Subject : Independent Audit Report for the Fiscal Year Ended June 30, 201 8,
Submitted by Crowe LLP

- ☒ Information Item Only
- ☐ Approval on Consent Agenda
- ☐ Conference (for discussion only)
- ☐ Conference/First Reading (Action Anticipated: _____)

Documents Attached:

1. Executive Summary
2. I

Board of Education Executive Summary

Business Services

Independent Audit Report for the Fiscal Year Ended June 30, 20

Submitted by Crowe LLP

December 6, 2018

Each year, districts are required to conduct an annual audit of funds under the jurisdiction of the Governing Board. The intent of the annual audit is to encourage sound fiscal management practices for the most efficient and effective use of public funds for the education of children in California by strengthening fiscal accountability at the district, county and state level. The annual audit report is used by various agencies to review the fiscal status of the district.

The firm of Crowe LLP audited the financial statements of the district for the year ended June 30, 201 The audit is conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that the audit is planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and

Board of Education Executive Summary

Business Services

Independent Audit Report for the Fiscal Year Ended June 30, 20

Submitted by Crowe LLP

December 6, 2018

IV. GOALS, OBJECTIVES AND MEASU

Meet required timeline for annual audit report review by the Board.

V. MAJOR INITIATIVES

Use findings and recommendations as a guide to ensure continuous improvement.

VI. RESULTS:

Work towards the preparation of the annual audit will continue throughout the year. The initial au(l)110(T-)

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7

),1$1&,$/ 67$7(0(176
-XQH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
),1$1&,$/ 67$7(0(176
:,7+ 6833/(0(17$5< ,1)250$7,21
)RU WKH <HDU (QGHG -XQH

&217(176

,1'(3(1'(17 $8',725 6 5(3257

0$1$*(0(17 6 ',6&866,21 $1' 1/<6,6

%$6,&),1$1&,$/ 67$7(0(176

*29(510(17 :,'( ),1$1&,$/ 67$7(0(176

67$7(0(17 2) 1(7 326,7,21

67$7(0(17 2) $&7,9,7,(6

)81'),1$1&,$/ 67$7(0(176

%$/$1&(6+((7 *29(510(17$/)81'6

5(&21&,/,$7,21 2) 7+(*29(510(17$/)81'6 %$/$1&(6+((7 72 7+(67$7(0(17 2) 1(7 326,7,21

67$7(0(17 2) 5(9(18(6 (;3(1',785(6 $1' &+$1*(,1)81' %$/$1&(6 *29(510(17$/)81'6

5(&21&,/,$7,21 2) 7+(67$7(0(17 2) 5(9(18(6 (;3(1',785(6 $1' &+$1*(,1)81' %$/$1&(6 *29(510(17$/)81'6 72 7+(67$7(0(17 2) $&7,9,7,(6

67$7(0(17 2))81' 1(7 326,7,21 35235,(7$5<)81' 16&(/) ,1685$)81'

67$7(0(17 2) &+$1*(,1 1(7 326,7,21 35235,(7$5<)81' 6(/) ,1685$1&( )81'

67$7(0(17 2) &$6+)/2:6 35235,(7$5<)81' 6(/) ,1685$1&( )81

67$7(0(17 2)),'8&,$5< 1(7 326,7,21 75867 $1' $*(1&<)81'6

67$7(0(17 2) &+$1*(,1),'8&,$5< 1(7 326,7,21 75867)81'

127(6 72),1$1&,$/ 67$7(0(176

5(48,5(' 6833/(0(17$5< ,1)250$7,21

(1(5$/)81' %8'(7$5< &203$5,621 6&+('8/(

6&+('8/(2) &+$1*(6 ,1 1(7 23(% /,$%,/,7< $1' 5(/$7(' 5$7,26

6&+('8/(2) 7+(',675,&7 6 &2175,%87,216 23(%

6&+('8/(2) 021(< :(,*+7(' 5$7(2) 5(7851 21 23(% 3/$1 1,19(670(

6&+('8/(2) 7+(',675,&7 6 3523257,21$7(6+$5(2) 7+(1(7 3(16,21 /,$%,/,7<

6&+('8/(2) 7+(',675,&7 6 &2175,%87,216

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
),1$1&,$/ 67$7(0(176
:,7+ 6833/(0(17$5< ,1)250$7,21
)RU WKH <HDU (QGHG -XQH

&217(176

5(48,5(' 6833/(0(17$5< ,1)250$7,21 &217,18('

127(72 5(48,5(' 6833/(0(17$5< ,1)250$7,21

6833/(0(17$5< ,1)250$7,21

&20%,1,1* %$/$1&(6+((7 $// 121 0$-25)81'6

&20%,1,1* 67$7(0(17 2) 5(9(18(6 (;3(1',785(6 $1' &+$1*(,1
)81' %$/$1&(6 $// 121 0$-25)81'6

&20%,1,1* 67$7(0(17 2) &+$1*(6 ,1 $66(76 $1' /,$%,/,7,(6 678'
%2'<)81'6

25*$1,=$7,21

6&+('8/(2) $9(5$*('$,/< $77(1'$1&(

6&+('8/(2) ,16758&7,21$/ 7,0(

6&+('8/(2) (;3(1',785(2))('(5$/ $:$5'6

5(&21&,/,$7,21 2) 81$8',7(' $&78$/),1$1&,$/ 5(3257':,7+ $8',7(
),1$1&,$/ 67$7(0(176

6&+('8/(2)),1$1&,$/ 75(1'6 $1' 1/<6,6 81$8',7('

6&+('8/(2) &+$57(5 6&+22/6

6&+('8/(2)),567 5(9(18(6 $1' (;3(1',785(6

127(6 72 6833/(0(17$5< ,1)250$7,21

,1'(3(1'(17 $8',725 6 5(3257 21 &203/,$1&(:,7+ 67$7(/$:6 $1'
5(*8/$7,216

,1'(3(1'(17 $8',725 6 5(3257 21 ,17(51$/ &21752/ 29(5),1$1&,$/
5(3257,1* $1' 21 &203/,$1&($1' 27+(5 0$77(56 %$6(' 21 $1
$8',7 2)),1$1&,$/ 67$7(0(176 3(5)250(' ,1 $&&25'$1&(:,7+
GOVERNMENT AUDITING STANDARDS

,1'(3(1'(17 $8',725 6 5(3257 21 &203/,$1&(:,7+ 7+( ),567
6$&5$0(172 &2817< 352*5$0

,1'(3(1'(17 $8',725 6 5(3257 21 &203/,$1&( )25 ($&+ 0$-25
)('(5$/ 352*5$0 $1' 5(3257 21 ,17(51$/ &21752/ 29(5 &203/,$1&(

),1',1*6 $1' 5(&200(1'$7,216

6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676

67$786 2) 35,25 <($5),1',1*6 $1' 5(&200(1'$7,216

,1'(3(1'(17 $8',725 6 5(3257

%RDUG RI (GXFDWLRQ
6DFUDPHQWR &LW\ 8QLILHG 6FKRRO 'LVWULFW
6DFUDPHQWR &DOLIRUQLD

5HSRUW RQ WKH)LQDQFLDO 6WDWHPHQWV

:H KDYH DXGLWHG WKH DFFRPSDQ\LQJ ILQDQFLDO VWDWHPHQWV RI WKH JRYHUQPHQWDO DFWLYLWLHV HDF
DQG WKH DJJUHJDWH UHPDLQLQJ IXQG LQIRUPDWLRQ RI 6DFUDPHQWR &LW\ 8QLILHG 6FKRRO 'LVWULFW DV
WKH \HDU HQGHG -XQH UHODWHG QRWHV WR WKH ILQDQFLDO VWDWHPHQWV ZKLFK F
FRPSULVH 6DFUDPHQWR &LW\ 8QLILHG 6FKRRO 'LVWULFW¶V EDVLF ILQDQFLDO VWDWHPHQWV DV OLVWHG LQ WKH WDEOH RI
FRQWHQWV

Management's Responsibility for the Financial Statements

0DQDJHPHQW LV UHVSRQVLEOH IRU WKH SUHSDUDWLRQ DQG IDLU SUHVHQWDWLRQ RI WKHVH ILQDQFLDO VWDW
DFFRUGDQFH ZLWK DFFRXQWLQJ SULQFLSOHV JHQHUDOO\ DFFHSWHG LQ WKH 8QLWHG 6WDWHV RI $PHULFD WK
WKH GHVLJQ LPSOHPHQWDWLRQ DQG PDLQWHQDQFH RI LQWHUQDO FRQWURO UHOHYDQW WR WKH SUHSDUDW
SUHVHQWDWLRQ RI ILQDQFLDO VWDWHPHQWV WKDW DUH IUHH IURP PDWHULDO PLVVWDWHPHQW ZKHWKHU GX
HUURU

