

**PARKROSE SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2010**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**FINANCIAL REPORT**  
**For the Year Ended June 30, 2010**

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**BOARD OF DIRECTORS AS OF JUNE 30, 2010**

<u>NAME</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
Alesia Reese	Board Member, Position #1	June 30, 2013
Adair Fernee	Board Member, Position #2	June 30, 2011
Guy Crawford	Board Member, Position #3	June 30, 2011
Ed Grassel Jr.	Board Member, Position #4	June 30, 2013
James Woods	Board Chair, Position #5	June 30, 2013

Board Members receive mail at the District office address listed below.

ADMINISTRATION

Dr. Karen Gray, Superintendent  
Mary Larson, Director of Business Services

10636 N.E. Prescott Street  
Portland, Oregon 97220-2699

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

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**MULTNOMAH COUNTY, OREGON**

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**PAULY, ROGERS AND CO., P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

- 
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
  - (503) 620-2632 • FAX (503) 684-7523

**November 15, 2010**

**To the Board of Directors  
Multnomah County School District No. 3  
Multnomah County, Oregon**

**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Multnomah County School District No. 3, as of and for the year ended June 30, 2010, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management. 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Multnomah County School District No. 3, at June 30, 2010 and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 15, 2010, on our consideration of Multnomah County School District 3's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, as listed in the Table of Contents, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

**November 15, 2010**  
**Board of Directors**  
**Multnomah County School District No. 3**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Supplementary Information, including budgetary comparison schedules as listed in the Table of Contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as listed in the table of contents, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The Supplementary Information and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except as noted below.

The Other Financial schedules on pages 70-75, are presented as supplemental schedules for the Oregon Department of Education, and are not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management about this supplementary information. However, we did not audit the information and do not express an opinion on it.

*Pauly, Rogers and Co. P.C.*  
PAULY, ROGERS AND CO., P.C.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**(PARKROSE SCHOOL DISTRICT NO. 3)**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

As management of Multnomah County School District No. 3 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2010.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the assets of the District exceeded its liabilities at June 30, 2010 by \$45,362,798. Of this amount, \$35,313,840 represents the District's investment in capital assets, net of related debt. The District has \$3,013,510 of net assets restricted and expendable for debt service. The District's unreserved net assets are \$7,035,448.
- The District's governmental funds report combined ending fund balance of \$10,586,694, a decrease of \$2,373,542 in comparison with the prior year. Approximately 72 percent of this total amount, \$7,573,184, is available for the ensuing fiscal year at the discretion of the Board of Directors. At the end of the fiscal year, unreserved fund balance for the general fund was \$3,560,913, or about 12 percent of total general fund expenditures.
- The District's long-term debt decreased by \$2,837,857, (27.1 percent) during the 2009-10 fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements:** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The Statement of Net Assets. The statement of net assets presents information on all of the assets and liabilities of the District at year end. Net assets are what remain after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities. The statement of activities presents information showing how the net assets of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net assets.

All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

In the government-wide financial statements, the District's activities are shown in one category:

**Governmental Activities.** Most of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon's State School Fund, proceeds from the sale of long term general obligation bonds and other intergovernmental revenues.

The government-wide financial statements can be found on pages 4 - 5 of this report.

**Fund Financial Statements:** The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Multnomah County School District No. 3, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial 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. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decision. Both the governmental fund Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Assets and Activities.

The District maintains twenty nine individual governmental funds, three of which have been reported as major funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Debt Service Fund, and Capital Projects Fund.

The basic governmental fund financial statements can be found on pages 6 and 8 of this report.

**Notes to the Basic 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 basic financial statements can be found on pages 11-28 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Condensed Statement of Net Assets

	Total School District Governmental Activities 2010	Total School District Governmental Activities 2009
<b>Assets</b>		
Current and other assets	\$ 13,527,642	\$ 16,539,589
Net capital assets	<u>42,945,983</u>	<u>43,114,609</u>
Total Assets	<u>56,473,625</u>	<u>59,654,198</u>
<b>Liabilities</b>		
Long-term debt outstanding	\$ 7,632,143	\$ 10,470,000
Other liabilities	<u>3,478,684</u>	<u>3,855,008</u>
Total Liabilities	<u>11,110,827</u>	<u>14,325,008</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt	35,313,840	32,644,609
Restricted	3,013,510	2,648,597
Unrestricted	<u>7,035,448</u>	<u>10,035,984</u>
Total net assets	<u>\$ 45,362,798</u>	<u>\$ 45,329,190</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$45,362,798 at June 30, 2010.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles, and equipment, represent about 78 percent of total assets. The remaining assets consist mainly of investments, cash, inventories, and property taxes receivable.

The District's largest liability (69 percent) is for the repayment of general obligation bonds. Current liabilities, representing about 31 percent of the District's total liabilities, consist of payables on accounts, salaries, and benefits, and current portions of bonds and leases payable.

The District's net assets are largely invested in capital assets (e.g., land, buildings, vehicles and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students and other District residents; consequently these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

**Governmental Activities:** A comparative analysis from the previous year's activity is provided below. During the current fiscal year, the District's net assets increased by \$321,628. The revenues and expenses shown below explain changes in net assets for the fiscal year 2010.

	Total School District Governmental Activities 2010	Percentage of Total	Total School District Governmental Activities 2009	Percentage of Total
<b>Revenues</b>				
<b>Program Revenues</b>				
Charges for service	\$ 757,440	2.01%	\$ 944,787	2.73%
Operating Grants & Contribution	<u>6,188,430</u>	<u>16.38%</u>	<u>4,367,934</u>	<u>12.61%</u>
Total Program Revenues	<u>6,945,870</u>	<u>18.39%</u>	<u>5,312,721</u>	<u>15.33%</u>
<b>General Revenues</b>				
Property taxes	16,338,472	43.26%	15,468,202	44.64%
State school fund	12,295,669	32.55%	11,292,456	32.59%
Common school fund	504,087	1.33%	146,425	0.42%
Unrestricted Other Sources	101,944	0.27%	1,074,071	2.67%
Investment earnings	109,128	0.29%	467,644	1.35%
Other	<u>1,476,590</u>	<u>3.91%</u>	<u>887,529</u>	<u>3.00%</u>
Total General Revenues	<u>30,825,890</u>	<u>81.61%</u>	<u>29,336,327</u>	<u>84.67%</u>
Total Revenues	<u>37,771,760</u>	<u>100.00%</u>	<u>34,649,048</u>	<u>100.00%</u>
<b>Expenses</b>				
Instruction	21,802,551	58.22%	20,947,318	55.68%
Supporting services	12,175,380	32.51%	12,013,992	31.94%
Community services	2,207,540	5.89%	1,995,580	5.29%
Facilities Acquisition & Construction	907,705	2.42%	2,077,222	5.71%
Interest on long-term debt	<u>356,956</u>	<u>0.95%</u>	<u>499,584</u>	<u>1.38%</u>
Total Expenses	<u>37,450,132</u>	<u>100.00%</u>	<u>37,533,696</u>	<u>100.00%</u>
Change in Net Assets	321,628		(2,884,648)	
Restatement – Change in Accounting Principle	0		183,580	
Net assets – beginning	<u>45,329,190</u>		<u>48,030,258</u>	
Prior Period Adjustment	<u>(288,020)</u>		<u>0</u>	
Net assets – ending	<u>45,362,798</u>		<u>\$ 45,329,190</u>	

**Revenues:** Since the District's mission is to provide a free and appropriate public education for K-12 students within its boundaries, the District may not charge for its core services. As expected, therefore, general revenues provide 82 percent of the funding required for governmental programs. Property taxes and State School Fund combined account for 91 percent of general fund revenues and 76 percent of total revenues.

Operating grants and contributions account for 17 percent of total revenues. Included in this category is \$1,382,055 for federal reimbursement under the national school lunch program. Other federal and state grants for designated programs totaled \$4,145,777.

**Expenses:** Expenses related to governmental activities are presented in five broad functional categories. Costs of direct classroom instruction activities account for approximately 59 percent of the total expenses of \$37,450,132. In addition, approximately half of the costs in supporting services relate to students, instructional staff and school administration.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

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

**Governmental Funds:** The focus of the District's governmental funds is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

At June 30, 2010, the District's governmental funds reported combined ending fund balances of \$10,586,694 (exclusive of inventory), a decrease of \$2,373,542 in comparison with the prior year. About \$7,573,184 (72 percent) of the ending fund balance constitutes unreserved ending fund balance, which is available for spending at the direction of the Board of Directors. Additionally, \$3,013,510 is designated for debt service obligations.

**General Fund:** The General Fund is the chief operating fund of the District. As of June 30, 2010, unreserved fund balance was \$3,560,913. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 12 percent of total General Fund's expenditures.

The fund balance decreased by \$2,076,082 during the current fiscal year. This decrease can be mainly attributed to decrease funding from State School Support.

During the year all General Fund expenditures were within budget.

**Debt Service Fund:** The Debt Service Fund has a total fund balance of \$3,013,510, all of which is reserved for the payment of debt service. The net increase in fund balance during the current year was about \$364,913. Property tax collections were higher than the anticipated amount.

**Capital Projects Fund:** The Capital Projects Fund has a total fund balance of \$653,137. The net decrease in fund balance during the year was about \$325,527 due to a spending down of this fund. Eventually this fund will be at zero balance unless there is new revenue or transfers from other funds to support these projects.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund budget was \$31,308,834 for the fiscal year ended June 30, 2010. The Board of Directors made several additional appropriations during the year. The biggest challenge was to maintain programs as funding was decreased because of the national recession.



## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. As of June 30, 2010, the District had invested \$42,945,983 in capital assets, net of depreciation.

During the year, the District's investment in capital assets decreased by \$119,394 (including depreciation). The major capital asset events for the year consisted of building improvements at various schools.

Additional information of the District's capital assets can be found in note 5 on page 19 of this report.

**Long-term Debt:** At the end of the current fiscal year, the District had total long term debt outstanding of \$7,632,143 consisting of general obligation debt net of unamortized premium/discount and a Qualified Zone Academy Bond (QZAB).

During the current fiscal year, the District's total debt decreased by \$2,837,857, (27.1 percent).

On May 27<sup>th</sup> 2009, the District entered into a Qualified Zone Academy Bond agreement for \$2,000,000.

The District has an "AA-" rating from Standard & Poor's.

Additional information on the District's long-term debt can be found in note 7 on page 21 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. For the year ended June 30, 2010, the State School Fund - General Support provided 32.55 percent of the District's program resources. Factors for next years budget will be the estimate of State School Fund based on March 10 estimate.

This year, one time funding was received through federal programs such as ARRA Stimulus Funds and State Federal Stabilization Fund. Without this support Parkrose School District would have had experienced larger cuts to service level budgets for the 2009-10 fiscal year.

Again, funding from the federal government limited budget reductions for 2010-11. Additionally to ARRA Stimulus Funds and State Federal Stabilization Fund an Education Jobs funding bill was passed to help support staffing.

Salaries and benefits costs are expected to increase in 2010-11, based on current contractual obligations.

**REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Director of Business Services and Operations at 10636 NE Prescott Street, Portland, OR 97220.

A handwritten signature in cursive script that reads "Mary Larson". The signature is written in black ink and is positioned above a horizontal line.

Mary Larson  
Director of Business Services and Operations

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**GOVERNMENT WIDE FINANCIAL STATEMENTS**

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF NET ASSETS**  
**June 30, 2010**

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Investments	\$ 10,555,211
Receivables:	
Accounts and Grants	2,036,156
Property Taxes	936,275
Non-Depreciable Capital Assets	5,637,085
Capital Assets, Net of Depreciation	<u>37,308,898</u>
<b>Total Assets</b>	<b><u>56,473,625</u></b>
<b>LIABILITIES:</b>	
Accounts Payable	298,552
Accrued Salaries and Benefits	1,814,485
Bond Interest Payable	8,802
Accrued Vacation Payable	43,290
OPEB Liability	1,313,555
Lease Payable:	
Due Within One Year	142,857
Due in More Than One Year	1,714,286
Bonds Payable:	
Due Within One Year	2,890,000
Due in More Than One Year	<u>2,885,000</u>
<b>Total Liabilities</b>	<b><u>11,110,827</u></b>
<b>NET ASSETS:</b>	
Invested in Capital Assets, Net of Related Debt	35,313,840
Restricted for:	
Debt Service	3,013,510
Unrestricted	<u>7,035,448</u>
<b>Total Net Assets</b>	<b><u>\$ 45,362,798</u></b>

See accompanying notes to basic financial statements.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2010**

<u>Functions/Programs</u>	<u>Expense</u>	<u>PROGRAM REVENUES</u>		<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in Net</u> <u>Assets</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating Grants</u> <u>and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
<b>Governmental Activities:</b>				
Instruction	\$ 22,710,256	\$ 116,300	\$ 3,699,060	\$ (18,894,896)
Support Services	12,175,380	420,617	473,470	(11,281,293)
Community Services	2,207,540	220,523	2,015,900	28,883
Interest on Long-Term Debt	356,956	-	-	(356,956)
<b>Total Governmental Activities</b>	<b><u>\$ 37,450,132</u></b>	<b><u>\$ 757,440</u></b>	<b><u>\$ 6,188,430</u></b>	<b><u>(30,504,262)</u></b>
<b>GENERAL REVENUES:</b>				
				16,338,472
				101,944
				12,295,669
				504,087
				109,128
				1,476,590
				<u>30,825,890</u>
				321,628
				45,329,190
				<u>(288,020)</u>
				<u>\$ 45,362,798</u>

See accompanying notes to basic financial statements.

**FUND FINANCIAL STATEMENTS**



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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2010**

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>					
Cash and Investments	\$ 4,806,665	\$ 2,966,299	\$ 632,962	\$ 2,149,285	\$ 10,555,211
Receivables:		-			
Interfund	-	-	-	77,275	77,275
Taxes	749,339	186,936	-	-	936,275
Accounts and Grants	752,749	24,998	20,175	1,238,234	2,036,156
<b>Total Assets</b>	<b>\$ 6,308,753</b>	<b>\$ 3,178,233</b>	<b>\$ 653,137</b>	<b>\$ 3,464,794</b>	<b>\$ 13,604,917</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
Liabilities:					
Accounts Payable	\$ 192,892	\$ -	\$ -	\$ 105,660	\$ 298,552
Accrued Salaries and Benefits	1,814,485	-	-	-	1,814,485
Interfund Payable	77,275	-	-	-	77,275
Deferred Revenue	663,188	164,723	-	-	827,911
<b>Total Liabilities</b>	<b>2,747,840</b>	<b>164,723</b>	<b>-</b>	<b>105,660</b>	<b>3,018,223</b>
Fund Balances:					
Reserved for Debt Service	-	3,013,510	-	-	3,013,510
Unreserved	3,560,913	-	653,137	3,359,134	7,573,184
<b>Total Fund Balances</b>	<b>3,560,913</b>	<b>3,013,510</b>	<b>653,137</b>	<b>3,359,134</b>	<b>10,586,694</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,308,753</b>	<b>\$ 3,178,233</b>	<b>\$ 653,137</b>	<b>\$ 3,464,794</b>	<b>\$ 13,604,917</b>

See accompanying notes to basic financial statements.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO.3**  
**MULTNOMAH COUNTY, OREGON**

**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Assets**  
**June 30, 2010**

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**TOTAL FUND BALANCES-GOVERNMENTAL FUNDS** \$ 10,586,694

Capital assets are not financial resources and therefore are not reported in the governmental funds.

