,667	294,206	41,856,199
Professional and technical services	97,621	97,621	-	110,000
Staff travel	160,152	160,152	-	132,139
Student travel	77,345	77,345	-	79,836
Utility services	1,033	1,033	-	1,564
Other purchased services	1,465,619	1,465,619	-	1,540,214
Supplies, materials and media	8,035,623	7,915,338	120,285	7,774,597
Other expenditures	32,649	32,649	-	37,740
Equipment	26,909	26,909	-	-
Total instruction	108,806,244	108,679,976	126,268	105,757,701
Special education instruction:				
Certificated salaries	12,460,542	12,460,542	-	12,594,058
Non-certificated salaries	8,092,504	8,092,504	-	7,427,662
Employee benefits	16,384,861	16,227,113	157,748	15,434,049
Professional and technical services	16,643	16,643	-	8,420
Staff travel	4,644	4,644	-	3,206
Utility services	7	7	-	-
Student travel	18,128	18,128	-	14,934
Other purchased services	769	769	-	380
Supplies, materials and media	52,892	52,892	-	58,832
Total special education instruction	37,030,990	36,873,242	157,748	35,541,541
Special education support services - students:				
Certificated salaries	5,624,211	5,624,211	-	5,337,782
Non-certificated salaries	1,013,615	1,013,615	-	733,011
Employee benefits	5,460,029	5,415,270	44,759	4,723,526
Professional and technical services	1,258,702	1,258,702	-	1,181,095
Staff travel	119,747	119,747	-	143,196
Student travel	245	245	-	-
Other purchased services	48,286	48,286	-	586,162
Supplies, materials and media	229,300	229,300	-	230,078
Tuition and stipends	97,500	97,500	-	97,500
Other expenditures	44,403	44,403	-	35,342
Equipment	1,470	1,470	-	-
Total special education support services - students	13,897,508	13,852,749	44,759	13,067,692

Matanuska-Susitna Borough School District
General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Year Ended June 30,</i>	2014			2013
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued:				
Support services - students:				
Certificated salaries	\$ 4,267,478	\$ 4,337,157	\$ (69,679)	\$ 4,660,044
Non-certificated salaries	1,240,383	1,240,383	-	964,594
Employee benefits	4,396,043	4,347,874	48,169	4,254,883
Professional and technical services	139,715	139,715	-	117,909
Staff travel	4,773	4,773	-	5,539
Utility services	-	-	-	11
Other purchased services	34,834	34,834	-	38,959
Supplies, materials and media	190,514	190,514	-	76,189
Other expenditures	1,051	1,051	-	175
Total support services - students	10,274,791	10,296,301	(21,510)	10,118,303
Support services - instruction:				
Certificated salaries	4,081,079	4,081,079	-	3,883,574
Non-certificated salaries	105,428	105,428	-	42,481
Employee benefits	3,659,282	3,634,252	25,030	3,503,609
Professional and technical services	228,336	228,336	-	58,528
Staff travel	55,836	55,836	-	34,962
Student travel	280	280	-	2,952
Other purchased services	435,453	435,453	-	166,547
Supplies, materials and media	617,941	617,941	-	495,917
Other expenditures	27,905	27,905	-	3,425
Total support services - instruction	9,211,540	9,186,510	25,030	8,191,995
School administration:				
Certificated salaries	5,578,832	5,578,832	-	5,390,407
Non-certificated salaries	12,840	12,840	-	-
Employee benefits	4,097,340	4,067,420	29,920	3,786,715
Staff travel	59,318	59,318	-	59,718
Other purchased services	614	614	-	-
Supplies, materials and media	4,787	4,787	-	2,406
Other expenditures	3,950	3,950	-	1,873
Total school administration	9,757,681	9,727,761	29,920	9,241,119
School administration support services:				
Non-certificated salaries	5,499,697	5,499,697	-	5,060,414
Employee benefits	4,264,609	4,206,080	58,529	3,782,711
Professional and technical services	49,001	49,001	-	-
Staff travel	2,330	2,330	-	3,307
Utility services	50,795	50,795	-	-
Other purchased services	22,276	22,276	-	1,409
Supplies, materials and media	123,953	123,953	-	115,975
Other expenditures	395,733	395,733	-	308,288
Equipment	-	-	-	63,423
Total school administration - support services	10,408,394	10,349,865	58,529	9,335,527

Matanuska-Susitna Borough School District
General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Year Ended June 30,</i>	2014			2013
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued:				
District administration:				
Certificated salaries	\$ 465,067	\$ 465,067	\$ -	\$ 687,555
Non-certificated salaries	343,158	343,458	(300)	220,548
Employee benefits	657,958	648,765	9,193	725,626
Professional and technical services	2,500	2,500	-	2,011
Staff travel	77,265	77,265	-	64,830
Other purchased services	257,530	257,530	-	242,667
Supplies, materials and media	19,247	19,247	-	23,456
Other expenditures	32,381	32,381	-	32,699
Equipment	-	-	-	15,990
Total district administration	1,855,106	1,846,213	8,893	2,015,382
District administration support services:				
Certificated salaries	32,285	32,285	-	10,575
Non-certificated salaries	4,442,101	4,443,855	(1,754)	4,648,278
Employee benefits	2,828,733	2,767,960	60,773	3,450,812
Professional and technical services	220,080	220,080	-	388,604
Staff travel	94,888	94,888	-	110,547
Utility services	1,948	1,948	-	-
Other purchased services	1,198,061	1,198,061	-	1,299,121
Insurance and bond premiums	368,909	368,738	171	357,952
Supplies, materials and media	578,318	580,171	(1,853)	726,473
Other expenditures	23,827	23,827	-	22,757
Equipment	74,475	74,475	-	93,683
Total district administration - support services	9,863,625	9,806,288	57,337	11,108,802
Less indirect cost recovery	(710,744)	(711,533)	789	(989,365)
Net district administration - support services	9,152,881	9,094,755	58,126	10,119,437
Operations and maintenance of plant:				
Non-certificated salaries	6,516,025	6,710,301	(194,276)	6,431,938
Employee benefits	4,807,556	4,733,148	74,408	4,578,260
Staff travel	16,202	16,202	-	21,340
Utility services	1,529,846	1,530,216	(370)	1,380,083
Energy	4,312,587	4,312,587	-	4,320,265
Other purchased services	3,427,919	3,427,919	-	3,354,076
Insurance and bond premiums	1,255,904	1,255,904	-	1,225,072
Supplies, materials and media	1,460,290	1,460,215	75	1,340,210
Other expenditures	1,048	1,048	-	1,834
Equipment	58,820	58,820	-	105,453
Total operations and maintenance of plant	23,386,197	23,506,360	(120,163)	22,758,531

Matanuska-Susitna Borough School District
General (School Operating) Fund
Schedule of Expenditures - Budget and Actual, continued

<i>Year Ended June 30,</i>	2014			2013
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued:				
Student activities:				
Certificated salaries	\$ 1,439,434	\$ 1,439,434	\$ -	\$ 1,462,285
Non-certificated salaries	507,853	507,853	-	509,028
Employee benefits	932,529	924,268	8,261	876,359
Professional and technical services	300	300	-	-
Staff travel	7,192	7,192	-	-
Student travel	384,912	384,912	-	386,395
Other purchased services	733,691	733,691	-	804,715
Supplies, materials and media	204,940	204,940	-	41,341
Other expenditures	58,282	58,282	-	43,698
Total student activities	4,269,133	4,260,872	8,261	4,123,821
Food services:				
Non-certificated salaries	7,453	7,453	-	6,858
Employee benefits	2,094	2,094	-	1,492
Total food services	9,547	9,547	-	8,350
Total Expenditures	\$ 238,060,012	\$ 237,684,151	\$ 375,861	\$ 230,279,399

Matanuska-Susitna Borough School District

Title I-A Basic Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 3,428,826	\$ 3,428,826	\$ -
Expenditures			
Instruction:			
Certificated salaries	1,379,215	1,379,215	-
Non-certificated salaries	307,821	307,821	-
Employee benefits	561,588	561,588	-
Professional and technical services	129,149	129,149	-
Staff travel	130,704	130,704	-
Student travel	77,590	77,590	-
Utility services	2,992	2,992	-
Other purchased services	4,601	4,601	-
Supplies, materials and media	653,331	653,331	-
Other expenditures	618	618	-
Total instruction	3,247,609	3,247,609	-
District administration support services - indirect costs	181,217	181,217	-
Total Expenditures	3,428,826	3,428,826	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District
Capital Improvement Projects Capital Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Instruction:			
Certificated salaries	5,943	5,943	-
Employee benefits	1,057	1,057	-
Total instruction	7,000	7,000	-
Construction and facilities acquisition:			
Non-certificated salaries	126,636	126,636	-
Employee benefits	48,327	48,327	-
Professional and technical services	14,500	14,500	-
Staff travel	2,777	2,777	-
Other purchased services	627,207	627,207	-
Supplies, materials and media	1,548,875	1,548,875	-
Equipment	267,084	267,084	-
Other capital outlay	42,561	42,561	-
Total construction and facilities acquisition	2,677,967	2,677,967	-
Total Expenditures	2,684,967	2,684,967	-
Deficiency of revenues over expenditures	(2,684,967)	(2,684,967)	-
Other financing sources - transfers in	-	2,500,000	2,500,000
Net change in fund balance	<u>\$ (2,684,967)</u>	<u>(184,967)</u>	<u>\$ 2,500,000</u>
Fund Balance, beginning of year		<u>6,080,793</u>	
Fund Balance, end of year		<u>\$ 5,895,826</u>	

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose
Year Ended June 30, 2014

Special Revenue Funds

- 205 Student Transportation
 Provides transportation for students to and from schools.
- 230 Early Literacy K-3
 Provides funding to ensure the essential components of reading instruction are embedded into all elements of the K-3 teaching structure in schools to assist all students in achieving reading competency.
- 231 AWIB Building Capacity Aviation
 Provides support to build capacity for the aviation program.
- 233 Alaska Family Services BRG Kids Home
 Provides support within Alaska for children with all intensities of need.
- 234 Staff Development Mini Grants
 Supports staff training and staff development.
- 235 Suicide Awareness Fund
 Raises awareness, offers support, funds research and call for action in regard to advancing a national response to the problem of suicide.
- 236 Youth in Detention
 Provides funds for the education for all school aged youth at Alaska detention facilities.
- 237 Obesity Prevention K-12 Fund
 Provides funds to help school districts reduce rates of childhood obesity.
- 238 Artists in Schools
 Fosters the development of the arts for all Alaskans through education, partnerships, grants and services.
- 239 Fred Meyer Foundation
 Improve family involvement in student learning. Provides activities for families to do together at home and to encourage reading for fun.
- 241 Youth First Initiative - K-12 Youth Scout
 Provides career and employment development activities for youth.
- 242 WIA Youth Program
 Prepare youth for employment/or post-secondary education.
- 245 Alaska Family Services Tobacco Prevention Fund
 Supports education on the dangers of tobacco use and secondhand smoke and promotes cessation through Alaska's Tobacco Quit Line.
- 248 Mat-Su Construction Academy
 Recruit, train and help place students into employment.
- 251 Title 1-A, 10% Professional Development Summer
 Conduct Title I activities in July and August.
- 252 Nutritional Alaskan Foods Program
 Provide funds to purchase nutritional Alaskan-grown foods for Alaskan schools.
- 253 Fresh Fruits and Vegetable Program
 Provide fresh fruits and vegetables to selected sites.

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose, continued
Year Ended June 30, 2014

- 254 Fresh Fruits and Vegetable Program
Provide fresh fruits and vegetables to selected sites.
- 255 Nutrition Service - Child Food Service
Provide breakfast and lunch for students.
- 256 Title I, Delinquent
Provide assistance to Mat Su Youth Facility students to continue their education toward a high school diploma, trade school, or college credits.
- 258 Higher Education - SEP
Provide assistance for new teachers to engage in professional learning through the New Teachers Professional Learning NTPL program.
- 259 Youth Risk Behavior Survey (YRBS)
A school-based survey of high school students administered in cooperation with the Department of Education & Early Development to help monitor, assist in prevention and intervention planning, and evaluate at-risk Alaskan youth for behaviors that may put them at risk of developing health and social problems.
- 260 McKinney-Vento Homeless
Funds to support transportation and other needs of homeless students.
- 262 Alternative Schools Grant #2
Funds granted by the State of Alaska to support healthy student initiatives at Burchell High, and Valley Pathways School.
- 263 Alaska Pre-Kindergarten Program Fund
Funds granted by the State of Alaska to provide Pre-Kindergarten to 4-year-olds through half-day programs as well as outreach to families choosing in-home care for preschoolers.
- 264 Title II-A, Teacher and Principal Training and Recruitment
Provides professional development to focus on preparing, training, and recruiting high-quality teachers.
- 265 Title I-A, Highly Qualified
Required set-aside assists teachers with obtaining highly qualified status.
- 266 Carl Perkins Vocational Education Basic
Supports Career and Technical Education (CTE). Assists with development of new programs and improvement of existing programs.
- 267 Title II-D, Enhancing Education Through Technology
Provides support for the integration of education technology into classrooms to improve teaching and learning.
- 270 Title III-A, English Language Acquisition
Assists District in teaching English to limited English proficient students to help them meet state standards required for all students.
- 271 IASA Consolidated Administration
Provides staff to assist with implementation of grants.
- 272 University of Alaska - PBS
Award to identify and recognize schools for successful implementation of School wide Systems of Positive Behavior Support.

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose, continued
Year Ended June 30, 2014

- 273 Title I-A Basic
Provides extra resources to help improve instruction in high poverty schools and ensure that these schools have the same opportunity as other children to meet challenging State academic standards.
- 274 IDEA Part B Title VI-B Regular
Title VI-B of the Individuals with Disabilities Education Act is a federal program that provides funding for districts to supplement the level of special education and related services provided to students with disabilities who are enrolled in special education programs.
- 275 Title I-A, Subpart 2, Neglected & Delinquent
Funds granted by the State of Alaska to improve educational services for children and youth who are neglected, delinquent, or at-risk to help make a successful transition from institutionalization to further schooling or employment, and to prevent dropouts.
- 276 AK Community Learning Centers Program
Funds granted by the State of Alaska to provide extended day learning, credit recovery, and summer school programs for students at Burchell High, Valley Pathways, and Mat Su Secondary.
- 279 UAF Urban Growth Opportunities (UGO) Grant
The Urban Growth Development (UGO) Grant is a sub-grant from the University of Alaska Fairbanks. The funding period for this grant is based on the calendar year rather than the District fiscal year.
- 282 Title II-A, Higher Education
Program that is targeted to improve student achievement by increasing teachers' reading, writing, and science content knowledge. Project emphasizes the development of content knowledge among elementary teachers and rural educational paraprofessionals.
- 283 Title I-C, Migrant Education Summer
Funds assistance to establish and improve programs of education for children of migratory farm workers and fishers during July and August.
- 284 Migrant Education Parent Advisory
Provide financial assistance to establish and improve reading programs for children of migratory farm workers and fishers.
- 285 Title I-C, Migrant Education
Provide financial assistance to establish and improve programs of education for children of migratory farm workers and fishers.
- 286 Migrant Education Book Program
Provide take home books for eligible Migrant Ed students.
- 289 CEIS Part B Title VI-B
Federal funds used for intervention to provide supplemental education opportunities for students who have not reached grade-level proficiency.
- 291 IDEA Part B, Section 619 Preschool Disabled
Fund excess costs of providing special education for children ages 3-5.

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose, continued
Year Ended June 30, 2014

- 296 Title I-A, 1% Parent Involvement
Funds to implement programs, activities and procedures for the involvement of parents whose children are served through Title I.
- 303 Title I Summer Schools
Provides extra resources for summer school students to help improve instruction in high poverty schools and ensure that these schools have the same opportunity as other children to meet challenging State academic standards.
- 310 Title I School Improvement 1003a
Funds support Title I schools that are in school improvement status.
- 311 Title I-A, 10% Professional Development
To support Professional development in the area that the district did not make adequate yearly progress.
- 312 Title I-A, 20% Choice
Provides extra resources to help improve instruction in high poverty schools and ensure that these schools have the same opportunity as other children to meet challenging State academic standards.
- 314 Title I School Improvement Grant Sec 1003g - Am Charter
Funds to provide resources to enable Am Charter to meet adequate yearly progress.
- 315 Title I School Improvement Grant Sec 1003g - BHS
Funds to provide resources to enable Burchell High School to meet adequate yearly progress.
- 316 Math Science Partnership
A program designed to improve the content knowledge of teachers and the performance of students in the areas of mathematics and science by encouraging. Bring mathematics and science teachers together with scientists, mathematicians, and engineers to improve teaching skills.
- 325 Education Jobs Grant
The Ed Jobs program is a new federal program that provides assistance to states to save or create education jobs. Jobs funded under this program are exclusively for school-level employees that provide educational and related services for early childhood, elementary, and secondary education.
- 334 ARRA School Improvement Sec 1003g American Charter
AARA funds to provide resources to enable Am Charter to meet adequate yearly progress.
- 335 ARRA School Improvement Sec 1003g Burchell High School
ARRA funds to provide resources to enable Burchell High School to meet adequate yearly progress.
- 352 Indian Education-Direct Federal
Funds provided to meet the unique academic needs of American Indians and Alaska Natives.

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose, continued
Year Ended June 30, 2014

- 353 **Indian Education Carryover**
Funds provided to meet the unique academic needs of American Indians and Alaska Natives.
- 354 **Partners for Fish & Wildlife**
Funds provided for TMS middle school students for opportunities to engage in Fish & Wildlife preservation efforts.
- 359 **Enanuaq Preschool Grant- Direct Federal**
Direct federal funds to provide preschool for Alaska native and American Indian children who qualify for the early education program.
- 368 **Dzuuggi Preschool - Direct Federal**
Provides early childhood program for Alaska Native and American Indian children ages 0-5.
- 371 **Trapper Creek Community Enrichment**
Provide a community enrichment program that meets the diverse needs of the residents of Trapper Creek.
- 372 **UAA LEAP Grant**
Project LEAP (Language Equity and Academic Performance) is a partnership between College of Education (COE) and the Mat-Su Borough, Anchorage, and Juneau school districts funded by a \$1,5mil grant from the US Department of Education to train in-service teachers to be leaders in their districts when working with English language learners.
- 374 **Talkeetna Community Enrichment**
Provide a community enrichment program that meets the diverse needs of the residents of Talkeetna.
- 375 **Knik Tribal Council (KTC) Grant**
This fund accounts for direct contributions from KTC for home to school expenses not covered under conventional transportation guidelines.
- 376 **Knik Tribal Council (KTC) Federal Grant**
This fund accounts for after school and summer school programs for students of Alaska Native and/or American Indian Ethnicity.
- 378 **Society for Science**
Funds to train and prepare at least 5 youth in the 9th or 10th grade who are committed to a 12 month science mentor program including completion of project based research.
- 381 **River Rangers State Farm TMS**
Funds provided to TMS to collect flora, fauna and measure key water quality indicators. Data will be used to implement a streamside restoration project.
- 386 **TMS Student Achievement**
Funds provided to TMS students to engage in a project incorporating recycling, energy efficient design and building model homes and solar powered cars.