Auditor's Responsibility

2XU UHVSRQVLELOLW\ LV WR H[SUHVV RSLQLRQV RQ WKHVH ILQDQFLDO VWDWHPHQWV EDVHG RQ RXU DXGLW
RXU DXGLW LQ DFFRUGDQFH ZLWK DXGLWLQJ VWDQGDUGV JHQHUDOO\ DFFHSWHG LQ WKH 8QLWHG 6WDWHV RI
WKH VWDQGDUGV DSSOLFDEOH WR ILQDQFLDO DXGLWV FRQWDLQHG LQ Government Auditing Standards LVVXHG E\ WKH
&RPSWUROOHU *HQHUDO RI WKH 8QLWHG 6WDWHV 7KRVH VWDQGDUGV UHTXLUH WKDW ZH SODQ DQG SHUIRUP
REWDLQ UHDVRQDEOH DVVXUDQFH DERXW ZKHWKHU WKH ILQDQFLDO VWDWHPHQWV DUH IUHH IURP PDWHULDO

$Q DXGLW LQYROYHV SHUIRUPLQJ SURFHGXUHV WR REWDLQ DXGLW HYLGHQFH DERXW WKH DPRXQWV DQG GLVF
WKH ILQDQFLDO VWDWHPHQWV 7KH SURFHGXUHV VHOHFWHG GHSHQG RQ WKH DXGLWRU¶V MXGJPHQW LQFOXGLQJ WKH
DVVHVVPHQW RI WKH ULVNV RI PDWHULDO PLVVWDWHPHQW RI WKH ILQDQFLDO VWDWHPHQWV ZKHWKHU GXH
HUURU ,Q PDNLQJ WKRVH ULVN DVVHVVPHQWV WKH DXGLWRU FRQVLGHUV LQWHUQDO FRQWURO UHOHYDQW
SUHSDUDWLRQ DQG IDLU SUHVHQWDWLRQ RI WKH ILQDQFLDO VWDWHPHQWV LQ RUGHU WR GHVLJQ DXGLW SURFH
DSSURSULDWH LQ WKH FLUFXPVWDQFHV EXW QRW IRU WKH SXUSRVH RI H[SUHVVLQJ DQ RSLQLRQ RQ WKH HI
WKH HQWLW\¶V LQWHUQDO FRQWURO $FFRUGLQJO\ ZH H[SUHVV QR VXFK RSLQLRQ $Q DXGLW DOVR LQFOX
WKH DSSURSULDWHQHVV RI DFFRXQWLQJ SROLFLHV XVHG DQG WKH UHDVRQDEOHQHVV RI VLJQLILFDQW DFFR
HVWLPDWHV PDGH E\ PDQDJHPHQW DV ZHOO DV HYDOXDWLQJ WKH RYHUDOO SUHVHQWDWLRQ RI WKH ILQ
VWDWHPHQWV

:H EHOLHYH WKDW WKH DXGLW HYLGHQFH ZH KDYH REWDLQHG LV VXIILFLHQW DQG DSSURSULDWH WR SURYLG
RXU DXGLW RSLQLRQV

Opinions

,Q RXU RSLQLRQ WKH ILQDQFLDO VWDWHPHQWV UHIHUUHG WR DERYH SUHVHQW IDLUO\ LQ DOO PDWHULDO UHVSHFWV
UHVSHFWLYH ILQDQFLDO SRVLWLRQ RI WKH JRYHUQPHQWDO DFWLYLWLHV HDFK PDMRU IXQG DQG WKH DJJUHJD
IXQG LQIRUPDWLRQ RI 6DFUDPHQWR &LW\ 8QLILHG 6FKRRO 'LVWULFW DV RI -XQH DQG WKH UHVSH
FKDQJHV LQ ILQDQFLDO SRVLWLRQ DQG ZKHUH DSSOLFDEOH FDVK IORZV WKHUHRI IRU WKH \HDU WKHQ HQ
DFFRUGDQFH ZLWK DFFRXQWLQJ SULQFLSOHV JHQHUDOO\ DFFHSWHG LQ WKH 8QLWHG 6WDWHV RI $PHULFD

&RQWLQXHG

Emphasis of Matter

$V GLVFXVVHG LQ 1RWH   WR WKH ILQDQFLDO VWDWHPHQWV WKH 'LVWULFW DGRSWHG *RYHUQPHQWDO
6WDQGDUGV %RDUG *$6% 6WDWHPHQW 1R   5HSRUWLQJ IRU 3RVW)LQ
%HQHILWV 2WKHU WKDQ 3HQVLRQV 7KH 6WDWHPHQW LQ D FXPX
DGMXVWPHQW WR WKH 'LVWULFW V -

,Q DFFRUGDQFH ZLWK Government Auditing Standards ZH KDYH DOVR LVVXHG RXU UHSRUW GD
RQ RXU FRQVLGHUDWLRQ RI 6DFUDPHQWR &LW\ 7UDQVLW ¶V LQWHUQDO FRQWURO
UHSRUWLQJ DQG RQ RXU WHVWV RI LWV FRPSOLDQFH ZLWK FHUWDLQ SURYLVLRQV
JUDQW DJUHHPHQWV DQG RWKHU PDWWHUV 7KH SXUSRVH RI WKDW UHSRUW
LQWHUQDO FRQWURO RYHU ILQDQFLDO UHSRUWLQJ DQG FRPSOLDQFH DQG
DQ RSLQLRQ RQ LQWHUQDO FRQWURO RYHU ILQDQFLDO UHSRUWLQJ DQG
DQ DXGLW SHUIRUPHG LQ DFFRUGDQFH ZLWK Government Auditing Standards
8QLILHG 6FKRRO 'LVWULFW ¶V LQWHUQDO FRQWURO RYHU ILQDQFLDO U

&URZH //3

6DFUDPHQWR &DOLIRUQLD
1RYHPEHU

0DQDJHPHQW¶V 'LVFXVVLRQ DQG $QDO\VLV

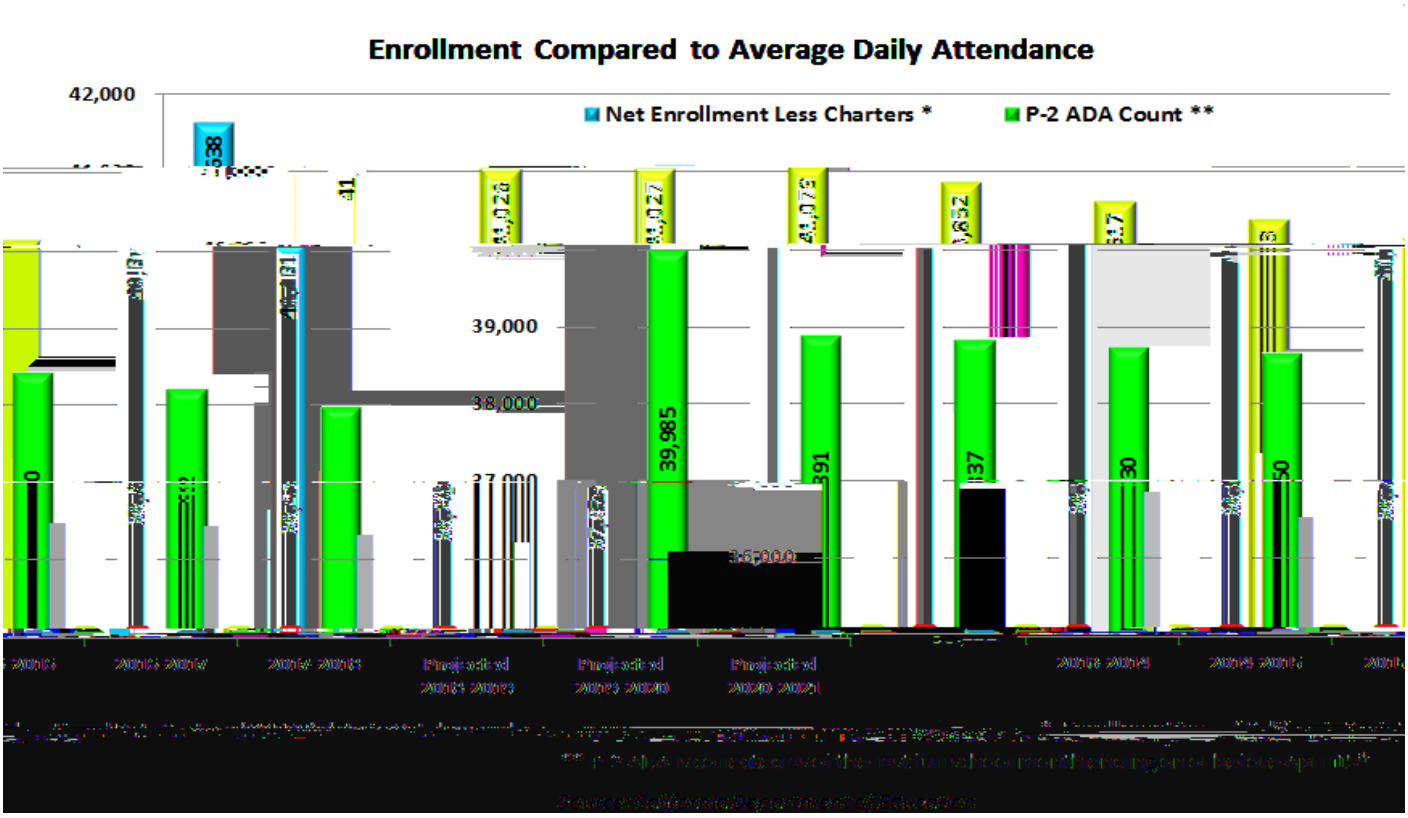
0L°HSTQG TQDOL€FXpLRQ Ë€4Q€G Rp VR
%RDUG DQG WKH SXEOLF 7KH 0' $ L
6WDQGDUGV %RDUG *$6% LQ WKHLU
LQ WKLV GRFXPHQW