Cost	\$ 25,195,993	
Accumulated Depreciation	<u>17,749,990</u>	42,945,983

A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.

827,911

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.

Long term Liabilities:

Accrued Vacation Payable	(43,290)	
Bond Interest Payable	(8,802)	
OPEB Liability	(1,313,555)	
Lease Payable	(1,857,143)	
General obligation bonds payable	<u>(5,775,000)</u>	<u>(8,997,790)</u>

**TOTAL NET ASSETS** **\$ 45,362,798**

See accompanying notes to basic financial statements.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2010**

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>					
Property Taxes	\$ 12,940,307	\$ 3,403,629	\$ -	\$ -	\$ 16,343,936
Intergovernmental-Federal	978,574	-	-	4,549,258	5,527,832
Intergovernmental-State and Local	12,957,624	-	31,730	550,908	13,540,262
Charges for Services	74,874	-	-	704,602	779,476
Earnings on Investments	89,368	19,359	-	401	109,128
Miscellaneous	180,451	-	706,802	589,337	1,476,590
<b>Total Revenues</b>	<b>27,221,198</b>	<b>3,422,988</b>	<b>738,532</b>	<b>6,394,506</b>	<b>37,777,224</b>
<b>EXPENDITURES:</b>					
Current:					
Instruction	18,980,742	-	-	2,859,510	21,840,252
Support Services	9,996,741	-	2,200	1,710,015	11,708,956
Enterprise and Community Services	87,282	-	-	2,017,595	2,104,877
Facilities Acquisition and Construction	-	-	907,705	-	907,705
Capital Outlay	1,158	-	212,654	174,232	388,044
Debt Service:					
Principal	142,857	2,695,000	-	-	2,837,857
Interest	-	363,075	-	-	363,075
<b>Total Expenditures</b>	<b>29,208,780</b>	<b>3,058,075</b>	<b>1,122,559</b>	<b>6,761,352</b>	<b>40,150,766</b>
Excess of Revenues Over, -Under Expenditures	(1,987,582)	364,913	(384,027)	(366,846)	(2,373,542)
<b>Other Financing Sources, (Uses):</b>					
Transfers In	-	-	58,500	90,000	148,500
Transfers Out	(88,500)	-	-	(60,000)	(148,500)
<b>Total Other Financing Sources, -Uses</b>	<b>(88,500)</b>	<b>-</b>	<b>58,500</b>	<b>30,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(2,076,082)</b>	<b>364,913</b>	<b>(325,527)</b>	<b>(336,846)</b>	<b>(2,373,542)</b>
<b>Beginning Fund Balance</b>	<b>5,636,995</b>	<b>2,648,597</b>	<b>978,664</b>	<b>3,695,980</b>	<b>12,960,236</b>
<b>Ending Fund Balance</b>	<b>\$ 3,560,913</b>	<b>\$ 3,013,510</b>	<b>\$ 653,137</b>	<b>\$ 3,359,134</b>	<b>\$ 10,586,694</b>

See accompanying notes to basic financial statements.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**Reconciliation of the Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2010**

<b>TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS</b>	<b>\$</b>	<b>(2,373,542)</b>
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:</p>		
Expenditures for capital assets	\$	1,287,302
Less current year depreciation		<u>(1,167,908)</u>
		119,394
<p>Repayment of bond and principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Assets. Debt principal repaid.</p>		
		2,837,857
<p>In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an expense when due.</p>		
		6,119
<p>Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when OPEB Liability</p>		
		(5,464)
<p>Inventory in the Statement of Activities differs from the amount reported in the governmental funds because inventory is recognized as an expenditure in the funds when it is purchased, and thus requires the use of current financial resources. In the Statement of Activities, however, inventory is recognized when actually used.</p>		
		(18,815)
<p>Compensated absences and early retirement are recognized as expenditure in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as an expenditure when earned.</p>		
Accrued Vacation Payable		(2,122)
OPEB Liability		<u>(241,799)</u>
		<u>(243,921)</u>
<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>321,628</u></b>

See accompanying notes to basic financial statements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3  
MULTNOMAH COUNTY, OREGON

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS  
June 30, 2010

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	<u>AGENCY FUNDS STUDENT ACTIVITY FUNDS</u>
ASSETS:	
Cash and Investments	\$ 179,625
Total Assets	<u>179,625</u>
LIABILITIES:	
Due to Student Organizations	<u>179,625</u>
NET ASSETS:	
Total Net Assets Unrestricted	<u><u>\$ -</u></u>

See accompanying notes to basic financial statements

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

**Reporting Entity**

Multnomah County School District No. 3 (the District) is a municipal corporation governed by an elected five member Board of Directors. Administration officials are approved by the Board. The daily functioning is under the supervision of the Superintendent. As required by generally accepted accounting principles in the United States of America, all activities except fiduciary activities have been included in the government-wide financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts which provide services within the District's boundaries. However, the District is not financially accountable for any of these entities, in accordance with GASB 39 and therefore, none of them are considered component units and are not included in these basic financial statements.

**Basis of Presentation**

The government-wide financial statements, (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities. The effect of interfund activity has been removed from these statements. Fiduciary funds are not included in the government-wide financial statements because the resources of fiduciary funds are not available to support programs. Fiduciary funds are reported in the Financial Statements as part of the Basic Financial Statements.

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

Separate financial statements are provided for governmental funds and the fiduciary fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

Net assets comprise the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net assets are classified in the following three categories.

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (continued)**

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – consists of all other net assets that are not included in the other categories previously mentioned.

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

**Fund Financial Statements**

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

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 (“susceptible to accrual”). 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, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. 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 when payment is due. Property taxes associated with the current fiscal period, are considered to be susceptible to accrual, if received in cash or by a County collecting such taxes within 60 days after year-end. All other revenue items are recognized in the accounting period when they become both measurable and available.

There are the following major governmental funds:

**General Fund**

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon School Support Fund.

**Debt Service Fund**

The Debt Service Fund accounts for the payment of principal and interest on bonds used for major construction projects. The principal source of revenue is property taxes.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Projects Fund**

The Capital Projects Fund accounts for the construction costs of capital improvements .

There is also a column for combined nonmajor funds. These funds are not considered major due to the volume of their activities. They are for specific educational projects and programs.

Additionally, the following other fund type is reported:

**Fiduciary Fund**

This fund type is comprised of an Agency Fund, which accounts for the transactions of the student body activity accounts. Students and faculty of the various schools manage the student body activity funds.

**Cash and Investments**

For the purpose of the statement of net assets and the balance sheets, monies in the Oregon State Local Government Investment Pool, savings deposits, demand deposits and cash with the county treasurer are considered to be cash and investments.

Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Other investments are stated at amortized cost, which approximates fair value.

**Property Taxes**

Uncollected real and personal property taxes are reflected on the statement of net assets and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

**Supplies Inventories**

School operating supplies, maintenance supplies, and food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Food Service Fund are included in the inventories at USDA wholesale value. The inventory is accounted for based on the consumption method. Under the consumption method, inventory is recorded when purchased and expenditures/expenses are recorded when inventory items are used. Donated commodities consumed during the year are reported as revenues and expenditures. The Food Service Fund reports inventory and a corresponding reserve for inventory in the fund financial statement. The reserve for inventory is reported in addition to the fund's equity on the balance sheet. At June 30, 2010 management deemed there were no material inventories on hand.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts and Other Receivables**

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants. All are considered collectible by management, and therefore, there is no allowance for uncollectible accounts.

**Grant Accounting**

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures are recorded as unearned revenue on the statement of net assets and the balance sheet.

**Capital Assets**

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Vehicles and Equipment	5 to 30 years

**Compensated Absences**

It is policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when an employee separates from service. All vacation pay is accrued when incurred in the government-wide financial statements.

**Long Term Obligations**

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount. As permitted by GASB Statement No. 34, the cost of prior bond issuance is amortized prospectively from the date of adoption of GASB Statement No. 34.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Retirement Plans**

Substantially all of the employees are participants in Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged to expenditures as funded.

Certified employees who have reached age 55 and have 15 years of full-time employment, are eligible for early retirement benefits which are funded and charged to expenditures as payments become due to early retirees.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles.

The budget process begins early in each fiscal year with the establishment of the budget committee. In the fall, public input is invited as the Board decides the budget priorities for the next year. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are published generally in the spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption, however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund:

**LEVEL OF CONTROL**

Instruction  
Support Services  
Enterprise and Community Services  
Facilities Acquisition and Construction  
Other Uses of Funds: Interfund Transactions  
                                  Debt Service  
Operating Contingency

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need which was not determined at the time the budget was adopted.

Budget amounts shown in the budgetary financial statements reflect the original adopted budget and the final amended budget. Amendments to the original budget amounts included supplemental appropriations.

**Excess of Expenditures Over Appropriations**

Expenditures of the various funds were within authorized appropriations, except for Private Grant Fund – Enterprise and Community Services by \$1,004, Title 1A Grant Fund – Instruction by \$7,461, and Title IID Education through Technology Grant Fund – Support Services by \$131.

**3. BUDGETARY BASIS OF ACCOUNTING**

While the financial position, results of operations, and changes in fund balance/net assets is reported on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The primary differences between the budgetary basis and GAAP basis is the classification of capital outlay, which for budgetary purposes is reported within the functional categories at the level of appropriation control, and depreciation expense, which is not reported at the fund level. On a GAAP basis, capital outlay is separately reported after current expenditures.

In addition, on the budgetary basis of accounting, inventory is accounted for on the purchases method. Under this method, inventory is expended as purchased and is not recorded as an asset on the balance sheet. On the GAAP basis fund financial statements, inventory has been recorded on the consumption method. Also, proceeds of long-term borrowing are recognized as an “other financing source” and principal paid is considered an expenditure when paid. Bond issue costs are recognized as expenditures when bonds are issued (rather than amortizing over the life of the bonds). OPEB costs are expensed when paid instead of when the liability is incurred.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**4. CASH AND INVESTMENTS**

Cash and Investments (recorded at cost) consisted of:

Deposits with Financial Institutions:	
Demand Deposits	\$ 429,064
Petty Cash	205
Local Government Investment Pool	<u>10,305,567</u>
 Total Cash and Investments	 <u><u>\$ 10,734,836</u></u>
 Cash Reported in:	
Governmental Funds	\$ 10,555,211
Agency Fund	<u>179,625</u>
 Total Cash and Investments	 <u><u>\$ 10,734,836</u></u>

DEPOSITS - Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. For the fiscal year ended June 30, 2010, the bank balance was \$879,280, all of which was insured by Federal Depository Insurance.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure deposits will not be recovered. There is no formal deposit policy for custodial credit risk. As of June 30, 2010, all deposits are insured.

INVESTMENTS – State statutes authorize investment in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Fitch Ratings and Standard & Poor's Corporation or P1 by Moody's Commercial Paper Record (A-2/P-2 if Oregon commercial paper) and the state treasurer's investment pool. The investments during the year were invested in the state treasurer's investment pool.

The State Treasurer's Local Government Investment Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the State's investment policies. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent Investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB), which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The Pool is unrated.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3

MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**4. CASH AND INVESTMENTS (CONTINUED)**

Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. At June 30, 2010 the fair value of the position in the LGIP is 99.56% of the value of the Pool shares as reported in Oregon Short Term Fund audited financial statements. There were no known violations of legal or contractual provisions for deposits and investments during the fiscal year.

At year-end, the investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 3</u>	<u>More than 3</u>
State Treasurer's Investment Pool	\$ 10,305,567	\$ 10,305,567	\$ -
Total	<u>\$ 10,305,567</u>	<u>\$ 10,305,567</u>	<u>\$ -</u>

Interest Rate Risk – Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond 3 months.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the deposit will not be recovered. There is no formal investment policy for custodial credit risk. All of the investments are with the LGIP. Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

Concentration Risk

Concentration risk is the risk of loss due to a large portion of investments with a single issuer. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the LGIP is invested in, which is not required to have a risk rating. State statutes do not limit the percentage of investments in this instrument. As of June 30, 2010 100% of the investments were in the State Treasurer's Investment Pool.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2010 was as follows:

	Restated Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 5,637,085	\$ -	\$ -	\$ 5,637,085
Total Capital Assets Not Being Depreciated	<u>5,637,085</u>	<u>-</u>	<u>-</u>	<u>5,637,085</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	51,219,739	1,031,344	-	52,251,083
Vehicles and Equipment	<u>2,551,847</u>	<u>255,958</u>	<u>-</u>	<u>2,807,805</u>
Total Capital Assets Being Depreciated	<u>53,771,586</u>	<u>1,287,302</u>	<u>-</u>	<u>55,058,888</u>
Accumulated Depreciation:				
Buildings and Improvements	(15,063,729)	(1,045,613)	-	(16,109,342)
Vehicles and Equipment	<u>(1,518,353)</u>	<u>(122,295)</u>	<u>-</u>	<u>(1,640,648)</u>
Total Accumulated Depreciation	<u>(16,582,082)</u>	<u>(1,167,908)</u>	<u>-</u>	<u>(17,749,990)</u>
Total Capital Assets Being Depreciated, Net	<u>37,189,504</u>	<u>119,394</u>	<u>-</u>	<u>37,308,898</u>
Governmental Activities Capital Assets, Net	<u>\$ 42,826,589</u>	<u>\$ 119,394</u>	<u>\$ -</u>	<u>\$ 42,945,983</u>

Capital assets beginning balance was restated due to management correcting errors and misclassifications that were not reported in previous years.

Depreciation expense was charged to functions/programs as follows:

Instruction	\$ 715,413
Support Services	383,546
Community Services	<u>68,949</u>
Total Depreciation Expense- Governmental Activities	<u>\$ 1,167,908</u>



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**6. INTERFUND TRANSACTIONS**

Operating transfers between funds were made to fund the various programs and activities as follows:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ -	\$ 88,500
Capital Projects	58,500	-
Non-Major Funds	<u>90,000</u>	<u>60,000</u>
	<u>\$ 148,500</u>	<u>\$ 148,500</u>

The internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing.

The composition of interfund balances is as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ -	\$ 77,275
Non-Major Governmental Fund	<u>77,275</u>	<u>-</u>
Total	<u>\$ 77,275</u>	<u>\$ 77,275</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**7. LONG TERM DEBT**

There is one general obligation bond issue approved by voters in prior years to finance various capital projects. On May 27 2009, a Qualified Zone Academy Bond agreement was entered into at a zero percent interest rate for 15 years.