MATANUSKA SUSITNA BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Special Revenue Funds Nature and Purpose, continued
Year Ended June 30, 2014

- 387 **Mat-Su Health Foundation**
Provided funds for multiple school locations for new playground equipment including new PE equipment and instruction.
- 388 **Community Impact Grant**
United Way and Mat-Su Health Foundation have given grants to promote events in the community to foster unity and good health choices for tobacco prevention. This is affiliated with fund 278.
- 390 **Friends of NRA**
Provide in support of educational programs for the shooting sports.
- 391 **Conoco Phillips**
Funds provided to Colony High School in support of school programs.
- 611 **Cultural Program**
Provides funding for district wide culture education and development of cultural co-curricular events.
- 612 **Fred Meyer Coin Box**
Donation from F.G. Meyer Foundation, from the coin boxes at the checkout registers. Funds are at the discretion of the School Board for educational purposes.
- 635 **Su-Valley High School Reclamation**
This fund is a result from the 2006 Su Valley Fire. The replacement items are being funded specifically from insurance proceeds and are accounted for in this separate fund.
- 760 **RJ Jones Scholarship Fund**
This is a scholarship fund set forth for Su Valley High School.

Capital Projects Funds

- 503 **Legislative Grants - Small**
Designated legislative grant funds under \$75,000 passed through the Mat-Su Borough to the school district.
- 504 **Legislative Grant - Erate**
Designated legislative grant funds for erate passed through the Mat-Su Borough to the school district.
- 505 **Legislative Grants - Large**
Designated legislative grant funds \$75,000 or greater passed through the Mat-Su Borough to the school district.
- 506 **Borough Bond Reimbursement Fund**
Fund through which the Borough reimburses bond funds to the school district.

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds

Combining Balance Sheet

	Special Revenue Funds							
	Student Trans- portation	AWIB Building Capacity Aviation	Suicide Awareness, Prevention & Postvention	Youth in Detention	Obesity Prevention K-12	Artists in Schools	Youth First Initiative	Alaska Family Services
<i>June 30, 2014</i>								
Assets								
Cash and investments	\$ 1,224,470	\$ -	\$ -	\$ 223,155	\$ -	\$ 3,764	\$ -	\$ -
Accounts receivable:								
Federal and state grants	-	2,684	24,453	-	64,541	-	2,060	-
Other	-	-	-	-	-	-	-	33,715
Inventory	-	-	-	-	-	-	-	-
Total Assets	\$ 1,224,470	\$ 2,684	\$ 24,453	\$ 223,155	\$ 64,541	\$ 3,764	\$ 2,060	\$ 33,715
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 80,448	\$ -	\$ 4,450	\$ 500	\$ 6,000	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	222,655	-	3,764	-	-
Due to other funds	-	2,684	20,003	-	58,541	-	2,060	33,715
Total Liabilities	80,448	2,684	24,453	223,155	64,541	3,764	2,060	33,715
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Assigned	1,144,022	-	-	-	-	-	-	-
Total Fund Balances	1,144,022	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 1,224,470	\$ 2,684	\$ 24,453	\$ 223,155	\$ 64,541	\$ 3,764	\$ 2,060	\$ 33,715

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds							
	Mat-Su Construction Academy	Nutritional Alaskan Foods Program	Nutrition Services	Title I-D Delinquent	McKinney Homeless	Alternative Schools Grant	Alaska Pre-K Program Grant	Title II-A, Teacher and Principal Training and Recruitment
<i>June 30, 2014</i>								
Assets								
Cash and investments	\$ -	\$ 182,470	\$ 109,838	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:								
Federal and state grants	-	-	4,563	29,470	24,957	48,296	-	384,376
Other	86,444	26,556	-	-	-	-	119,831	-
Inventory	-	-	630,557	-	-	-	-	-
Total Assets	\$ 86,444	\$ 209,026	\$ 744,958	\$ 29,470	\$ 24,957	\$ 48,296	\$ 119,831	\$ 384,376
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ -	\$ 11,499	\$ 2,392	\$ -	\$ 5,375	\$ -	\$ 12,916
Unearned revenue	-	209,026	87,749	-	-	-	-	-
Due to other funds	86,444	-	-	27,078	24,957	42,921	119,831	371,460
Total Liabilities	86,444	209,026	99,248	29,470	24,957	48,296	119,831	384,376
Fund Balances								
Nonspendable	-	-	630,557	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Assigned	-	-	15,153	-	-	-	-	-
Total Fund Balances	-	-	645,710	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 86,444	\$ 209,026	\$ 744,958	\$ 29,470	\$ 24,957	\$ 48,296	\$ 119,831	\$ 384,376

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds							
	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Consol- idated Admini- stration	Title VI-B IDEA	Learning Center	UAF Urban Growth Opportunities	Title II-A Higher Education	Migrant Education Parent Advisor
<i>June 30, 2014</i>								
Assets								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:								
Federal and state grants	288,278	16,281	560,271	940,147	334,165	-	-	1,836
Other	-	-	-	-	-	106,784	12,775	-
Inventory	-	-	-	-	-	-	-	-
Total Assets	\$ 288,278	\$ 16,281	\$ 560,271	\$ 940,147	\$ 334,165	\$ 106,784	\$ 12,775	\$ 1,836
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 55,553	\$ 2,200	\$ 352	\$ 1,250	\$ 6,189	\$ -	\$ -	\$ 92
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	232,725	14,081	559,919	938,897	327,976	106,784	12,775	1,744
Total Liabilities	288,278	16,281	560,271	940,147	334,165	106,784	12,775	1,836
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Total Fund Balances	-	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 288,278	\$ 16,281	\$ 560,271	\$ 940,147	\$ 334,165	\$ 106,784	\$ 12,775	\$ 1,836

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds
Combining Balance Sheet, continued

<i>June 30, 2014</i>	Title I-C Migrant Education	Migrant Education Book Program	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Title I-A Parent Involve- ment	Title I-A School Improve- ment	Math and Science Partnership	Indian Education
Assets								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:								
Federal and state grants	203,399	4,619	-	35,675	42,487	4,052	150,159	60,559
Other	-	-	57,754	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Total Assets	\$ 203,399	\$ 4,619	\$ 57,754	\$ 35,675	\$ 42,487	\$ 4,052	\$ 150,159	\$ 60,559
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 16,796	\$ 125	\$ -	\$ -	\$ -	\$ -	\$ 27,958	\$ 36,948
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	186,603	4,494	57,754	35,675	42,487	4,052	122,201	23,611
Total Liabilities	203,399	4,619	57,754	35,675	42,487	4,052	150,159	60,559
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Total Fund Balances	-	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 203,399	\$ 4,619	\$ 57,754	\$ 35,675	\$ 42,487	\$ 4,052	\$ 150,159	\$ 60,559

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds

Combining Balance Sheet, continued

	Special Revenue Funds								
	Partners for Fish and Wildlife	Enanuaq Preschool Grant	Trapper Creek Community Enrichment	UAA Leap Grant	Talkeetna Community Enrichment	Knik Tribal Council	Knik Tribal Federal	Society for Science	
June 30, 2014									
Assets									
Cash and investments	\$ -	\$ -	\$ 2,793	\$ 966	\$ 5,643	\$ 6	\$ 133,761	\$ 20	
Accounts receivable:									
Federal and state grants	1,057	122,292	1,111	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
Inventory	-	-	-	-	-	-	-	-	
Total Assets	\$ 1,057	\$ 122,292	\$ 3,904	\$ 966	\$ 5,643	\$ 6	\$ 133,761	\$ 20	
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unearned revenue	-	-	3,904	966	5,643	6	133,761	20	
Due to other funds	1,057	122,292	-	-	-	-	-	-	
Total Liabilities	1,057	122,292	3,904	966	5,643	6	133,761	20	
Fund Balances									
Nonspendable	-	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	-	-	
Total Fund Balances	-	-	-	-	-	-	-	-	
Total Liabilities and Fund Balances	\$ 1,057	\$ 122,292	\$ 3,904	\$ 966	\$ 5,643	\$ 6	\$ 133,761	\$ 20	

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds

Combining Balance Sheet, continued

	Special Revenue Funds									
	River Rangers TMS	NEA Student Achieve- ment	Mat-Su Health Foundation	Community Impact	Friends of NRA	Cultural Program	Fred Meyers Coin Boxes	SV Fire Damage Reclamation	RJ Jones Memorial Fund	
<i>June 30, 2014</i>										
Assets										
Cash and investments	\$ 12,943	\$ 773	\$ 42,375	\$ 7,422	\$ 7,720	\$ 4,423	\$ 5,061	\$ 36,315	\$ 5,772	
Accounts receivable:										
Federal and state grants	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
Inventory	-	-	-	-	-	-	-	-	-	
Total Assets	\$ 12,943	\$ 773	\$ 42,375	\$ 7,422	\$ 7,720	\$ 4,423	\$ 5,061	\$ 36,315	\$ 5,772	
Liabilities and Fund Balances										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unearned revenue	12,943	773	39,675	7,422	7,720	4,423	5,061	-	-	
Due to other funds	-	-	-	-	-	-	-	-	-	
Total Liabilities	12,943	773	42,375	7,422	7,720	4,423	5,061	-	-	
Fund Balances										
Nonspendable	-	-	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	-	5,772	
Assigned	-	-	-	-	-	-	-	36,315	-	
Total Fund Balances	-	-	-	-	-	-	-	36,315	5,772	
Total Liabilities and Fund Balances	\$ 12,943	\$ 773	\$ 42,375	\$ 7,422	\$ 7,720	\$ 4,423	\$ 5,061	\$ 36,315	\$ 5,772	

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds

Combining Balance Sheet, continued

	Capital Projects Funds					Totals
	Legislative Grants Small	E-rate Phone Grant	Legislative Grants Large	Bond Reimburse- ment		
<i>June 30, 2014</i>						
Assets						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	2,009,690
Accounts receivable:						
Federal and state grants	-	-	-	-	-	3,351,788
Other	81,571	50,237	1,112,890	597,353		2,285,910
Inventory	-	-	-	-	-	630,557
Total Assets	\$ 81,571	\$ 50,237	\$ 1,112,890	\$ 597,353	\$ -	8,277,945
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 4,499	\$ -	\$ 14,160	\$ 92,324	\$ -	384,726
Unearned revenue	-	-	-	-	-	745,511
Due to other funds	77,072	50,237	1,098,730	505,029		5,315,889
Total Liabilities	81,571	50,237	1,112,890	597,353		6,446,126
Fund Balances						
Nonspendable	-	-	-	-	-	630,557
Restricted	-	-	-	-	-	5,772
Assigned	-	-	-	-	-	1,195,490
Total Fund Balances	-	-	-	-	-	1,831,819
Total Liabilities and Fund Balances	\$ 81,571	\$ 50,237	\$ 1,112,890	\$ 597,353	\$ -	8,277,945

Matanuska-Susitna Borough School District

Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances

Year Ended June 30, 2014	Special Revenue Funds								
	Student Transportation	Early Literacy	AWIB Building Capacity Aviation	Staff Develop- ment	Suicide Awareness, Prevention & Postvention	Youth in Detention	Obesity Prevention K-12	Fred Meyer Foundation	Youth First Initiative
Revenues									
Local sources:									
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	212	\$ -
Borough capital projects	-	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-	212	-
State of Alaska	15,069,807	38,847	13,857	-	29,178	31,184	150,000	-	54,836
Federal sources:									
Direct from federal government	-	-	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	-	4,648	-	-	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-	-	-	-
Total federal sources	-	-	-	4,648	-	-	-	-	-
Total Revenues	15,069,807	38,847	13,857	4,648	29,178	31,184	150,000	212	54,836
Expenditures									
Current:									
Instruction	-	-	13,857	-	-	-	-	-	51,938
Special education instruction	-	-	-	-	-	31,184	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-	-
Support services - instruction	-	38,847	-	4,648	27,636	-	142,072	212	-
District administration	-	-	-	-	-	-	-	-	-
District administration support services	-	-	-	-	1,542	-	7,928	-	2,898
Operations and maintenance of plant	35,302	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-	-
Student transportation	14,628,406	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-	-
Total Expenditures	14,663,708	38,847	-	4,648	29,178	31,184	150,000	212	54,836
Excess (deficiency) of revenues over expenditures	406,099	-	13,857	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-	-	-
Net change in fund balances	406,099	-	13,857	-	-	-	-	-	-
Fund Balances, beginning of year	737,923	-	-	-	-	-	-	-	-
Fund Balances, end of year	\$ 1,144,022	\$ -	\$ 13,857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds							
	Alaska Family Services	Mat-Su Construction Academy	Nutritional Alaskan Foods Program	Fresh Fruit and Vegetable Program	Nutrition Services	Title I-D Delinquent	McKinney Homeless	Alternative Schools Grant
<i>Year Ended June 30, 2014</i>								
Revenues								
Local sources:								
Other	\$ -	\$ -	\$ -	\$ -	\$ 1,143,678	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	1,143,678	-	-	-
State of Alaska	117,265	116,611	79,628	-	-	-	-	110,454
Federal sources:								
Direct from federal government	-	-	-	-	264,216	-	-	-
Passed through the State of Alaska	-	-	-	52,429	4,289,793	37,681	62,792	-
Passed through other intermediate agencies	-	-	-	-	-	-	-	-
Total federal sources	-	-	-	52,429	4,554,009	37,681	62,792	-
Total Revenues	117,265	116,611	79,628	52,429	5,697,687	37,681	62,792	110,454
Expenditures								
Current:								
Instruction	-	110,449	-	-	-	-	-	-
Special education instruction	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-
Support services - instruction	117,265	-	-	-	-	35,689	59,473	104,616
District administration	-	-	-	-	-	-	-	-
District administration support services	-	6,162	-	-	-	1,992	3,319	5,838
Operations and maintenance of plant	-	-	-	-	253,108	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Food services	-	-	79,628	52,429	6,169,187	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-
Total Expenditures	117,265	116,611	79,628	52,429	6,422,295	37,681	62,792	110,454
Excess (deficiency) of revenues over expenditures	-	-	-	-	(724,608)	-	-	-
Other financing sources - transfers in	-	-	-	-	724,608	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	645,710	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ 645,710	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds						
	Alaska Pre-K Program Grant	Title II-A, Teacher and Principal Training and Recruitment	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Con- solidated Admin- istration	UAA - PBS	Title VI-B IDEA
<i>Year Ended June 30, 2014</i>							
Revenues							
Local sources:							
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-
State of Alaska	352,420	-	-	-	-	292	-
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	-	856,097	492,116	21,093	1,066,163	-	3,703,656
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	-	856,097	492,116	21,093	1,066,163	-	3,703,656
Total Revenues	352,420	856,097	492,116	21,093	1,066,163	292	3,703,656
Expenditures							
Current:							
Instruction	333,794	-	469,762	-	-	-	-
Special education instruction	-	-	-	-	-	-	2,552,875
Special education support services - students	-	-	-	-	-	292	955,039
Support services - instruction	-	810,852	-	20,679	514,147	-	-
District administration	-	-	-	-	495,669	-	-
District administration support services	18,626	45,245	22,354	414	56,347	-	195,742
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-
Total Expenditures	352,420	856,097	492,116	21,093	1,066,163	292	3,703,656
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds							
	Title I-A, Subpart 2, Neglected & Delinquent	Learning Center	UAF Urban Growth Opportunities	Title II-A Higher Education	Title I-C Migrant Education Summer	Migrant Education Parent Advisor	Title I-C Migrant Education	Migrant Education Book Program
<i>Year Ended June 30, 2014</i>								
Revenues								
Local sources:								
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-	-
State of Alaska	-	-	-	-	-	-	-	-
Federal sources:								
Direct from federal government	-	-	-	-	-	-	-	-
Passed through the State of Alaska	14,491	685,216	-	47,309	53,062	2,265	318,110	11,655
Passed through other intermediate agencies	-	-	349,171	-	-	-	-	-
Total federal sources	14,491	685,216	349,171	47,309	53,062	2,265	318,110	11,655
Total Revenues	14,491	685,216	349,171	47,309	53,062	2,265	318,110	11,655
Expenditures								
Current:								
Instruction	-	649,002	-	-	50,257	2,145	301,298	345
Special education instruction	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-
Support services - instruction	13,726	-	330,717	44,809	-	-	-	11,310
District administration	-	-	-	-	-	-	-	-
District administration support services	765	36,214	18,454	2,500	2,805	120	16,812	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-
Total Expenditures	14,491	685,216	349,171	47,309	53,062	2,265	318,110	11,655
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds							
	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Title I-A Parent Involve- ment	Title I-A Summer	Title I-A School Improve- ment	Title I-A, 10% Professional Development	Math Science Partnership	ACA ARRA
<i>Year Ended June 30, 2014</i>								
Revenues								
Local sources:								
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough capital projects	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	-	-
State of Alaska	-	-	-	-	-	-	-	-
Federal sources:								
Direct from federal government	-	-	-	-	-	-	-	-
Passed through the State of Alaska	210,638	114,638	44,070	146,714	11,544	48,401	254,411	5,397
Passed through other intermediate agencies	-	-	-	-	-	-	-	-
Total federal sources	210,638	114,638	44,070	146,714	11,544	48,401	254,411	5,397
Total Revenues	210,638	114,638	44,070	146,714	11,544	48,401	254,411	5,397
Expenditures								
Current:								
Instruction	-	-	41,741	138,960	7,096	-	-	-
Special education instruction	138,691	-	-	-	-	-	-	-
Special education support services - students	60,814	108,579	-	-	-	-	-	-
Support services - instruction	-	-	-	-	3,838	45,844	242,004	5,112
District administration	-	-	-	-	-	-	-	-
District administration support services	11,133	6,059	2,329	7,754	610	2,557	12,407	285
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-
Total Expenditures	210,638	114,638	44,070	146,714	11,544	48,401	254,411	5,397
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds							
	School Improve- ment - BHS ARRA	Indian Education	Indian Education Carryover	Partners for Fish and Wildlife	Enanuaq Preschool Grant	Dzuuggi Preschool Program	Trapper Creek Community Enrichment	UAA Leap Grant
<i>Year Ended June 30, 2014</i>								
Revenues								
Local sources:								
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,991	\$ -
Borough capital projects	-	-	-	-	-	-	-	-
Total local sources	-	-	-	-	-	-	4,991	-
State of Alaska	-	-	-	-	-	-	-	-
Federal sources:								
Direct from federal government	-	413,725	2,487	1,057	378,513	13,906	-	-
Passed through the State of Alaska	4,050	-	-	-	-	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-	-	172
Total federal sources	4,050	413,725	2,487	1,057	378,513	13,906	-	172
Total Revenues	4,050	413,725	2,487	1,057	378,513	13,906	4,991	172
Expenditures								
Current:								
Instruction	-	391,858	2,356	-	358,508	13,172	-	-
Special education instruction	-	-	-	-	-	-	-	-
Special education support services - students	-	-	-	-	-	-	-	-
Support services - instruction	3,836	-	-	1,057	-	-	-	172
District administration	-	-	-	-	-	-	-	-
District administration support services	214	21,867	131	-	20,005	734	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	4,991	-
Food services	-	-	-	-	-	-	-	-
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-
Total Expenditures	4,050	413,725	2,487	1,057	378,513	13,906	4,991	172
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources - transfers in	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-	-
Fund Balances, beginning of year	-	-	-	-	-	-	-	-
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds									
	Talkeetna Community Enrichment	Knik Tribal Federal	Society for Science	NEA Student Achievement	Mat-Su Health Foundation	Community Impact	Friends of NRA	Grammy Sig	Conoco Phillips	
Year Ended June 30, 2014										
Revenues										
Local sources:										
Other	\$ 19,709	\$ -	\$ 8,480	\$ 399	\$ 90,246	\$ 4,043	\$ 7,080	\$ 5,499	\$ 4,351	
Borough capital projects	-	-	-	-	-	-	-	-	-	
Total local sources	19,709	-	8,480	399	90,246	4,043	7,080	5,499	4,351	
State of Alaska	-	-	-	-	-	-	-	-	-	
Federal sources:										
Direct from federal government	-	-	-	-	-	-	-	-	-	
Passed through the State of Alaska	-	-	-	-	-	-	-	-	-	
Passed through other intermediate agencies	-	304,587	-	-	-	-	-	-	-	
Total federal sources	-	304,587	-	-	-	-	-	-	-	
Total Revenues	19,709	304,587	8,480	399	90,246	4,043	7,080	5,499	4,351	
Expenditures										
Current:										
Instruction	-	304,587	8,480	399	-	-	-	-	-	
Special education instruction	-	-	-	-	-	-	-	-	-	
Special education support services - students	-	-	-	-	-	-	-	-	-	
Support services - instruction	-	-	-	-	90,246	4,043	7,080	5,499	4,351	
District administration	-	-	-	-	-	-	-	-	-	
District administration support services	-	-	-	-	-	-	-	-	-	
Operations and maintenance of plant	-	-	-	-	-	-	-	-	-	
Student activities	-	-	-	-	-	-	-	-	-	
Student transportation	-	-	-	-	-	-	-	-	-	
Community services	19,709	-	-	-	-	-	-	-	-	
Food services	-	-	-	-	-	-	-	-	-	
Non-current - construction and facilities acquisition	-	-	-	-	-	-	-	-	-	
Total Expenditures	19,709	304,587	8,480	399	90,246	4,043	7,080	5,499	4,351	
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-	-	
Other financing sources - transfers in	-	-	-	-	-	-	-	-	-	
Net change in fund balances	-	-	-	-	-	-	-	-	-	
Fund Balances, beginning of year	-	-	-	-	-	-	-	-	-	
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Matanuska-Susitna Borough School District
Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances, continued