'LVWULFW 2YHUYLHZ

6DFUDPHQWR &LW\ 8QLILHG 6FKRRO
VFKRRO GLVWULFW LQ &DOLIRUQLD
UHVLGHQWV LQ DQG DURXQG 6DFUD
6DFUDPHQWR &RXQW\ 6XSHULQWHQG
XQGHU &DOLIRUQLD (GXFDWLRQ &RG

)RU ILVFDO \HDU WKH 'LV
HOHPHQWDU\ PLGGOH VFKRROV JUD
VHYHQ KLJK VFKRROV JUDGHV
HGXFDWLRQ FHQWHUV DQG ILIWHHQ
FHQWHUV SUHVFKRROV VHUYLQJ LQI

7KH JUDSK EHORZ VKRZV WKH 'LVWUI
'LVWULFW¶V HQUROOPHQW DQG DYH
IXQGHG EDVHG RQ LWV $'$ ZKLFK LRV
DSSUR[LPDWHO\ $'$ WR HQUROOPI



*RYHUQDQFH

6WUDWHJLF 3ODQ DQG *XLGLQJ 3ULQFLSOH

” 2SHUDWLRQDO ([FHOOHQFH %H D VHUYLFH FRQVFLRXV HQYLURQPHQW

VWDII DQG FRPPXQLW\ ZLWK HIILFLHQW VHUYLFHV

SRLQW RI FRQWDFW DFURVV WKH GLVWULFW

'LVWULFW ZLGH)LQDQFLDO &RQGLWLRQ

2WKHU DVVHWV LQFOXGH FDVK LQYHVWPHQWV DQG GHIHUUHG RXWIORZV RI UHVRXUFHV
DVVHWV RI LV PRVWO\ D UHDOLJQPHQW RI OHDVHV DQG FDVK %XLOGLQJ)XQG
WKH SULRU \HDU 7KH %XLOGLQJ)XQG FDVK 'DWD FROOHFWLRQ VD DGMXVWHG DW
0HDVXUHV 4 DQG 5 *HQHUDO 2EOLJDWLRQV %RQGV

7KH 'LVWULFW HQGHG WKH \HDU ZLWK WRWDO XQUHVWULFWHG QHW SRVLWLRQ RI EOLJDWLRQV RI
OLDELOLWLHV RI LV PDLQO\ GXH WR WKH LQFUHDVH LQ WKH 2WKHU 3RVW
 23(% OLDELOLW\ XQGHU *$6% 6WDWHPHQW 1R OLDELOLW\ LQFUHDVHG
DV ZHOO DV WKH FKDQJH LQ 23(% DFFRXQWLQJ WUHDWPHQW DQG IRUHFDVW
2XWIORZV DQG 'HIHUUHG ,QIORZV RI 5HVRXUFHV

'LVWULFW ZLGH)LQDQFLDO &RQGLWLRQ

7KH 6WDWHPHQW RI $FWLYLWLHV LV HQDWGLWKDWWLFHWSRUGHVIWQKHQ'LVDWUL
RWKHU GLVWULFW DFWLYLWLHV DQG DWQKH JUHQVHRXUFHDV WKDW LXHQ GR L
ILQDQFLDO LQIRUPDWLRQ IRU WKH \HDU HQGHG RQ -XQH WDEOH SUHVHQWV

	-XQH	-XQH		9DULDQFH
([SHQVHV				

7KH 'LVWULFW RYHUDOO H[SHULHQFHG D GHFUHDVH LQ DQ HVWLPDWHG SHUVLVW
\HDU RI 7RWDO UHYHQXHV LQFUHDVHG SURPSDUHG WR
H[SHQGLWXUHV LQFUHDVHG E\ RU

7KLV \HDU¶V GHFUHDVH LQ $OO 2WKHU ([SHQVHV DQG 2XWJ`P†\U pDA
QV p• ¹WF„ P("„Žñ 0

)XQG)LQDQFLDO 6WDWHPHQWV

7KH IXQG ILQDQFLDO VWDWHPHQWV SURYLGH PRUH GHWDLOHG LQIRUPDWLRQ DERXW WKH 'LVWULFW'V PRVW
IXQG FRQVLVWV RI D VHOI EDODQFLQJ VHW RI DFFRXQWV WKDW WKH
VSHQGLQJ RQ SDUWLFXODU SURJUDPV

- 6RPH IXQGV DUH UHTXLUHG E\ 6WDWH ODZ DQG E\ ERQG FRYHQD

- 7KH 'LVWULFW HVWDEOLVKHV RWKHU IXQGV WR FRQWURO DQG PDQDJH
  FDIHWHULD IXQGV RU WR VKRZ WKDW LW LV PHHWLQJ OHJDO UHVSRQVLELOLWLHV

7KH 'LVWULFW KDV WKUHH NLQGV RI IXQGV

- *RYHUQPHQWDO)XQGV 0RVW RI WKH 'LVWULFW'V EDVLF VHUYLFHV DUH LQFOXGHG LQ JRYHUQPHQWDO
  IRFXV RQ   KRZ FDVK DQG RWKHU ILQDQFLDO DVVHWV WKDW FDQ
  DQG   WKH EDODQFHV OHIW DW \HDU HQG WKDW DUH DYDLODEOH
  IXQGV VWDWHPHQWV SURYLGH D GHWDLOHG VKRUW WHUP YLHZ
  IHZHU ILQDQFLDO UHVRXUFHV WKDW FDQ EH VSHQW LQ WKH QHDU
  WKLV LQIRUPDWLRQ GRHV QRW HQFRPSDVV WKH DGGLWLRQDO
  SURYLGH DGGLWLRQDO LQIRUPDWLRQ DW WKH ERWWRP RI WKH
  UHODWLRQVKLS RU GLIIHUHQFHV EHWZHHQ WKHP

- 3URSULHWDU\ )XQGV 6HUYLFHV IRU ZKLFK WKH 'LVWULFW FKDUJHV
  IXQGV 3URSULHWDU\ IXQGV DUH UHSRUWHG LQ WKH VDPH ZD\
  RQH W\SH RI SURSULHWDU\ IXQG DUH WKH VDPH EXW SURYLGH
  DGGLWLRQDO LQIRUPDWLRQ VXFK DV FDVK IORZV
  DFWLYLWLHV ,QWHUQDO VHUYLFH IXQGV DUH XVHG WR UHSRUW
  VXSSOLHV DQG VHUYLFHV IRU WKH 'LVWULFW'V RWKHU SURJUDPV
  LQWHUQDO VHUYLFH IXQG WKH 6HOI LQVXUDQFH &RPSHQVDWLRQ

-)LGXFLDU\ )XQGV 7KH 'LVWULFW LV WKH WUXVWHH IRU
  VFKRODUVKLS IXQG DQG VWXGHQW DFWLYLWLHV IXQGV 7KH 'LV

*HQHUDO)XQG)LQDQFLDO DQG %XGJHWDU\ +LJKOLJKWV

7KH *HQHUDO)XQG DFFRXQWV IRU WKH SULPDU\ JRYHUQPHQWDO DFWLYLWLHV RI WKH FLW\ DQG DUH FRQWUROOHG PRVW RI WKH FLW\¶V EDVLF VHUYLFHV 7KHVH DFWLYLWLHV LQFOXGH SROLFH ILUH DQG HPHUJHQF\ PHGLFDO VHUYLFHV VWUHHW PDLQWHQDQFH SDUNV DQG UHFUHDWLRQ OLEUDULHV DQG FXOWXUDO DIIDLUV &RPPXQLW\ 'HYHORSPHQW &LW\ 3ODQQLQJ &RGH (QIRUFHPHQW &RPPXQLW\ +RXVLQJ DQG %XLOGLQJ 3HUPLWV DQG ,QVSHFWLRQV

