

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
STUDENT ACTIVITY FUNDS  
MULTNOMAH COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2020**

PREPARED BY:  
CHRISTINA WEINARD, DIRECTOR OF FINANCIAL SERVICES  
REGINA SAMPSON, SENIOR ACCOUNTANT



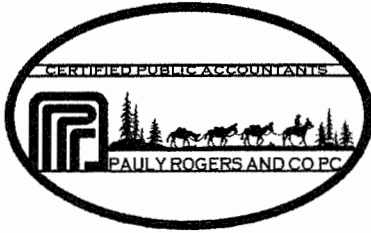
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Tigard, OR 97223

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7

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November 13, 2020

To the Board of Education  
Multnomah County School District No. 7  
Fairview, Oregon

### **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by Reynolds School District, solely to assist you with respect to the Student Activity Funds of Reynolds School District as of and for the year ended June 30, 2020. Management is responsible for Student Activity Funds. The sufficiency of these procedures is solely the responsibility of Reynolds School District. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings for all schools are as follows:

1. **PROCEDURE:** Select a random sample of disbursements during the fiscal year ended June 30, 2020, and test them for the following attributes:
  - Backup documentation was present to support the disbursement
  - Documentation was present that the disbursement was properly approved
  - Review the cancelled checks for consistency with the recorded disbursements and for proper signatures in accordance with the Activity Fund Policy
2. **PROCEDURE:** Select a random sample of receipts during the fiscal year ended June 30, 2020 and test them for the following attributes:
  - Receipt copies were issued and accounted for in numerical sequence
  - Receipt copies that were issued were deposited in the bank in a timely manner
  - Monies collected were credited to the proper account
3. **PROCEDURE:** Review bank reconciliations and bank statements for accuracy and evidence of review for three months during the year including June 30, 2020.
4. **PROCEDURE:** Review the internal control procedures manual and provide suggestions for improvement.

In addition, for Reynolds High School we:

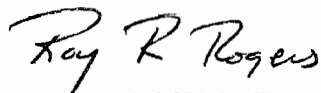
1. Expanded on samples noted on test #1 and #2 above.
2. Selected a random sample of petty cash disbursements for the fiscal year ended June 30, 2020, and tested them for the following attributes:
  - Backup documentation was present to support the disbursement
  - Documentation that the disbursement was properly approved was present
3. The count of Petty Cash, as outlined in the Engagement Letter, could not be performed due to contact restrictions due to the COVID-19 pandemic.

**FINDINGS:**

There were no findings in this engagement.

This engagement to apply agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This information is intended solely for the information and use of the Board of Directors and management of Reynolds School District and is not intended to be and should not be used by anyone other than these specified parties.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.



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November 13, 2020

To the Board of Education  
Multnomah County School District No. 7  
Portland, Oregon

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Management is responsible for the accompanying special-purpose cash basis combined balance sheet of the Student Activity Funds of the Reynolds School District as of June 30, 2020, and the combined statement of receipts, disbursement and cash balances and related notes to the financial statements for the year then ended, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the special-purpose financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these special-purpose financial statements.

As discussed in Note 3, the special-purpose financial statements of the Reynolds School District Activity Funds are intended to present the financial position and the changes in financial position of only the student activity funds and do not purport to, and do not, present fairly the financial position of the Reynolds School District as of June 30, 2020, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The special-purpose financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

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**REYNOLDS SCHOOL DISTRICT**  
**COMBINED BALANCE SHEET (CASH BASIS)**  
**At June 30, 2020**

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ASSETS

|                                  |                   |
|----------------------------------|-------------------|
| Cash on Deposit:                 |                   |
| Reynolds High School             | \$ 207,433        |
| Checking                         | <u>207,433</u>    |
| Total Reynolds High School       |                   |
|                                  |                   |
| Alder Elementary School          | 2,718             |
| Davis Elementary School          | 11,397            |
| Fairview Elementary School       | 1,029             |
| Glenfair Elementary School       | 3,425             |
| Hartley Elementary School        | 9,408             |
| HB Lee Middle School             | 15,262            |
| Margaret Scott Elementary School | 5,943             |
| Reynolds Learning Academy        | 1,732             |
| Reynolds Middle School           | 32,042            |
| Salish Ponds Elementary School   | 9,663             |
| Sweetbriar Elementary School     | 5,581             |
| Troutdale Elementary School      | 1,338             |
| Walt Morey Middle School         | 28,982            |
| Wilkes Elementary School         | 7,161             |
| Woodland Elementary School       | 3,590             |
|                                  |                   |
| Total Assets                     | <u>\$ 346,704</u> |