	2002 Bond	QZAB Purchase Agreement	Total
Balance 7/1/09	\$ 8,470,000	\$ 2,000,000	\$ 10,470,000
Additions	-	-	-
Payments & Deletions	(2,695,000)	(142,857)	(2,837,857)
Balance 6/30/10	\$ 5,775,000	\$ 1,857,143	\$ 7,632,143
Amounts Payable in Fiscal Year:			
2010-11	2,890,000	142,857	3,032,857
2011-12	2,885,000	142,857	3,027,857
2012-13	-	142,857	142,857
2013-14	-	142,857	142,857
2014-15	-	142,857	142,857
2015-20	-	714,286	714,286
2020-25	-	428,572	428,572
Total	\$ 5,775,000	\$ 1,857,143	\$ 7,632,143

Changes in bonds outstanding are as follows:

Issue Date	Interest Rates	Original Issue	Outstanding July 1, 2009	Issued	Matured And Redeemed	Outstanding June 30, 2010	Due Within One Year
January 14, 2002	3.0-5.5%	\$ 17,055,000	\$ 8,470,000	\$ -	\$ 2,695,000	\$ 5,775,000	\$ 2,890,000
May 29, 2009	0%	\$ 2,000,000	2,000,000	-	142,857	1,857,143	142,857
Total Bonds Payable			\$ 10,470,000	\$ -	\$ 2,837,857	\$ 7,632,143	\$ 3,032,857

In February 2002, \$16,725,000 of general obligation bonds were defeased by issuing \$17,055,000 in Series 2002 Refunding Bonds, placing \$17,887,209 of the proceeds in an irrevocable trust to provide for the future debt payments on the 1995 Series Bonds. The advanced refunding saved approximately \$609,083 in debt service costs. There are \$5,840,000 in defeased bonds outstanding at June 30, 2010.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. RETIREMENT PLAN**

Contributions are made to the Oregon Public Employees Retirement Fund (OPERF), a cost-sharing multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System (PERS). PERS provides retirement and disability benefits, post employment health care benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan ("OPSRP") is effective for all new employees hired on or after August 29, 2003, and applies to any inactive PERS members who return to employment following a six month or greater break in service. The new plan consists of a defined benefit program (the "Pension Program") and a defined contribution portion (the Individual Account Program or "IAP"). The Pension Program portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of serviced and a factor that varies based on type of service (general versus police or fire).

Beginning January 1, 2004, all PERS member contributions go into the IAP portion of OPSRP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account. Those employees who had established a PERS membership prior to creation of OPSRP will be members of both the PERS and OPSRP system as long as they remain in covered employment.

PERS is administered under Oregon Revised Statute (ORS) Chapter 238. ORS 238.620 establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report can be obtained by writing to PERS, P.O. Box 23700, Tigard, OR 97281-3700 or by calling 1-503-598-7377.

Members of PERS are required to contribute 6% of their salary covered under the plan. 6% is paid on behalf of the members for the administrative, certified, and classified employees. The District is required by ORS 238.225 to contribute at an actuarially determined rate. The rate effective July 1, 2008 is 14.22% of salary covered under the plan for Tier 1 and Tier 2 employees (PERS) and 14.74% for employees covered under the Oregon Public Services Retirement Plan (OPSRP). The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature. The contributions to PERS for the years ended June 30, 2010, 2009, and 2008 were \$3,874,799, \$4,263,451, and \$3,925,744, respectively, equal to the required contributions for each year.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

Early Retirement Liability

An early retirement plan is authorized by a collective bargaining agreement. The plan is, in substance, a single employer defined benefit pension plan. To qualify, an employee must be an administrative or certificated employee, be 55 years old at retirement date, retire under PERS, and have 15 years of service if retiring as a licensed employee, 3 years if retiring as an administrator.

Currently, the plan provides the retirees a stipend which the retiree can choose to receive in four annual payments, or the retiree can use the stipend to pay the premiums for the retiree and his or her family under the medical and dental insurance programs. Under the medical insurance option, payments continue until the stipend amount is depleted or until the retirees reached age 65. Currently, nineteen retirees meet the eligibility requirements. The amount of health insurance paid on behalf of retirees was \$75,403 and \$59,498 for the 2009-2010 and 2008-2009 fiscal years respectively. Such costs are recorded as expenditures and funded on a budgetary basis. Total retirement stipend expenditures for the fiscal years 2009-2010 and 2008-2009 were \$99,265 and \$27,268 respectively. Future obligations will be funded through annual appropriations.

The District implemented GASB Statement #50, Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27, for the fiscal year ended June 30, 2009. This implementation allows the district to report its liability for other post employment benefits consistent with newly established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements. The District maintains single employer post-employment benefit programs (commonly referred to as early retirement). These programs cover licensed and administrative personnel of the District, individual employees, and certain retired employees.

Contributions and Funding Policy – The benefits from this program are fully paid and, consequently, no contributions by employees are required. There is no obligation to fund these benefits in advance. The only obligation is to make current benefit payments due each fiscal year. Consequently, it has not been found necessary to establish a pension trust fund, and payments are made on a pay-as-you-go basis each year out of the General Fund. An estimate of this liability for current retirees is done annually. There is no separately issued financial report for the plan. The total annual expenditures recognized on a budgetary basis were approximately \$174,669 and \$86,766 for the years ended June 30, 2010 and 2009 respectively.

Annual OPEB Cost and Net OPEB Obligation – The annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 50. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

Early Retirement Liability

The following table shows the components of the annual OPEB cost for the year ending June 30, 2010, the amount actually contributed to the plan, and changes in the net OPEB obligation:

	2010	2009
Annual required contribution	\$ 460,781	\$ 439,167
Interest on net pension obligation	33,775	37,188
Adjustment to annual required contribution	447,689	492,930
Annual pension cost (APC)	46,867	(16,575)
Contributions made	66,909	68,753
Increase in net pension obligation	(20,042)	(85,328)
Net OPEB Obligation (Asset) at beginning of year	844,367	929,695
Net OPEB Obligation (Asset) at end of year	\$ 824,325	\$ 844,367
Percentage of APC contributed	-142.76%	-414.80%

Actuarial Methods and Assumptions - The annual required contribution (ARC) for the current year was determined as part of the October 1, 2008 actuarial valuation using the Projected Unit Credit Cost Method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and a payroll increase of 3.75%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued in as of the valuation date is called the accrued liability. The difference between the accrued liability and the actuarial value of plan assets is called the unfunded accrued liability. The unfunded accrued liability is being amortized over an initial period of four years as a level percentage of payroll for stipend benefits.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

Early Retirement Liability (Continued)

Funding Status and Funding Progress

The schedule of funding progress is as follows:

Schedule of Funding Progress						
Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
10/1/2008	\$ -	\$ 738,876	\$ 738,876	0.00%	N/A	N/A
10/1/2009	\$ -	\$ 807,461	\$ 807,461	0.00%	N/A	N/A

Program membership consisted on the following at June 30, 2010:

Active Program Members:	
Vested	408
Non-vested	49
Spouses of Ineligible Retirees	3
	460

Post Employment Health Insurance Subsidy

Plan Description - A single-employer retiree benefit plan is operated that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements.

The post-retirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Funding Policy – The benefits from this program are paid and the required contribution is based on projected pay-as-you go financing requirements. The retiree is to receive the same health care coverage as active employees. Administrative employees may receive \$1,000 for each full year of District service up to \$12,000. Employees may choose from multiple insurance plans and has the option to add a spouse. The retiree is responsible for any portion of the premiums not paid by the District.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

Post Employment Health Insurance Subsidy (Continued)

Annual Pension Cost and Net Pension Obligation - The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), and amount actuarially determined in accordance within the parameter of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the OPEB obligation at the end of the year:

The following table shows the components of the OPEB obligation at the end of the year:

	2010	2009
Annual required contribution	\$ 600,491	\$ 565,083
Interest on net pension obligation	9,096	-
Adjustment to annual required contribution	15,453	-
Annual OPEB Cost	594,134	565,083
Contributions made	332,293	337,694
Increase in net pension obligation	261,841	227,389
Net OPEB Obligation (Asset) at beginning of year	227,389	-
Net OPEB Obligation (Asset) at end of year	\$ 489,230	\$ 227,389
Percentage of APC contributed	55.93%	59.76%

Actuarial Methods and Assumptions - The annual required contribution (ARC) for the current year was determined as part of the October 1, 2008 actuarial valuation using the Projected Unit Credit Cost Method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 4% compounded annually; (b) no future increase in benefit payable from this program; and (c) no post-retirement benefit increases and a payroll increase of 3.75%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

Post Employment Health Insurance Subsidy (Continued)

Funding Status and Funding Progress

The schedule of funding progress is as follows:

Schedule of Funding Progress

Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
10/1/2008	\$ -	\$ 3,972,354	\$3,972,354	0.00%	N/A	N/A
10/1/2009	\$ -	\$ 4,162,481	\$4,162,481	0.00%	N/A	N/A

Program membership consisted on the following at June 30, 2010:

Active Program Members:

Vested	408
Non-vested	49
Spouses of Ineligible Retirees	3
	460

**10. PROPERTY TAX LIMITATION**

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and nonschool government operations, in November, 1990. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue. The voters of the State of Oregon passed ballot measure 50 in May, 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available for its 1997-98 fiscal year, and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts. The ultimate impact as a result of this measure is not determinable at this time.



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**11. COMMITMENTS AND CONTINGENCIES**

Substantially all amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the management expects such amounts, if any, to be immaterial.

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through statewide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the operations cannot be determined.

The District, in the normal course of business, is named as a defendant in various lawsuits. There are two matters of pending or threatened litigation. The likely outcome of these lawsuits is not presently determinable and a liability has not been recorded in the financial statements.

**12. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is purchased. There were no significant reductions in insurance coverage from coverage in prior years in any of the major categories of risk. Also, the amounts of any settlements have not exceeded insurance coverage for any of the past three fiscal years.

**13. PRIOR PERIOD ADJUSTMENT**

The Statement of Activities includes a prior period adjustment of \$288,020. The adjustment resulted from a restatement of beginning capital assets, due to deletions to assets that were discovered and corrected by the District.

**REQUIRED SUPPLEMENTAL INFORMATION**

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**MULTNOMAH COUNTY SCHOOL DISTRICT # 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

	<u>GENERAL FUND</u>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>BUDGET</u>		<u>ACTUAL</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
From Local Sources:				
Taxes-Current Levy	\$ 11,583,000	\$ 11,583,000	\$ 12,533,408	\$ 950,408
Taxes-Prior Levies	330,000	330,000	406,899	76,899
Tuition	20,000	20,000	12,948	(7,052)
Transportation	50,000	50,000	21,174	(28,826)
Earnings on Investments	600,000	600,000	89,368	(510,632)
Extra Curricular	55,000	55,000	40,752	(14,248)
Other Local Revenue	180,000	180,000	180,451	451
Total From Local Sources	<u>12,818,000</u>	<u>12,818,000</u>	<u>13,285,000</u>	<u>467,000</u>
From Intermediate Sources:				
County School Funds	10,000	10,000	7,959	(2,041)
I Tax City Revenue on Behalf of School	-	-	20,667	20,667
MESD Reimbursement	130,000	130,000	129,242	(758)
Total From Intermediate Sources	<u>140,000</u>	<u>140,000</u>	<u>157,868</u>	<u>17,868</u>
From State Sources:				
School Support Fund	12,502,450	12,502,450	12,295,669	(206,781)
Common School Fund	292,500	292,500	504,087	211,587
Total From State Sources	<u>12,794,950</u>	<u>12,794,950</u>	<u>12,799,756</u>	<u>4,806</u>
From Federal Sources:				
State Fiscal Stabilization Funds	-	-	978,574	978,574
From Other Sources:				
Sale of or Compensation for Loss of Capital Assets	1,000	1,000	-	(1,000)
Total From Other Sources	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Revenues	<u>\$ 25,753,950</u>	<u>\$ 25,753,950</u>	<u>\$ 27,221,198</u>	<u>\$ 1,467,248</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT # 3**  
**MULTNOMAH COUNTY, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

	<b>GENERAL FUND</b>		
	<b>BUDGET</b>		
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>SALARIES</b>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Primary, K-3	\$ 4,560,840	\$ 4,560,840	\$ 2,870,713
Intermediate Programs	1,876,275	1,876,275	1,154,242
Elementary Extra-Curricular	13,010	13,010	8,114
Technology	23,116	23,116	4,980
Middle School Programs	3,209,275	3,209,275	2,117,492
Middle School Extra-Curricular	96,292	96,292	73,043
High School Programs	4,315,627	4,314,974	2,753,585
High School Extra-Curricular	588,268	588,268	335,705
Special Education Tutoring	18,989	18,989	10,371
District Wide Tutoring	6,782	6,782	6,237
Talented and Gifted/Tutoring	17,803	17,803	9,413
Restrict Programs for Students w/Disabilities	3,307,077	3,309,081	1,483,769
Learning Disabled	414,311	414,311	195,347
Spec Programs Summer School	5,000	5,000	-
District Alternative Programs	287,313	287,313	174,496
English as a Second Language	895,633	895,633	522,613
Teen Parent Programs	53,398	53,398	23,914
Other Pograms	50,000	50,000	-
<b>Total Instruction</b>	<b>19,739,009</b>	<b>19,740,360 (1)</b>	<b>11,744,034</b>
<b>Support Services:</b>			
Counseling/Social Work Services	10,000	10,000	-
Student Safety	138,624	138,624	76,089
Counseling Services	1,104,286	1,106,911	728,392
Health Services	10,000	10,000	-
Medical Services	-	-	-
Psychological Services	211,591	211,591	184,637
Speech Pathology and Audiology Services	275,969	275,969	199,007
Other Student Treatment Services	29,225	29,225	-
Director - Student Support Services	448,680	446,180	303,456
Staff/Curriculum Development	274,084	274,084	157,256
Educational Media Services	352,784	352,784	192,414
Instructional Staff Development	127,073	128,073	2,963
Board of Education Services	95,000	95,000	-
Graduation	9,000	9,000	-
Office of the Superintendent	316,230	321,230	187,620
Office of the Principal	1,770,998	1,770,147	1,094,677
Personal Administration	256,689	256,689	153,604
Fiscal Services	630,552	630,552	275,729
Care and Upkeep of Buildings	2,666,490	2,666,490	704,719
Operation & Maintenance of Plant Services	96,723	96,723	30,220
Security	-	-	-
Vehicle Operation Services	1,020,323	1,020,323	286,303
Instructional Field Trip	20,249	20,249	12,427
Special Ed Transportation	399,763	399,763	186,473
Transportation/Extracurricular	37,506	37,506	20,876
Printing, Publish, Duplication	76,349	76,349	6,026
Technology Services	381,637	381,637	193,945
<b>Total Support Services</b>	<b>10,759,825</b>	<b>10,765,099 (1)</b>	<b>4,996,833</b>
<b>Community Services</b>	<b>160,000</b>	<b>160,000 (1)</b>	<b>-</b>
<b>Contingency</b>	<b>500,000</b>	<b>443,375 (1)</b>	<b>-</b>
<b>Debt Services</b>			
Principle	109,000	109,000	-
Interest	41,000	41,000	-
<b>Total Debt Service</b>	<b>150,000</b>	<b>150,000 (1)</b>	<b>-</b>
<b>Total Expenditures</b>	<b>31,308,834</b>	<b>31,258,834</b>	<b>\$ 16,740,867</b>
Excess of Revenues Over, -Under Expenditures	(5,554,884)	(5,504,884)	
<b>Other Financing Sources, (Uses):</b>			
Transfers Out	(104,000)	(154,000) (1)	
<b>Total Other Financing Sources, (Uses)</b>	<b>(104,000)</b>	<b>(154,000)</b>	
<b>Net Change in Fund Balance</b>	<b>(5,658,884)</b>	<b>(5,658,884)</b>	
<b>Beginning Fund Balance</b>	<b>6,158,884</b>	<b>6,158,884</b>	
<b>Ending Fund Balance</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	