	Special Revenue Funds				Capital Projects Funds				Totals
	Toshiba	Cultural Program	SV Fire Damage Reclamation	RJ Jones Memorial Fund	Legislative Grants Small	E-rate Phone Grant	Legislative Grants Large	Bond Reimbursement	
<i>Year Ended June 30, 2014</i>									
Revenues									
Local sources:									
Other	\$ 5,000	\$ 2,854	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ 1,296,546
Borough capital projects	-	-	-	-	213,360	259,502	2,880,117	2,073,486	5,426,465
Total local sources	5,000	2,854	-	4	213,360	259,502	2,880,117	2,073,486	6,723,011
State of Alaska	-	-	-	-	-	-	-	-	16,164,379
Federal sources:									
Direct from federal government	-	-	-	-	-	-	-	-	1,073,904
Passed through the State of Alaska	-	-	-	-	-	-	-	-	12,558,439
Passed through other intermediate agencies	-	-	-	-	-	-	-	-	653,930
Total federal sources	-	-	-	-	-	-	-	-	14,286,273
Total Revenues	5,000	2,854	-	4	213,360	259,502	2,880,117	2,073,486	37,173,663
Expenditures									
Current:									
Instruction	-	2,854	61,447	-	-	-	760,070	-	4,074,375
Special education instruction	-	-	-	-	-	-	-	-	2,722,750
Special education support services - students	-	-	-	-	-	-	-	-	1,124,724
Support services - instruction	5,000	-	-	-	-	-	-	-	2,694,780
District administration	-	-	-	-	-	-	-	-	495,669
District administration support services	-	-	-	-	-	-	-	-	532,162
Operations and maintenance of plant	-	-	156	-	-	259,502	-	-	548,068
Student activities	-	-	-	-	28,655	-	-	-	28,655
Student transportation	-	-	-	-	-	-	-	-	14,628,406
Community services	-	-	-	-	-	-	-	-	24,700
Food services	-	-	-	-	-	-	-	-	6,301,244
Non-current - construction and facilities acquisition	-	-	-	-	184,705	-	2,120,047	2,073,486	4,378,238
Total Expenditures	5,000	2,854	61,603	-	213,360	259,502	2,880,117	2,073,486	37,553,771
Excess (deficiency) of revenues over expenditures	-	-	(61,603)	4	-	-	-	-	(380,108)
Other financing sources - transfers in	-	-	-	-	-	-	-	-	724,608
Net change in fund balances	-	-	(61,603)	4	-	-	-	-	344,500
Fund Balances, beginning of year	-	-	97,918	5,768	-	-	-	-	1,487,319
Fund Balances, end of year	\$ -	\$ -	\$ 36,315	\$ 5,772	\$ -	\$ -	\$ -	\$ -	\$ 1,831,819

Matanuska-Susitna Borough School District

Student Transportation Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 15,069,807	\$ 15,069,807	\$ -
Expenditures			
Operations and maintenance of plant:			
Utility services	12,247	12,247	-
Energy	3,788	3,788	-
Other purchased services	18,000	18,000	-
Insurance and bond premiums	1,267	1,267	-
Total operations and maintenance of plant	35,302	35,302	-
Student transportation:			
Non-certificated salaries	246,305	246,305	-
Employee benefits	132,684	132,684	-
Other purchased services	14,224,137	14,224,137	-
Supplies, materials and media	25,090	25,090	-
Other expenditures	190	190	-
Total student transportation	14,628,406	14,628,406	-
Total Expenditures	14,663,708	14,663,708	-
Net change in fund balance	<u>\$ 406,099</u>	406,099	<u>\$ -</u>
Fund Balance, beginning of year		<u>737,923</u>	
Fund Balance, end of year		<u>\$ 1,144,022</u>	

Matanuska-Susitna Borough School District

Early Literacy Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - State of Alaska	\$ 38,847	\$ 38,847	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	38,847	38,847	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
 AWIB Building Capacity Aviation Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 13,857	\$ 13,857	\$ -
Expenditures			
Instruction:			
Certificated salaries	1,880	1,880	-
Employee benefits	311	311	-
Staff travel	295	295	-
Student travel	556	556	-
Supplies, materials and media	10,815	10,815	-
Total Expenditures	13,857	13,857	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Staff Development Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 4,648	\$ 4,648	\$ -
Expenditures - support services - instruction:			
Non-certificated salaries	300	300	-
Employee benefits	23	23	-
Staff travel	4,325	4,325	-
Total Expenditures	4,648	4,648	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Suicide Awareness, Prevention & Postvention Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 29,178	\$ 29,178	\$ -
Expenditures			
Support services - instruction:			
Professional and technical services	5,120	5,120	-
Staff travel	13,568	13,568	-
Supplies, material and media	6,549	6,549	-
Other expenditures	2,399	2,399	-
Total support services - instruction	27,636	27,636	-
Direct administration support services - indirect costs	1,542	1,542	-
Total Expenditures	29,178	29,178	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Youth in Detention Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 31,184	\$ 31,184	\$ -
Expenditures			
Special education instruction:			
Certificated salaries	11,868	11,868	-
Employee benefits	1,829	1,829	-
Staff travel	17,005	17,005	-
Supplies, materials and media	482	482	-
Total Expenditures	31,184	31,184	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Obesity Prevention K-12 Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - State of Alaska	\$ 150,000	\$ 150,000	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	92,347	92,347	-
Non-certificated salaries	4,200	4,200	-
Employee benefits	32,775	32,775	-
Staff travel	516	516	-
Student travel	1,113	1,113	-
Supplies, materials and media	11,021	11,021	-
Other expenditures	100	100	-
Total support services - instruction	142,072	142,072	-
District administration support services - indirect costs	7,928	7,928	-
Total Expenditures	150,000	150,000	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District

Fred Meyer Foundation Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	Budget
Revenues - other local revenue	\$ 212	\$ 212	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	212	212	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Youth First Initiative Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - State of Alaska	\$ 54,836	\$ 54,836	\$ -
Expenditures			
Instruction:			
Certificated salaries	26,499	26,499	-
Employee benefits	19,965	19,965	-
Staff travel	108	108	-
Supplies, materials and media	5,366	5,366	-
Total instruction	51,938	51,938	-
District administration support services - indirect costs	2,898	2,898	-
Total Expenditures	54,836	54,836	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Alaska Family Services Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - State of Alaska	\$ 117,265	\$ 117,265	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	84,978	84,978	-
Employee benefits	32,287	32,287	-
Total Expenditures	117,265	117,265	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
Mat-Su Construction Academy Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 116,611	\$ 116,611	\$ -
Expenditures			
Instruction:			
Certificated salaries	45,323	45,323	-
Non-certificated salaries	1,679	1,679	-
Employee benefits	26,191	26,191	-
Student travel	133	133	-
Supplies, materials and media	37,123	37,123	-
Total instruction	110,449	110,449	-
District administration support services - indirect costs	6,162	6,162	-
Total Expenditures	116,611	116,611	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Nutritional Alaskan Foods Program Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 79,628	\$ 79,628	\$ -
Expenditures			
Food services - supplies, materials and media	79,628	79,628	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Fresh Fruit and Vegetable Program Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - federal education grants passed through the State of Alaska	\$ 52,429	\$ 52,429	\$ -
Expenditures			
Food services - supplies, materials and media	52,429	52,429	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Nutrition Services Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues			
Local sources:			
Food service	\$ 1,089,905	\$ 1,089,905	\$ -
Other local revenue	53,773	53,773	-
Total local sources	1,143,678	1,143,678	-
Federal grants passed through the State of Alaska	4,289,793	4,289,793	-
Federal grants direct	264,216	264,216	-
Total federal sources	4,554,009	4,554,009	-
Total Revenues	5,697,687	5,697,687	-
Expenditures			
Operations and maintenance of plant:			
Utility services	14,503	14,503	-
Energy	146,687	146,687	-
Other purchased services	13,752	13,752	-
Insurance and bond premiums	21,129	21,129	-
Supplies, materials and media	57,037	57,037	-
Total operations and maintenance of plant	253,108	253,108	-
Food services:			
Non-certificated salaries	2,551,800	2,551,800	-
Employee benefits	1,116,190	1,116,190	-
Staff travel	3,361	3,361	-
Other purchased services	29,477	29,477	-
Supplies, materials and media	2,468,359	2,468,359	-
Total food services	6,169,187	6,169,187	-
Total Expenditures	6,422,295	6,422,295	-
Deficiency of revenues over expenditures	(724,608)	(724,608)	-
Other financing sources - transfers in	724,608	724,608	-
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>645,710</u>	
Fund Balance, end of year		<u>\$ 645,710</u>	

Matanuska-Susitna Borough School District

Title I-D Delinquent Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 37,681	\$ 37,681	\$ -
Expenditures			
Support services - instruction:			
Non-certificated salaries	1,500	1,500	-
Employee benefits	78	78	-
Staff travel	3,486	3,486	-
Supplies, materials and media	30,625	30,625	-
Total support services - instruction	35,689	35,689	-
District administration support services - indirect costs	1,992	1,992	-
Total Expenditures	37,681	37,681	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

McKinney Homeless Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	Budget
Revenues - federal education grants passed through the State of Alaska	\$ 62,792	\$ 62,792	\$ -
Expenditures			
Support services - instruction:			
Non-certificated salaries	79	79	-
Employee benefits	26	26	-
Professional and technical services	6,333	6,333	-
Staff travel	3,385	3,385	-
Student travel	630	630	-
Supplies, materials and media	41,158	41,158	-
Other expenditures	7,862	7,862	-
Total support services - instruction	59,473	59,473	-
District administration support services - indirect costs	3,319	3,319	-
Total Expenditures	62,792	62,792	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

Matanuska-Susitna Borough School District

Alternative Schools Grant Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 110,454	\$ 110,454	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	43,342	43,342	-
Non-certificated salaries	2,105	2,105	-
Employee benefits	6,112	6,112	-
Staff travel	12,992	12,992	-
Student travel	8,972	8,972	-
Other purchased services	1,983	1,983	-
Supplies, materials and media	24,590	24,590	-
Other expenditures	4,520	4,520	-
Total support services - instruction	104,616	104,616	-
District administration support services - indirect costs	5,838	5,838	-
Total Expenditures	110,454	110,454	-
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Alaska Pre-K Program Grant Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - State of Alaska	\$ 352,420	\$ 352,420	\$ -
Expenditures			
Instruction:			
Certificated salaries	219,341	219,341	-
Non-certificated salaries	17,563	17,563	-
Employee benefits	86,093	86,093	-
Staff travel	674	674	-
Student travel	1,792	1,792	-
Other purchased services	450	450	-
Supplies, materials and media	7,881	7,881	-
Total instruction	333,794	333,794	-
District administration support services - indirect costs	18,626	18,626	-
Total Expenditures	352,420	352,420	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title II-A, Teacher and Principal Training and Recruitment Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 856,097	\$ 856,097	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	299,320	299,320	-
Non-certificated salaries	149,943	149,943	-
Employee benefits	111,485	111,485	-
Professional and technical services	185,554	185,554	-
Staff travel	19,522	19,522	-
Supplies, materials and media	41,413	41,413	-
Other expenditures	3,615	3,615	-
Total support services - instruction	810,852	810,852	-
District administration support services - indirect costs	45,245	45,245	-
Total Expenditures	856,097	856,097	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Carl Perkins Vocational Education Basic Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 492,116	\$ 492,116	\$ -
Expenditures			
Instruction:			
Certificated salaries	104,921	104,921	-
Non-certificated salaries	420	420	-
Employee benefits	36,263	36,263	-
Staff travel	19,868	19,868	-
Student travel	2,170	2,170	-
Other purchased services	8,765	8,765	-
Supplies, materials and media	274,680	274,680	-
Equipment	22,675	22,675	-
Total instruction	469,762	469,762	-
District administration support services - indirect costs	22,354	22,354	-
Total Expenditures	492,116	492,116	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title III-A English Language Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 21,093	\$ 21,093	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	1,275	1,275	-
Non-certificated salaries	3,933	3,933	-
Employee benefits	424	424	-
Professional and technical services	9,980	9,980	-
Staff travel	2,767	2,767	-
Supplies, materials, and media	2,300	2,300	-
Total support services - instruction	20,679	20,679	-
District administration support services - indirect costs	414	414	-
Total Expenditures	21,093	21,093	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

IASA Consolidated Administration Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 1,066,163	\$ 1,066,163	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	343,178	343,178	-
Non-certificated salaries	16,919	16,919	-
Employee benefits	123,397	123,397	-
Staff travel	23,425	23,425	-
Other purchased services	137	137	-
Supplies, materials and media	6,092	6,092	-
Other expenditures	999	999	-
Total support services - instruction	514,147	514,147	-
District administration:			
Certificated salaries	112,325	112,325	-
Non-certificated salaries	226,877	226,877	-
Employee benefits	156,467	156,467	-
Total district administration	495,669	495,669	-
District administration support services - indirect costs	56,347	56,347	-
Total Expenditures	1,066,163	1,066,163	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

UAA-PBS Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

			Variance with Budget
<i>Year Ended June 30, 2014</i>	Budget	Actual	
Revenues - State of Alaska	\$ 292	\$ 292	\$ -
Expenditures			
Special education support services - students -			
Supplies, materials and media	292	292	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title VI-B IDEA Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 3,703,656	\$ 3,703,656	\$ -
Expenditures			
Special education instruction:			
Certificated salaries	63,564	63,564	-
Non-certificated salaries	1,520,550	1,520,550	-
Employee benefits	968,761	968,761	-
Total special education instruction	2,552,875	2,552,875	-
Special education support services - students:			
Certificated salaries	36,689	36,689	-
Non-certificated salaries	560,401	560,401	-
Employee benefits	327,326	327,326	-
Professional and technical services	10,000	10,000	-
Staff travel	20,623	20,623	-
Total special education support services - students	955,039	955,039	-
District administration support services - indirect costs	195,742	195,742	-
Total Expenditures	3,703,656	3,703,656	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-A, Subpart 2, Neglected & Delinquent Special Revenue Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 14,491	\$ 14,491	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	1,944	1,944	-
Employee benefits	141	141	-
Professional and technical services	9,600	9,600	-
Supplies, materials and media	2,041	2,041	-
Total support services - instruction	13,726	13,726	-
District administration support services - indirect costs	765	765	-
Total Expenditures	14,491	14,491	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Learning Center Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 685,222	\$ 685,216	\$ (6)
Expenditures			
Instruction:			
Certificated salaries	317,381	317,627	(246)
Non-certificated salaries	51,513	52,995	(1,482)
Employee benefits	79,419	78,171	1,248
Professional and technical services	87,225	86,226	999
Staff travel	5,000	4,885	115
Student travel	17,000	17,754	(754)
Other purchased services	1,670	1,670	-
Supplies, materials and media	89,480	89,354	126
Other expenditures	320	320	-
Total instruction	649,008	649,002	6
District administration support services - indirect costs	36,214	36,214	-
Total Expenditures	685,222	685,216	6
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

UAF Urban Growth Opportunities Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the University of Alaska - Fairbanks	\$ 349,171	\$ 349,171	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	84,645	84,645	-
Non-certificated salaries	4,950	4,950	-
Employee benefits	32,343	32,343	-
Professional and technical services	188,318	188,318	-
Staff travel	19,498	19,498	-
Supplies, materials and media	763	763	-
Other expenditures	200	200	-
Total support services - instruction	330,717	330,717	-
District administration support services - indirect costs	18,454	18,454	-
Total Expenditures	349,171	349,171	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title II-A Higher Education Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 47,309	\$ 47,309	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	6,747	6,747	-
Non-certificated salaries	14,465	14,465	-
Employee benefits	1,342	1,342	-
Professional and technical services	22,255	22,255	-
Total support services- instruction	44,809	44,809	-
District administration support services - indirect costs	2,500	2,500	-
Total Expenditures	47,309	47,309	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-C Migrant Education Summer Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 53,062	\$ 53,062	\$ -
Expenditures			
Instruction:			
Professional and technical services	11,330	11,330	-
Supplies, materials and media	38,927	38,927	-
Total instruction	50,257	50,257	-
District administration support services - indirect costs	2,805	2,805	-
Total Expenditures	53,062	53,062	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
Migrant Education Parent Advisor Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 2,265	\$ 2,265	\$ -
Expenditures			
Instruction - other expenditures	2,145	2,145	-
District administration support services - indirect costs	120	120	-
Total Expenditures	2,265	2,265	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-C Migrant Education Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 318,110	\$ 318,110	\$ -
Expenditures			
Instruction:			
Certificated salaries	120,818	120,818	-
Non-certificated salaries	22,832	22,832	-
Employee benefits	59,538	59,538	-
Professional and technical services	32,255	32,255	-
Staff travel	5,946	5,946	-
Student travel	6,186	6,186	-
Utility services	167	167	-
Other purchased services	3,603	3,603	-
Supplies, materials and media	47,969	47,969	-
Other expenditures	1,984	1,984	-
Total instruction	301,298	301,298	-
District administration support services - indirect costs	16,812	16,812	-
Total Expenditures	318,110	318,110	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Migrant Education Book Program Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 11,655	\$ 11,655	\$ -
Expenditures			
Instruction - supplies, materials and media	345	345	-
Support services - instruction - supplies, materials and media	11,310	11,310	-
Total Expenditures	11,655	11,655	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

CEIS IDEA Part B Title VI-B Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 210,638	\$ 210,638	\$ -
Expenditures			
Special education instruction:			
Non-certificated salaries	122,960	122,960	-
Employee benefits	15,731	15,731	-
Total special education instruction	138,691	138,691	-
Special education support services - students:			
Certificated salaries	44,352	44,352	-
Employee benefits	16,462	16,462	-
Total special education support services - students	60,814	60,814	-
District administration support services - indirect costs	11,133	11,133	-
Total Expenditures	210,638	210,638	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