7KH *HQHUDO)XQG DFFRXQWV IRU WKH FLW\¶V SULPDU\ JRYHUQPHQWDO DFWLYLWLHV RI WKH FLW\ DQG DUH FRQWUROOHG PRVW RI WKH FLW\¶V EDVLF VHUYLFHV 7KHVH DFWLYLWLHV LQFOXGH SROLFH ILUH DQG HPHUJHQF\ PHGLFDO VHUYLFHV VWUHHW PDLQWHQDQFH SDUNV DQG UHFUHDWLRQ OLEUDULHV DQG FXOWXUDO DIIDLUV &RPPXQLW\ 'HYHORSPHQW &LW\ 3ODQQLQJ &RGH (QIRUFHPHQW &RPPXQLW\ +RXVLQJ DQG %XLOGLQJ 3HUPLWV DQG ,QVSHFWLRQV

$GGLWLRQDOO\ WKH 'LVWULFW¶V &DSLWDO 3URMHFWV)XQG DFFRXQWV IRU WKH FRQVWUXFWLRQ RU DFTXLVLWLRQ RI PDMRU FDSLWDO IDFLOLWLHV DQG RWKHU FDSLWDO DVVHWV

IRU WKH \HDU HQGHG -XQH

[redacted]

H< WR UF (QUG U %QXG
U YHQGV S ØDV R G WG
R L D WH G X P LGG/ \ I
VK R/RXOF K, PDSU R Y H
H * U D Q W V

G%J X H GJ E W WZZDHMH C
YU X…•P X„ Q 4T‰r 0
J R U L F 0 J 5 H Y H F

'LVWULFW 5HVHUYHV DQG 1HW (QGLQJ %DODQFH

5HYHQXHV WKDW KDYH QRW EHHQ H[SHQGHG GXULQJ D ILVFDO \HDU
\HDU DQG DUH LGHQWLILHG DV WKH ',VWULFW¶V ³1HW (QGLQJ %DODQFH´
LV D ³UHVHUYH IRU HFRQRPLF XQFHUWDLQWLHV´ RI 7RWDO 6WDWH 6RXUFHV
RI RXU EXGJHWHG H[SHQGLWXUHV WR FRYHU XQH[SHFWHG H[SHQVHV
EXGJHWHG $OVR LQFOXGHG LQ WKH QHW HQGLQJ EDODQFH DUH
RQO\ EH XVHG IRU VSHFLILF SXUSRVHV
E\ WKH JUDQWRU DQG WKH EDODQFH

7KH 'LVWULFW DOVR KDV WKH RSWLRQ
%RDUG RI (GXFDWLRQ WR GHVLJQDWH
DUH FRPPLWWHG WKH DPRXQWV FDQQRW
FKDQJH WKH FRQVWUDLQWV IRU WKH
$VVLJQHG HQGLQJ EDODQFHV DUH FRQVWUDLQHG
H[DPSOH RI DVVLJQPHQW LV GHVLJQDWLQJ

7KH FKDUW EHORZ UHSUHVHQWV WKH

(QGLQJ)XQG %DODQFHV	-XQH	-XQH
)XQG *HQHUDO		
)XQG &KDUWHU 6FKRROV		
)XQG $GXOW (GXFDWLRQ		
)XQG &KLOG 'HYHORSPHQW		
)XQG &DIHWHULD		
)XQG 'HIHUUHG 0DLQWHQDQFH		
)XQG %XLOGLQJ		
)XQG 'HYHORSHU)HHV		
)XQG &RPPXQLW\ )DFLOLWLHV		
)XQG %RQG ,QWHUHVW DQG 5HGHPSWLRQ		
)XQG 6HOI ,QVXUDQFH		

&DSLWDO 3URMHFWV

0RGHUQL]DWLRQ DQG FRQVWUXFWLRQ [illegible]
FRQWLQXH WR FORVH RXW FRQVWUX [illegible]
FRQWLQXHV IDFLOLW\ LPSURYHPHQWV PRGHUQL]DWLRQ DQG FRQVWU [illegible]

'LVWULFW ,QGHEWHGQHVV

$V RI -XQH WKH 'LVWULFW KDV QR RXWVWDQGLQJ ORQJ WHUP OLDELOLWLHV
DUH *HQHUDO 2EOLJDWLRQ %RQGV EDFNHG E\ $G 9DORUHP SURSHUW\ WD[HV
E\ 'LVWULFW UHVLGHQWV LQ DQG 0HDVXUH 5 5HYHQXH %RQGV EDFNHG
&RPPXQLW\ )DFLOLWLHV IXQGV

2YHU RI RXU ORQJ WHUP GHEW LV RXU 2WKHU 3RVW (PSOR\PHQW %HQHILWV
FRQWLQXHV WR SURYLGH OLIHWLPH EHQHILWV WR DOO HOLJLEOH UHWLUHHV
RXU UHFRJQL]HG QHW 23(% OLDELOLW\ GLUHFWO\ UHODWHG WR RXU SHQVLRQ
WR

)LQDQFLDO 2XWORRN

$ FRQWLQXHG GHFOLQH LQ $'$ LQFUHDVHG SHQVLRQ FRVWV
DQG KHDOWK SUHPLXP LQFUHDVHV DQG FRQWLQXHG XQFHUWDLQW\
8QLILHG 6FKRRO 'LVWULFW 7KH GHYHORSPHQW RI WKH EXGJHW
6WDWH %XGJHW DQG HQUROOPHQW FKDQJHV

7KH 'LVWULFW LV ZRUNLQJ ZLWK WKH 6DFUDPHQWR &RXQW\ 2IILFH RI (GXFDWLRQ
IXWXUH ILVFDO VWDELOLW\ :KLOH WKH DSSURYHG EXGJHW
EXGJHW UHSRUWLQJ LV WR SURYLGH D EDODQFHG EXGJHW
FOHDUHU RQFH WKH -DQXDU\ *RYHUQRU¶V SURSRVHG EXGJHW
PHDQWLPH WKH 'LVWULFW LV ZRUNLQJ ZLWK LWV SDUWQHUV
RXWORRN

%$6,&),1$1&,$/ 67$7(0(176

*RYHUQPHQWDO
$FWLYLWLHV

$66(76

&DVK DQG LQYHVWPHQWV 1RWH
5HFHLYDEOHV
3UHSDLG H[SHQVHV
6WRUHV LQYHQWRU\
1RQ GHSUHFLDEOH FDSLWDO DVVHWV 1RWH
'HSUHFLDEOH FDSLWDO DVVHWV QHW RI DFFXPXODWHG
GHSUHFLDWLRQ 1RWH

7RWDO DVVHWV

'()(55(' 287)/2:6 2) 5(6285&(6

'HIHUUHG RXWIORZV RI UHVRXUFHV SHQVLRQV 1RWHV DQG
'HIHUUHG RXWIORZV RI UHVRXUFHV 23(% 1RWH
'HIHUUHG ORVV RQ UHIXQGLQJ RI GHEW

7RWDO GHIHUUHG RXWIORZV RI UHVRXUFHV

/,$%,/,7,(6

$FFRXQWV SD\DEOH
8QSDLG FODLPV DQG FODLP DGMXVWPHQW H[SHQVHV 1RWH
8QHDUQHG UHYHQXH
/RQJ WHUP OLDELOLWLHV 1RWH
'XH ZLWKLQ RQH \HDU
'XH DIWHU RQH \HDU

7RWDO OLDELOLWLHV

'()(55(' ,1)/2:6 2) 5(6285&(6

'HIHUUHG LQIORZV RI UHVRXUFHV 23(% 1RWH
'HIHUUHG LQIORZV RI UHVRXUFHV SHQVLRQV 1RWHV DQG

7RWDO GHIHUUHG LQIORZV RI UHVRXUFHV

1(7 326,7,21

1HW LQYHVWPHQW LQ FDSLWDO DVVHWV
5HVWULFWHG
/HJDOO\ UHVWULFWHG SURJUDPV
&DSLWDO SURMHFWV
'HEW VHUYLFH
8QUHVWULFWHG

7RWDO QHW SRVLWLRQ

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2) $&7,9,7,(6
)RU WKH <HDU (QGHG -XQH