(1) Appropriation Level

EMPLOYEE BENEFITS	PURCHASED SERVICES	SUPPLIES AND MATERIALS	CAPITAL OUTLAY	OTHER OBJECTS	TOTAL	VARIANCE TO FINAL BUDGET
\$ 1,436,332	\$ 5,520	\$ 84,049	\$ 539	\$ -	\$ 4,397,153	\$ 163,687
642,480	15	29,703	539	19	1,826,998	49,277
3,935	-	-	-	-	12,049	961
3,519	965	21,740	80	-	31,284	(8,168)
1,096,839	4,698	73,674	-	-	3,292,703	(83,428)
37,812	-	4,897	-	-	115,752	(19,460)
1,346,762	81,935	72,467	8,500	-	4,263,249	51,725
130,578	36,746	39,125	5,000	11,020	558,174	30,094
1,240	61	-	-	-	11,672	7,317
813	15	-	-	-	7,065	(283)
4,895	1,268	178	-	-	15,754	2,049
988,409	469,715	10,199	-	50	2,952,142	356,939
160,998	-	389	-	-	356,734	57,577
-	-	-	-	-	-	5,000
90,235	-	188	-	-	264,919	22,394
259,597	23,521	6,419	-	-	812,150	83,483
7,203	-	281	-	-	31,398	22,000
-	-	32,704	-	-	32,704	17,296
<u>6,211,647</u>	<u>624,459</u>	<u>376,013</u>	<u>14,658</u>	<u>11,089</u>	<u>18,981,900</u>	<u>758,460</u>
-	-	-	-	-	-	10,000
46,605	-	-	-	-	122,694	15,930
373,731	-	6,230	-	798	1,109,151	(2,240)
-	-	-	-	-	-	10,000
-	-	-	-	-	-	-
69,210	-	2,187	-	-	256,034	(44,443)
86,008	(3,960)	198	-	-	281,253	(5,284)
-	-	431	-	-	431	28,794
148,821	11,365	10,150	-	2,976	476,768	(30,588)
85,673	714	26,666	-	1,008	271,317	2,767
135,670	1,814	30,620	-	949	361,467	(8,683)
147,613	739	1,587	-	851	153,753	(25,680)
-	42,803	2,337	-	9,774	54,914	40,086
-	5,334	1,435	-	-	6,769	2,231
94,100	10,648	15,740	-	4,481	312,589	8,641
558,270	1,827	10,004	-	860	1,665,638	104,509
76,066	1,506	4,537	-	38,231	273,944	(17,255)
167,267	20,957	6,429	(13,500)	151,587	608,469	22,083
432,083	1,046,165	159,445	-	30,791	2,373,203	293,287
19,437	230	12,231	-	100	62,218	34,505
-	-	-	-	-	-	-
206,110	104,553	29,472	-	68,584	695,022	325,301
4,015	-	-	-	-	16,442	3,807
145,076	142,722	-	-	-	474,271	(74,508)
6,732	-	-	-	-	27,608	9,898
6,662	(28,989)	50,352	-	7,066	41,117	35,232
110,127	8,463	29,319	-	9,815	351,669	29,968
<u>2,919,276</u>	<u>1,366,891</u>	<u>399,370</u>	<u>(13,500)</u>	<u>327,871</u>	<u>9,996,741</u>	<u>768,358</u>
-	87,282	-	-	-	87,282	72,718
-	-	-	-	-	-	443,375
-	-	-	-	142,857	142,857	(33,857)
-	-	-	-	-	-	41,000
-	-	-	-	142,857	142,857	7,143
<u>\$ 9,130,923</u>	<u>\$ 2,078,632</u>	<u>\$ 775,383</u>	<u>\$ 1,158</u>	<u>\$ 338,960</u>	<u>29,208,780</u>	<u>2,042,911</u>
					(1,987,582)	3,517,302
					(88,500)	65,500
					(88,500)	65,500
					(2,076,082)	3,582,802
					5,636,995	(521,889)
					<u>\$ 3,560,913</u>	<u>\$ 3,060,913</u>

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**SUPPLEMENTARY INFORMATION**



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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**DEBT SERVICE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources				
Current Year's Taxes	\$ 3,308,750	\$ 3,308,750	\$ 3,309,592	\$ 842
Prior Year's Taxes	83,782	83,782	94,037	10,255
Interest on Taxes	60,000	60,000	19,359	(40,641)
Revenues From Local Sources	<u>3,452,532</u>	<u>3,452,532</u>	<u>3,422,988</u>	<u>(29,544)</u>
<b>EXPENDITURES:</b>				
Debt Service-Principal	2,695,000	2,695,000	2,695,000	-
Debt Service-Interest	363,075	363,075	363,075	-
Total Expenditures	<u>3,058,075</u>	<u>3,058,075 (1)</u>	<u>3,058,075</u>	<u>-</u>
Net Change in Fund Balance	394,457	394,457	364,913	(29,544)
Beginning Fund Balance	<u>2,641,118</u>	<u>2,641,118</u>	<u>2,648,597</u>	<u>7,479</u>
Ending Fund Balance	<u>\$ 3,035,575</u>	<u>\$ 3,035,575</u>	<u>\$ 3,013,510</u>	<u>\$ (22,065)</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**CAPITAL PROJECTS FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Revenue:				
Earnings on Investments	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Construction Excise Tax	10,000	10,000	31,730	21,730
Miscellaneous Local Revenue	-	150,000	706,802	556,802
Total Revenues	<u>20,000</u>	<u>170,000</u>	<u>738,532</u>	<u>568,532</u>
<b>EXPENDITURES:</b>				
Support:				
Supplies & Materials	-	-	2,200	(2,200)
Purchased Services	262,290	262,290	-	262,290
Capital Outlay	-	-	212,654	(212,654)
Total Support	<u>262,290</u>	<u>262,290 (1)</u>	<u>214,854</u>	<u>49,636</u>
Facility Acquisition and Construction:				
Purchased Services	820,000	970,000	907,705	62,295
Capital Outlay	70,000	70,000	-	70,000
Total Facility Acquisition	<u>890,000</u>	<u>1,040,000 (1)</u>	<u>907,705</u>	<u>132,295</u>
Total Expenditures	<u>1,152,290</u>	<u>1,302,290</u>	<u>1,122,559</u>	<u>179,731</u>
Excess of Revenues Over, -Under Expenditures	(1,132,290)	(1,132,290)	(384,027)	748,263
<b>Other Financing Sources, (Uses):</b>				
Transfer In	59,000	59,000	58,500	(500)
Total Other Financing Sources, (Uses)	<u>59,000</u>	<u>59,000</u>	<u>58,500</u>	<u>(500)</u>
Net Change in Fund Balance	(1,073,290)	(1,073,290)	(325,527)	747,763
Beginning Fund Balance	<u>1,323,290</u>	<u>1,323,290</u>	<u>978,664</u>	<u>(344,626)</u>
Ending Fund Balance	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 653,137</u>	<u>\$ 403,137</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**COMBINING BALANCE SHEET**  
**ALL NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2010**

SPECIAL REVENUE FUNDS

	TAX ANTICIPATION NOTE FUND	FOOD SERVICE FUND	THOMPSON SPECIAL FUND	PRIVATE GRANTS FUND
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 60,267	\$ 242,788	\$ 625,496	\$ 70,975
Due From	-	-	-	-
Accounts and Grants Receivable	-	90,276	-	18,637
	<u>\$ 60,267</u>	<u>\$ 333,064</u>	<u>\$ 625,496</u>	<u>\$ 89,612</u>
Total Assets	<u>\$ 60,267</u>	<u>\$ 333,064</u>	<u>\$ 625,496</u>	<u>\$ 89,612</u>
 <b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
Accounts Payable	\$ -	\$ 67,248	\$ 1,783	\$ 17,701
Total Liabilities	<u>-</u>	<u>67,248</u>	<u>1,783</u>	<u>17,701</u>
Fund Balances:				
Unreserved	60,267	265,816	623,713	71,911
Total Fund Balances	<u>60,267</u>	<u>265,816</u>	<u>623,713</u>	<u>71,911</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 60,267</u>	<u>\$ 333,064</u>	<u>\$ 625,496</u>	<u>\$ 89,612</u>

EARLY RETIRE- MENT FUND	CERTIFIED WORKSHOP FUND	TRANS- PORTATION FUND	TECHNOLOGY REPLACEMENT FUND	COMMUNITY CENTER FUND	BEFORE/ AFTER SCHOOL CHILD CARE FUND
\$ 614,222	\$ 1,193	\$ 5,778	\$ 486,075	\$ 447	\$ 18,477
77,275	-	-	-	32,883	-
-	-	-	-	-	-
<u>\$ 691,497</u>	<u>\$ 1,193</u>	<u>\$ 5,778</u>	<u>\$ 486,075</u>	<u>\$ 33,330</u>	<u>\$ 18,477</u>
\$ -	\$ 126	\$ -	\$ -	\$ -	\$ -
-	126	-	-	-	-
691,497	1,067	5,778	486,075	33,330	18,477
691,497	1,067	5,778	486,075	33,330	18,477
<u>\$ 691,497</u>	<u>\$ 1,193</u>	<u>\$ 5,778</u>	<u>\$ 486,075</u>	<u>\$ 33,330</u>	<u>\$ 18,477</u>

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<u>TEXTBOOK FUND</u>	<u>RISK MANAGEMENT FUND</u>	<u>CAPITAL EQUIPMENT FUND</u>	<u>SACRAMENTO READ GRANT FUND</u>	<u>NONMAJOR FEDERAL SPECIAL REVENUE FUNDS</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 485,144	\$ 419,664	\$ 204,772	\$ 4,262	\$ (1,090,275)	\$ 2,149,285
-	-	-	-	-	77,275
-	-	-	-	1,096,438	1,238,234
<u>\$ 485,144</u>	<u>\$ 419,664</u>	<u>\$ 204,772</u>	<u>\$ 4,262</u>	<u>\$ 6,163</u>	<u>\$ 3,464,794</u>
\$ -	\$ 3,956	\$ 8,683	\$ -	\$ 6,163	\$ 105,660
-	3,956	8,683	-	6,163	105,660
485,144	415,708	196,089	4,262	-	3,359,134
485,144	415,708	196,089	4,262	-	3,359,134
<u>\$ 485,144</u>	<u>\$ 419,664</u>	<u>\$ 204,772</u>	<u>\$ 4,262</u>	<u>\$ 6,163</u>	<u>\$ 3,464,794</u>

Continued from page 33 and 33A

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2010**

**SPECIAL REVENUE FUNDS**

	TAX ANTICIPATION NOTE FUND	FOOD SERVICE FUND	THOMPSON SPECIAL FUND	PRIVATE GRANTS FUND
<b>REVENUES:</b>				
Intergovernmental-Federal	\$ -	\$ 1,382,055	\$ -	\$ -
Charges for Services	-	270,296	252,341	-
Earnings on Investments	401	-	-	-
Miscellaneous	-	27,728	178,869	99,253
<b>Total Revenues</b>	<b>401</b>	<b>1,680,079</b>	<b>431,210</b>	<b>99,253</b>
<b>EXPENDITURES:</b>				
Current:				
Instruction	-	-	-	27,748
Support Services	-	-	406,307	23,124
Enterprise and Community Services	-	1,709,551	-	1,055
<b>Total Expenditures</b>	<b>-</b>	<b>1,709,551</b>	<b>406,307</b>	<b>51,927</b>
Excess of Revenues Over, - Under Expenditures	401	(29,472)	24,903	47,326
<b>Other Financing Sources, (Uses):</b>				
Transfers In	-	-	15,000	-
Transfers Out	-	-	(45,000)	-
<b>Total Other Financing Sources, (Uses)</b>	<b>-</b>	<b>-</b>	<b>(30,000)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>401</b>	<b>(29,472)</b>	<b>(5,097)</b>	<b>47,326</b>
<b>Beginning Fund Balance</b>	<b>59,866</b>	<b>295,288</b>	<b>628,810</b>	<b>24,585</b>
<b>Ending Fund Balance</b>	<b>\$ 60,267</b>	<b>\$ 265,816</b>	<b>\$ 623,713</b>	<b>\$ 71,911</b>

EARLY RETIRE- MENT FUND	CERTIFIED WORKSHOP FUND	TRANS- PORTATION FUND	TECHNOLOGY REPLACE. FUND	COMMUNITY CENTER FUND	BEFORE/ AFTER SCHOOL CHILD CARE FUND
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	70,869	111,096
-	-	-	-	-	-
-	8,203	150,000	52	38,558	-
-	8,203	150,000	52	109,427	111,096
-	-	-	-	-	-
117,916	36,131	152,800	72,568	-	-
-	-	-	-	195,364	101,412
117,916	36,131	152,800	72,568	195,364	101,412
(117,916)	(27,928)	(2,800)	(72,516)	(85,937)	9,684
-	15,000	-	-	60,000	-
-	-	-	-	-	(15,000)
-	15,000	-	-	60,000	(15,000)
(117,916)	(12,928)	(2,800)	(72,516)	(25,937)	(5,316)
809,413	13,995	8,578	558,591	59,267	23,793
\$ 691,497	\$ 1,067	\$ 5,778	\$ 486,075	\$ 33,330	\$ 18,477

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TEXTBOOK FUND	RISK MANAGEMENT FUND	CAPITAL EQUIPMENT FUND	SACRAMENTO READ GRANT FUND	NONMAJOR FEDERAL SPECIAL REVENUE FUNDS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ 3,167,203	\$ 4,549,258
-	-	-	-	-	704,602
-	-	-	-	-	401
-	542,524	95,058	-	-	1,140,245
-	542,524	95,058	-	3,167,203	6,394,506
133,312	-	26,040	-	2,674,109	2,861,209
-	581,030	-	-	472,939	1,862,815
-	-	9,791	-	20,155	2,037,328
133,312	581,030	35,831	-	3,167,203	6,761,352
(133,312)	(38,506)	59,227	-	-	(366,846)
-	-	-	-	-	90,000
-	-	-	-	-	(60,000)
-	-	-	-	-	30,000
(133,312)	(38,506)	59,227	-	-	(336,846)
618,456	454,214	136,862	4,262	-	3,695,980
\$ 485,144	\$ 415,708	\$ 196,089	\$ 4,262	\$ -	\$ 3,359,134