IDEA Part B Preschool Disabled Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 114,638	\$ 114,638	\$ -
Expenditures			
Special education support services - students:			
Certificated salaries	62,907	62,907	-
Employee benefits	9,857	9,857	-
Professional and technical services	35,815	35,815	-
Total special education support services - students	108,579	108,579	-
District administration support services - indirect costs	6,059	6,059	-
Total Expenditures	114,638	114,638	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-A Parent Involvement Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 44,070	\$ 44,070	\$ -
Expenditures			
Instruction:			
Professional and technical services	2,693	2,693	-
Utility services	1,500	1,500	-
Other purchased services	800	800	-
Supplies, materials and media	36,748	36,748	-
Total instruction	41,741	41,741	-
District administration support services - indirect costs	2,329	2,329	-
Total Expenditures	44,070	44,070	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-A Summer Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 146,714	\$ 146,714	\$ -
Expenditures			
Instruction:			
Certificated salaries	42,109	42,109	-
Non-certificated salaries	6,103	6,103	-
Employee benefits	4,657	4,657	-
Professional and technical services	35,250	35,250	-
Staff travel	44,002	44,002	-
Supplies, materials and media	6,839	6,839	-
Total instruction	138,960	138,960	-
District administration support services - indirect costs	7,754	7,754	-
Total Expenditures	146,714	146,714	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-A School Improvement Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 11,544	\$ 11,544	\$ -
Expenditures			
Instruction - supplies, materials and media	7,096	7,096	-
Support services - instruction - supplies, materials and media	3,838	3,838	-
District administration support services - indirect costs	610	610	-
Total Expenditures	11,544	11,544	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Title I-A 10% Professional Development Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 48,401	\$ 48,401	\$ -
Expenditures			
Support services - instruction:			
Non-certificated salaries	10,450	10,450	-
Employee benefits	739	739	-
Professional and technical services	29,321	29,321	-
Staff travel	5,334	5,334	-
Total support services - instruction	45,844	45,844	-
District administration support services - indirect costs	2,557	2,557	-
Total Expenditures	48,401	48,401	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Math Science Partnership Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 254,411	\$ 254,411	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	44,547	44,547	-
Non-certificated salaries	25,058	25,058	-
Employee benefits	4,157	4,157	-
Professional and technical services	114,126	114,126	-
Staff travel	382	382	-
Supplies, materials and media	500	500	-
Other expenditures	53,234	53,234	-
Total support services - instruction	242,004	242,004	-
District administration support services - indirect costs	12,407	12,407	-
Total Expenditures	254,411	254,411	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

ACA ARRA Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 5,397	\$ 5,397	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	5,112	5,112	-
District administration support services - indirect costs	285	285	-
Total Expenditures	5,397	5,397	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

School Improvement - BHS ARRA Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through the State of Alaska	\$ 4,050	\$ 4,050	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	3,836	3,836	-
District administration support services - indirect costs	214	214	-
Total Expenditures	4,050	4,050	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Indian Education Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - direct federal education grants	\$ 413,725	\$ 413,725	\$ -
Expenditures			
Instruction:			
Certificated salaries	201,215	201,215	-
Non-certificated salaries	12,332	12,332	-
Employee benefits	86,235	86,235	-
Professional and technical services	33,132	33,132	-
Staff travel	3,360	3,360	-
Student travel	1,515	1,515	-
Other purchased services	467	467	-
Supplies, materials and media	53,417	53,417	-
Other expenditures	185	185	-
Total instruction	391,858	391,858	-
District administration support services - indirect costs	21,867	21,867	-
Total Expenditures	413,725	413,725	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Indian Education Carryover Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - direct federal education grants	\$ 2,487	\$ 2,487	\$ -
Expenditures			
Instruction - supplies, materials and media	2,356	2,356	-
District administration support services - indirect costs	131	131	-
Total Expenditures	2,487	2,487	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
Partners for Fish and Wildlife Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - direct federal education grants	\$ 1,057	\$ 1,057	\$ -
Expenditures			
Support services - instruction - student travel	1,057	1,057	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Enanuaq Preschool Grant Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - direct federal education grants	\$ 378,513	\$ 378,513	\$ -
Expenditures			
Instruction:			
Certificated salaries	177,802	177,802	-
Non-certificated salaries	55,207	55,207	-
Employee benefits	114,253	114,253	-
Professional and technical services	5,000	5,000	-
Staff travel	524	524	-
Student travel	754	754	-
Other purchased services	45	45	-
Supplies, materials and media	4,923	4,923	-
Total instruction	358,508	358,508	-
District administration support services - indirect costs	20,005	20,005	-
Total Expenditures	378,513	378,513	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Dzuuggi Preschool Program Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - direct federal education grants	\$ 13,906	\$ 13,906	\$ -
Expenditures			
Instruction:			
Certificated salaries	3,951	3,951	-
Non-certificated salaries	2,588	2,588	-
Employee benefits	1,320	1,320	-
Professional and technical services	5,000	5,000	-
Staff travel	40	40	-
Supplies, materials and media	273	273	-
Total instruction	13,172	13,172	-
District administration support services - indirect costs	734	734	-
Total Expenditures	13,906	13,906	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
 Trapper Creek Community Enrichment Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 4,991	\$ 4,991	\$ -
Expenditures			
Community services:			
Non-certificated salaries	3,678	3,678	-
Employee benefits	1,019	1,019	-
Supplies, materials and media	294	294	-
Total Expenditures	4,991	4,991	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

UAA Leap Grant Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through intermediate agency	\$ 172	\$ 172	\$ -
Expenditures			
Support services - instruction - staff travel	172	172	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District
Talkeetna Community Enrichment Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 19,709	\$ 19,709	\$ -
Expenditures			
Community services:			
Non-certificated salaries	14,920	14,920	-
Employee benefits	4,459	4,459	-
Supplies, materials and media	330	330	-
Total Expenditures	19,709	19,709	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Knik Tribal Federal Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - federal education grants passed through intermediate agency	\$ 304,587	\$ 304,587	\$ -
Expenditures			
Instruction:			
Certificated salaries	188,764	188,764	-
Non-certificated salaries	20,164	20,164	-
Employee benefits	70,902	70,902	-
Staff travel	72	72	-
Student travel	4,468	4,468	-
Supplies, materials and media	20,217	20,217	-
Total Expenditures	304,587	304,587	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Society for Science Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 8,480	\$ 8,480	\$ -
Expenditures			
Instruction:			
Certificated salaries	1,299	1,299	-
Employee benefits	182	182	-
Student travel	2,405	2,405	-
Supplies, materials and media	4,594	4,594	-
Total Expenditures	8,480	8,480	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

NEA Student Achievement Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 399	\$ 399	\$ -
Expenditures			
Instruction - supplies, materials and media	399	399	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Mat-Su Health Foundation Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 90,246	\$ 90,246	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	10,835	10,835	-
Non-certificated salaries	1,402	1,402	-
Employee benefits	964	964	-
Professional and technical services	1,725	1,725	-
Student travel	4,367	4,367	-
Other purchased services	3,015	3,015	-
Supplies, materials and media	64,785	64,785	-
Other expenditures	3,153	3,153	-
Total Expenditures	90,246	90,246	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Community Impact Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 4,043	\$ 4,043	\$ -
Expenditures			
Support services - instruction:			
Certificated salaries	712	712	-
Employee benefits	100	100	-
Staff travel	3,199	3,199	-
Supplies, materials and media	32	32	-
Total Expenditures	4,043	4,043	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Friends of NRA Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 7,080	\$ 7,080	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	7,080	7,080	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Grammy Sig Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 5,499	\$ 5,499	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	5,499	5,499	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Conoco Phillips Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 4,351	\$ 4,351	\$ -
Expenditures			
Support services - instruction - supplies, materials and media	4,351	4,351	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Toshiba Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 5,000	\$ 5,000	\$ -
Expenditures			
Support services - instruction:			
Other purchased services	2,237	2,237	
Supplies, materials and media	2,763	2,763	-
Total Expenditures	5,000	5,000	
Net change in fund balance	<u>-</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

Cultural Program Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ 2,854	\$ 2,854	\$ -
Expenditures			
Instruction:			
Student travel	2,443	2,443	-
Supplies, materials and media	411	411	-
Total Expenditures	2,854	2,854	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

Matanuska-Susitna Borough School District

SV Fire Damage Reclamation Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - other local	\$ -	\$ -	\$ -
Expenditures			
Instruction:			
Supplies, materials and media	2,447	2,447	-
Equipment	59,000	59,000	-
Total instruction	61,447	61,447	-
Operations and maintenance of plant - other expenditures	156	156	-
Total Expenditures	61,603	61,603	-
Net change in fund balance	<u>\$ (61,603)</u>	(61,603)	<u>\$ -</u>
Fund Balance, beginning of year		<u>97,918</u>	
Fund Balance, end of year		<u>\$ 36,315</u>	

Matanuska-Susitna Borough School District

RJ Jones Memorial Fund Special Revenue Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual

<i>Year Ended June 30, 2014</i>	Budget	Actual	Variance with Budget
Revenues - local earnings on investments	\$ 4	\$ 4	\$ -
Expenditures	-	-	-
Net change in fund balance	<u>\$ 4</u>	4	<u>\$ -</u>
Fund Balance, beginning of year		<u>5,768</u>	
Fund Balance, end of year		<u>\$ 5,772</u>	

Matanuska-Susitna Borough School District

Nonmajor Enterprise Funds
Combining Statement of Net Position

<i>June 30, 2014</i>	Mat-Su Construction Trade	Adult Welding Classes	Families In Transition	Alaska Works Partnership	Parent Advisory Local Wellness	Total
Assets						
Cash and investments	\$ -	\$ 72,506	\$ 819	\$ 65,538	\$ 1,077	\$ 139,940
Prepaid items	2,000	-	-	-	-	2,000
Inventory	209,212	-	-	-	-	209,212
Total Assets	\$ 211,212	\$ 72,506	\$ 819	\$ 65,538	\$ 1,077	\$ 351,152
Liabilities and Net Position						
Current Liabilities						
Unearned revenue	\$ -	\$ 67,406	\$ 819	\$ 65,538	\$ 1,077	\$ 134,840
Accounts payable	9	5,100	-	-	-	5,109
Due to other funds	7,624	-	-	-	-	7,624
Total Current Liabilities	7,633	72,506	819	65,538	1,077	147,573
Net Position - unrestricted	203,579	-	-	-	-	203,579
Total Liabilities and Net Position	\$ 211,212	\$ 72,506	\$ 819	\$ 65,538	\$ 1,077	\$ 351,152

Matanuska-Susitna Borough School District

Nonmajor Enterprise Funds
Combining Statement of Revenues,
Expenses and Changes in Net Position

<i>Year Ended June 30, 2014</i>	Mat-Su Construction Trade	Adult Welding Classes	Families In Transition	Total
Operating Revenues				
Sales	\$ -	\$ 5,311	\$ 4,100	\$ 9,411
Operating Expenses				
Instruction	-	5,311	-	5,311
Support services - instruction	-	-	4,100	4,100
Total Operating Expenses	-	5,311	4,100	9,411
Change in net position	-	-	-	-
Net Position, beginning of year	203,579	-	-	203,579
Net Position, end of year	\$ 203,579	\$ -	\$ -	\$ 203,579

Matanuska-Susitna Borough School District

Nonmajor Enterprise Funds
Combining Statement of Cash Flows

<i>Year Ended June 30, 2014</i>	Mat-Su Construction Trade	Adult Welding Classes	Families In Transition	Alaska Works Partnership	Parent Advisory Local Wellness	Total
Cash Flows from (for) Operating Activities						
Receipts from customers and users	\$ -	\$ 15,300	\$ 300	\$ -	\$ -	\$ 15,600
Payments to suppliers	(24,108)	(211)	(4,100)	-	-	(28,419)
Net cash flows from (for) operating activities	(24,108)	15,089	(3,800)	-	-	(12,819)
Net increase (decrease) in cash and cash equivalents	(24,108)	15,089	(3,800)	-	-	(12,819)
Cash and Cash Equivalents, beginning of year	24,108	57,417	4,619	65,538	1,077	152,759
Cash and Cash Equivalents, end of year	\$ -	\$ 72,506	\$ 819	\$ 65,538	\$ 1,077	\$ 139,940
Reconciliation of Change in Net Position to Cash Flows from (for) Operating Activities						
Operating income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to Reconcile Operating Income to Net Cash Flows from (for) Operating Activities						
Increase in inventories	(31,741)	-	-	-	-	(31,741)
Increase in accounts payable	9	5,100	-	-	-	5,109
Increase in due to other funds	7,624	-	-	-	-	7,624
Increase (decrease) in unearned revenue	-	9,989	(3,800)	-	-	6,189
Total adjustments	(24,108)	15,089	(3,800)	-	-	(12,819)
Net Cash Flows from (for) Operating Activities	\$ (24,108)	\$ 15,089	\$ (3,800)	\$ -	\$ -	\$ (12,819)

Matanuska-Susitna Borough School District

Internal Service Funds
Combining Statement of Net Position

	Workers Compensation Self-Insurance Internal Service Fund
<i>June 30, 2014</i>	
<hr/>	
Assets	
Cash and investments	\$ 2,044,594
<hr/>	
Liabilities and Net Position	
Current Liabilities	
Accounts payable	\$ 11,840
Due to other funds	955,410
Insurance claims incurred but not reported	1,077,344
<hr/>	
Total Current Liabilities	2,044,594
<hr/>	
Net Position	-
<hr/>	
Total Liabilities and Net Position	\$ 2,044,594
<hr/>	

Note to Internal Service Funds - Combining Statement of Net Position:
The Health Insurance Self-Insurance Fund was closed in FY14.

Matanuska-Susitna Borough School District

Internal Service Funds
Combining Statement of Revenues,
Expenses and Changes in Net Position

<i>Year Ended June 30, 2014</i>	Workers Compensation Self-Insurance Internal Service Fund	Health Insurance Self-Insurance Internal Service Fund	Total
Operating Revenues - interfund charges	\$ 1,819,236	\$ -	\$ 1,819,236
Operating Expenses - district administration support services:			
Claims expense	1,651,477	-	1,651,477
General and administrative	167,848	-	167,848
Total Operating Expenses	1,819,325	-	1,819,325
Operating loss	(89)	-	(89)
Nonoperating revenue - interest income	89	-	89
Transfers out	-	(167,000)	(167,000)
Change in net position	-	(167,000)	(167,000)
Net Position, beginning of year	-	167,000	167,000
Net Position, end of year	\$ -	\$ -	\$ -

Matanuska-Susitna Borough School District

Internal Service Funds
Combining Statement of Cash Flows

<i>Year Ended June 30, 2014</i>	Workers Compensation Self-Insurance Internal Service Fund	Health Insurance Self-Insurance Internal Service Fund	Total
Cash Flows from Operating Activities			
Receipts from interfund charges	\$ 2,536,786	\$ -	\$ 2,536,786
Payments to suppliers	(1,594,382)	-	(1,594,382)
Net cash flows from operating activities	942,404	-	942,404
Cash Flows for Noncapital Financing Activities			
Transfer out	-	(167,000)	(167,000)
Cash Flows from Investing Activities			
Interest received	89	-	89
Net increase (decrease) in cash and cash equivalents	942,493	(167,000)	775,493
Cash and Cash Equivalents, beginning of year	1,102,101	167,000	1,269,101
Cash and Cash Equivalents, end of year	\$ 2,044,594	\$ -	\$ 2,044,594
Reconciliation of Change in Net Position to Cash Flows from Operating Activities			
Operating loss	\$ (89)	\$ -	\$ (89)
Adjustments to reconcile operating loss to net cash flows from operating activities:			
Increase in due to other funds	717,550	-	717,550
Increase in accounts payable	11,840	-	11,840
Increase in insurance claims incurred but not reported	213,103	-	213,103
Total adjustments	942,493	-	942,493
Net Cash Flows from Operating Activities	\$ 942,404	\$ -	\$ 942,404

Matanuska-Susitna Borough School District
Workers Compensation Self-Insurance Internal Service Fund
Statement of Net Position

<i>June 30,</i>	2014	2013
Assets		
Cash and investments	\$ 2,044,594	\$ 1,102,101
Liabilities and Net Position		
Current Liabilities		
Due to other funds	\$ 955,410	\$ 237,860
Insurance claims incurred but not reported	1,077,344	864,241
Accounts payable	11,840	-
Total Current Liabilities	2,044,594	1,102,101
Net Position	-	-
Total Liabilities and Net Position	\$ 2,044,594	\$ 1,102,101

Matanuska-Susitna Borough School District
Workers Compensation Self-Insurance Internal Service Fund
Statement of Revenues, Expenses and
Changes in Net Position

<i>Year Ended June 30,</i>	2014	2013
Operating Revenues - interfund charges	\$ 1,819,236	\$1,501,661
Operating Expenses - district administration support services:		
Claims expense	1,651,477	1,176,224
General and administrative	167,848	325,511
Total Operating Expenses	1,819,325	1,501,735
Operating loss	(89)	(74)
Nonoperating revenue - interest income	89	74
Change in net position	-	-
Net Position, beginning of year	-	-
Net Position, end of year	\$ -	\$ -

Matanuska-Susitna Borough School District
Workers Compensation Self-Insurance Internal Service Fund
Statement of Cash Flows

<i>Year Ended June 30,</i>	2014	2013
Cash Flows from Operating Activities		
Receipts from interfund charges	\$ 2,536,786	\$ 1,739,521
Payments to suppliers	(1,594,382)	(1,643,786)
Net cash flows from operating activities	942,404	95,735
Cash Flows from Investing Activities		
Interest received	89	74
Net increase in cash and cash equivalents	942,493	95,809
Cash and Cash Equivalents, beginning of year	1,102,101	1,006,292
Cash and Cash Equivalents, end of year	\$ 2,044,594	\$ 1,102,101
Reconciliation of Change in Net Position to Cash Flows from Operating Activities		
Operating loss	\$ (89)	\$ (74)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Increase in due to other funds	\$ 717,550	\$ 237,860
Increase in accounts payable	11,840	-
Increase (decrease) in insurance claims incurred but not reported	213,103	(142,051)
Total adjustments	942,493	95,809
Net Cash Flows from Operating Activities	\$ 942,404	\$ 95,735

Matanuska-Susitna Borough School District
Health Insurance Self-Insurance Internal Service Fund
Statement of Net Position

<i>June 30,</i>	2014	2013
Assets		
Cash and investments	\$ -	\$167,000
Net Position		
Net position	\$ -	\$167,000

Matanuska-Susitna Borough School District
 Health Insurance Self-Insurance Internal Service Fund
 Statement of Revenues, Expenses and
 Changes in Net Position

<i>Year Ended June 30,</i>	2014	2013
Operating revenues - interfund charges	\$ -	\$ -
Operating expenses - district administration support services	-	-
Loss before transfers	-	-
Transfers out	(167,000)	-
Change in net position	(167,000)	-
Net Position, beginning of year	167,000	167,000
Net Position, end of year	\$ -	\$ 167,000

Matanuska-Susitna Borough School District
Health Insurance Self-Insurance Internal Service Fund
Statement of Cash Flows

<i>Year Ended June 30,</i>	2014	2013
Cash Flows for Noncapital Financing Activities		
Transfer out	\$ (167,000)	\$ -
Net decrease in cash and cash equivalents	(167,000)	-
Cash and Cash Equivalents, beginning of year	167,000	167,000
Cash and Cash Equivalents, end of year	\$ -	\$ 167,000

Matanuska-Susitna Borough School District

Student Activities Agency Fund
Balance Sheet

<i>June 30,</i>	2014	2013
Assets		
Cash and investments	\$ 1,686,140	\$ 1,616,518
Due from general fund	40,000	-
Total Assets	\$ 1,726,140	\$ 1,616,518
Liabilities		
Due to student activities and community schools	\$ 1,726,140	\$ 1,616,518

Matanuska-Susitna Borough School District

Student Activities Agency Fund

Statement of Receipts, Disbursements and Changes
in Cash Balance and Due to Student Organizations