		3URJUDP 5HYHQXHV			1HW ([SHQVH 5HYHQXH DQG &KDQJHV LQ 1HW 3RVLWLRQ
	([SHQVHV	&KDUJHV)RU 6HUYLFHV	2SHUDWLQJ *UDQWV DQG &RQWULEXWLRQV	&DSLWDO *UDQWV DQG &RQWULEXWLRQV	*RYHUQPHQWDO $FWLYLWLHV
*RYHUQPHQWDO DFWLYLWLHV					
,QVWUXFWLRQ					
,QVWUXFWLRQ UHODWHG VHUYLFHV					
6XSHUYLVLRQ DQG DGPLQLVWUDWLRQ					
/LEUDU\ PHGLD DQG WHFKQRORJ\					
6FKRRO VLWH DGPLQLVWUDWLRQ					
3XSLO VHUYLFHV					
+RPH WR VFKRRO WUDQVSRUWDWLRQ					

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
%$/$1&(6+((7
*29(510(17$/)81'6
-XQH

%RQG
,QWHUHVW DQG $OO 7RW
*HQHUDO %XLOGLQJ 5HGHPSWLRQ 1RQ 0DMRU
)XQG)XQG)XQGV)XQGV)XQGV

$66(76

&DVK DQG LQYHVWPHQWV
&DVK LQ &RXQW\ 7UHDVXU\
&DVK RQ KDQG DQG LQ EDQNV
&DVK LQ UHYROYLQJ IXQG
&DVK ZLWK)LVFDO $JHQW
5HFHLYDEOHV
'XH IURP JUDQWRU JRYHUQPHQWV

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
5(&21&,/,$7,21 2) 7+(*29(510(17$/)81'6 %$/$1&(6+((7
72 7+(67$7(0(17 2) 1(7 326,7,21
-XQH

7RWDO IXQG EDODQFHV *RYHUQPHQWDO)XQGV

$PRXQWV UHSRUWHG IRU *RYHUQPHQWDO)XQGV DUH GLIIHUHQW EHFDXVH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2) 5(9(18(6 (;3(1',785(6 $1'
&+$1*(,1)81' %$/$1&(6
*29(510(17$/)81'6
)RU WKH <HDU (QGHG -XQH

%RQG
,QWHUHVW DQG $OO 7R

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
5(&21&,/,$7,21 2) 7+(67$7(0(17 2) 5(9(18(6 (;3(1',785(6 $1'
&+$1*(,1)81' %$/$1&(6 *29(510(17$/)81'6
72 7+(67$7(0(17 2) $&7,9,7,(6
)RU WKH <HDU (QGHG -XQH

1HW FKDQJH LQ IXQG EDODQFHV 7RWDO *RYHUQPHQWDO)XQGV

$PRXQWV UHSRUWHG DFURVV LQWHUQDO DQG H[WHUQDO VWDWHPHQW R
DFWLYLWLHV DUH GLIIHUHQW EHFDXVH

$FTXLVLWLRQ RI FDSLWDO DVVHWV LV DQ H[SHQGLWXUH LQ WK
JRYHUQPHQWDO IXQGV EXW LQFUHDVHV FDSLWDO DVVHWV LQ WK
VWDWHPHQW RI QHW SRVLWLRQ 1RWH

'HSUHFLDWLRQ RI FDSLWDO DVVHWV LV DQ H[SHQVH WKDW LV QR
UHFRUGHG LQ WKH JRYHUQPHQWDO IXQGV 1RWH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2))81' 1(7 326,7,21 35235,(7$5<)81'
6(/) ,1685$1&( )81'
-XQH

$66(76

&XUUHQW DVVHWV
&DVK DQG LQYHVWPHQWV
&DVK LQ &RXQW\ 7UHDVXU\
&DVK RQ KDQG DQG LQ EDQNV
&DVK ZLWK)LVFDO $JHQW
5HFHLYDEOHV

7RWDO FXUUHQW DVVHWV

/,$%,/,7,(6

&XUUHQW OLDELOLWLHV
$FFRXQWV SD\DEOH
'XH WR 2WKHU)XQGV
8QSDLG FODLPV DQG FODLP DGMXVWPHQW H[SHQVHV

7RWDO FXUUHQW OLDELOLWLHV

1(7 326,7,21

8QUHVWULFWHG

6HH DFFRPSDQ\LQJ QRWHV WR WKH ILQDQFLDO VWDWHP

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2) &+$1*(,1
1(7 326,7,21 35235,(7$5<)81'
6(/) ,1685$1&( )81'
)RU WKH <HDU (QGHG -XQH

2SHUDWLQJ UHYHQXHV	
6HOI LQVXUDQFH SUHPLXPV	
2WKHU ORFDO UHYHQXH	
7RWDO RSHUDWLQJ UHYHQXHV	
2SHUDWLQJ H[SHQVHV	
&ODVVLILHG VDODULHV	
(PSOR\HH EHQHILWV	
%RRNV DQG VXSSOLHV	
&RQWUDFW VHUYLFHV	
7RWDO RSHUDWLQJ H[SHQVHV	
1HW RSHUDWLQJ LQFRPH	
1RQ RSHUDWLQJ LQFRPH	
,QWHUHVW LQFRPH	
&KDQJH LQ QHW SRVLWLRQ	
7RWDO QHW \SRVLWLRQ -XO	
7RWDO QHW SRVLWLRQ -XQH	

6HH DFFRPSDQ\LQJ QRWHV WR WKH ILQDQFLDO VWDWHP

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2) &$6+)/2:6 35235,(7$5<)81'
6(/) ,1685$1&( )81'
)RU WKH <HDU (QGHG -XQH

&DVK IORZV IURP RSHUDWLQJ DFWLYLWLHV
&DVK UHFHLYHG IURP VHOI LQVXUDQFH SUHPLXPV
&DVK SDLG IRU HPSOR\HH EHQHILWV
&DVK SDLG IRU RWKHU H[SHQVHV

1HW FDVK SURYLGHG E\ RSHUDWLQJ DFWLYLWLHV

&DVK IORZV SURYLGHG E\ LQYHVWLQJ DFWLYLWLHV
,QWHUHVW LQFRPH UHFHLYHG

&KDQJH LQ FDVK DQG LQYHVWPHQWV

&DVK DQG LQYH\VWPHQWV -XO

&DVK DQG LQYHVWPHQWV -XQH

5HFRQFLOLDWLRQ RI QHW RSHUDWLQJ LQFRPH WR QHW FDVK SURYLGHG
RSHUDWLQJ DFWLYLWLHV
1HW RSHUDWLQJ LQFRPH
$GMXVWPHQWV WR UHFRQFLOH QHW RSHUDWLQJ LQFRPH WR QHW FDV
SURYLGHG E\ RSHUDWLQJ DFWLYLWLHV
,QFUHDVH LQ
5HFHLYDEOHV
'HFUHDVH LQFUHDVH LQ
8QSDLG FODLPV DQG FODLP DGMXVWPHQW H[SHQVHV
$FFRXQWV SD\DEOH
'XH WR RWKHU IXQGV

7RWDO DGMXVWPHQWV

1HW FDVK SURYLGHG E\ RSHUDWLQJ DFWLYLWLHV

6HH DFFRPSDQ\LQJ QRWHV WR WKH ILQDQFLDO VWDWHP

	7UXVW)XQG	$JHQF\ )XQGV		
	6FKRODU VKLS 7UXVW	6WXGHQW %RG\ )XQGV	3DVV 7KURXJK)XQG	:DUUDQ
$66(76				
&DVK DQG LQYHVWPHQWV 1RWH &DVK LQ &RXQW\ 7UHDVXU\ &DVK RQ KDQG DQG LQ EDQNV				
5HFHLYDEOHV				
6WRUHV LQYHQWRU\				
7RWDO DVVHWV				
/,$%,/,7,(6				
'XH WR VWXGHQW JURXSV				
$FFRXQWV SD\DEOH				
7RWDO OLDELOLWLHV				
1(7 326,7,21				
5HVWULFWHG IRU VFKRODUVKLSV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
67$7(0(17 2) &+$1*(,1),'8&,$5< 1(7 326,7,21
75867)81'
)RU WKH <HDU (QGHG -XQH

6FKRODUVKLS
7UXVW

$GGLWLRQV
2WKHU ORFDO VRXUFHV _____

'HGXFWLRQV
&RQWUDFW VHUYLFHV DQG RSHUDWLQJ
H[SHQGLWXUHV _____

127(± 6800$5< 2) 6,*1,),&$17 $&&2817,1* 32/,&,(6

127(± 6800$5< 2) 6,*1,),&$17 $&&2817,1* 32/,&,(6 &RQWLQXHG

<u>%DVLV RI 3UHVHQWDWLRQ</u> 7KH IXQGDPHQWDO ILQDQFLDO VWDWHPHQWV ... WKH E

127(± 6800$5< 2) 6,*1,),&$17 $&&2817,1* 32/,&,(6 &RQWLQXHG

6WXGHQW %RG\ )XQGV DUH XVHG WR DFFRXQW IRU WKH UHYHQXH DQG WKH
RUJDQL]DWLRQV \$OO VFHDWK DQG DOO VHL DEDLOLWLUVLWH V WRXGWHKQW ERGLHV RI W
DFFRXQWHG IRU LQ 6WXGHQW %RG\ )XQGV DV WKH 3DUDV :DWKURXJK)XQG UHSR
DJHQF\ IXQGV