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**COMBINING BALANCE SHEET**  
**ALL NONMAJOR FEDERAL SPECIAL REVENUE FUNDS**  
**June 30, 2010**

	<u>IDEA</u>	<u>TITLE IA</u>	<u>TITLE IV DRUG AND ALCOHOL</u>	<u>CARL PERKINS</u>	<u>TITLE IIA QUALITY TEACHER</u>	<u>TITLE IID</u>
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ (348,895)	\$ (593,052)	\$ (2,741)	\$ (19,321)	\$ (54,913)	\$ (11,702)
Accounts and Grants Receivable	348,895	594,351	2,822	21,921	56,056	11,852
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 1,299</u>	<u>\$ 81</u>	<u>\$ 2,600</u>	<u>\$ 1,143</u>	<u>\$ 150</u>
 <b>LIABILITIES AND FUND BALANCES:</b>						
Liabilities:						
Accounts Payable	\$ -	\$ 1,299	\$ 81	\$ 2,600	\$ 1,143	\$ 150
<b>Total Liabilities</b>	<u>-</u>	<u>1,299</u>	<u>81</u>	<u>2,600</u>	<u>1,143</u>	<u>150</u>
Fund BALANCES:						
Fund Balances:						
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ 1,299</u>	<u>\$ 81</u>	<u>\$ 2,600</u>	<u>\$ 1,143</u>	<u>\$ 150</u>

TITLE III LANGUAGE INSTRUCTION	MCKINNEY VENTO- GRANT	OREGON ADVANCED PLACEMENT	SYSTEM PERFORMANCE REVIEW	ARRA SCHOOL IMPROVEMENT FUND	TOTAL NONMAJOR FEDERAL SPECIAL REVENUE FUNDS
\$ (28,731) 28,973	\$ (2,493) 2,493	\$ (4,901) 4,901	\$ (3,473) 3,473	\$ (20,053) 20,701	\$ (1,090,275) 1,096,438
<u>\$ 242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 648</u>	<u>\$ 6,163</u>
<u>\$ 242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 648</u>	<u>\$ 6,163</u>
<u>242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>648</u>	<u>6,163</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 648</u>	<u>\$ 6,163</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL NONMAJOR FEDERAL SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2010**

	IDEA	TITLE IA	TITLE IV DRUG/ ALCOHOL GRANT	CARL PERKINS GRANT	TITLE IIA TEACHER QUALITY	TITLE IID EDUCATION THROUGH TECHNOLOGY
<b>REVENUES:</b>						
Federal Sources	\$ 1,043,856	\$ 1,650,260	\$ 16,567	\$ 54,103	\$ 213,458	\$ 19,307
Total Revenues	<u>1,043,856</u>	<u>1,650,260</u>	<u>16,567</u>	<u>54,103</u>	<u>213,458</u>	<u>19,307</u>
<b>EXPENDITURES:</b>						
Current:						
Instruction	1,035,110	1,592,961	-	-	-	-
Support Services	8,746	52,274	16,036	54,103	200,454	17,712
Community Services	-	5,025	531	-	13,004	1,595
Total Expenditures	<u>1,043,856</u>	<u>1,650,260</u>	<u>16,567</u>	<u>54,103</u>	<u>213,458</u>	<u>19,307</u>
Net Change in Fund Balance	-	-	-	-	-	-
Beginning Fund Balance	-	-	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TITLE III LANGUAGE INSTRUCTION	MCKINNEY VENTO- GRANT	OREGON ADVANCED PLACEMENT	SYSTEMS PERFORMANCE GRANT	ARRA SCHOOL IMPROVEMENT GRANT	TOTAL
\$ 108,657	\$ 13,813	\$ 10,530	\$ 4,427	\$ 32,225	\$ 3,167,203
108,657	13,813	10,530	4,427	32,225	3,167,203
-	13,813	-	-	32,225	2,674,109
108,657	-	10,530	4,427	-	472,939
-	-	-	-	-	20,155
108,657	13,813	10,530	4,427	32,225	3,167,203
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MULTNOMAH COUNTY SCHOOL DISTRICT #3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TAX ANTICIPATION NOTE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources				
Earnings on Investments	\$ 20,000	\$ 20,000	\$ 401	\$ (19,599)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>401</u>	<u>(19,599)</u>
<b>EXPENDITURES:</b>				
Support Services-Fiscal Services				
Purchased Services	4,596	4,596 (1)	-	4,596
Total Expenditures	<u>4,596</u>	<u>4,596</u>	<u>-</u>	<u>4,596</u>
Excess of Revenues Over, -Under Expenditures	15,404	15,404	401	(15,003)
<b>Other Financing Sources, (Uses):</b>				
TAN Proceeds	4,035,000	4,035,000	-	(4,035,000)
Transfers Out	(4,110,000)	(4,110,000) (1)	-	4,110,000
Total Other Financing Sources, (Uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>	<u>75,000</u>
Net Change in Fund Balance	(59,596)	(59,596)	401	59,997
Beginning Fund Balance	<u>59,596</u>	<u>59,596</u>	<u>59,866</u>	<u>270</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,267</u>	<u>\$ 60,267</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**FOOD SERVICE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Sales of Meals	\$ 385,000	\$ 385,000	\$ 270,296	\$ (114,704)
Miscellaneous	-	-	5,831	5,831
State Sources:				
State School Lunch Match	-	-	15,584	15,584
Other Restricted Grants-in-Aid	-	-	6,313	6,313
Federal Sources:				
School Nutrition	1,250,000	1,250,000	1,302,265	52,265
Commodities	85,000	85,000	79,790	(5,210)
Total Revenues	<u>1,720,000</u>	<u>1,720,000</u>	<u>1,680,079</u>	<u>(39,921)</u>
<b>EXPENDITURES:</b>				
Enterprise and Community Services:				
Food Services:				
Salaries	399,552	399,552	379,764	19,788
Employee Benefits	338,438	338,438	261,379	77,059
Purchased Services	187,800	187,800	291,717	(103,917)
Supplies and Materials	824,200	824,200	759,681	64,519
Capital Outlay	39,500	39,500	11,050	28,450
Other Objects	2,500	2,500	5,960	(3,460)
Total Enterprise and Community Services	<u>1,791,990</u>	<u>1,791,990</u>	<u>(1) 1,709,551</u>	<u>82,439</u>
Contingency	<u>100,000</u>	<u>100,000</u>	<u>(1) -</u>	<u>100,000</u>
Total Expenditures	<u>1,891,990</u>	<u>1,891,990</u>	<u>1,709,551</u>	<u>182,439</u>
Net Change in Fund Balance	(171,990)	(171,990)	(29,472)	142,518
Beginning Fund Balance	<u>353,098</u>	<u>353,098</u>	<u>295,288</u>	<u>(57,810)</u>
Ending Fund Balance	<u>\$ 181,108</u>	<u>\$ 181,108</u>	<u>\$ 265,816</u>	<u>\$ 84,708</u>

(1) Appropriation Level

Note: Expenditures paid out of the General Fund for food service employees represents the District's required State School Support Match of \$15,584 for the Lunch Fund.



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**THOMPSON SPECIAL FUND**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Local Sources				
Rental/Lease	\$ 371,768	\$ 371,768	\$ 252,341	\$ (119,427)
Contributions from Private Sources	46,542	46,542	165,151	118,609
Miscellaneous	17,500	17,500	13,718	(3,782)
Total Revenues	<u>435,810</u>	<u>435,810</u>	<u>431,210</u>	<u>(4,600)</u>
<b>EXPENDITURES:</b>				
Support Services:				
Operations and Maintenance of Plant:				
Salaries	96,050	96,050	89,727	6,323
Employee Benefits	39,429	39,429	30,959	8,470
Purchased Services	356,389	356,389	204,158	152,231
Supplies and Materials	1,100	1,100	67,498	(66,398)
Other Objects	24,000	24,000	13,965	10,035
Total Support Services	<u>516,968</u>	<u>516,968 (1)</u>	<u>406,307</u>	<u>110,661</u>
Facilities Acquisition and Construction:				
Capital Outlay	113,270	113,270	-	113,270
Total Facilities Acquisition and Construction	<u>113,270</u>	<u>113,270 (1)</u>	<u>-</u>	<u>113,270</u>
Contingency	50,000	50,000 (1)	-	50,000
Total Expenditures	<u>680,238</u>	<u>680,238</u>	<u>406,307</u>	<u>273,931</u>
Excess of Revenues Over, -Under Expenditures	(244,428)	(244,428)	24,903	269,331
<b>Other Financing Sources, (Uses):</b>				
Transfers In	15,000	15,000	15,000	-
Transfers Out	(45,000)	(45,000) (1)	(45,000)	-
Total Other Financing Sources, (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Change in Fund Balance	(274,428)	(274,428)	(5,097)	269,331
Beginning Fund Balance	<u>777,098</u>	<u>777,098</u>	<u>628,810</u>	<u>(148,288)</u>
Ending Fund Balance	<u>\$ 502,670</u>	<u>\$ 502,670</u>	<u>\$ 623,713</u>	<u>\$ 121,043</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**PRIVATE GRANTS FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources	\$ 179,000	\$ 406,418	\$ 99,253	\$ (307,165)
Total Revenues	<u>179,000</u>	<u>406,418</u>	<u>99,253</u>	<u>(307,165)</u>
<b>EXPENDITURES:</b>				
Instruction:				
Elementary Programs	657	657	439	218
Middle School Programs	21,777	21,777	17,613	4,164
High School Programs	6,000	25,949	9,696	16,253
District Wide	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Total Instruction	<u>103,434</u>	<u>123,383</u> (1)	<u>27,748</u>	<u>95,635</u>
Support Services:				
Salaries	27,194	45,709	7,234	38,475
Employee Benefits	6,307	8,324	1,319	7,005
Purchased Services	6,700	60,825	-	60,825
Supplies and Materials	52,717	185,529	9,349	176,180
Other objects	<u>1,000</u>	<u>1,000</u>	<u>5,222</u>	<u>(4,222)</u>
Total Support Services	<u>93,918</u>	<u>301,387</u> (1)	<u>23,124</u>	<u>278,263</u>
Enterprise/Community Services:				
Supplies and Materials	<u>51</u>	<u>51</u>	<u>1,055</u>	<u>(1,004)</u>
Total Enterprise/Community Services	<u>51</u>	<u>51</u> (1)	<u>1,055</u>	<u>(1,004)</u>
Total Expenditures	<u>197,403</u>	<u>424,821</u>	<u>51,927</u>	<u>372,894</u>
Net Change in Fund Balance	(18,403)	(18,403)	47,326	65,729
Beginning Fund Balance	<u>18,403</u>	<u>18,403</u>	<u>24,585</u>	<u>6,182</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,911</u>	<u>\$ 71,911</u>

(1) Appropriation Level

**MULTNOMAH SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**EARLY RETIREMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EXPENDITURES:</b>				
Support Services:				
Supplemental Retirement Program:				
Salaries	\$ 176,000	\$ 176,000	\$ 67,312	\$ 108,688
Employee Benefits	164,400	164,400	50,536	113,864
Other Objects	-	-	68	(68)
Total Support Services	<u>340,400</u>	<u>340,400</u>	(1) <u>117,916</u>	<u>222,484</u>
Contingency	<u>125,000</u>	<u>125,000</u>	(1) <u>-</u>	<u>125,000</u>
Total Expenditures	<u>465,400</u>	<u>465,400</u>	<u>117,916</u>	<u>347,484</u>
Net Change in Fund Balance	(465,400)	(465,400)	(117,916)	347,484
Beginning Fund Balance	<u>799,823</u>	<u>799,823</u>	<u>809,413</u>	<u>9,590</u>
Ending Fund Balance	<u>\$ 334,423</u>	<u>\$ 334,423</u>	<u>\$ 691,497</u>	<u>\$ 357,074</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**CERTIFIED WORKSHOP FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Miscellaneous Local Revenue	\$ 2,000	\$ 3,958	\$ 8,203	\$ 4,245
Total Revenues	<u>2,000</u>	<u>3,958</u>	<u>8,203</u>	<u>4,245</u>
<b>EXPENDITURES:</b>				
Support Services:				
Instructional Staff Development:				
Salaries	\$ 24,292	\$ 27,429	\$ 16,147	\$ 11,282
Employee Benefits	29,081	27,902	19,827	8,075
Purchased Services	1,100	1,100	-	1,100
Other Objects	2,000	2,000	157	1,843
Total Expenditures	<u>56,473</u>	<u>58,431 (1)</u>	<u>36,131</u>	<u>22,300</u>
Excess of Revenues Over, -Under Expenditures	(54,473)	(54,473)	(27,928)	26,545
<b>Other Financing Sources, (Uses):</b>				
Transfers In	40,000	40,000	15,000	25,000
Total Other Financing Sources, (Uses)	<u>40,000</u>	<u>40,000</u>	<u>15,000</u>	<u>25,000</u>
Net Change in Fund Balance	(14,473)	(14,473)	(12,928)	1,545
<b>Beginning Fund Balance</b>	<u>14,473</u>	<u>14,473</u>	<u>13,995</u>	<u>(478)</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,067</u>	<u>\$ 1,067</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TRANSPORTATION FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
State Sources:				
SSSF-Transportation	\$ 75,000	\$ 75,000	\$ 150,000	\$ 75,000
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>150,000</u>	<u>75,000</u>
<b>EXPENDITURES:</b>				
Support Services:				
Capital Outlay	153,577	153,577 (1)	152,800	777
Total Expenditures	<u>153,577</u>	<u>153,577</u>	<u>152,800</u>	<u>777</u>
Net Change in Fund Balance	(78,577)	(78,577)	(2,800)	75,777
Beginning Fund Balance	<u>83,577</u>	<u>83,577</u>	<u>8,578</u>	<u>(74,999)</u>
Ending Fund Balance	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,778</u>	<u>\$ 778</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TECHNOLOGY REPLACEMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Miscellaneous Revenue	\$ -	\$ -	\$ 52	\$ (52)
Total Revenues	-	-	52	(52)
<b>EXPENDITURES:</b>				
Support Services				
Supplies and Materials	250,000	250,000	72,568	177,432
Total Expenditures	250,000	250,000 (1)	72,568	177,432
Net Change in Fund Balance	(250,000)	(250,000)	(72,516)	177,484
Beginning Fund Balance	549,916	549,916	558,591	8,675
Ending Fund Balance	<u>\$ 299,916</u>	<u>\$ 299,916</u>	<u>\$ 486,075</u>	<u>\$ 186,159</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**COMMUNITY CENTER FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Swim Pool	\$ 51,000	\$ 51,000	\$ 48,311	\$ (2,689)
Rentals	40,000	40,000	22,558	(17,442)
Miscellaneous	45,000	45,000	38,558	(6,442)
Total Revenues	<u>136,000</u>	<u>136,000</u>	<u>109,427</u>	<u>(26,573)</u>
<b>EXPENDITURES:</b>				
Enterprise and Community Services:				
Salaries	129,791	179,791	145,186	34,605
Employee Benefits	53,903	53,903	44,530	9,373
Purchased Services	2,280	2,280	774	1,506
Supplies and Materials	898	898	1,306	(408)
Other Objects	-	-	3,568	(3,568)
Total Expenditures	<u>186,872</u>	<u>236,872 (1)</u>	<u>195,364</u>	<u>41,508</u>
Excess of Revenues Over, -Under Expenditures	(50,872)	(100,872)	(85,937)	14,935
<b>Other Financing Sources, (Uses):</b>				
Transfers In	50,000	100,000	60,000	40,000
Total Other Financing Sources, (Uses)	<u>50,000</u>	<u>100,000</u>	<u>60,000</u>	<u>40,000</u>
Net Change in Fund Balance	(872)	(872)	(25,937)	(25,065)
Beginning Fund Balance	<u>872</u>	<u>872</u>	<u>59,267</u>	<u>58,395</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,330</u>	<u>\$ 33,330</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**BEFORE AND AFTER SCHOOL CHILD CARE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Child Care Revenue	\$ 175,680	\$ 175,680	\$ 111,096	\$ (64,584)
Total Revenues	<u>175,680</u>	<u>175,680</u>	<u>111,096</u>	<u>(64,584)</u>
<b>EXPENDITURES:</b>				
Enterprise and Community Services				
Salaries	69,887	69,887	58,550	11,337
Employee Benefits	46,888	46,888	40,160	6,728
Purchased Services	-	-	7	(7)
Supplies and Materials	5,500	5,500	415	5,085
Other Objects	-	-	2,280	(2,280)
Total Enterprise and Community Services	<u>122,275</u>	<u>122,275 (1)</u>	<u>101,412</u>	<u>20,863</u>
Contingency	<u>20,000</u>	<u>20,000 (1)</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>142,275</u>	<u>142,275</u>	<u>101,412</u>	<u>40,863</u>
Excess of Revenues Over, -Under Expenditures	33,405	33,405	9,684	(23,721)
<b>Other Financing Sources, (Uses):</b>				
Transfers Out	<u>(15,000)</u>	<u>(15,000) (1)</u>	<u>(15,000)</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Net Change in Fund Balance	18,405	18,405	(5,316)	(23,721)
<b>Beginning Fund Balance</b>	<u>1,027</u>	<u>1,027</u>	<u>23,793</u>	<u>22,766</u>
<b>Ending Fund Balance</b>	<u>\$ 19,432</u>	<u>\$ 19,432</u>	<u>\$ 18,477</u>	<u>\$ (955)</u>