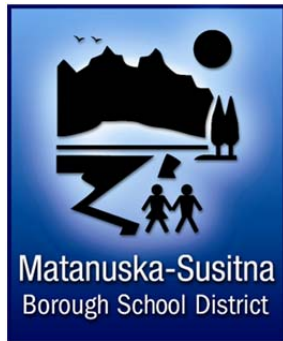
<i>Year Ended June 30, 2014</i>	Balance at July 1, 2013	Receipts	Disburse- ments	Balance at June 30, 2014
American Charter	\$ 27,986	\$ 26,220	\$ 32,951	\$ 21,255
Beryozava	1,655	719	133	2,241
Big Lake Elementary	47,191	36,052	37,380	45,863
Birchtree Charter	45,397	75,303	42,464	78,236
Burchell High School	77,007	55,979	62,456	70,530
Butte Elementary School	21,246	36,839	52,154	5,931
Colony High	226,355	544,666	575,427	195,594
Colony Middle	70,177	150,968	134,820	86,325
Cottonwood Creek	28,750	64,050	60,696	32,104
Finger Lake	24,326	24,044	29,037	19,333
Fronteras Spanish Immersion	18,967	96,286	78,816	36,437
Glacier View	7,492	13,860	15,143	6,209
Goose Bay	20,173	21,582	20,524	21,231
Houston High	61,598	185,427	183,108	63,917
Houston Middle	33,765	55,220	49,995	38,990
Iditarod	25,588	40,962	38,974	27,576
Knik Elementary	20,411	30,939	32,961	18,389
Larson	14,724	40,790	40,561	14,953
Machentanz Elementary	45,153	73,183	59,745	58,591
Mat-Su Career and Tech Ed	57,736	205,775	193,938	69,573
Mat-Su Central School	17,252	78,264	82,814	12,702
Mat-Su Day School	7,609	11,571	5,070	14,110
Meadow Lakes	37,955	31,473	33,517	35,911
Palmer High	157,160	473,654	504,521	126,293
Palmer Middle	33,756	142,844	127,512	49,088
Pioneer Peak	14,560	18,015	20,010	12,565
Shaw Elementary	13,475	51,339	48,457	16,357
Sherrod	42,440	97,249	100,198	39,491
Snowshoe	51,205	41,663	40,025	52,843
Su Valley	55,086	84,313	68,613	70,786
Sutton	4,070	3,502	3,538	4,034
Swanson	18,629	34,660	34,425	18,864
Talkeetna	19,758	13,322	16,005	17,075
Tanaina	41,918	31,731	32,795	40,854
Teeland	70,000	150,862	154,995	65,867

Matanuska-Susitna Borough School District

Student Activities Agency Fund

Statement of Receipts, Disbursements and Changes
in Cash Balance and Due to Student Organizations, continued

<i>Year Ended June 30, 2014</i>	Balance at July 1, 2013	Receipts	Disburse- ments	Balance at June 30, 2014
Trapper Creek	\$ 5,233	\$ 6,296	\$ 4,242	\$ 7,287
Twindly-Bridge	6,648	9,651	11,092	5,207
Valley Pathways	17,326	2,245	3,519	16,052
Wasilla High	75,882	593,162	551,335	117,709
Wasilla Middle	29,081	127,029	127,330	28,780
Willow	21,778	63,754	24,545	60,987
Total Due to Student Activities	\$ 1,616,518	\$ 3,845,463	\$ 3,735,841	\$ 1,726,140



Preparing Students for Success

Matanuska-Susitna Borough School District

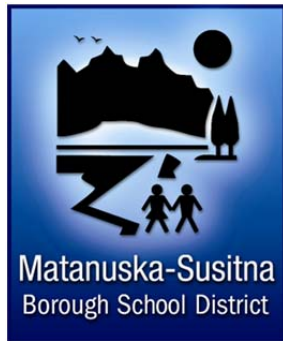
Statement of Compliance - AS 14.17.505

Year Ended June 30, 2014

Total fund balance - School Operating Fund	\$ 12,812,789
less exemptions per 4 AAC 09.160(a):	
Inventory	779,789
Prepaid items	723,275
Self insurance	<u>500,000</u>
Fund balance subject to 10% limitation	<u>\$ 10,809,725</u>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	<u>10,809,725</u>	=	<u>4.55%</u>
Current year expenditures	237,684,151		

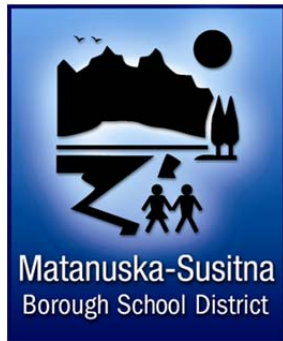


Preparing Students for Success

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

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Preparing Students for Success

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 1

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting, unaudited)

	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
Governmental activities:					
Invested in capital assets, net of related debt	\$ 1,639,727	\$ 985,598	\$ 695,411	\$ 1,235,075	\$ 1,315,150
Restricted					
Endowment & Scholarships	5,468	5,468	5,491	5,588	5,677
Unrestricted	(3,425,388)	(3,975,672)	(1,580,420)	622,528	243,274
Total Net Position	<u>\$ (1,780,193)</u>	<u>\$ (2,984,606)</u>	<u>\$ (879,518)</u>	<u>\$ 1,863,191</u>	<u>\$ 1,564,101</u>

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
Governmental activities:					
Invested in capital assets, net of related debt	\$ 1,571,667	\$ 2,364,292	\$ 5,707,926	\$ 6,935,776	\$ 6,659,975
Restricted					
Endowment & Scholarships	5,712	5,745	5,764	5,768	5,772
Unrestricted	1,247,677	6,672,023	9,628,437	11,235,950	16,453,611
Total Net Position	<u>\$ 2,825,056</u>	<u>\$ 9,042,060</u>	<u>\$ 15,342,127</u>	<u>\$ 18,177,494</u>	<u>\$ 23,119,358</u>

Note:

The district began reporting accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Beginning with the fiscal year 2013 financial reports, the district is now using the term net position in place of net asset per GASB Statement 63 changes effective for periods beginning after December 15, 2011.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2004-05	2005-06	2006-07	2007-08
Expenses				
Governmental activities:				
Instruction	\$ 60,128,736	\$ 69,305,111	\$ 73,582,426	\$ 93,792,972
Special education instruction	18,563,599	19,318,141	20,231,689	25,086,016
Special education support svcs - students	6,376,537	7,678,486	7,190,877	10,065,884
Support services - students	6,452,189	5,647,454	6,081,659	7,640,084
Support services - instruction	4,197,904	5,978,661	7,366,001	10,431,903
School administration	4,856,328	5,234,750	5,433,824	7,150,509
School administration support services	4,948,876	5,827,946	6,227,850	7,324,869
District administration	1,018,907	1,466,630	827,700	1,426,966
District administration support services	7,092,992	7,297,020	6,245,949	7,594,026
Operations and maintenance of plant	15,704,313	16,392,089	15,946,695	17,919,168
Student activities	1,845,094	2,174,315	1,889,120	2,840,204
Student transportation	9,577,418	9,372,054	10,194,656	10,464,368
Community Services	73,748			9,473
Food services	4,082,567	4,492,609	4,795,331	5,137,889
Construction and facilities acquisition				
Total expenses	144,919,208	160,185,266	166,013,777	206,884,331
Program Revenues				
Governmental activities:				
Charges for Services:				
Instruction				
Support services - students				
Support services - instruction				
District administration support services				
Operations and maintenance of plant				
Student transportation service				
Adult and continuing education instruction				
Food services	1,495,462	1,539,584	1,632,405	1,551,587
Operating grants and contributions	24,680,309	26,765,683	25,734,850	26,065,287
Capital grants and contributions				
Total program revenues	26,175,771	28,305,267	27,367,255	27,616,874
Net expense - governmental activities	(118,743,437)	(131,879,999)	(138,646,522)	(179,267,457)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Grants and contributions not restricted to specific programs:				
Borough direct appropriation	33,928,357	38,080,405	38,021,951	41,758,620
Foundation program	81,777,454	91,731,695	101,337,261	101,599,107
Other state revenue		352,535	351,271	36,865,918
E-rate	268,398	301,567	395,033	482,893
Other	140,285	209,384	646,094	1,053,628
Miscellaneous				250,000
Total general revenue	116,114,494	130,675,586	140,751,610	182,010,166
Change in Net Position	\$ (2,628,943)	\$ (1,204,413)	\$ 2,105,088	\$ 2,742,709

Notes:

FY08 State contribution for OBO (On Behalf Of) Retirements benefits were recorded as other state revenue.

Beginning with the fiscal year 2013 financial reports, the district is now using the term net position in place of net assets per GASB Statement 63 changes effective for periods beginning after December 15, 2011.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 2

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting), continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
\$ 94,133,794	\$ 94,601,470	\$ 101,676,435	\$ 102,652,990	\$ 111,528,252	\$ 115,177,488
29,629,313	31,328,062	34,791,877	34,635,679	37,990,290	39,598,495
10,652,847	11,810,969	12,562,755	13,424,756	14,444,346	14,890,203
7,783,258	7,684,522	9,372,873	9,134,244	10,142,769	10,221,597
10,201,097	9,619,364	13,789,623	11,608,145	12,929,046	11,920,978
7,492,197	7,078,405	8,961,567	8,644,008	9,251,490	9,750,103
8,083,649	8,502,451	8,445,556	8,690,991	9,321,729	10,237,800
1,420,554	1,652,256	2,081,487	2,183,125	2,510,421	2,381,199
8,676,686	9,418,471	11,127,927	11,124,510	11,152,661	11,473,216
19,326,776	20,764,598	20,186,592	24,642,884	23,314,018	23,899,444
2,952,583	2,853,439	3,619,406	3,817,866	4,127,474	4,261,180
11,174,965	11,954,203	12,528,426	14,054,946	14,984,891	14,625,526
12,288	166,234	170,616	71,929	28,425	33,206
5,683,849	5,729,154	5,842,775	6,102,001	6,227,749	6,158,475
54,507	51,860	146,825	204,284	1,086,884	2,561,948
217,278,363	223,215,458	245,304,740	250,992,358	269,040,445	277,190,858
1,555,972	1,449,019	1,311,006	1,251,850	1,238,418	1,143,678
26,897,652	32,812,129	42,671,259	59,152,213	73,268,002	74,179,332
28,453,624	34,261,148	43,982,265	60,404,063	74,506,420	75,323,010
(188,824,739)	(188,954,310)	(201,322,475)	(190,588,295)	(194,534,025)	(201,867,848)
44,012,143	43,964,884	48,078,905	48,048,419	48,845,260	51,226,720
113,640,165	123,861,967	133,428,978	116,437,627	141,742,098	144,272,582
25,571,568	20,317,514	23,681,260	28,752,528	1,428,842	8,242,061
320,588	381,036	373,968	956,307	818,873	977,158
1,374,466	1,689,864	1,976,368	2,693,481	3,033,312	590,741
3,606,719				1,501,007	1,500,450
188,525,649	190,215,265	207,539,479	196,888,362	197,369,392	206,809,712
\$ (299,090)	\$ 1,260,955	\$ 6,217,004	\$ 6,300,067	\$ 2,835,367	\$ 4,941,864

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2004-05	2005-06	2006-07	2007-08
General Fund				
Nonspendable	\$ 178,216	\$ 318,387	\$ 283,385	\$ 411,392
Restricted				
Committed	500,000	500,000	500,000	500,000
Assigned				
Unassigned	241,265		1,563,455	3,514,629
Total general fund	<u>\$ 919,481</u>	<u>\$ 818,387</u>	<u>\$ 2,346,840</u>	<u>\$ 4,426,021</u>
All other governmental funds				
Nonspendable, reported in:				
Special revenue funds				
Restricted	5,468	5,468	5,491	5,588
Committed, reported in:				
Capital projects funds				
Assigned, reported in:				
Special revenue funds				
Unassigned, reported in:				
Special revenue funds	507,823	283,647	1,675,102	2,216,664
Total all other governmental funds	<u>\$ 513,291</u>	<u>\$ 289,115</u>	<u>\$ 1,680,593</u>	<u>\$ 2,222,252</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting), continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
\$ 489,920	\$ 851,140	\$ 962,784	\$ 2,125,081	\$ 1,344,040	\$ 1,503,064
500,000	500,000	500,000	500,000	500,000	500,000
747,819	1,132,482	1,400,935	1,699,886	6,582,546	10,809,725
<u>\$ 1,737,739</u>	<u>\$ 2,483,622</u>	<u>\$ 2,863,719</u>	<u>\$ 4,324,967</u>	<u>\$ 8,426,586</u>	<u>\$ 12,812,789</u>
		540,394	540,361	645,710	630,557
5,677	5,712	5,745	5,764	5,768	5,772
117,238	876,189	7,227,733	8,000,740	6,080,793	5,895,826
		1,529,129	1,321,630	835,841	1,195,490
1,985,082	1,675,402	(540,394)			
<u>\$ 2,107,997</u>	<u>\$ 2,557,303</u>	<u>\$ 8,762,607</u>	<u>\$ 9,868,495</u>	<u>\$ 7,568,112</u>	<u>\$ 7,727,645</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 4

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2004-05	2005-06	2006-07	2007-08
Revenues from local sources:				
Borough direct appropriation	\$ 33,928,357	\$ 38,080,405	\$ 38,021,951	\$ 41,758,620
E-rate reimbursement	268,398	301,567	395,033	482,893
Food services	1,495,462	1,539,584	1,632,405	1,551,587
Earnings on investments			23	97
Other local revenue	408,380	413,749	703,043	1,440,657
Tuition from students				
Total revenue from local sources	<u>36,100,597</u>	<u>40,335,305</u>	<u>40,752,455</u>	<u>45,233,854</u>
Revenue from state sources:				
Foundation program	81,443,072	92,084,230	101,688,532	101,599,107
School Improvement				2,567,238
50% ISER Grant				3,208,680
Energy Relief Grant				2,271,584
Senate Bill 18				
House Bill 65				
Tuition	334,382			
TRS on-behalf				27,668,935
PERS on-behalf				1,149,481
Other state revenue	10,311,337	10,863,356	11,214,127	11,333,927
Total revenue from state sources	<u>92,088,791</u>	<u>102,947,586</u>	<u>112,902,659</u>	<u>149,798,952</u>
Revenue from federal sources:				
Direct	8,866,668	1,948,311	1,860,647	804,561
E-Rate				
Medicaid reimbursement				
Through the State of Alaska and other				
intermediate agencies	5,233,921	13,608,491	12,550,238	13,733,079
Total revenue from federal sources	<u>14,100,589</u>	<u>15,556,802</u>	<u>14,410,885</u>	<u>14,537,640</u>
Total revenues	<u>\$ 142,289,977</u>	<u>\$ 158,839,693</u>	<u>\$ 168,065,999</u>	<u>\$ 209,570,446</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
Table 4
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting), continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
\$ 44,012,143	\$ 43,964,884	\$ 48,078,905	\$ 48,048,419	\$ 48,845,260	\$ 51,226,720
320,588	381,036	See Direct Fed.	See Direct Fed.	See Direct Fed.	See Direct Fed.
1,555,972	1,449,019	1,340,169	1,401,593	1,238,418	1,143,678
89	35	988	651	373	351
1,618,700	3,203,579	2,050,752	1,660,026	2,113,217	7,504,075
47,507,492	48,998,553	51,470,814	51,110,689	52,197,268	59,874,824
113,640,165	123,440,655	132,987,274	139,119,165	141,276,085	143,796,099
	421,312	441,704	459,962	466,013	476,483
			2,361,367	2,929,851	2,517,299
					2,996,786
22,408,644	18,917,820	21,480,287	25,502,869	34,140,205	36,858,926
2,763,620	1,399,694	2,200,973	3,249,659	4,178,043	4,187,300
11,652,431	11,730,340	12,133,717	14,793,929	15,835,467	16,164,379
150,464,860	155,909,821	169,243,955	185,486,951	198,825,664	206,997,272
569,630	799,667	968,294	1,271,425	1,457,073	1,073,904
		373,968	956,307	818,873	977,158
		223,583	1,032,785	1,005,974	166,098
14,544,323	18,757,991	28,981,400	17,429,596	17,566,958	16,641,195
15,113,953	19,557,658	30,547,245	20,690,113	20,848,878	18,858,355
\$ 213,086,305	\$ 224,466,032	\$ 251,262,014	\$ 257,287,753	\$ 271,871,810	\$ 285,730,451

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
Table 5
Governmental Funds Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
Instruction	\$ 60,128,736	\$ 69,305,111	\$ 73,582,426	\$ 93,735,528	\$ 93,467,023
Special education instruction	18,563,599	19,318,141	20,231,689	25,015,559	29,173,380
Special education support service - students	6,376,537	7,678,486	7,190,877	10,050,221	10,627,965
Support services - students	6,452,189	5,647,454	6,081,659	7,629,676	7,715,821
Support services - instruction	4,197,904	5,978,661	7,366,001	10,440,581	10,115,314
School administration	4,856,328	5,234,750	5,433,824	7,140,082	7,399,050
School administration support services	4,948,876	5,827,946	6,227,850	7,231,522	7,851,254
District administration	1,018,907	1,466,630	827,700	1,346,179	1,414,000
District administration support services	7,092,992	7,297,020	6,245,949	7,752,816	8,160,509
Operations and maintenance of plant	15,704,313	16,392,089	15,946,695	17,898,525	19,635,802
Student activities	1,845,094	2,174,315	1,889,120	2,839,572	2,942,581
Student transportation service	9,577,418	9,372,054	10,194,656	10,417,496	11,116,394
Adult and continuing education instruction	73,748			9,464	12,217
Community services					
Food services	4,082,567	4,492,609	4,795,331	5,442,385	5,519,214
Capital outlay					54,507
	<u>\$ 144,919,208</u>	<u>\$ 160,185,266</u>	<u>\$ 166,013,777</u>	<u>\$ 206,949,606</u>	<u>\$ 215,205,031</u>

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
Instruction	\$ 94,597,540	\$ 100,802,148	\$ 103,499,291	\$ 111,582,158	\$ 116,008,960
Special education instruction	31,323,282	34,289,387	34,909,793	37,968,642	39,595,992
Special education support service - students	11,843,123	12,557,209	13,404,443	14,356,252	14,977,473
Support services - students	7,661,246	9,195,799	9,276,323	10,118,303	10,296,301
Support services - instruction	9,715,076	13,803,008	11,622,599	12,869,796	11,881,290
School administration	7,067,298	8,668,554	8,658,489	9,241,119	9,727,761
School administration support services	8,551,391	8,687,576	8,409,581	9,335,527	10,349,865
District administration	1,639,174	2,126,610	2,153,297	2,495,089	2,341,882
District administration support services	8,974,745	11,305,014	11,277,610	11,108,804	9,808,134
Operations and maintenance of plant	21,069,009	20,609,278	24,274,025	23,049,191	24,054,428
Student activities	2,853,439	3,617,914	3,817,013	4,127,607	4,289,527
Student transportation service	11,860,783	12,491,970	14,037,739	14,971,166	14,628,406
Community services	166,234	112,312	71,929	28,425	24,700
Food services	5,605,591	5,920,471	5,923,944	6,134,367	6,310,791
Capital outlay	51,860	197,645	3,217,541	2,684,128	7,056,205
Total expenditures	<u>\$ 222,979,791</u>	<u>\$ 244,384,895</u>	<u>\$ 254,553,617</u>	<u>\$ 270,070,574</u>	<u>\$ 281,351,715</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 6