%DVLV RI $FFRXQWLQJ %DVLV RI DFFRXQWLQJ UHIHUV WR ZKHQ UHYHQXHV DQG
UHFRJQL]HG LQ WKH DFFRXQWV DQG UHSRUWHG LQ WKH ILQDQFLDO VWDWHPHQWV

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 6800$5< 2) 6,*1,),&$17 $&&2817,1* 32/,&,(6 &RQWLQXHG

1HW 3RVLWLRQ 1HW 3RVLWLRQ LV GLVSOD\HG LQ WKUHH FRPSRQHQWV

1HW ,QYHVWPHQW LQ &DSLWDO $VVHWV 7KLV FRPSRQHQW RI QHW SRVLWLRQ FRQVLVWV RI FDSLWDO DVVHWV QHW RI DFFXPXODWHG GHSUHFLDWLRQ DQG UHGXFHG E\ WKH RXWVWDQGLQJ EDODQFHV RI DQ\ ERQGV QRWHV RU RWKHU ERUURZLQJV WKDW DUH DWWULEXWDEOH WR WKH DFTXLVLWLRQ FRQVWUXFWLRQ RU LPSURYHPHQW RI WKRVH DVVHWV

5HVWULFWHG 1HW 3RVLWLRQ 7KLV FRPSRQHQW RI QHW SRVLWLRQ FRQVLVWV RI FRQVWUDLQWV SODFHG RQ QHW SRVLWLRQ XVH WKURXJK H[WHUQDO FRQVWUDLQWV LPSRVHG E\ FUHGLWRUV JUDQWRUV FRQWULEXWRUV RU ODZV RU UHJXODWLRQV RI RWKHU JRYHUQPHQWV RU FRQVWUDLQWV LPSRVHG E\ ODZ WKURXJK FRQVWLWXWLRQDO SURYLVLRQV RU HQDEOLQJ OHJLVODWLRQ DSSURSULDEOH IRU H[SHQGLWXUH RU DQ\ SRUWLRQ WKDW LV OHJDOO\ UHVWULFWHG WR VSHFLILF H[SHQGLWXUHV 7KH GLVWULFW UHSRUWV QHW SRVLWLRQ DV UHVWULFWHG ZKHQ WKHUH LV D UHVWULFWLRQ IRU FDSLWDO WKH 'LVWULFW SODQQHG WR H[SHQG RQ WKHVH LWHPV UHSUHVHQWV WKH SRUWLRQ RI QHW DVVHWV UHVWULFWHG IRU FDSLWDO SURMHFWV UHSUHVHQWV WKH SRUWLRQ RI QHW SRVLWLRQ DYDLODEOH WR EH XVHG IRU 'LVWULFW ,W LV WKH 'LVWULFW V

127(± 6800$5< 2) 6,*1,),&$17 $&&2817,1* 32/,&,(6 &RQWLQXHG

' $VVLJQHG)XQG %DODQFH

7KH DVVLJQHG IXQG EDODQFH UHIOHFWV WKH DPRXQWV WKDW %RDUG RI (GX
DSSURYHG WR EH XVHG IRU VSHFLILF SXUSRVHV WKDW DUH QRW DVVLJQHG WR 'LV
SXUSRVHV 7KH %RDUG RI (GXFDWLRQ KDV GHOHJDWHG WKH DXWKRULW\ WR DVVLJQ IXQ
KRZHYHU DV RI -XQH QR VXFK GHVLJQDWLRQ KDV RFFXUUHG

(8QDVVLJQHG)XQG %DODQFH

,Q WKH *HQHUDO)XQG RQO\ WKH XQDVVLJQHG IXQG EDODQFH UHSUHVHQWV WKH DPRXQW
KDV QRW EHHQ DVVLJQHG WR RWKHU IXQGV DQG WKDW KDV QRW EHHQ UHVWULFWHG
SXUSRVHV

,Q DQ\ IXQG RWKHU WKDQ WKH *HQHUDO)XQG D QHJDWLYH XQDVVLJQHG IXQG EDODQFH
DPRXQWV LQ DQ\ RWKHU IXQG DUH DVVXPHG WR KDYH EHHQ XVHG IRU WKH SXUSRVH
+RZHYHU GHILFLWV LQ DQ\ IXQG LQFOXGLQJ WKH *HQHUDO)XQG DUH HOLPLQDWHG E\ U
HOLPLQDWLQJ DPRXQWV DVVLJQHG WR RWKHU SXUSRVHV LQ WKH IXQG

)XQG %DODQFH 3ROLF\ 7KH 'LVWULFW KDV DQ H[SHQGLWXUH SROLF\ UHODWLQJ WR IXQG EDODQFHV
IXQG EDODQFH FODVVLILFDWLRQV H[SHQGLWXUHV DUH WR EH VSHQW IURP UHVWULFWHG IXQG EDODQFHV ILUVW IROORZHG LQ
RUGHU E\ FRPPLWWHG IXQG EDODQFH DVVLJQHG IXQG EDODQFH DQG ODVWO\ XQDVVLJQHG IXQG EDODQFH

:KLOH *$6% &RG 6HF DQG GR QRW HVWDEOLVK D PLQLPXP IXQG EDODQFH
SROLF\ RU D VWDELOL]DWLRQ DUUDQJHPHQW *$6% &RGH 6HF GLVFORVH WKH
PLQLPXP IXQG EDODQFH SROLF\ DQG VWDELOL]DWLRQ DUUDQJHPHQW
(GXFDWLRQ $W -XQH 'LVWULFW KDV QRW PDLQWDLQHG D PLQLPXP IXQG EDODQFH SROLF\
HVWDEOLVKHG D VWDELOL]DWLRQ DUUDQJHPHQW

3URSHUW\ 7D[HV 6HFXUHG SURSHUW\ WD[HV DUH DWWDFKHG DQQXDOO\ RQ -DQXDU\
7D[HV DUH GXH LQ WZR LQVWDOOPHQWV RQ RU EHIRUH 'HFHPEHU DQG $SULO
GXH LQ RQH LQVWDOOPHQW RQ RU EHIRUH 6DFUDPHQWR &RXQW\ EL OOV DQG FROOHFWV
'LVWULFW 7D[UHYHQXHV DUH UHFRJQL]HG E\ WKH 'LVWULFW ZKHQ UH

(QFXPEUDQFHV (QFXPEUDQFH DFFRXQWLQJ LV XVHG XQGHU ZKLFK SXUFKDVH RUGHUV FRQWUDFWV
DSSURSULDWLRQV IRU ZKLFK FRPPLWPHQWV KDYH EHHQ UHFRUGHG IRU (QFXPEUDQFHV
RUGHUV FRQWUDFWV DQG RWKHU FRPPLWPHQWV IRU WKH H[SHQGLWXUH RI PRQH\V DUH OLTXLG
-XQH

(OLPLQDWLRQV DQG 5HFODVVLILFDWLRQV ,Q WKH *RYHUQPHQW ZLGH VWDWHPHQWV RI
DQG WKH 6WDWHPHQW RI $FWLYLWLHV DOO LQWHUIXQG WUDQVDFWLRQV DQG EDODQFHV
JURVgLQJ XS HQWULHV LQ FHUWDLQ DFWLYLWLHV DQG OÇDELOLWLHV ZLWKLQ WKH ZRY

(VWÀ @p€`

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± &$6+ $1' ,19(670(176 &RQWLQXHG

&DVK ZLWK)LVFDO $JHQW &DVK ZLWK)LVFDO $JHQW LQ WKH *RYHUQPHQWDO)XQGV

)LVFDO $JHQWV UHSUHVHQWV FDVK KHOG E\ 2EOLJDWLRQ %RQGV 7

KHOG E\ WKH 6FKRRO 'LVWULFW ` 0=•À€ p0

127(± ,17(5)81' 75$16$&7,216 &217,18('