(1) Appropriation Level



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TEXTBOOK FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EXPENDITURES:</b>				
Instruction:				
Instructional Staff:				
Primary K-3	\$ -	\$ -	\$ 25,357	\$ (25,357)
High School Programs	618,456	618,456	107,955	510,501
Total Expenditures	618,456	618,456 (1)	133,312	485,144
Net Change in Fund Balance	(618,456)	(618,456)	(133,312)	485,144
Beginning Fund Balance	618,456	618,456	618,456	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 485,144</u>	<u>\$ 485,144</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**RISK MANAGEMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources:				
Cobra / Self Paid Insurance	\$ 491,338	\$ 491,338	\$ 338,339	\$ (152,999)
Unemployment Insurance	60,000	60,000	57,515	(2,485)
Other Income	25,000	25,000	146,670	121,670
	<u>576,338</u>	<u>576,338</u>	<u>542,524</u>	<u>(33,814)</u>
Total Revenues				
	<u>576,338</u>	<u>576,338</u>	<u>542,524</u>	<u>(33,814)</u>
<b>EXPENDITURES:</b>				
Support Services:				
Reimbursed Replacement Insurance:				
Salaries	-	-	1,023	(1,023)
Employee Benefits	-	-	933	(933)
Purchased Services	25,000	25,000	124,005	(99,005)
Supplies and Materials	2,000	2,000	9,725	(7,725)
Capital Outlay	75,500	75,500	-	75,500
Other Objects	25,000	25,000	11,092	13,908
Staff Services:				
Employee Benefits	516,338	516,338	434,252	82,086
	<u>643,838</u>	<u>643,838 (1)</u>	<u>581,030</u>	<u>62,808</u>
Total Expenditures				
	<u>643,838</u>	<u>643,838 (1)</u>	<u>581,030</u>	<u>62,808</u>
Net Change in Fund Balance	(67,500)	(67,500)	(38,506)	28,994
Beginning Fund Balance	439,188	439,188	454,214	15,026
Ending Fund Balance	<u>\$ 371,688</u>	<u>\$ 371,688</u>	<u>\$ 415,708</u>	<u>\$ 44,020</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**CAPITAL EQUIPMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources	\$ -	\$ 104,433	\$ 95,058	\$ (9,375)
Total Revenues	<u>-</u>	<u>104,433</u>	<u>95,058</u>	<u>(9,375)</u>
<b>EXPENDITURES:</b>				
Instruction	115,134	131,131 (1)	26,040	105,091
Support Services	20,000	20,164 (1)	-	20,164
Enterprise and Community Services	<u>-</u>	<u>90,000 (1)</u>	<u>9,791</u>	<u>80,209</u>
Total Expenditures	<u>135,134</u>	<u>241,295</u>	<u>35,831</u>	<u>205,464</u>
Net Change in Fund Balance	(135,134)	(136,862)	59,227	196,089
<b>Beginning Fund Balance</b>	<u>135,134</u>	<u>136,862</u>	<u>136,862</u>	<u>-</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,089</u>	<u>\$ 196,089</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**SACRAMENTO READ GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
<b>EXPENDITURES:</b>				
Support Services:				
Improvement of Instruction:				
Salaries	16,137	16,137	-	16,137
Employee Benefits	<u>8,744</u>	<u>8,744</u>	<u>-</u>	<u>8,744</u>
Total Expenditures	<u>24,881</u>	<u>24,881 (1)</u>	<u>-</u>	<u>24,881</u>
Net Change in Fund Balance	(4,881)	(4,881)	-	4,881
<b>Beginning Fund Balance</b>	<u>4,881</u>	<u>4,881</u>	<u>4,262</u>	<u>(619)</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,262</u>	<u>\$ 4,262</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b><u>IDEA (PL 101-476) GRANTS</u></b>				
<b>REVENUES:</b>				
Federal Sources:				
Grants-in-aid	\$ 1,038,000	\$ 1,060,210	\$ 1,043,856	\$ (16,354)
Total Revenues	<u>1,038,000</u>	<u>1,060,210</u>	<u>1,043,856</u>	<u>(16,354)</u>
<b>EXPENDITURES:</b>				
Instruction:				
Special Programs:				
Salaries	551,032	550,460	528,641	21,819
Employee Benefits	273,968	274,540	321,002	(46,462)
Purchased Services	110,000	119,210	157,006	(37,796)
Supplies and Materials	103,000	103,000	28,461	74,539
Total Instruction	<u>1,038,000</u>	<u>1,047,210 (1)</u>	<u>1,035,110</u>	<u>12,100</u>
Support Services:				
Attendance and Social Services				
Salaries	-	-	4,566	(4,566)
Employee Benefits	-	-	1,290	(1,290)
Supplies and Materials	-	13,000	2,890	10,110
Total Support Services	<u>-</u>	<u>13,000 (1)</u>	<u>8,746</u>	<u>4,254</u>
Total Expenditures	<u>1,038,000</u>	<u>1,060,210</u>	<u>1,043,856</u>	<u>16,354</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b><u>TITLE IA GRANT FUND</u></b>				
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 1,750,000	\$ 1,750,000	\$ 1,650,260	\$ (99,740)
<b>EXPENDITURES:</b>				
Instruction:				
Special Programs/Title IA:				
Salaries	986,947	986,947	944,631	42,316
Employee Benefits	357,095	357,095	492,811	(135,716)
Purchased Services	49,175	49,175	7,013	42,162
Supplies and Materials	181,328	181,328	144,037	37,291
Capital Outlay	-	-	1,699	(1,699)
Other Objects	10,955	10,955	2,770	8,185
Total Instruction	<u>1,585,500</u>	<u>1,585,500 (1)</u>	<u>1,592,961</u>	<u>(7,461)</u>
Support Services:				
Attendance and Social Services				
Salaries	56,859	56,859	38,281	18,578
Employee Benefits	13,612	13,612	13,352	260
Purchased Services	2,221	2,221	160	2,061
Supplies and Materials	62,308	62,308	256	62,052
Other Objects	-	-	225	(225)
Total Support Services	<u>135,000</u>	<u>135,000 (1)</u>	<u>52,274</u>	<u>82,726</u>
Community Service:				
Salaries	11,791	11,791	466	11,325
Employee Benefits	3,209	3,209	136	3,073
Purchased Services	-	-	2,716	(2,716)
Supplies & Materials	14,500	14,500	1,707	12,793
Total Community Services	<u>29,500</u>	<u>29,500 (1)</u>	<u>5,025</u>	<u>24,475</u>
Total Expenditures	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,650,260</u>	<u>99,740</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TITLE IV DRUG/ALCOHOL GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources:				
Grants-in-aid	\$ 32,000	\$ 32,000	\$ 16,567	\$ (15,433)
<b>EXPENDITURES:</b>				
Support Services:				
Improvement of Instruction:				
Salaries	9,795	9,795	7,357	2,438
Employee Benefits	2,493	2,493	1,733	760
Purchased Services	5,000	5,000	1,683	3,317
Supplies and Materials	5,000	5,000	2,962	2,038
Other Objects	5,000	5,000	2,301	2,699
Total Support Services	<u>27,288</u>	<u>27,288 (1)</u>	<u>16,036</u>	<u>11,252</u>
Community Services:				
Nonpublic School Students:				
Purchased Services	2,489	2,489	-	2,489
Supplies and Materials	2,223	2,223	131	2,092
Other Objects	-	-	400	(400)
Total Community Services	<u>4,712</u>	<u>4,712 (1)</u>	<u>531</u>	<u>4,181</u>
Total Expenditures	<u>32,000</u>	<u>32,000</u>	<u>16,567</u>	<u>15,433</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**CARL PERKINS GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources:				
Grants-in-aid	\$ 76,000	\$ 76,000	\$ 54,103	\$ (21,897)
<b>EXPENDITURES:</b>				
Support Services:				
Improvement of Instruction:				
Salaries	36,210	36,210	21,859	14,351
Employee Benefits	9,790	9,790	10,297	(507)
Purchased Services	5,000	5,000	1,468	3,532
Supplies and Materials	20,000	20,000	16,129	3,871
Other Objects	5,000	5,000	4,350	650
Total Expenditures	<u>76,000</u>	<u>76,000 (1)</u>	<u>54,103</u>	<u>21,897</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TITLE IIA QUALITY TEACHER GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 280,000	\$ 280,000	\$ 213,458	\$ (66,542)
<b>EXPENDITURES:</b>				
Support Services:				
Salaries	101,721	101,721	87,529	14,192
Employee Benefits	26,347	26,347	20,147	6,200
Purchased Services	45,076	45,076	36,535	8,541
Supplies and Materials	24,000	24,000	7,582	16,418
Other Objects	52,000	52,000	48,661	3,339
Total Support Services	249,144	249,144 (1)	200,454	48,690
Community Services:				
Nonpublic School Students:				
Employee Benefits	-	-	300	(300)
Purchased Services	16,300	16,300	1,491	14,809
Supplies and Materials	14,556	14,556	449	14,107
Other Objects	-	-	10,764	(10,764)
Total Community Services	30,856	30,856 (1)	13,004	17,852
Total Expenditures	280,000	280,000	213,458	66,542
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET- BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TITLE IID EDUCATION THROUGH TECHNOLOGY GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 17,500	\$ 19,675	\$ 19,307	\$ (368)
<b>EXPENDITURES:</b>				
Support Services:				
Improvement of Instruction:				
Salaries	4,370	4,370	1,389	2,981
Employee Benefits	1,015	1,015	358	657
Purchased Services	5,000	5,000	1,214	3,786
Supplies and Materials	-	2,196	10,615	(8,419)
Other Objects	5,000	5,000	4,136	864
Total Support Services	<u>15,385</u>	<u>17,581 (1)</u>	<u>17,712</u>	<u>(131)</u>
Community Services				
Purchased Services	1,697	1,676	-	1,676
Supplies & Materials	418	418	1,065	(647)
Other Objects	-	-	530	(530)
Total Community Services	<u>2,115</u>	<u>2,094 (1)</u>	<u>1,595</u>	<u>499</u>
Total Expenditures	<u>17,500</u>	<u>19,675</u>	<u>19,307</u>	<u>368</u>
Net Change in Fund Balance	-	-	-	-
<b>Beginning Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TITLE III LANGUAGE INSTRUCTION GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 165,000	\$ 165,000	\$ 108,657	\$ (56,343)
Total Revenues	<u>165,000</u>	<u>165,000</u>	<u>108,657</u>	<u>(56,343)</u>
<b>EXPENDITURES:</b>				
Support Services:				
Improvement of Instruction:				
Salaries	71,790	71,790	41,603	30,187
Employee Benefits	19,211	19,211	15,270	3,941
Purchased Services	29,000	29,000	3,054	25,946
Supplies and Materials	39,000	39,000	47,410	(8,410)
Other Objects	5,000	5,000	1,320	3,680
Total Support Services	<u>164,001</u>	<u>164,001 (1)</u>	<u>108,657</u>	<u>55,344</u>
Community Services				
Salaries	775	775	-	775
Employee Benefits	224	224	-	224
Total Community Services	<u>999</u>	<u>999</u>	<u>-</u>	<u>999</u>
Total Expenditures	<u>165,000</u>	<u>165,000</u>	<u>108,657</u>	<u>56,343</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**TITLE IV 21ST CENTURY GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 350,000	\$ 350,000	\$ -	\$ (350,000)
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>-</u>	<u>(350,000)</u>
<b>EXPENDITURES:</b>				
Instruction:				
Special Programs:				
Salaries	100,000	100,000	-	100,000
Employee Benefits	54,000	54,000	-	54,000
Purchased Services	175,000	175,000	-	175,000
Supplies & Materials	19,500	19,500	-	19,500
Total Instruction	<u>348,500</u>	<u>348,500 (1)</u>	<u>-</u>	<u>348,500</u>
Support Services:				
Supplies and Materials	1,500	1,500	-	1,500
Total Support Services	<u>1,500</u>	<u>1,500 (1)</u>	<u>-</u>	<u>1,500</u>
Total Expenditures	<u>350,000</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**MCKINNEY-VENTO GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 20,000	\$ 20,000	\$ 13,813	\$ (6,187)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>13,813</u>	<u>(6,187)</u>
<b>EXPENDITURES:</b>				
Instruction				
Salaries	12,550	12,550	-	12,550
Employee Benefits	7,450	7,450	-	7,450
Purchased Services	-	-	112	(112)
Supplies & Materials	-	-	13,651	(13,651)
Other Objects	-	-	50	(50)
Total Instruction	<u>20,000</u>	<u>20,000 (1)</u>	<u>13,813</u>	<u>6,187</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>13,813</u>	<u>6,187</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**YOUTH TRANSITION PROGRAM GRANT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Grants-in-aid	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<b>EXPENDITURES:</b>				
Support:				
Salaries	48,500	48,500	-	48,500
Employee Benefits	26,500	26,500	-	26,500
Purchased Services	19,000	19,000	-	19,000
Supplies and Materials	5,000	5,000	-	5,000
Other Objects	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total Support	<u>100,000</u>	<u>100,000 (1)</u>	<u>-</u>	<u>100,000</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**OREGON ADVANCED PLACEMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources	\$ 20,000	\$ 20,000	\$ 10,530	\$ (9,470)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>10,530</u>	<u>(9,470)</u>
 <b>EXPENDITURES:</b>				
Support:				
Salaries	3,875	3,875	2,484	1,391
Employee Benefits	1,125	1,125	565	560
Purchased Services	15,000	15,000	25	14,975
Supplies and Materials	-	-	4,226	(4,226)
Other Objects	-	-	3,230	(3,230)
Total Expenditures	<u>20,000</u>	<u>20,000 (1)</u>	<u>10,530</u>	<u>9,470</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**SYSTEM PERFORMANCE REVIEW GRANT**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources:				
Restricted through State	\$ 7,500	\$ 7,500	\$ 4,427	\$ (3,073)
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>4,427</u>	<u>(3,073)</u>
<b>EXPENDITURES:</b>				
Support Services:				
Instructional Staff Development:				
Salaries	1,565	1,565	3,177	(1,612)
Employee Benefits	435	435	840	(405)
Purchased Services	2,500	2,500	86	2,414
Supplies and Materials	<u>3,000</u>	<u>3,000</u>	<u>324</u>	<u>2,676</u>
Total Support Services	<u>7,500</u>	<u>7,500 (1)</u>	<u>4,427</u>	<u>3,073</u>
Total Expenditures	<u>7,500</u>	<u>7,500</u>	<u>4,427</u>	<u>3,073</u>
Net Change in Fund Balance	-	-	-	-
<b>Beginning Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS**  
**For the Year Ended June 30, 2010**