FUND BALANCES

|                                  |                   |
|----------------------------------|-------------------|
| Fund Balance:                    |                   |
| Reynolds High School             | \$ 207,433        |
| Alder Elementary School          | 2,718             |
| Davis Elementary School          | 11,397            |
| Fairview Elementary School       | 1,029             |
| Glenfair Elementary School       | 3,425             |
| Hartley Elementary School        | 9,408             |
| HB Lee Middle School             | 15,262            |
| Margaret Scott Elementary School | 5,943             |
| Reynolds Learning Academy        | 1,732             |
| Reynolds Middle School           | 32,042            |
| Salish Ponds Elementary School   | 9,663             |
| Sweetbriar Elementary School     | 5,581             |
| Troutdale Elementary School      | 1,338             |
| Walt Morey Middle School         | 28,982            |
| Wilkes Elementary School         | 7,161             |
| Woodland Elementary School       | 3,590             |
|                                  |                   |
| Total Fund Balance               | <u>\$ 346,704</u> |

See Accompanying Notes and Independent Accountants' Compilation Report



REYNOLDS SCHOOL DISTRICT

COMBINED STATEMENT OF RECEIPTS,  
DISBURSEMENTS AND CASH BALANCES  
For the Year Ended June 30, 2020

|                                  | Balance<br>7/01/19 | Receipts          | Disbursements     | Balance<br>6/30/20 |
|----------------------------------|--------------------|-------------------|-------------------|--------------------|
| Reynolds High School             | \$ 201,376         | \$ 257,746        | \$ 251,689        | \$ 207,433         |
| Alder Elementary School          | 5,118              | 2,333             | 4,733             | 2,718              |
| Davis Elementary School          | 19,883             | 556               | 9,042             | 11,397             |
| Fairview Elementary School       | 1,029              | -                 | -                 | 1,029              |
| Glenfair Elementary School       | 3,445              | 628               | 648               | 3,425              |
| Hartley Elementary School        | 13,363             | 68                | 4,023             | 9,408              |
| HB Lee Middle School             | 18,598             | 11,096            | 14,432            | 15,262             |
| Margaret Scott Elementary School | 5,583              | 14,793            | 14,433            | 5,943              |
| Reynolds Learning Academy        | 5,396              | 46                | 3,710             | 1,732              |
| Reynolds Middle School           | 32,083             | 16,958            | 16,999            | 32,042             |
| Salish Ponds Elementary School   | 10,506             | 7,182             | 8,025             | 9,663              |
| Sweetbriar Elementary School     | 9,899              | 1,706             | 6,024             | 5,581              |
| Troutdale Elementary School      | 1,580              | 3,308             | 3,550             | 1,338              |
| Walt Morey Middle School         | 27,698             | 12,954            | 11,670            | 28,982             |
| Wilkes Elementary School         | 5,763              | 7,871             | 6,473             | 7,161              |
| Woodland Elementary School       | 4,728              | 2,889             | 4,027             | 3,590              |
|                                  | <u>\$ 366,048</u>  | <u>\$ 340,134</u> | <u>\$ 359,478</u> | <u>\$ 346,704</u>  |

See Accompanying Notes and Independent Accountants' Compilation Report

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
STUDENT ACTIVITY FUNDS  
NOTES TO FINANCIAL STATEMENT

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1. ACCOUNTING METHOD

The cash method of accounting is used for activity funds. Under the cash method, receipts are recognized when cash is received and disbursements are recorded when they are actually paid. The cash basis of accounting is not in accordance with generally accepted accounting principles (GAAP) in the United States of America; however, it complies with state legal requirements.

Under GAAP the fund financial statements require that revenues be recorded as they become susceptible to accrual (i.e. when they become measurable and available) and expenditures are recorded as goods and services are received. Management believes the cash basis of accounting is preferable for the student activity funds due to their lack of complexity.

2. DESCRIPTION OF FUNDS

Activities in the various student activity funds are derived from academic, social, athletic, and cultural activities of the students. The funds are administered by the students and faculty of the local schools and are generally restricted for the specific purposes noted in each fund.

3. RELATED PARTY TRANSACTIONS

Reynolds School District (the District) is a municipal corporation governed by an elected Board of Directors. Administration officials are approved by the Board. The daily functioning is under the supervision of the Superintendent-Clerk. The operations of the student activity funds are administered by District staff who direct what activities and events are participated in.

The activity funds only account for the above activities and do not include all operations of Reynolds School District. Therefore, the student activity fund statements are not intended to present fairly the financial position and results of operations of Reynolds School District in conformity with accounting principles generally accepted in the United States of America. The student activity funds are included as an agency fund in the Reynolds School District basic financial statements, which include all operations of the District and can be found in a separately issued report.

4. CASH

Cash held in the bank for the Student Activity Funds includes \$357,830 held in demand deposits. Refer to Reynolds School District's basic financial statements and footnotes for FDIC and collateral coverage available to protect these funds.

5. SUPPLY INVENTORIES

Inventories of supplies on hand at June 30, 2020 are valued at cost using the first in, first out method of accounting. Management believes there were no material inventories on hand at June 30, 2020.

6. SUBSEQUENT EVENTS

Events have been evaluated for the year ended June 30, 2020 through November 13, 2020, the issuance date of the financial statements. No subsequent events were identified by management that required note disclosure.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
STUDENT ACTIVITY FUNDS  
NOTES TO FINANCIAL STATEMENT

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7. COMMITMENTS & CONTINGENCIES

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the District expects the reduction of economic activity to cause a potential reduction of receipts in the Student Body Funds.