7UDQVIHUV FRQVLVWV RI IXQGV WUDQVIHUUHG LQ DQG RXW WKH ZKLFK UHVRXUFHV DUH WR EH H[SHQGHG

7UDQVIHUV IRU WKH ILVFDO \HDU ZHUH DV IROORZV

7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH &KDUWHU 6FKRROV)X VXVWDLQ 6DFUDPHQWR 1HZ 7HFK &KDUWHU 6FKRRO
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH &KDUWHU 6FKRRO)XQG GLVWULFW ZLGH VFKRRO FOLPDWH VXUYH\ LQFHQWLYH
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH &KDUWHU 6FKRRO)X UHYHQXH IURP FLYLF SHUPLWV JHQHUDWHG DW 1HZ -RVHSK %RQ &RPPXQLW\ &KDUWHU
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH $GXOW (GXFDWLRQ)X FRQWULEXWLRQ IRU SDUHQW HGXFDWLRQ IRU SUHVFKRRO FODVVHV
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH $GXOW (GXFDWLRQ)X FRQWULEXWLRQ WR JUDSKLF DUWV
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH &KLOG 'HYHORSPHQW) VXVWDLQ FKLOG GHYHORSPHQW SURJUDPV
7UDQVIHU IURP WKH *HQHUDO)XQG WR WKH &DIHWHULD)XQG WR U FKLOG QXWULWLRQ IRU EDG GHEW IRU QHJDWLYH PHDO DFFRXQWV
7UDQVIHU IURP WKH &KDUWHU 6FKRROV)XQG WR WKH *HQHUDO)X &KDUWHU)HHV
7UDQVIHU IURP WKH &KDUWHU 6FKRROV)XQG WR WKH *HQHUDO)X LQGLUHFW FRVWV
7UDQVIHU IURP WKH $GXOW (GXFDWLRQ)XQG WR *HQHUDO)XQG IRU FRVWV
7UDQVIHU IURP WKH &KLOG 'HYHORSPHQW)XQG WR WKH *HQHUDO) LQGLUHFW FRVWV
7UDQVIHU IURP WKH &DIHWHULD)XQG WR WKH *HQHUDO)XQG IRU FRVWV

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± &$3,7$/ $66(76

$ VFKHGXOH RI FKDQJHV LQ FDSLWDO DVVHWV DQG WKH WRWDO DPRXQW RI HDFK FODVV

	%DODQFH -XO\	7UDQVIHUV DQG $GGLWLRQV	7UDQVIHUV DQG 'HGXFWLRQV	%DODQFH -XQH
*RYHUQPHQWDO $FWLYLWLHV				
1RQ GHSUHFLDEOH				
/DQG				
:RUN LQ SURFHVV				
'HSUHFLDEOH				
%XLOGLQJV				
6LWH LPSURYHPHQWV				
(TXLSPHQW				
7RWDOV DW FRVW				
/HVV DFFXPXODWHG GHSUHFLDWLRQ				
%XLOGLQJV				
6LWH LPSURYHPHQWV				
(TXLSPHQW		[redacted]		
7RWDO DFFXPXODWHG GHSUHFLDWLRQ				
&DSLWDO DVVHWV QHW				

127(± 6(/) ,1685$1&(&/$,06

7KH 'LVWULFW KDV 6HOIW,QEVXUDKQHFGH D)XQRGU WHRSDFRFRXQWLVLRQ EHQHILWV GHQWDO EHQHILWV SDHQQGV DZRWULRNHHUSVO DFRPVSPYLVKRQH PSQORGHHHQWDO SODQV DU DQG FRQWUDFW ZLDWGKP LDQLWKWLUDGWSRDUHWRUVLEHQJHQH 8QWVLO SUR+\ DQG IU WKURXJK -XQH WKH ZRUNHUVLGFHRPSHQVDWLRQ XSSOLDWDRQ SURY SXUFKDVHG H[FHVV LQVXUDQFH IRU FOHDLPVP LRWYHU%WKHZHHQW D XQHVGWFRU -XQH DQG DIWHU-XKQH \'LVWULFWQVXUDQFHDVHRU LWKH ZRUNHUV FR FRYHUDJH

7KH OLDELOLW\ IRU XQSDLG FODLPV HQGHFVHDQLWPV DWGKH XVXWPHLQPDWHH[SHFRQVW KDYH EHHQ UHSRUWHG DEXWRQ RWDLPHWWRQEDXUKHYHEHHQQRW UHSRUWHG ZLOO EH SDLG LQ IXWXUH \HDUV 6HWWOHG FODLPV QRW XH[FHHGHG HUGR LQVXUDQFH FRYHUDJH LQ DQ\ RI WKH SDVW WKUHHQRIVFDO \HDUV 7KH LQVXUDQFH FRYHUDJH IURP FRYHUDJH LQ WKH SULRU \HDU

'LVWULFW PDQDJHPHQWKHOLHEHVSLWPV WDOOQDEDOH\ XSGDWHGRY FODLPV GDWD 'LVWULFW REWDLQV DQDQXDOODFWXDULDO VWXG\ WR SURGXFH FXU WKDW FRQVLGHU FODLPV KLVWRULFDO FRVW DQG WKH HIIHFWV RI SURMHFWLRQ LV ED RQ DQ DFWXDULDO VWXG\ GDWHG 0DUFK WKH \HDUV HQGHG -XQH DQG -XQH UHVSHFWLYHO\

7KH OLDELOLWLHV IRU XQSDLG FODLPV DQG FODLP DGMXVWPHQW H[SH

	-XQH	-XQH
8QSDLG FODLP DQG FODLP DGMXVWPHQW H[SHQVHV EHJLQQLQJ RI \HDU		
7RWDO LQFXUUHG FODLPV DQG FODLP DGMXVWPHQW H[SHQVHV		
7RWDO SD\PHQWV		
7RWDO XQSDLG FODLPV DQG FODLP DGMXVWPHQW H[SHQVHV DW HQG RI \HDU		

&RQWLQXHG

127(± /21* 7(50 /,$%,/,7,(6

*HQHUDO 2EOLJDWLRQ %RQGV

$ VXPPDU\ RI *HQHUDO 2EOLJDWLRQ %RQGV SD\DEOH DV RI -XQH

6HULHV	,QWHUHVW 5DWH	2ULJLQDO 0DWXULW\	%DODQFH -XO\	,VVXDQFH	&XUUHQW &XUUHQW &XUUHQW	&XUUHQW <HDU 0DWXUHG	<HDU 5HIXQGHG	%DODQF
&								
$								
%								
&								
&								
(								
&								

7KH 6HULHV ULDDQ %RQGV 6HDUH DXWKRUL]HG
WKH (OHFWLRQ RI DQG (OHFWLRQ RI SURSHUW\ WD[HV SD\DEOH IURP WK
6DFUDPHQWR

7KH DQQXDO UHTXLUHPHQWV WR DPRUWL]H *HQHUDO 2EOLJDWLRQ C ;DWLX€p ð@ 0

127(± /21* 7(50 /,$%,/,7,(6 &RQWLQXHG

7KH /HDVH 5HYHQXH 5HIXQGLQJ %RQGV LQ 6HULHV WHUHVW %RQGV EHDU... VFKHGXOHG WR PDWXUH WKURXJK DV IROORZV

<HDU (QGLQJ -XQH	3ULQFLSDO	,QWHUHVW	7RWDO

&DSLWDOL]HG /HDVH 7KH 'LVWULFW OHDVHV ...)XWXUH PLQLPXP OHDVH SD\PHQWV DUH DV IROORZV

[redacted]

<HDU (QGLQJ -XQH	/HDVH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± /21* 7(50 /,$%,/,7<(QGWLQXHG

3D\PHQWV RQ WKH *HQHUDO 2EOLJDWLRQ %RQG HVWDEOLVKHG DW WKH EHJLQQLQJ RI WKH
3UHFLSDO DQG LQWHUHVW WKH SULQFLSDO DPRXQW RI WKH %RQGV GXH LQ HDFK \HDU
'HYHORSHU)HHV)XQG 3D\PHQWV RQ WKH FDSLWDOL]HG GHYHORSHU IHHV
3D\PHQWV RQ WKH 1HW 3HQVLRQ /LDELOLW\ DW WKH EHJLQQLQJ RI WKH HDUOLHVW
IXQG IRU ZKLFK WKH UHODWHG HPSOR\HH ZRUNHG

127(±)81' %$/$1&(6

)XQG EDODQFHV E\ FDWHJRU\ DW -XQH DQG RORZLQJ FRQVLVWHG RI WKH I

	*HQHUDO)XQG	%XLOGLQJ)XQG	%RQG ,QWHUHVW 5HGHPSWLRQ)XQGV	$OO 1RQ 0DMRU 7RWDO
1RQVSHQGDEOH				
5HYROYLQJ FDVK IXQG				
6WRUHV LQYHQWRU\				
3UHSDLG H[SHQGLWXUHV				
6XEWRWDO QRQVSHQGDEOH				
5HVWULFWHG				
/HJDOO\ UHVWULFWHG SURJUDPV				
&DSLWDO SURMHFWV				
'HEW VHUYLFH				
6XEWRWDO UHVWULFWHG				
$VVLJQHG				
&RYHU 'HILFLW 6SHQGLQJ LQ)XWXUH <HDUV				