**ARRA SCHOOL IMPROVEMENT FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Federal Sources				
Restricted through State	\$ -	\$ 60,000	\$ 32,225	\$ (27,775)
Total Revenues	-	60,000	32,225	(27,775)
<b>EXPENDITURES:</b>				
Instruction:				
Salaries	-	60,000	17,022	42,978
Employee Benefits	-	-	4,389	(4,389)
Purchased Services	-	-	1,727	(1,727)
Supplies & Materials	-	-	6,737	(6,737)
Other Objects	-	-	2,350	(2,350)
Total Expenditures	-	60,000 (1)	32,225	27,775
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO.3**  
**MULTNOMAH, OREGON**

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**June 30, 2010**

<u>STUDENT ACTIVITY FUNDS</u>	<u>BALANCE</u> <u>7/1/09</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>6/30/10</u>
<b>ASSETS:</b>				
Cash	\$ 184,925	\$ 472,569	\$ 477,869	\$ 179,625
Total Assets	<u>\$ 184,925</u>	<u>\$ 472,569</u>	<u>\$ 477,869</u>	<u>\$ 179,625</u>
<b>LIABILITIES:</b>				
Due to Student Organizations	\$ 184,925	\$ 472,569	\$ 477,869	\$ 179,625
Total Liabilities	<u>\$ 184,925</u>	<u>\$ 472,569</u>	<u>\$ 477,869</u>	<u>\$ 179,625</u>

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**OTHER FINANCIAL SCHEDULES**

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF BOND PRINCIPAL AND INTEREST REQUIREMENTS**

**June 30, 2010**

G.O. BONDS SERIES 2002				2009 QZAB PURCHASE AGREEMENT			
ISSUE OF 1/14/02				ISSUE OF 5/27/09			
YEAR	PRINCIPAL	RATE	INTEREST	YEAR	PRINCIPAL	RATE	INTEREST
	Due 12/15	%	Due 6/15 & 12/15		Due 5/27	%	-
2010-11	2,890,000	5.00	214,175	2010-11	142,857	0.00	-
2011-12	2,885,000	5.00	68,600	2011-12	142,857	0.00	-
				2012-13	142,857	0.00	-
Totals	\$ 5,775,000		\$ 282,775	2013-14	142,857	0.00	-
				2014-15	142,857	0.00	-
				2015-19	714,286	0.00	-
				2020-23	428,572	0.00	-
				Totals	\$ 1,857,143		\$ -

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2010**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/09	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/10
<b>GENERAL FUND:</b>						
Current:						
2009-2010	\$ 13,280,452	\$ 324,161	\$ (56,573)	\$ 5,930	\$ 12,480,975	\$ 418,743
Prior Years:						
2008-2009	471,471	(363)	(25,023)	17,689	258,209	188,602
2007-2008	165,037	(97)	(7,615)	12,528	72,785	84,734
2006-2007	69,492	(75)	(3,986)	9,386	32,750	32,831
2005-2006	25,813	(42)	(1,812)	6,491	18,979	5,064
Prior	24,705	(67)	(3,423)	2,449	1,984	19,365
Total Prior	756,518	(644)	(41,859)	48,543	384,707	330,596
Total General Fund	\$ 14,036,970	\$ 323,517	\$ (98,432)	\$ 54,473	\$ 12,865,682	\$ 749,339

**RECONCILIATION TO REVENUE:**

	FUND
Cash Collections by County Treasurers Above	\$ 12,865,682
June 30, 2009	(78,138)
June 30, 2010	86,151
Taxes In Lieu	66,612
Total Revenue	\$ 12,940,307

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2010**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/09	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/10
<b><u>DEBT SERVICE FUND:</u></b>						
Current:						
2009-2010	\$ 3,510,730	\$ 85,693	\$ (14,954)	\$ 1,568	\$ 3,299,386	\$ 110,697
Prior Years:						
2008-2009	100,501	(77)	(5,334)	3,771	55,041	40,203
2007-2008	36,852	(22)	(1,700)	2,798	16,253	18,921
2006-2007	20,626	(22)	(1,183)	2,786	9,721	9,744
2005-2006	7,939	(13)	(557)	1,996	5,837	1,558
Prior	7,419	(20)	(1,030)	735	596	5,813
Total Prior	173,337	(154)	(9,804)	12,086	87,448	76,239
Total Debt Service Fund	<u>\$ 3,684,067</u>	<u>\$ 85,539</u>	<u>\$ (24,758)</u>	<u>\$ 13,654</u>	<u>\$ 3,386,834</u>	<u>\$ 186,936</u>

RECONCILIATION TO REVENUE:	SERVICE FUND
Cash Collections by County Treasurers Above	\$ 3,386,834
Accrual of Receivables:	
June 30, 2009	(18,343)
June 30, 2010	22,213
Taxes In Lieu	12,925
Total Revenue	<u>\$ 3,403,629</u>



**2009 - 10 DISTRICT AUDIT REVENUE SUMMARY  
PARKROSE SCHOOL DISTRICT**

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
<b>Revenue from Local Sources</b>							
1110 Ad Valorem Taxes Levied by District	\$12,940,307		\$3,403,629				
1120 Local Option Ad Valorem Taxes Levied by District							
1130 Construction Excise Tax				\$31,730			
1190 Penalties and Interest on Taxes							
1200 Revenue from Local Governmental Units Other Than Districts							
1311 Regular Day School Tuition - From Individuals							
1312 Regular Day School Tuition - Other Dist Within State	\$12,948						
1313 Regular Day School Tuition - Other Districts Outside							
1320 Adult/Continuing Education Tuition							
1330 Summer School Tuition							
1411 Transportation Fees - From Individuals	\$21,174						
1412 Transportation Fees - Other Dist Within State							
1413 Transportation Fees - Other Districts Outside							
1420 Summer School Transportation Fees							
1500 Earnings on Investments	\$89,368	\$401	\$19,359				
1600 Food Service		\$270,297					
1700 Extracurricular Activities	\$40,751						
1800 Community Services Activities		\$159,408					
1910 Rentals	\$19,811	\$390,674		\$3,125			
1920 Contributions and Donations From Private Sources		\$19,000					
1930 Rental or Lease Payments From Private Contractors							
1940 Services Provided Other Local Education Agencies		\$17,244					
1950 Textbook Sales and Rentals							
1960 Recovery of Prior Years' Expenditure							
1970 Services Provided Other Funds							
1980 Fees Charged to Grants							
1990 Miscellaneous	\$160,640	\$816,327		\$703,677			
<b>Total Revenue from Local Sources</b>	<b>\$13,284,998</b>	<b>\$1,673,351</b>	<b>\$3,422,988</b>	<b>\$738,532</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Intermediate Sources</b>							
2101 County School Funds	\$7,959						
2102 General ESD Revenue							
2103 Excess ESD Local Revenue							
2105 Natural Gas, Oil, and Mineral Receipts							
2110 Intermediate "I" Tax							
2199 Other Intermediate Sources	\$20,667						
2200 Restricted Revenue	\$129,242						
2800 Revenue in Lieu of Taxes							
2900 Revenue for/on Behalf of the District							
<b>Total Revenue from Intermediate Sources</b>	<b>\$157,868</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from State Sources</b>							
3101 State School Fund - General Support	\$12,295,669						
3102 State School Fund - School Lunch Match		\$15,584					
3103 Common School Fund	\$504,087						
3104 State Managed County Timber							
3106 State School Fund - Accrual							
3199 Other Unrestricted Grants-in-Aid		\$150,000					
3204 Driver Education							
3222 State School Fund (SSF) Transportation Equipment							
3299 Other Restricted Grants-in-Aid		\$6,313					
3800 Revenue in Lieu of Taxes							
3900 Revenue for/on Behalf of the District							
<b>Total Revenue from State Sources</b>	<b>\$12,799,756</b>	<b>\$171,897</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Federal Sources</b>							
4100 Unrestricted Revenue Direct From the Federal Government							
4200 Unrestricted Revenue From the Federal Government Through the State							
4300 Restricted Revenue From the Federal Government							
4500 Restricted Revenue From the Federal Government Through the State	\$978,574	\$4,469,471					
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies							
4801 Federal Forest Fees							
4802 Impact Aid to School Districts for Operation (PL 874)							
4803 Coos Bay Wagon Road Funds							
4899 Other Revenue in Lieu of Taxes							
4900 Revenue for/on Behalf of the District		\$79,790					
<b>Total Revenue from Federal Sources</b>	<b>\$978,574</b>	<b>\$4,549,261</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Other Sources</b>							
5100 Long Term Debt Financing Sources							
5200 Interfund Transfers		\$90,000		\$58,500			
5300 Sale of or Compensation for Loss of Fixed Assets							
5400 Resources - Beginning Fund Balance	\$5,636,995	\$3,695,979	\$2,648,598	\$978,663			
<b>Total Revenue from Other Sources</b>	<b>\$5,636,995</b>	<b>\$3,785,979</b>	<b>\$2,648,598</b>	<b>\$1,037,163</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Totals</b>	<b>\$32,858,192</b>	<b>\$10,180,487</b>	<b>\$6,071,586</b>	<b>\$1,775,695</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**2009 - 10 DISTRICT AUDIT EXPENDITURE SUMMARY  
PARKROSE SCHOOL DISTRICT**

**Fund: 100**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Primary, K-3	\$4,397,152	\$2,870,713	\$1,436,332	\$5,520	\$84,049	\$539		
1112 Intermediate Programs	\$1,826,998	\$1,154,242	\$642,480	\$15	\$29,703	\$539	\$19	
1113 Elementary Extracurricular	\$43,332	\$13,094	\$7,453	\$965	\$21,740	\$80		
1121 Middle/Junior High Programs	\$3,292,704	\$2,117,492	\$1,096,839	\$4,698	\$73,674			
1122 Middle/Junior High School Extracurricular	\$115,753	\$73,043	\$37,812		\$4,897			
1131 High School Programs	\$4,263,249	\$2,753,585	\$1,346,762	\$81,935	\$72,467	\$8,500		
1132 High School Extracurricular	\$558,174	\$335,705	\$130,578	\$36,746	\$39,125	\$5,000	\$11,020	
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$15,753	\$9,413	\$4,895	\$1,268	\$178			
1220 Restrictive Programs for Students with Disabilities	\$2,952,142	\$1,483,770	\$988,409	\$469,714	\$10,199		\$50	
1250 Less Restrictive Programs for Students with Disabilities	\$375,471	\$211,955	\$163,050	\$77	\$389			
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$0							
1280 Alternative Education	\$264,919	\$174,496	\$90,235		\$188			
1291 English Second Language Programs	\$812,151	\$522,613	\$259,597	\$23,521	\$6,419			
1292 Teen Parent Program	\$31,397	\$23,914	\$7,203		\$281			
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$32,704				\$32,704			
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>	<b>\$18,981,900</b>	<b>\$11,744,035</b>	<b>\$6,211,645</b>	<b>\$624,459</b>	<b>\$376,013</b>	<b>\$14,658</b>	<b>\$11,089</b>	<b>\$0</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$122,694	\$76,089	\$46,605					
2120 Guidance Services	\$1,109,151	\$728,392	\$373,731		\$6,230		\$798	
2130 Health Services	\$0							
2140 Psychological Services	\$256,034	\$184,637	\$69,210		\$2,187			
2150 Speech Pathology and Audiology Services	\$281,253	\$199,007	\$86,008	(\$3,960)	\$198			
2160 Other Student Treatment Services	\$431				\$431			
2190 Service Direction, Student Support Services	\$476,769	\$303,456	\$148,821	\$11,365	\$10,150		\$2,976	
2210 Improvement of Instruction Services	\$271,317	\$157,256	\$85,673	\$714	\$26,666		\$1,008	
2220 Educational Media Services	\$361,467	\$192,414	\$135,670	\$1,814	\$30,620		\$949	
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$153,753	\$2,963	\$147,613	\$739	\$1,587		\$851	
2310 Board of Education Services	\$61,683			\$48,137	\$3,772		\$9,774	
2320 Executive Administration Services	\$312,589	\$187,620	\$94,100	\$10,648	\$15,740		\$4,481	
2410 Office of the Principal Services	\$1,939,582	\$1,248,281	\$634,336	\$3,333	\$14,541		\$39,090	
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$608,470	\$275,729	\$167,267	\$20,957	\$6,429	(\$13,500)	\$151,587	
2540 Operation and Maintenance of Plant Services	\$2,435,420	\$734,939	\$451,520	\$1,046,395	\$171,675		\$30,891	
2550 Student Transportation Services	\$1,213,342	\$506,079	\$361,933	\$247,275	\$29,472		\$68,584	
2570 Internal Services	\$41,116	\$6,026	\$6,662	-\$28,989	\$50,352		\$7,066	
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$351,669	\$193,945	\$110,127	\$8,463	\$29,319		\$9,815	
2670 Records Management Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	<b>\$9,996,741</b>	<b>\$4,996,833</b>	<b>\$2,919,277</b>	<b>\$1,366,892</b>	<b>\$399,370</b>	<b>-\$13,500</b>	<b>\$327,870</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$87,282			\$87,282				
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$87,282</b>	<b>\$0</b>	<b>\$0</b>	<b>\$87,282</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$142,857						\$142,857	
5200 Transfers of Funds	\$88,500							\$88,500
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$231,357</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$142,857</b>	<b>\$88,500</b>
<b>Grand Total</b>	<b>\$29,297,280</b>	<b>\$16,740,868</b>	<b>\$9,130,922</b>	<b>\$2,078,633</b>	<b>\$775,383</b>	<b>\$1,158</b>	<b>\$481,816</b>	<b>\$88,500</b>