Other Financing Sources and Uses and Net Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
Excess (deficiency) of revenues over expenditures	\$ (821,535)	\$ 114,179	\$ 2,353,646	\$ 2,620,840	\$ (2,118,726)
Other financing sources (uses):					
Issuance of capital leases					
Transfers in	100,917	737,003	1,136,344	1,058,843	819,355
Transfers out	(179,211)	(1,176,452)	(570,059)	(1,058,843)	(1,503,166)
Total other financing sources (uses)	(78,294)	(439,449)	566,285	-	(683,811)
Net change in fund balances	\$ (899,829)	\$ (325,270)	\$ 2,919,931	\$ 2,620,840	\$ (2,802,537)

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
Excess (deficiency) of revenues over expenditures	\$ 1,486,241	\$ 6,877,119	\$ 2,734,136	\$ 1,801,236	\$ 4,378,736
Other financing sources (uses):					
Issuance of capital leases					
Transfers in	920,072	7,797,196	6,956,916	1,306,620	3,391,608
Transfers out	(1,211,124)	(8,088,914)	(7,123,916)	(1,306,620)	(3,224,608)
Total other financing sources (uses)	(291,052)	(291,718)	(167,000)	-	167,000.00
Net change in fund balances	\$ 1,195,189	\$ 6,585,401	\$ 2,567,136	\$ 1,801,236	\$ 4,545,736

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 7
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Fiscal Year of Assessed Value	Real Property	Personal Property	Tax Exempt Property	Total Taxable Assessed Value
2004	4,251,962,200	35,217,516	336,780,900	3,950,398,816
2005	4,868,060,700	36,492,524	345,987,800	4,558,565,424
2006	6,736,865,300	53,688,025	1,115,573,100	5,674,980,225
2007	8,046,203,700	59,026,332	1,176,565,700	6,928,664,332
2008	8,827,752,800	61,494,174	1,231,388,492	7,657,858,482
2009	9,160,682,041	66,413,079	1,269,573,453	7,957,521,667
2010	9,289,426,297	70,605,851	1,288,187,547	8,071,844,601
2011	9,538,236,712	70,594,984	1,399,139,093	8,209,692,603
2012	9,844,733,062	71,482,452	1,532,187,448	8,384,028,066
2013	10,083,251,287	50,340,319	1,600,527,289	8,533,064,317

	Less:		
	Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Actual Value
2004	11.483	4,115,271,770	95.99%
2005	11.800	4,842,404,800	94.14%
2006	10.880	6,049,408,756	93.81%
2007	9.644	7,507,998,500	92.28%
2008	9.644	8,580,916,190	89.24%
2009	10.326	8,697,868,950	91.49%
2010	9.980	8,929,096,710	90.40%
2011	9.956	8,103,817,690	90.18%
2012	10.051	9,063,680,270	92.50%
2013	9.691	9,568,003,300	89.18%

Note: Property in the Matanuska-Susitna Borough is reassessed annually at the property's true and full value as of January 1 of the tax year per MSB Code 3.15.060 (A). Tax rates are per \$1,000 of assessed value.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013. This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by Matanuska-Susitna Borough
Table 8
Principal Taxable Properties
Current Year and Nine Years Ago

Taxpayer	2013			2004		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Mat-Su Valley Medical Center	\$ 100,823,600	1	1.16%	\$ 14,653,200	6	0.32%
Enstar Natural Gas	42,438,600	2	0.49	28,020,800	2	0.61
Fred Meyer Stores, Inc.	39,028,082	3	0.45	29,167,549	1	0.64
Alaska Hotel Properties, Inc.	38,934,400	4	0.45	21,285,800	4	0.47
Cook Inlet Region, Inc. / CIRI Land Development Co.	30,421,994	5	0.35	9,058,300	8	0.20
Wal-Mart Stores, Inc.	29,955,275	6	0.34	16,748,028	5	0.37
Global Finance & Investments S.A/Gary Lundgren	25,777,900	7	0.30			0.00
DBC, LLC/BDC, LLC/Target	19,243,500	8	0.22			0.00
Alaska Pipeline Co.	18,467,600	9	0.21	26,170,100	3	0.57
GCI/GCI Cable/Alaska Digitel	17,815,500	10	0.20			0.00
Cottonwood Creek Mall LLC				12,529,300	7	0.27
Wasilla LLC				6,742,200	9	0.15
Spenard Builders Supply				4,919,313	10	0.11
	<u>\$ 362,906,451</u>		<u>4.17%</u>	<u>\$ 166,240,544</u>		<u>3.71%</u>

Note: Includes real and personal property

Source:

Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013.
This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 9

Direct and Overlapping Property Tax Rates

(mill levy rate per \$1000 of assessed value)

Last Ten Fiscal Years

Fiscal Year	Borough Direct Rate	Overlapping Rates							
		Service Area Number							
		Non- Areawide Borough	City of Palmer	City of Wasilla	City of Houston	2	4	7	8
2004	11.483	0.428	3.00	0.50	3.00	2.40	3.00	1.00	7.80
2005	11.800	0.380	3.00	0.40	3.00	2.40	3.00	1.00	8.50
2006	10.880	0.380	3.00	0.30	3.00	2.40	3.00	1.00	8.50
2007	9.644	0.351	3.00	-	3.00	2.18	2.98	0.96	8.34
2008	9.644	0.370	3.00	-	3.00	2.35	3.05	1.02	8.48
2009	10.326	0.383	3.00	-	3.00	2.51	3.18	1.08	8.51
2010	9.980	0.429	3.00	-	3.00	2.77	3.55	1.21	8.51
2011	9.956	0.394	3.00	-	3.00	2.94	3.71	1.32	8.51
2012	10.051	0.425	3.00	-	3.00	2.94	3.96	1.32	8.22
2013	9.691	0.489	3.00	-	3.00	3.05	4.06	1.39	4.00

Fiscal Year	Overlapping Rates								
	Service Area Number								
	9	14	15	16	17	19	20	21	23
2004	1.75	1.50	3.80	1.50	2.00	1.53	2.72	2.65	3.50
2005	1.75	1.50	3.80	1.50	2.75	2.00	2.72	2.65	3.50
2006	1.75	1.50	3.80	1.50	2.75	2.00	2.72	2.65	3.50
2007	1.76	1.39	3.49	1.40	2.48	1.89	2.53	2.32	3.18
2008	1.82	1.44	3.83	1.47	2.54	2.08	2.66	2.41	3.36
2009	1.97	1.51	4.13	1.60	2.75	2.23	2.83	2.57	3.48
2010	2.18	1.51	4.11	1.78	2.75	2.46	3.17	2.57	3.82
2011	2.41	1.66	4.11	1.50	2.75	2.62	3.39	2.57	4.01
2012	2.58	1.66	4.11	1.50	2.75	2.51	3.62	2.57	4.29
2013	2.78	1.77	4.10	1.50	2.92	2.51	3.86	2.57	4.59

Note: Fire Service Area (FSA), Road Service Areas (RSA), and Service Areas (SA) are identified by service area numbers.

The Borough Direct Rate represents a single component which is the Areawide Mill Levy Rate.

* In Fiscal Year 2010, FSA #33 and FSA #34 were combined to create FSA #136.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013. This information is for the most recent fiscal year available by the publication date of the School District's CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 9
Direct and Overlapping Property Tax Rates
(mill levy rate per \$1000 of assessed value)
Last Ten Fiscal Years

(continued)

Fiscal Year	Overlapping Rates							
	Service Area Number							
	24	25	26	27	28	29	30	31
2004	1.70	1.25	1.75	3.00	2.00	2.67	3.40	2.25
2005	1.70	1.25	2.25	3.00	2.00	2.67	3.40	2.75
2006	1.70	1.25	2.50	3.00	2.00	2.67	3.40	2.75
2007	1.41	1.20	2.27	2.70	1.85	2.22	3.17	2.74
2008	1.51	1.25	2.43	2.76	1.89	2.38	3.28	2.86
2009	1.60	1.33	2.59	2.93	2.01	2.53	3.53	3.12
2010	1.73	1.46	2.86	3.24	2.25	2.73	3.74	3.35
2011	1.84	1.53	3.04	3.24	2.00	2.73	3.74	3.35
2012	1.84	1.61	3.23	3.24	2.00	2.73	3.97	3.68
2013	1.95	1.73	3.45	3.48	2.00	2.89	4.41	3.68

Fiscal Year	Overlapping Rates								
	Service Area Number								
	33*	34*	35	69	130	131	132	135	136*
2004	1.50	1.50	1.00	5.00	1.00	0.00	0.70	-	3.00
2005	2.00	1.50	1.00	5.00	1.50	0.00	0.70	-	3.50
2006	2.00	1.50	1.00	5.00	1.50	3.00	0.70	-	3.50
2007	1.76	1.37	0.93	4.57	1.42	2.89	0.65	-	3.13
2008	1.82	1.40	0.96	5.26	1.46	3.06	0.68	-	3.22
2009	1.94	1.49	1.02	5.79	1.56	3.07	0.73	-	3.43
2010	-	-	1.14	6.61	1.72	3.51	0.80	3.00	1.49
2011	-	-	1.21	7.33	1.83	3.47	0.84	3.00	1.56
2012	-	-	1.29	8.21	1.92	3.68	0.88	3.00	1.56
2013	-	-	1.37	9.12	1.97	4.13	0.88	2.96	1.67

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 10
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Net Tax Levy	Collected within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2004	56,488,089	52,073,179	51,345,575	98.60%
2005	67,902,130	62,817,152	60,369,329	96.10%
2006	79,509,819	74,154,906	71,450,048	96.35%
2007	87,063,129	81,798,328	77,652,943	94.93%
2008	97,208,979	91,367,040	87,627,539	95.91%
2009	107,223,469	100,433,204	96,318,045	95.90%
2010	108,123,032	100,736,350	97,109,667	96.40%
2011	110,203,515	102,459,539	98,954,998	96.58%
2012	114,442,314	106,116,574	101,881,857	96.01%
2013	114,904,572	106,069,979	102,321,617	96.47%

Fiscal Year	Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Levy
2004	698,144	52,053,969	99.96%
2005	2,321,254	62,734,620	99.87%
2006	2,488,201	74,013,631	99.81%
2007	3,621,843	81,456,942	99.58%
2008	3,072,948	90,932,401	99.52%
2009	3,102,072	99,772,601	99.34%
2010	2,114,545	99,750,331	99.02%
2011	1,059,243	100,865,034	98.44%
2012	1,473,387	103,355,244	97.40%
2013	-	102,321,617	96.47%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 11

Significant Own-Sourced Revenue
Last Ten Fiscal Years

Fiscal Year	Food Services Local Revenue	Cost of Full- Priced Meals ^a		Percentage of Students Eligible for Free or Reduced-Price Meals ^c
		Breakfast	Lunch	
2004-05	1,495,462	1.50	2.75	35.9%
2005-06	1,539,584	1.50	2.75	37.3%
2006-07	1,632,405	1.50	2.75	36.7%
2007-08	1,551,587	1.50	2.75	36.9%
2008-09	1,555,972	Free ^b	2.75	36.9%
2009-10	1,449,019	Free ^b	2.75	37.7%
2010-11	1,340,169	Free ^b	2.85	38.6%
2011-12	1,401,593	1.60	2.85	38.2%
2012-13	1,238,418	1.60	2.95	39.5%
2013-14	1,143,678	1.60	2.95	39.0%

Note:

^a The cost of full-price meals are for elementary.

^b Breakfast free to all students.

^c Cybersoft Nutrition Services Software - for all sites including non-meal program participants.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 12
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Government Activities				Business-type Activities	
	General Obligation Bonds	Certificates of Participation		Capital Leases	General Obligation Bonds	Notes Payable
2004	\$ 134,875,000	\$ 4,470,000	\$ -	\$ 192,000	\$ -	-
2005	147,555,000	4,190,000	-	90,164	9,510,000	-
2006	140,350,000	3,895,000	-	68,748	9,150,000	-
2007	171,240,000	3,590,000	-	45,085	8,785,000	-
2008	162,545,000	9,020,000	294,958	18,939	8,410,000	995,155
2009	171,850,000	8,420,000	282,203	-	8,025,000	3,984,802
2010	161,695,000	7,775,000	282,993	-	7,630,000	3,951,150
2011	184,240,000	7,100,000	359,063	-	7,220,000	4,606,769
2012	262,845,000	6,390,000	347,777	-	6,665,000	4,561,767
2013	270,410,000	5,645,000	329,698	-	6,200,000	4,434,462

Fiscal Year	Total Primary Government	Percentage of Personal Income	Per Capita
2004	\$ 139,537,000	7.05%	\$ 2,068
2005	161,345,164	7.61	2,300
2006	153,463,748	6.66	2,073
2007	183,660,085	7.05	2,380
2008	181,284,051	6.4	2,264
2009	192,562,005	5.84	2,334
2010	181,334,142	5.33	2,151
2011	203,525,832	5.58	2,287
2012	280,809,544	N/A	3,062
2013	287,019,160	N/A	3,060

Source:

Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This information is for the most recent fiscal year available by publication date of the School District CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 13
Computation of Direct and Overlapping Debt
As of 6/30/2013

Governmental Unit	Debt Outstanding	Percentage Applicable to this Governmental Unit	Share of Direct and Overlapping Debt
Education Debt	\$ 257,025,000	100%	\$ 257,025,000
Certificates of Participations-Public Safety Building	1,395,000	100%	1,395,000
Certificates of Participations-Animal Care Facility	4,250,000	100%	4,250,000
Notes Payable-AK Clean Water Fund Loans	329,698	100%	329,698
Parks & Recreation	2,210,000	100%	2,210,000
Transportation	11,175,000		11,175,000
Total	<u>\$ 276,384,698</u>		<u>\$ 276,384,698</u>
Cities within the Borough, (Palmer and Wasilla) General Obligation Bonds as of June 30, 2012			
Palmer Golf Course	\$ 295,000	100%	\$ 295,000
Palmer Ice Rink	1,000,000	100%	1,000,000
Wasilla Road Improvement	2,200,000	100%	2,200,000
Total	<u>\$ 3,495,000</u>		<u>\$ 3,495,000</u>
Net Direct and Overlapping Debt			<u>\$ 279,879,698</u>

Note: The laws of the State of Alaska do not establish a debt limit.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This information is for the most recent fiscal year available by publication date of the School District CAFR.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by Matanuska-Susitna Borough
Table 14
Demographic and Economic Statistics
Last Ten Calendar Years

	(1)	(2)		(3)	(4)
Year	Population	Personal Income (thousands of dollars)	Per Capita Income	School Enrollment	Unemployment Rate
2004	67,473	1,979,698	29,341	14,304	7.8%
2005	70,148	2,119,931	30,221	14,661	7.7%
2006	74,041	2,304,566	31,126	15,438	7.5%
2007	77,174	2,603,465	33,735	15,847	7.4%
2008	88,088	2,834,775	35,396	16,115	7.4%
2009	82,515	3,298,218	39,971	16,481	8.8%
2010	84,314	3,403,299	40,365	16,663	9.6%
2011	88,995	3,649,774	41,011	16,965	8.9%
2012	91,697	3,852,961	42,018	17,338	8.6%
2013	93,801	N/A	N/A	17,247	7.3%

N/A - Not available

Note:

Data for calendar year 2013 is not available until April 2015 which is after the publication date of this document.

Source:

- 1) Alaska Department of Commerce, Community, and Economic Development
- 2) United States Department of Commerce, Bureau of Economic Analysis
- 3) Matanuska-Susitna Borough School District*
- 4) Alaska Department of Labor, Research and Analysis Division

Note: Enrollment numbers used by the Borough may differ from those reported by the Mat-Su Borough School District due to availability of the most recent numbers and publication timing.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
As Reported by the Matanuska-Susitna Borough
Table 15
Total Employment by Type of Employer
Current Year and Nine Years Ago

Employer Type	2013		2004	
	Employees	Rank	Employees	Rank
Trade, Transportation, and Utilities	4,504	1	3,728	1
Education and Health Services	3,955	2	2,424	2
Local Government	3,174	3	2,272	3
Leisure and Hospitality	2,402	4	1,917	4
Construction	1,594	5	1,736	5
State Government	1,259	6	963	6
Professional and Business Services	1,213	7	894	7
Financial Activities	751	8	551	8
Other Services	733	9	550	9
Information	596	10	520	10
Federal Government	210	11	192	12
Manufacturing	196	12	214	11
Natural Resources and Mining	174	13	117	13
Unclassified Employers	47	14	10	14
Total	20,808		16,088	

Note: Beginning in 2012, according to the Alaska Department of Labor, their non-disclosure rules no longer allow them to provide employment information that relates to or identifies employers for the current or previous years. Therefore, the Mat-Su Borough's CAFR began providing total employment by type of employer for the current year and nine years ago. Figures are based on an annual average.

Source: Matanuska-Susitna Borough Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This information is for the most recent fiscal year available by publication date of the School District CAFR.

Alaska Department of Labor, Research and Analysis Division

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 16

**Full-Time Equivalent District Employees by Department and Type
(Operating Fund)
Last Ten Fiscal Years**

	Actual as of June 30			
	2004-05	2005-06	2006-07	2007-08
Personnel by Department				
a Alternative Learning System	60.74	79.79	70.84	83.68
Board / Superintendent	10.00	10.00	9.50	11.00
Business Services	30.20	28.50	31.00	36.00
Charter Schools	42.46	41.76	41.83	41.61
District-wide	15.85	13.80	13.80	12.80
Education & Instruction	13.00	5.00	6.00	11.50
b Elementary	515.71	590.67	539.59	592.19
Federal Programs	7.35	1.20	1.20	1.20
Information Technology	18.50	28.00	26.00	28.00
Middle Schools	288.70	295.70	265.25	271.75
b Operations Maint. & Custodial	36.00	44.00	35.50	39.50
Senior High School & JR/SR	315.10	335.48	311.85	306.10
b Student Support Services	74.46	80.62	74.55	76.55
Vocational Education	12.25	13.25	13.00	41.00
Total Personnel	1,440.32	1,567.77	1,439.91	1,552.88
Personnel by Employee Type				
Board / Superintendent (s)	8.00	8.00	8.00	8.00
Management - Certified	9.35	8.85	5.85	6.85
Management - Classified	6.00	8.50	15.50	14.50
Certificated Staff	969.55	1,045.11	1,039.90	1,109.17
Classified Staff	447.42	497.31	370.66	414.36
Total Personnel	1,440.32	1,567.77	1,439.91	1,552.88

Notes:

School-term employees of the district work between 183 and 200 days at seven and a half hours per day. Most other district employees are based on 260 days at seven and a half to eight hours per day.

During FY12 the District implemented a new Financial Software System. This system has refined extraction of the staffing and FTE data from prior methods.