**2009 - 10 DISTRICT AUDIT EXPENDITURE SUMMARY  
PARKROSE SCHOOL DISTRICT**

Fund: 200

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Primary, K-3	\$101,839				\$101,839			
1112 Intermediate Programs	\$25,357				\$25,357			
1113 Elementary Extracurricular	\$12,655			\$748	\$11,907			
1121 Middle/Junior High Programs	\$0							
1122 Middle/Junior High School Extracurricular	\$17,613			\$17,017	\$596			
1131 High School Programs	\$35,249	\$1,160	\$338	\$112	\$33,589		\$50	
1132 High School Extracurricular	\$0							
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$227,919	\$145,292	\$75,860	\$6,346	\$421			
1250 Less Restrictive Programs for Students with Disabilities	\$807,191	\$383,349	\$245,142	\$150,660	\$28,040			
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$1,625,185	\$961,653	\$497,199	\$8,739	\$150,774	\$1,699	\$5,120	
1280 Alternative Education	\$0							
1291 English Second Language Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$8,198	\$5,845	\$1,686		\$667			
<b>Total Instruction Expenditures</b>	<b>\$2,861,206</b>	<b>\$1,497,299</b>	<b>\$820,226</b>	<b>\$183,622</b>	<b>\$353,190</b>	<b>\$1,699</b>	<b>\$5,170</b>	<b>\$0</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$29,173	\$18,827	\$9,755	\$110	\$256		\$225	
2120 Guidance Services	\$901				\$901			
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$3,353	\$2,236	\$1,118					
2210 Improvement of Instruction Services	\$101,829	\$43,948	\$8,888	\$6,685	\$37,029		\$5,279	
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$27,589	\$16,263	\$8,350	\$86	\$2,890			
2240 Instructional Staff Development	\$359,425	\$147,820	\$56,217	\$37,345	\$53,944		\$64,098	
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$24,319	\$1,023	\$933	\$1,447	\$9,825		\$11,092	
2540 Operation and Maintenance of Plant Services	\$528,865	\$89,726	\$30,959	\$326,716	\$67,498		\$13,965	
2550 Student Transportation Services	\$152,800					\$152,800		
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$3,527	\$2,532	\$671		\$323			
2630 Information Services	\$0							
2640 Staff Services	\$434,252		\$434,252					
2660 Technology Services	\$78,866				\$78,866			
2670 Records Management Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$117,916	\$67,312	\$50,536				\$68	
<b>Total Support Services Expenditures</b>	<b>\$1,862,816</b>	<b>\$389,687</b>	<b>\$601,679</b>	<b>\$372,390</b>	<b>\$251,533</b>	<b>\$152,800</b>	<b>\$94,726</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$1,719,342	\$379,764	\$261,379	\$292,825	\$759,681	\$19,733	\$5,960	
3200 Other Enterprise Services	\$0							
3300 Community Services	\$216,576	\$145,651	\$44,966	\$4,981	\$5,715		\$15,262	
3500 Custody and Care of Children Services	\$101,412	\$58,550	\$40,160	\$7	\$415		\$2,280	
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$2,037,330</b>	<b>\$583,965</b>	<b>\$346,505</b>	<b>\$297,814</b>	<b>\$765,812</b>	<b>\$19,733</b>	<b>\$23,502</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$0							
5200 Transfers of Funds	\$60,000							\$60,000
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$60,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,000</b>
<b>Grand Total</b>	<b>\$6,821,352</b>	<b>\$2,470,952</b>	<b>\$1,768,410</b>	<b>\$853,825</b>	<b>\$1,370,535</b>	<b>\$174,233</b>	<b>\$123,398</b>	<b>\$60,000</b>

**2009 - 10 DISTRICT AUDIT EXPENDITURE SUMMARY  
PARKROSE SCHOOL DISTRICT**

Fund: 300

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Primary, K-3	\$0							
1112 Intermediate Programs	\$0							
1113 Elementary Extracurricular	\$0							
1121 Middle/Junior High Programs	\$0							
1122 Middle/Junior High School Extracurricular	\$0							
1131 High School Programs	\$0							
1132 High School Extracurricular	\$0							
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$0							
1250 Less Restrictive Programs for Students with Disabilities	\$0							
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$0							
1280 Alternative Education	\$0							
1291 English Second Language Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$0							
2120 Guidance Services	\$0							
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$0							
2210 Improvement of Instruction Services	\$0							
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$0							
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$0							
2540 Operation and Maintenance of Plant Services	\$0							
2550 Student Transportation Services	\$0							
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$0							
2670 Records Management Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$3,058,075						\$3,058,075	
5200 Transfers of Funds	\$0							
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	\$3,058,075	\$0	\$0	\$0	\$0	\$0	\$3,058,075	\$0
<b>Grand Total</b>	\$3,058,075	\$0	\$0	\$0	\$0	\$0	\$3,058,075	\$0

**2009 - 10 DISTRICT AUDIT EXPENDITURE SUMMARY  
PARKROSE SCHOOL DISTRICT**

**Fund: 400**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Primary, K-3	\$0							
1112 Intermediate Programs	\$0							
1113 Elementary Extracurricular	\$0							
1121 Middle/Junior High Programs	\$0							
1122 Middle/Junior High School Extracurricular	\$0							
1131 High School Programs	\$0							
1132 High School Extracurricular	\$0							
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$0							
1250 Less Restrictive Programs for Students with Disabilities	\$0							
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$0							
1280 Alternative Education	\$0							
1291 English Second Language Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$0							
2120 Guidance Services	\$0							
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$0							
2210 Improvement of Instruction Services	\$0							
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$0							
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$0							
2540 Operation and Maintenance of Plant Services	\$214,854				\$2,200	\$212,654		
2550 Student Transportation Services	\$0							
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$0							
2670 Records Management Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	<b>\$214,854</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,200</b>	<b>\$212,654</b>	<b>\$0</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$907,704			\$907,704				
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$907,704</b>	<b>\$0</b>	<b>\$0</b>	<b>\$907,704</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$0							
5200 Transfers of Funds	\$0							
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$1,122,559</b>	<b>\$0</b>	<b>\$0</b>	<b>\$907,704</b>	<b>\$2,200</b>	<b>\$212,654</b>	<b>\$0</b>	<b>\$0</b>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3  
MULTNOMAH COUNTY, OREGON

SUPPLEMENTAL INFORMATION  
As Required by The Oregon Department of Education  
For The Year Ended June 30, 2010

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A. Energy bills for heating - all funds:			<u>Objects 325 and 326</u>
		Function 2540	\$ 663,007
		Function 2550	69,879
B. Replacement of equipment - General Fund:			
Include all General Fund expenditures in Object 542, except for the following exclusions:			<u>Amount</u>
Exclude these functions:			
1113, 1122 & 1132	Co-curricular activities	Construction	\$ 1,158
1140	Pre-kindergarten	Pupil transportation	
1300	Continuing education	Food service	
1400	Summer school	Community services	

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**INDEPENDENT AUDITORS' REPORT AS REQUIRED BY**  
**OREGON STATE REGULATIONS**



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# PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

- 
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
  - (503) 620-2632 • FAX (503) 684-7523

November 15, 2010

## Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Multnomah County School District No. 3, Multnomah County, Oregon, as of and for the year ended June 30, 2010, and have issued our report thereon dated November 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

### Compliance

As part of obtaining reasonable assurance about whether the Multnomah County School District No.3's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the Multnomah County School District No. 3, Multnomah County, Oregon, was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations [except as follows]:

1. Expenditures exceeded appropriation levels as noted on page 16.

**OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the control over financial reporting.

This report is intended solely for the information and use of the Board of Directors and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

*Pauly, Rogers and Co. P.C.*  
PAULY, ROGERS AND CO., P.C.

**GRANT COMPLIANCE REVIEW**

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2010

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S ID NUMBER	GRANT PERIOD	GRANT AWARD	EXPENDITURES
U.S. Department of Education:					
Passed Through Oregon Department of Education:					
ECIA Title 1A	84.010	12844	7/1/08-9/30/09	\$ 1,237,308	\$ 138,246
	84.010	16615	7/1/09-9/30/10	1,295,878	1,121,034
ARRA	84.389	15713	2/17/09-9/30/10	772,020	<u>390,980</u>
Total ECIA Title 1A					<u>1,650,260 (1)</u>
I.D.E.A	84.027	14673	1/1/09-9/30/09	5,485	5,066
	84.027	17803	7/1/09-12/31/10	658,094	658,094
ARRA	84.391	18582	10/1/09-9/30/10	775,548	371,676
	84.027	18855	7/1/09-9/30/10	7,725	7,725
	84.027	15259	2/17/09-9/30/11	1,295	<u>1,295</u>
Total Public Law 101-477 I.D.E.A.					<u>1,043,856 (1)</u>
Title IV - Drug & Alcohol	84.186	14102	7/1/08-6/30/09	17,665	2,651
	84.186	17117	7/1/09-9/30/10	18,301	<u>13,916</u>
Total Title IV - Drug & Alcohol					<u>16,567</u>
Perkins School/Work	84.048A	12345	7/1/08-9/30/09	46,795	5,194
	84.243	12345	7/1/08-9/30/09	5,782	5,782
	84.048A	15348	7/1/09-9/30/10	47,505	37,262
	84.243	15348	7/1/09-9/30/10	5,865	<u>5,865</u>
Total Perkins School/Work					<u>54,103</u>
School Improvement	84.389	18025	9/1/09-9/30/11	33,050	20,701 (1)
	84.377	18096	9/1/09-9/30/10	26,950	<u>11,524</u>
Total School Improvement					<u>32,225</u>
Title IIA	84.367	13071	7/1/08-9/30/09	178,285	49,492
	84.367	15911	7/1/09-6/30/10	1,695	1,695
	84.367	16812	7/1/09-9/30/10	191,855	<u>162,271</u>
Total Title IIA					<u>213,458</u>
Title IID Education Through Technology	84.318	13257	7/1/08-9/30/10	11,639	2,284
	84.318	16401	7/1/09-9/30/10	11,391	11,023
	84.318	186777	12/1/09-6/30/10	11,391	<u>6,000</u>
Total Title IID Education Through Technology					<u>19,307</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2010

Title III - Language Instruction	84.365	13930	7/1/08-9/30/09	96,581	26,919
	84.395	16250	7/1/09-9/30/10	104,007	<u>81,738</u>
Total Title Language Instruction					<u>108,657</u>
Mckinney-Vento - ARRA	84.387	15556	2/17/09-9/30/10	13,813	<u>13,813</u>
Total Mckinney-Vento					<u>13,813</u>
Advanced Placement Incentive	84.330	14193	10/1/08-9/30/09	20,426	<u>10,530</u>
Total Advanced Placement Incentive					<u>10,530</u>
System Performance Review	84.027	18309	9/1/09-6/30/10	900	900
	84.027	17523	8/1/09-6/30/10	3,527	<u>3,527</u>
Total System Performance Review					<u>4,427 (1)</u>
Total U.S. Department of Education					<u>3,167,203</u>
U. S. Department of Agriculture					
Passed Through Oregon Department of Education:					
National School Lunch - Breakfast	10.553	N/A	7/1/0-6/30/10	N/A	299,488
National School Lunch - Lunch	10.555	N/A	7/1/0-6/30/10	N/A	938,192
Child Care	10.558	N/A	7/1/0-6/30/10	N/A	93,001
Summer Food	10.559	N/A	7/1/0-6/30/10	N/A	42,004
Fruit and Vegies	10.582	N/A	7/1/0-6/30/10	N/A	<u>9,370</u>
Total U. S. Department of Agriculture					<u>1,382,055</u>
American Recovery and Reinvestment Act:					
Passed Through Oregon Department of Education:					
State Fiscal Stabilization Funds	84.394	N/A		N/A	<u>978,574 (1)</u>
Total Federal Financial Assistance					<u>\$ 5,527,832</u>



**PAULY, ROGERS AND CO., P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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November 15, 2010

**To the Board of Directors  
Multnomah County School District No. 3  
Multnomah County, Oregon**

**Independent Auditors' 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***

We have audited the financial statements of Multnomah County School District No. 3, as of and for the year ended June 30, 2010, and have issued our report thereon dated November 15, 2010. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

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.



## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of 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*.

This report is intended solely for the information and use of management, the governing body, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Pauly, Rogers and Co. P.C.*  
PAULY, ROGERS AND CO., P.C.



**PAULY, ROGERS AND CO., P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

- 
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  - (503) 620-2632 • FAX (503) 684-7523

November 15, 2010

**To the Board of Directors  
Multnomah County School District No. 3  
Multnomah County, Oregon**

**Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and  
on Internal Control Over Compliance in Accordance With OMB Circular A-133**

**Compliance**

We have audited the compliance of Multnomah County School District No. 3 with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. Multnomah County School District No. 3's major federal programs are identified in the Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of management. Our responsibility is to express an opinion on compliance based on our audit.

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 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. Our audit does not provide a legal determination of compliance with those requirements.

In our opinion, Multnomah County School District No. 3 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

**Internal Control Over Compliance**

Management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Pauly, Rogers and Co. P.C.*  
PAULY, ROGERS AND CO., P.C.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3  
MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors’ report issued Unqualified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(s) identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance to financial statements noted?  yes  no

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(s) identified that are not considered to be material weaknesses?  yes  none reported

Type of auditors’ report issued on compliance for major programs: Unqualified

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

**IDENTIFICATION OF MAJOR PROGRAMS**

**CFDA NUMBER**                      **NAME OF FEDERAL PROGRAM CLUSTER**

84.010 and 84.389                      Title 1 Cluster  
84.027 and 84.391                      IDEA Cluster  
84.394                                      ARRA – State Fiscal Stabilization Fund

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

Auditee qualified as low-risk auditee?  yes  no

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3  
MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

NONE

**SECTION III – FEDERAL AWARD FINDINGS**

NONE

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity 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 the preparation of, the basic financial statements.