- a Alternative Learning Systems (ALS) include high schools BHS, VPW, Mat-Su Day School, Mat-Su Central (a Correspondence Study School), Alaska Middle College School (a dual high school/college credit school) and Mat-Su Youth Facility.
- b Custodial Staff, Support Service Aids, and Districtwide staff have been cost centered to site in FY12.
- c Increase reflects burden of staffing on General Fund with the exhaustion of ARRA and SFSF funding. Consequently staffing for HS & Elementary schools have increased as the majority of teaching staff had been funded through these programs.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 16

Full-Time Equivalent District Employees by Department and Type
(Operating Fund)

Last Ten Fiscal Years, continued

Actual as of June 30					
2008-09	2009-10	2010-11	2011-12 c	2012-13	2013-14
78.43	52.44	46.70	80.05	84.83	65.83
10.75	9.75	9.75	10.75	10.75	11.75
33.75	37.25	28.50	36.00	35.00	36.75
43.24	58.60	92.13	102.56	113.75	159.47
11.75	11.00	0.00	0.00	0.50	0.49
22.50	27.75	19.30	16.24	22.79	15.25
448.19	438.93	359.09	636.50	653.99	680.25
20.35	22.09	19.00	6.50	6.10	16.10
30.00	30.00	27.00	26.00	28.00	26.68
204.90	193.25	169.00	272.50	273.54	279.18
45.50	144.90	129.85	47.25	45.75	43.25
237.80	251.60	209.10	322.43	325.58	349.56
413.80	419.77	380.80	85.47	86.97	100.42
48.00	23.75	33.50	44.00	38.75	13.50
<u>1,648.96</u>	<u>1,721.08</u>	<u>1,523.72</u>	<u>1,686.25</u>	<u>1,726.29</u>	<u>1,798.46</u>
8.00	8.00	8.00	8.00	8.00	8.00
7.00	7.00	7.00	6.00	7.00	63.82
17.75	17.75	19.00	31.50	31.75	31.50
1,155.90	1,112.29	993.36	1,113.00	1,130.97	1,107.73
460.31	576.04	496.36	527.75	548.58	587.40
<u>1,648.96</u>	<u>1,721.08</u>	<u>1,523.72</u>	<u>1,686.25</u>	<u>1,726.30</u>	<u>1,798.46</u>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 17
Teacher Salary Information
Last Ten School Years

School Year	Entry Level Salary ^a	Maximum Teacher Salary ^b	Average Teacher Salary ^c	Percent of Teachers at Maximum on Column(s) ^d
2004-05	36,787	67,460	52,862	41%
2005-06	37,523	68,809	53,801	39%
2006-07	38,273	70,185	54,344	37%
2007-08	39,039	71,589	56,313	34%
2008-09	40,600	74,453	59,832	40%
2009-10	42,583	78,089	62,114	27%
2010-11	43,328	79,455	63,574	34%
2011-12	44,195	81,044	64,265	35%
2012-13	45,079	84,645	67,333	40%
2013-14	45,079	84,645	67,924	46%

Notes:

- ^a Entry level salary represents a teacher with a bachelor degree and no experience.
- ^b Maximum salary represents a teacher with a masters degree, plus forty-five additional credits and at least 13 years of teaching experience.
- ^c Average teacher salary is based on a scattergram of contracted certificated salaries for that school year.
- ^d The teacher salary schedule has eight columns:
 1. Bachelor
 2. Bachelor plus 15 credits
 3. Bachelor plus 30 credits
 4. Bachelor plus 45 credits or Masters
 5. Bachelor plus 60 or Masters plus 15 credits
 6. Masters plus 30 credits
 7. Masters plus 45 credits
 8. Doctorate

The percent of teacher FTE at maximum in each column is percentage of total teacher FTE.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 18

Percentage of Students Eligible for Free and Reduced Meals by School
Last Five Fiscal Years

	FISCAL YEAR					
	2008-09 a	2009-10	2010-11 b	2011-12	2012-13	2013-14
SCHOOL SITE LOCATIONS (Percentage in site number order)						
001 Palmer High	26.13	26.86	29.15	30.97	29.91	30.00
002 Su-Valley JR/SR High	53.57	61.49	60.45	45.31	51.92	49.00
003 Wasilla High	31.86	34.74	36.45	24.56	34.36	32.51
005 Colony High	19.05	22.00	22.95	20.29	20.54	22.10
006 Burchell High School	64.86	76.43	73.94	25.86	68.25	58.72
007 Houston High	47.96	49.67	54.70	50.47	54.17	50.00
008 Mid Valley Jr/Sr High School	58.38	60.00	0.00	0.00	0.00	0.00
010 Palmer Middle	39.30	38.50	39.18	46.76	44.07	39.00
011 Wasilla Middle	42.00	45.66	44.98	40.60	44.20	42.82
012 Colony Middle	27.53	26.36	28.44	34.63	28.28	29.13
013 Teeland Middle	30.63	32.78	35.53	32.97	33.71	35.46
014 Houston Middle	62.20	61.96	65.42	52.32	54.05	58.00
030 Big Lake Elementary	62.46	65.75	64.62	50.80	65.39	60.22
031 Glacier View School	24.24	36.84	42.86	42.40	38.10	56.00
032 Iditarod Elementary	50.47	53.28	55.08	54.82	62.32	59.00
033 Sherrod Elementary	39.12	41.46	36.94	43.21	36.40	38.65
034 Swanson Elementary	35.47	40.29	36.79	41.86	42.28	43.64
035 Talkeetna Elementary	50.59	52.69	44.90	50.62	41.94	39.64
036 Trapper Creek Elementary	78.95	88.89	86.21	70.94	77.78	66.67
038 Willow Elementary	60.40	61.79	59.12	48.08	59.69	48.80
039 Snowshoe Elementary	41.03	37.14	36.63	42.52	36.19	33.75
041 Butte Elementary	44.44	48.00	50.65	49.19	51.59	37.76
042 Sutton Elementary	52.94	67.14	71.19	67.49	68.29	57.00
043 Cottonwood Creek Elementary	31.16	33.64	31.12	38.66	30.32	34.34
044 Tanaina Elementary	43.73	46.46	50.12	48.39	54.19	49.01
045 Pioneer Peak Elementary	30.56	25.71	27.53	37.38	26.56	29.00
046 Larson Elementary	31.27	36.80	41.99	40.06	37.44	42.00
047 Finger Lake Elementary	31.08	33.14	38.81	37.49	39.66	37.27
048 Goosebay Elementary	42.42	46.71	50.31	42.30	44.56	42.00
050 Shaw Elementary	38.37	44.91	46.00	50.03	41.24	44.00
051 Meadow Lakes Elementary	54.74	54.72	55.23	48.52	50.00	54.00
052 Knik Elementary	46.21	46.25	49.38	52.81	46.91	48.00
053 Machetanz Elementary	28.24	34.15	27.09	32.55	21.62	20.00
071 Valley Pathways School	-	43.41	48.39	12.57	40.91	41.81
073 Mat-Su Career & Tech High School	-	30.00	31.23	21.71	27.40	27.00
Average of All Sites	35.14%	37.74%	38.56%	38.19%	39.50%	39.00%

Notes:

^a Information became available with implementation of Cybersoft Software for Food Services in FY09.

Prior to FY09 the district's legacy system did not have the capability to provide the information.

^b Presenting the above information has relevancy for grant application purposes and the ongoing analysis with the Department of Instruction regarding impact of socio-economic status on student achievement. Studies have shown an extremely high correlation between socio-economic status and student performance.

Source:

Information taken from Food Services Cybersoft Software. Even though the data was available for only five years, we felt it prudent to present the information for the reasons stated above and for future reference.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 19

Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Employer's Contribution to PERS / TRS	State of Alaska's Contribution to PERS/TRS on Behalf of the School District
2004-05	14,661	144,919,208	9,884	4.80%	11,650,040	-
2005-06	15,438	160,185,266	10,376	4.97%	16,619,594	-
2006-07	15,847	166,013,777	10,476	0.97%	19,818,103	-
2007-08	16,115	206,949,606	12,842	22.58%	12,778,570	28,818,416
2008-09	16,481	215,205,031	13,058	1.68%	13,042,697	25,172,264
2009-10	16,663	222,979,791	13,382	2.48%	15,612,940	20,317,514
2010-11	16,965	244,384,895	14,406	7.65%	16,621,565	23,681,260
2011-12	17,338	254,553,617	14,682	1.92%	16,410,501	28,752,528
2012-13	17,247	270,070,574	15,659	6.65%	16,410,502	38,318,248
2013-14	17,477	281,351,715	16,098	2.81%	17,489,763	41,046,226

- Notes:
- a Operating expenditures are total expenditures in governmental funds.
 - b Each year the Matanuska-Susitna Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size beginning FY13 reflects the number of students enrolled in all classes throughout the district except correspondence study. FY04-FY09 calculations are as above and do not include self-contained special education classes.
 - c Eligible student for free and reduced lunch provided by Cybersoft Nutrition Services software. Information for all sites, including non-meal program participants.

Source: Enrollment and average class size information is taken from the MSBSD 20 Year Enrollment History in Budget Department archives for FY05-FY14. Average class size is taken from the SchoolMax Student Info System processed by IT Department for Instruction Dept.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 19

Operating Statistics

Last Ten Fiscal Years, continued

Total Cost of Contribution to PERS/TRS Per Pupil	Percentage Change	Average Class Size ^b			Percentage of Students Eligible for Free or Reduced-Price Meals ^c
		Elementary Schools	Middle Schools	Senior High Schools	
795	43.48%	23.5	23.0	24.0	35.9%
1,077	35.48%	23.5	23.0	24.0	37.3%
1,251	16.17%	23.5	23.0	24.0	36.7%
2,581	106.40%	23.5	21.6	24.1	36.9%
2,319	-10.17%	23.5	21.6	23.4	36.9%
2,156	-7.01%	21.9	24.1	23.2	37.7%
2,376	10.18%	22.4	26.5	28.1	38.6%
2,605	9.65%	24.3	26.5	28.1	38.2%
3,173	21.82%	22.0	24.8	22.0	39.5%
3,349	5.55%	23.5	25.6	23.8	40.0%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 20
Comparative Results from College Entrance Exams
Last Ten School Years

School Year	American College Test (ACT)			Scholastic Assessment Test (SAT) ^a		
	Mat-Su	Alaska	Nation	Mat-Su	Alaska	Nation
2004-05	23.1	21.3	20.9	1,029	1,042	1,028
2005-06	23.2	21.1	21.1	1,540	1,527	1,518
2006-07	23.5	21.2	21.2	1,537	1,527	1,511
2007-08	23.5	21.2	21.1	1,521	1,511	1,511
2008-09	22.4	21.0	21.1	1,524	1,528	1,509
2009-10	22.6	21.1	21.0	1,526	1,518	1,509
2010-11	20.9	21.2	21.1	1,519	1,513	1,500
2011-12	22.5	21.2	21.1	1,527	1,504	1,498
2012-13	23.8	21.1	20.9	1,536	1,495	1,498
2013-14	22.3	21.0	21.0	1,509	1,485	1,497

Notes: ^a Prior to 2005-06, the SAT test was comprised of reading and math components. In 2006-07, a writing component was added.

Source: Results of the American College Test (ACT) are comprised of all grade level students who tested that year. Scores reflect average composite score. The composite score is the average of the four individual required test scores. Alaska and National SAT scores was provided by The College Board online at <http://www.act.org/newsroom/data/2014/pdf/profile/Alaska.pdf> <http://research.collegeboard.org/programs/sat/data/cb-seniors-2014>

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 21

Enrollment by School

For the Fiscal Year ended June 30, 2014

	Per DEED Report	
	Average Daily Membership	Official Enrollment Count
Elementary Schools		
Beryozava	17	17
Big Lake	429	429
Butte	287	287
Cottonwood Creek	446	446
Finger Lake	297	296
Fred & Sara Machetanz Elementary	407	407
Glacier View	39	39
Goose Bay	480	480
Knik	439	439
Iditarod	337	337
John Shaw Elementary	393	393
Larson	385	385
Meadow Lakes	412	412
Pioneer Peak	398	398
Sherrod	439	439
Snowshoe	382	382
Sutton	38	38
Swanson	427	426
Talkeetna	89	89
Tanaina	426	426
Trapper Creek	31	31
Willow	114	114
Secondary Schools		
Alaska Middle College School	82	85
Burchell Alternative High School	265	265
Colony High School	1,102	1,102
Colony Middle School	651	651
Houston High School	376	376
Houston Middle School	390	390
Mat-Su Career & Tech High School	423	423
Palmer High School	785	785
Palmer Middle School	642	641
Su-Valley High School	165	165
Teeland Middle School	697	697
Valley Pathways Alternative	171	170
Wasilla High School	1,203	1,202
Wasilla Middle School	799	798
Charter Schools		
Academy Charter	236	236
American Charter	191	191
Birchtree Charter	329	329
Fronteras Charter	231	231
Midnight Sun Family Learning Center	164	164
Twindly Bridge Charter	262	262
Other Schools		
Correspondence Study School	1,513	1,512
Headstart	-	-
Mat-Su Day School	77	77
Mat-Su Youth Facility	12	12
Total	17,479	17,477

Source:

State of Alaska - Department of Education & EED
State of AK average daily membership final report

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 22

Enrollment History by Grade Level
Last Ten Fiscal Years

Fiscal Year	PK	KG	1	2	3	4	5	Total Elem	6	7	8
2004-05	76	1,003	1,004	1,033	1,010	1,108	1,159	6,393	1,124	1,246	1,300
2005-06	62	1,152	1,083	1,056	1,091	1,091	1,176	6,710	1,255	1,197	1,278
2006-07	108	1,129	1,180	1,137	1,131	1,159	1,153	6,997	1,249	1,306	1,221
2007-08	70	1,131	1,197	1,223	1,155	1,172	1,182	7,130	1,216	1,284	1,303
2008-09	119	1,175	1,192	1,250	1,262	1,197	1,196	7,391	1,222	1,254	1,327
2009-10	91	1,294	1,206	1,217	1,255	1,292	1,234	7,590	1,209	1,260	1,255
2010-11	110	1,187	1,328	1,217	1,267	1,258	1,318	7,686	1,318	1,268	1,309
2011-12	119	1,413	1,305	1,327	1,257	1,270	1,294	7,984	1,357	1,292	1,273
2012-13	116	1,334	1,405	1,350	1,351	1,239	1293.33	8,087	1,304	1,382	1,292
2013-14	113	1,323	1,383	1,430	1,374	1,358	1,261	8,242	1,298	1,297	1,379
Projected Enrollment											
2014-15	119	1,399	1,349	1,423	1,435	1,352	1,380	8,457	1,244	1,294	1,287

Source:

State of Alaska - Department of Education & EED

Average daily membership final report for the fiscal year reporting

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 22

Enrollment History by Grade Level
Last Ten Fiscal Years, continued

Total JR	9	10	11	12	Total SR	Grand Total	Change	Percentage Change
3,670	1,430	1,249	1,049	871	4,598	14,661	1,074	7.9%
3,730	1,381	1,373	1,252	992	4,998	15,438	778	5.3%
3,776	1,425	1,321	1,211	1,117	5,074	15,847	410	2.7%
3,803	1,282	1,311	1,562	1,027	5,182	16,115	269	1.7%
3,803	1,336	1,260	1,546	1,135	5,277	16,481	367	2.3%
3,724	1,360	1,342	1,524	1,112	5,339	16,663	183	1.2%
3,895	1,329	1,320	1,602	1,133	5,383	16,965	302	1.9%
3,923	1,289	1,335	1,357	1,450	5,431	17,338	374	2.3%
3,978	1,281	1,262	1,277	1,363	5,183	17,247	(89)	-0.5%
3,975	1,299	1,274	1,272	1,414	5,260	17,477	230	1.4%
3,825	1,378	1,290	1,267	1,377	5,312	17,594	118	0.7%

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information

Last Ten Fiscal Years

<u>Type of School</u>	Fiscal Year			
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Elementary				
Beryozava				
Square Feet	1,920	1,920	1,920	1,920
Capacity	50	50	50	50
Enrollment	17	12	16	16
Big Lake Elementary				
Square Feet	57,240	57,240	57,240	57,240
Capacity	515	515	515	515
Enrollment	314	337	359	362
Butte Elementary				
Square Feet	49,550	49,550	49,550	49,550
Capacity	437	437	437	437
Enrollment	294	295	285	305
Cottonwood Creek Elementary				
Square Feet	49,550	49,550	49,550	49,550
Capacity	437	437	437	437
Enrollment	409	433	484	474
Finger Lake Elementary				
Square Feet	53,457	53,457	53,457	53,457
Capacity	444	444	444	444
Enrollment	435	471	430	392
Glacier View School				
Square Feet	20,343	20,343	20,343	20,343
Capacity	71	71	71	71
Enrollment	61	50	49	44
Goose Bay Elementary				
Square Feet	53,457	53,457	53,457	53,457
Capacity	444	444	444	444
Enrollment	450	524	608	395
Iditarod Elementary				
Square Feet	45,902	45,902	45,902	45,902
Capacity	409	409	409	409
Enrollment	365	454	424	437

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1,920	1,920	1,920	1,920	1,920	1,920
50	50	50	50	50	50
19	21	20	20	22	17
57,240	57,240	57,240	57,240	57,240	57,240
515	515	515	515	515	515
402	369	391	412	417	429
49,550	49,550	49,550	49,550	49,550	49,550
437	437	437	437	437	437
312	312	300	297	284	287
49,550	51,470	51,470	51,470	49,550	49,550
437	480	480	480	480	480
486	405	406	373	429	446
53,457	54,417	54,417	54,417	53,457	53,457
444	465	465	465	465	465
423	344	318	306	294	296
20,343	20,343	20,343	20,343	20,343	20,343
71	71	71	71	71	71
43	36	42	38	43	39
53,457	54,417	54,417	54,417	53,457	53,457
444	465	465	465	465	465
423	432	469	464	469	480
45,902	62,598	62,598	62,598	45,902	45,902
409	509	509	509	509	509
458	362	340	354	364	337

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information

Last Ten Fiscal Years

<u>Type of School</u>	Fiscal Year			
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Knik Elementary				
Square Feet			School	51,533
Capacity			Opened	443
Enrollment			7.1.07	384
Larson Elementary				
Square Feet	54,378	54,378	54,378	54,378
Capacity	488	488	488	488
Enrollment	567	494	373	380
Machetanz Elementary				
Square Feet				
Capacity				
Enrollment				
Meadow Lakes Elementary				
Square Feet	54,378	54,378	54,378	54,378
Capacity	488	488	488	488
Enrollment	395	410	407	376
Pioneer Peak Elementary				
Square Feet	48,944	48,944	48,944	48,944
Capacity	437	437	437	437
Enrollment	410	409	425	426
Shaw Elementary				
Square Feet		School	54,300	54,300
Capacity		Opened	468	468
Enrollment		7.01.06	319	358
Sherrod Elementary				
Square Feet	54,700	54,700	54,700	54,700
Capacity	488	488	488	488
Enrollment	416	445	416	402
Snowshoe Elementary				
Square Feet	49,550	49,550	49,550	49,550
Capacity	437	437	437	437
Enrollment	437	419	484	383
Sutton Elementary				
Square Feet	25,414	25,414	25,414	25,414
Capacity	192	192	192	192
Enrollment	83	79	79	62

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
51,533	55,338	55,338	55,338	51,533	51,533
443	460	460	460	460	460
395	405	408	400	403	439
54,378	54,378	54,378	54,378	54,378	54,378
488	488	488	488	488	488
290	344	357	391	385	385
School	53,519	53,519	53,519	52,000	52,000
Opened	450	450	450	450	450
7.1.09	308	348	452	405	407
54,378	56,298	56,298	56,298	54,378	54,378
488	500	500	500	500	500
424	460	452	410	400	412
48,944	49,550	49,550	49,550	48,944	48,944
437	450	450	450	450	450
411	376	336	353	360	398
54,300	54,378	54,378	54,378	54,300	54,300
468	468	468	468	468	468
383	364	380	366	418	393
54,700	54,378	54,378	54,378	54,700	54,700
488	468	468	468	468	468
407	424	457	448	452	439
49,550	50,510	50,510	50,510	49,550	49,550
437	460	460	460	460	460
378	372	387	380	380	382
25,414	25,414	25,414	25,414	25,414	25,414
192	192	192	192	192	192
66	72	61	58	42	38

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information

Last Ten Fiscal Years

<u>Type of School</u>	Fiscal Year			
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
<u>Continued</u>				
Swanson Elementary				
Square Feet	51,335	51,335	51,335	51,335
Capacity	447	447	447	447
Enrollment	414	428	446	451
Talkeetna Elementary				
Square Feet	28,125	28,125	28,125	28,125
Capacity	200	200	200	200
Enrollment	114	94	96	98
Tanaina Elementary				
Square Feet	53,457	53,457	53,457	53,457
Capacity	444	444	444	444
Enrollment	473	490	398	371
Trapper Creek Elementary				
Square Feet	16,080	16,080	16,080	16,080
Capacity	99	99	99	99
Enrollment	24	21	23	19
Willow Elementary				
Square Feet	33,797	33,797	33,797	33,797
Capacity	282	282	282	282
Enrollment	129	137	142	124
<u>Middle School</u>				
Colony Middle School				
Square Feet	120,000	120,000	120,000	120,000
Capacity	760	760	760	760
Enrollment	625	693	701	721
Houston Middle School				
Square Feet	93,152	93,152	93,152	93,152
Capacity	580	580	580	580
Enrollment	378	345	352	353
Palmer Middle School				
Square Feet	128,452	128,452	128,452	128,452
Capacity	815	815	815	815
Enrollment	657	712	643	667

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
51,335	51,095	51,095	51,095	51,335	51,335
447	447	447	447	447	447
430	440	439	455	443	426
28,125	28,595	28,595	28,595	28,125	28,125
200	200	200	200	200	200
96	90	111	92	76	89
53,457	53,457	53,457	53,457	53,457	53,457
444	444	444	444	444	444
332	401	402	395	408	426
16,080	16,080	16,080	16,080	16,080	16,080
99	99	99	99	99	99
21	23	22	35	35	31
33,797	33,797	33,797	33,797	33,797	33,797
282	282	282	282	282	282
119	129	131	135	124	114
120,000	120,000	120,000	120,000	120,000	120,000
760	760	760	760	760	760
665	646	627	633	636	651
93,152	93,152	93,152	93,152	93,152	93,152
580	580	580	580	580	580
341	323	343	403	372	390
128,452	128,452	128,452	128,452	128,452	128,452
815	815	815	815	815	815
632	597	569	634	602	641

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years

<u>Type of School</u>	Fiscal Year			
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Continued				
Teeland Middle School				
Square Feet	135,000	135,000	135,000	135,000
Capacity	855	855	855	855
Enrollment	629	645	606	670
Wasilla Middle School				
Square Feet	124,809	124,809	124,809	124,809
Capacity	825	825	825	825
Enrollment	784	747	837	800
Secondary				
Colony High School				
Square Feet	194,000	194,000	194,000	194,000
Capacity	760	760	760	760
Enrollment	1,056	1,142	1,168	1,152
Houston High School				
Square Feet	88,240	88,240	88,240	88,240
Capacity	546	546	546	546
Enrollment	448	469	443	430
Mat-Su Career & Technical High School				
Square Feet			School	75,400
Capacity			Opened	428
Enrollment			7.1.07	258
Palmer High School				
Square Feet	196,606	196,606	196,606	196,606
Capacity	1,191	1,191	1,191	1,191
Enrollment	911	906	965	893
Su-Valley Jr/Sr High School				
Square Feet	48,910	48,910	48,910	7,680
Capacity	209	209	209	223
Enrollment	180	199	194	176
Wasilla High School				
Square Feet	200,326	200,326	200,326	200,326
Capacity	1,166	1,166	1,166	1,166
Enrollment	1,143	1,273	1,325	1,212

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
135,000	134,539	134,539	134,539	135,000	135,000
855	855	855	855	855	855
698	724	716	675	713	697
124,809	136,518	136,518	136,518	124,809	124,809
825	900	900	900	900	900
799	809	838	824	826	798
194,000	194,960	194,960	194,960	194,000	194,000
760	800	800	800	800	800
1,189	1,238	1,188	1,178	1,094	1,102
88,240	88,240	88,240	88,240	88,240	88,240
546	546	546	546	546	546
414	404	387	409	389	376
75,400	81,025	81,025	81,025	75,400	75,400
428	440	440	440	440	440
346	406	416	423	436	423
196,606	196,606	196,606	196,606	196,606	196,606
1,191	1,191	1,191	1,191	1,191	1,191
899	794	763	797	764	785
7,680	50,578	50,578	50,578	50,578	50,578
223	450	450	450	450	450
180	164	190	174	164	165
200,326	211,246	211,246	211,246	200,326	200,326
1,166	1,260	1,260	1,260	1,260	1,260
1,253	1,276	1,235	1,279	1,236	1,202

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information

Last Ten Fiscal Years

<u>Type of School</u>	Fiscal Year			
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
Continued				
Burchell Alternative High School				
Square Feet	33,794	33,794	33,794	33,794
Capacity	252	252	252	252
Enrollment	243	252	258	217
Valley Pathways Alternative High School				
Square Feet	6,629	6,629	6,629	6,629
Capacity	210	210	210	210
Enrollment	185	212	209	209
Charter Schools				
Academy Charter				
Square Feet	3,680	3,680	20,734	20,734
Capacity	117	117	178	178
Enrollment	231	229	228	227
American Charter (Formerly MV)				
Square Feet	3,840	9,000	9,000	9,000
Capacity	100	130	130	130
Enrollment	107	204	200	208
Birchtree Charter				
Square Feet				
Capacity				
Enrollment				
Fronteras Charter				
Square Feet				School
Capacity				Opened
Enrollment				7.1.08
Midnight Sun Family Learning Center				
Square Feet	9,000	19,216	19,216	19,216
Capacity	130	188	188	188
Enrollment	167	169	163	164
Twindly Bridge Charter				
Square Feet	School	4,000	4,000	7,294
Capacity	Opened	100	100	100
Enrollment	7.1.05	160	224	281

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
33,794	37,482	37,482	37,482	33,794	33,794
252	260	260	260	260	260
221	228	277	259	180	265
6,629	11,520	11,520	11,520	11,520	47,792
210	250	250	250	250	250
206	203	215	180	162	170
20,734	28,414	28,414	28,414	33,880	50,934
178	250	250	250	250	250
229	227	231	231	237	236
9,000	6,400	6,400	6,400	6,400	6,400
130	130	130	130	130	130
194	193	198	212	188	191
	School	21,000	31,400	35,000	35,000
	Opened	243	295	295	295
	7.01.10	219	289	308	329
14,663	17,250	17,250	17,250	17,250	17,250
175	225	225	225	225	225
187	203	221	214	220	231
19,216	17,956	17,956	17,956	19,216	19,216
188	188	188	188	188	188
165	163	165	164	167	164
7,294	7,294	7,294	7,294	7,294	7,294
100	100	100	100	100	100
290	279	308	298	292	262

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information

Last Ten Fiscal Years

	Fiscal Year			
	2004-05	2005-06	2006-07	2007-08
<u>Type of School</u>				
Continued				
Other MSBSD Schools				
Alaska Middle College School				
Square Feet				
Capacity				
Enrollment				
Mat-Su Day School				
Square Feet			School	2,880
Capacity			Opened	100
Enrollment			7.1.07	19
Mat-Su Central School (Formerly Correspondence Study School)				
Square Feet	7,200	7,200	7,200	7,200
Capacity	150	150	150	150
Enrollment	1,022	1,067	1,044	1,182
Mat-Su Youth Facility				
^a Square Feet	N/A	N/A	N/A	N/A
Capacity	15	15	15	15
Enrollment	12	7	15	15
TOTAL ENROLLMENT	14,661	15,438	15,847	16,115

Notes:

^a Indicates a use of facility not owned by MSBSD.

Source: School District Facilities & Mtnc. Dept.

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 23

School Building Information
Last Ten Fiscal Years, continued

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
			School Opened 7.1.12	37	82
2,880	4,800	4,800	4,800	4,800	21,500
100	100	100	100	100	100
38	41	51	57	65	77
7,200	8,118	18,421	18,421	18,500	18,500
150	150	150	289	289	289
1,193	1,243	1,220	1,359	1,490	1,512
N/A	N/A	N/A	N/A	N/A	N/A
15	15	15	15	15	15
5	5	9	11	15	15
16,481	16,663	16,965	17,338	17,247	17,477



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

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

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 the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District, a component unit of the Matanuska-Susitna Borough, Alaska, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna Borough School District's basic financial statements, and have issued our report thereon dated November 14, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Matanuska-Susitna Borough School District's internal control over financial reporting (internal control) to determine the 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 Matanuska-Susitna Borough School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna Borough School District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial 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 this section and was not designed to identify all deficiencies in internal control that might be material weaknesses 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 Matanuska-Susitna Borough School District'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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

Anchorage, Alaska
November 14, 2014



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3601 C Street, Suite 600
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Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on Compliance for Each Major Federal Program

We have audited Matanuska-Susitna Borough School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Matanuska-Susitna Borough School District's major federal programs for the year ended June 30, 2014. Matanuska-Susitna Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Matanuska-Susitna Borough School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Matanuska-Susitna Borough School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Matanuska-Susitna Borough School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Matanuska-Susitna Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Matanuska-Susitna Borough School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matanuska-Susitna Borough School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna Borough School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A133

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna School District's basic financial statements. We issued our report thereon dated November 14, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 14, 2014

Matanuska-Susitna Borough School District

Schedule of Expenditures of Federal Awards Year Ended June 30, 2014

Federal Grant Title	Grant Number	Catalog of Federal Domestic Assistance Number	Total Grant Award	Federal Expen- ditures
U.S. Department of Agriculture				
Passed through the State of Alaska, Department of Education and Early Development - Child Nutrition Cluster:				
National School Breakfast Program	MA 13.033.01	10.553	\$ 938,194	\$ 938,194
National School Lunch Program	MA 13.033.01	10.555	3,219,798	3,219,798
Total Child Nutrition Cluster				4,157,992
Fresh Fruit & Vegetable Program	FF 14.033.02	10.582	66,250	52,429
Child and Adult Care Food Program	MA 14.033.02	10.558	21,909	21,909
Commodity Supplemental Food Program:				
Passed through the State of Alaska, Donated Produce	2014	10.565	109,892	109,892
Direct - Donated Produce	2014	10.565	264,216	264,216
Total Commodity Supplemental Food Program				374,108
Total U.S. Department of Agriculture				4,606,438
U.S. Department of Interior				
Direct program - Partners for Fish and Wildlife	7018BJ056	15.631	9,960	1,057
U.S. Department of Education				
Passed through the State of Alaska, Department of Education and Early Development:				
Title I Part A Cluster:				
Title I-A Consolidated Administration	IP 14.033.01	84.010	685,303	636,328
Title 1-A Basic	IP 14.033.01	84.010	3,638,421	3,428,826
Title I-A 1% Parent Involvement	IP 14.033.01	84.010	44,070	44,070
Title I-A Subpart 2 Neglected & Delinquent	CD 14.033.01	84.010	14,491	14,491
Title I-A Summer	SS 14.033.01	84.010	154,000	146,714
Title I School Improvement	CA 14.033.01	84.010	14,984	11,544
Title I-A 10% Professional Development	IP 14.033.01	84.010	48,508	48,401
Total for CFDA 84.010 Title I Grants to Local Educational Agencies				4,330,374

Matanuska-Susitna Borough School District
Schedule of Expenditures of Federal Awards, continued
Year Ended June 30, 2014

Federal Grant Title	Grant Number	Catalog of Federal Domestic Assistance Number	Total Grant Award	Federal Expen- ditures
U.S. Department of Education, continued				
Passed through the State of Alaska,				
Department of Education and Early Development, continued:				
Migrant Education State Grant Program:				
Title I-C Summer	MS 14.033.01	84.011	\$ 54,000	\$ 53,062
Title I-C Migrant Education Parent Advisory Council	MP 14.033.02	84.011	2,297	2,265
Title I-C Migrant Education	IP 14.033.01	84.011	339,423	318,110
Title I-C Consolidated Administration	IP 14.033.01	84.011	122,097	113,372
Migrant Education Book	MB 14.033.01	84.011	12,000	11,655
Total for CFDA 84.011 Migrant Education State Grant Program				498,464
Neglected and Delinquent Children and Youth - Title I-D	IP 14.033.01	84.013	48,178	37,681
Special Education Cluster (IDEA):				
Special Education Grants to States:				
IDEA Part B Title VI-B	SE 14.033.01	84.027	4,817,559	3,703,656
CEIS - IDEA Part B Title VI-B	SE 14.033.01	84.027	283,771	210,638
Total for CFDA 84.027 Special Education Grants to States				3,914,294
Special Education Preschool Grants	SE 14.033.01	84.173	123,171	114,638
Total Special Education Cluster (IDEA)				4,028,932
Career and Technical Education - Carl Perkins Basic	EK 14.033.01	84.048	510,305	492,116
Education for Homeless Children and Youth - McKinney-Vento Homeless	FR 14.033.01	84.196	62,974	62,792
Twenty-First Century Community Learning Centers - Alaska	AC 14.033.01	84.287	685,222	685,216
Math and Science Partnership	PM 14.033.01	84.366	350,000	254,411
Improving Teacher Quality State Grants:				
Title II-A Teacher & Principal Training and Recruitment	IP 14.033.01	84.367	1,091,305	856,097
Title II-A Higher Education	HE 14.033.01	84.367	212,474	47,309
Title II-A Consolidated Administration	IP 14.033.01	84.367	340,819	316,463
Total for CFDA 84.367 Improving Teacher Quality State Grants				1,219,869
School Improvement Grants ARRA:				
School Improvement- SGI American Charter ARRA	IS 13.033.01	84.388	5,397	5,397
School Improvement - SGI Burchell High School ARRA	IS 13.033.02	84.388	9,477	4,050
Total for CFDA 84.388 School Improvement Grants ARRA				9,447

Matanuska-Susitna Borough School District
Schedule of Expenditures of Federal Awards, continued
Year Ended June 30, 2014

Federal Grant Title	Grant Number	Catalog of Federal Domestic Assistance Number	Total Grant Award	Federal Expen- ditures
U.S. Department of Education, continued				
Alaska Native Education Program:				
Direct programs:				
Dzuuggi Preschool Program	S35AZ090065	84.356	\$ 53,068	\$ 13,906
Enanuaq Program	S356A110051	84.356	699,903	378,513
Passed through Knik Tribal Council, Duch'deldih Partnership	KTF19947	84.356	550,000	<u>304,587</u>
Total for CFDA 84.356 Alaska Native Education Program				<u>697,006</u>
Direct programs:				
Indian Education:				
Indian Education Carryover	S060A120070	84.060	16,313	2,487
Indian Education	S060A130070	84.060	413,933	<u>413,725</u>
Total for CFDA 84.060 Indian Education				<u>416,212</u>
Passed through the University of Alaska - Fairbanks, Investing in Innovation - UAF Urban Growth	UAF 13-0007	84.411	679,045	<u>349,171</u>
English Language Acquisition State Grants:				
Passed through the State of Alaska, Department of Education and Early Development - Title III-A English Language Acquisition				
	IP 14.033.01	84.365	45,482	21,093
Passed through the University of Alaska - Anchorage, UAA Leap Grant	UAA5678428	84.365	6,500	<u>172</u>
Total for CFDA 84.365 English Language Acquisition State Grants				<u>21,265</u>
Total U.S. Department of Education				<u>13,102,956</u>
Total Expenditures of Federal Awards				<u>\$ 17,710,451</u>

Matanuska-Susitna Borough School District

Note to Schedule of Expenditures of Federal Awards Year Ended June 30, 2014

1. The accompanying schedule of expenditures of federal awards includes the federal grant activity of Matanuska-Susitna Borough School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.



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**Independent Auditor's Report on Compliance for Each Major State Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
State Financial Assistance Required by the *State of Alaska Audit Guide and
Compliance Supplement for State Single Audits***

Members of the School Board
Matanuska-Susitna Borough School District
Palmer, Alaska

Report on Compliance for Each Major State Program

We have audited Matanuska-Susitna Borough School District's compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of Matanuska-Susitna Borough School District's major state programs for the year ended June 30, 2014. Matanuska-Susitna Borough School District's major state programs are identified in the accompanying schedule of state financial assistance.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Matanuska-Susitna Borough School District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Matanuska-Susitna Borough School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Matanuska-Susitna Borough School District's compliance.

Opinion on Each Major State Program

In our opinion, Matanuska-Susitna Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Matanuska-Susitna Borough School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matanuska-Susitna Borough School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Matanuska-Susitna Borough School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Matanuska-Susitna School District's basic financial statements. We issued our report thereon dated November 14, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistances is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska
November 14, 2014

Matanuska-Susitna Borough School District

Schedule of State Financial Assistance

Year Ended June 30, 2014

Name of Award	Grant Number	Total Grant Award	State Share of Expenditures
Department of Education and Early Development			
Major programs:			
Public School Funding	FY 14	\$ 144,272,583	\$ 144,272,582
Student Transportation	FY 14	15,069,807	15,069,807
House Bill 65	FY 14	2,996,786	2,996,786
Senate Bill 18	FY 14	2,517,299	2,517,299
Alaska Pre K Program	PK 14.033.01	354,858	352,420
Total major programs			<u>165,208,894</u>
Nonmajor programs:			
Youth in Detention	EY13.033.01	63,181	31,184
Alternative Schools	BH 13.033.02	129,025	110,454
Early Literacy K-3	LE 14.033.01	38,847	38,847
Suicide Awareness, Prevention and Postvention	SP 14.033.01	31,714	29,178
Total nonmajor programs			<u>209,663</u>
Total Department of Education and Early Development			<u>165,418,557</u>
Department of Labor and Workforce Development			
Nonmajor programs:			
CTE - Building Capacity Awareness	EN 746014	14,135	13,857
Workforce Investment Act - Youth First	EN 746352	70,000	54,836
Mat-Su Construction Academy	MCA2013-2014	120,000	116,611
Total Department of Labor and Workforce Development			<u>185,304</u>
Department of Administration			
Major programs:			
PERS on behalf	FY 14	4,187,300	4,187,300
TRS on behalf	FY 14	36,858,926	36,858,926
Total Department of Administration			<u>41,046,226</u>
Department of Health and Social Services			
Nonmajor programs:			
Passed through Alaska Family Services - K-12 Tobacco Prevention	601-14-086	117,265	117,265
Obesity Prevention K-12	601-14-120	150,000	150,000
Passed through University of Alaska Anchorage - UAA PBS	FY14	292	292
Total Department of Health and Social Services			<u>267,557</u>
Department of Commerce, Community, and Economic Development - nonmajor program			
Nutritional Alaska Foods for Schools	13-NAF-033	436,713	79,628
Total State Financial Assistance			<u>\$ 206,997,272</u>

Matanuska-Susitna Borough School District

Note to Schedule of State Financial Assistance Year Ended June 30, 2014

1. The accompanying Schedule of State Financial Assistance includes the state grant activity of Matanuska-Susitna Borough School District and is presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

Matanuska-Susitna Borough School District

Schedule of Findings and Questioned Costs Year Ended June 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> (none reported)

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> (none reported)

Type of auditor's report issued on compliance for major federal programs: Unmodified

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

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
84.027	Special Education Cluster (IDEA):
84.173	Special Education Grants to States
	Special Education Preschool Grants
84.010	Title I-A, Part A Cluster- Title I Grants to Local Educational Agencies
84.367	Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$ 531,314

Auditee qualified as low-risk auditee? X yes no

Matanuska-Susitna Borough School District

Corrective Action Plan Year Ended June 30, 2014

State Financial Assistance

Internal control over major state programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

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

Unmodified

Dollar threshold used to distinguish a state major program:

\$ 300,000

Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

There were no findings related to the financial statements which are required to be reported in accordance with generally accepted government auditing standards.

Section III - Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in section .510(a) of the circular) that are required to be reported.

Section IV - State Award Findings and Questioned Costs

There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.