€••À`À•™'&D,• 8h... iãa...€pˆD8 A

127(± 1(7 3(16,21 /,$%,/,7< ± 67$7(7($&+(56 5(7,5(0(17 3/$

General Information about the State Teachers' Retirement Plan

3ODQ 'HVFULSWLRQ

127(± 1(7 3(16,21 /,$%,/,7< ± 67$7(7($&+(56 5(7,5(0(17 3/$1 &RQWLQXHG

&RQWULEXWLRQV 5HTXLUHG PHPEHU HPSOR\HU FRQWULEXWLRQV DQG WKH 6WDWH¶V FRQWULEXWLRQ WR 67563 DUH HVWDEOLVKHG E\
/HJLVODWXUH DQG *RYHUQRU DQG GHWDLOHG LQ WKH (GXFDWLRQ &RGH 6HFWLRQ ... 5HWLUHPHQW 6\VWHP
D OHYHO SHUFHQWDJH RI SD\UROO XVLQJ WKH HQWU\ DJH QRUPDO DFW

127(± 1(7 3(16,21 /,$%,/,7< ± 67$7(7($&+(56 5(7,5(0(17 3/$1 &RQWLQXHG

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

$W -XQH WKH 'LVWULFW UHSRUWHG D OLDELOLW\ IRU LWV SURSRUWLRQDWH VKDUH RI WKH QHW SH
UHIOHFWHG D UHGXFWLRQ IRU 6WDWH SHQVLRQ VXSSRUW SURYLGHG WR WKH 'LVWULFW 7KH DPRXQW UHFRJQ
'LVWULFW DV LWV SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ WKH UHODWHG 6WDWH VXSSRUW
SRUWLRQ RI WKH QHW SHQVLRQ OLDELOLW\ WKDW ZDV DVVRFLDWHG ZLWK WKH 'LVWULFW ZHUH DV IROORZV

'LVWULFW¶V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOL
6WDWH¶V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\
DVVRFLDWHG ZLWK WKH 'LVWULFW

7RWDO

7KH QHW SHQVLRQ OLDELOLW\ ZDV PHDVXUHG DV RI -XQH WKH WRWDO SHQVLRQ OLDELOLW
FDOFXODWH WKH QHW SHQVLRQ OLDE

127(± 1(7 3(16,21 /,$%,/,7< ± 67$7(7($&+(56 5(7,5(0(17 3/$1 (&RQWLQXHG)

UHSRUWHG DV GHIHUUHG RXWIORZV RI UHVRXUFHV UHODWHG WR SHQVLRQV UHVXOWLQJ IURP FRQWULEXWLRQV IRU WKH FXUUHQW SHULRG UHFRJQL]HG
PDGH VXEVHTXHQW WR WKH PHDVXUHPHQW GDWH ZLOO EH UHFRJQL]HG DV D UHGXFWLRQ RI WKH QHW SHQVLRQ
WKH \HDU HQGHG -XQH DPRXQWV WR EH UHFRJQL]HG DV SHQVLRQ H[SHQVH ZLOO EH UHFRJQL]HG DV IROORZV
LQIORZV RI UHVRXUFHV UHODWHG WR SHQVLRQV ZLOO EH UHFRJQL]HG

<HDUV (QGHG
-XQH

'LIIHUHQFHV EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH DQG FKDQJHV LQ DVVXPSWLRQV DUH DPRUWL]HG
FORVHG SHULRG HTXDO WR WKH DYHUDJH UHPDLQLQJ VHUYLFH OLIH RI PHPEHUV ZKLFK LV \HDUV D
-XQH PHDVXUHPHQW GDWH 'HIHUUHG LQIORZV DQG RXWIORZV IRU GLIIHUHQFHV EHWZHHQ SURMHFWHG
DQG DFWXDO HDUQLQJV RQ SODQ LQYHVWPHQWV DUH DPRUWL]HG VWUDLJKW OLQH RYHU ILYH \HDUV

$FWXDULDO 0HWKRGV DQG $VVXPSWLRQV 7KH WRWDO SHQVLRQ OLDELOLW\ IRU WKH 6753 ZDV GHWHUPLQHG E\
XSGDWH SURFHGXUHV WR D ILQDQFLDO UHSRUWLQJ DFWXDULDO YDOXDWLRQ
WRWDO SHQVLRQ OLDELOLW\ WR -XQH DFWXDULDO YDOXDWLRQ UHSRUW
XVHG WKH IROORZLQJ DFWXDULDO PHWKRGV DQG DVVXPSWLRQV
PHDVXUHPHQW

9DOXDWLRQ 'DWH -XQH
([SHULHQFH 6WXG\ -XO\ WKURXJK -XQH
$FWXDULDO &RVW 0HWKRG (QWU\ DJH QRUPDO
,QYHVWPHQW 5DWH RI 5HWXUQ
&RQVXPHU 3ULFH ,QIODWLRQ
:DJH *URZWK
3RVW UHWLUHPHQW %HQHILW ,QFUHDVHV VLPSOH I
1RW DSSOLFDEOH IRU '%6 &%%

&DO6756 XVHV D JHQHUDWLRQDO PRUWDOLW\ WDEOH WKDW XVHV SDW EDVH PRUWDOLW\
SURMHFWLRQ VFDOHV WR UHIOHFW H[SHFWHG DQQXDO UHGXFWLRQV
LQFUHDVHV LQ OLIH H[SHFWDQFLHV EDVHG RQ PRUWDOLW\ UDWHV
WDEOHV GHULYHG WR EHVW ILW WKH SDWWHUQV
WR SHUFHQW RI WKH XOWLPDWH LPSURYHPHQW IDFWRU
LVVXHG E\ WKH 6RFLHW\ RI $FWXDULHV

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 1(7 3(16,21 /,$%,/,7< ± 67$7(7($&+(56 5(7,5(0(17 3/$1 &RQWLQXHG

6HQVLWLYLW\ RI WKH 'LVWULFW¶V 3URSRUWLRQDWH 6KDUH RI WKH 1HW 3HQVLRQ /LDELOLW\ WR &KDQJHV LQ WKH 'LVFRXQW 5DWH

7KH IROORZLQJ SUHVHQWV WKH 'LVWULFW¶V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ FDOFXODWHG XVLQJ WKH GLVFRXQW UDWH DV ZHOO DV ZKDW WKH 'LVWULFW¶V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ ZRXOG EH LI LW ZHUH FDOFXODWHG XVLQJ D GLVFRXQW UDWH WKDW LV RQH SHUFHQWDJH SRLQW ORZHU RU SHUFHQWDJH SRLQW KLJKHU WKDQ WKH FXUUHQW UDWH

	'HFUHDVH	&XUUHQW 'LVFRXQW 5DWH	,QFUHDVH
'LVWULFW¶V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\			

3HQVLRQ 3ODQ)LGXFLDU\ 1HW 3RVLWLRQ 'HWDLOHG LQIRUPDWLRQ DERXW WKH SHQVLRQ SODQ¶V ILGXFLDU\ QHW SRVLWLRQ LV DYDLODEOH LQ WKH VHSDUDWHO\ LVVXHG &DO6756 ILQDQFLDO UHSRUW

127(± 1(7 3(16,21 /,$%,/,7< ± 38%/,& (03/2<(5¶6 5(7,5(0(17)81'

General Information about the Public Employer's Retirement Fund B

3ODQ 'HVFULSWLRQ 7KH VFKRRO GLVWULFW FRVW VKDULQJ PXOWLSOH HPSOR\HU 3XEOLF (PSOR\HU¶V 5HWLUHPHQW)XQG % 3(5) % LV DGPLQLVWHUHG E\ WKH &DOLIRUQLD 3XEOLF (PSOR\HHV¶ 5HWLUHPHQW 6\VWHP &DO3(56 3ODQ PHPEHUVKLS FRQVLVWV RI QRQWHDFKLQJ DQG QRQFHUWLILFDWHG HPSOR\HHV RI SXEOLF VFKRROV . FRPPXQLW\ FROOHJHV DQG RWKHU SXEOLF DQG SULYDWH VFKRROV RI WKH 6WDWH RI &DOLIRUQLD

7KH 3ODQ ZDV HVWDEOLVKHG WR SURYLGH UHWLUHPHQW GLVDELOLW\ DQG GHDWK EHQHILWV WR QRQFHUWLILHG HPSOR\HHV LQ VFKRRO GLVWULFWV LQ &DOLIRUQLD &DO3(56 LVVXHV D SXEOLFO\ DYDLODEOH ILQDQFLDO UHSRUW WKDW FDQ EH REWDLQHG DW

KWWSV ZZZ FDOSHUV FD JRY GRFV IRUPV SXEOLFDWLRQV FDIU

%HQHILWV 3URYLGHG 7KH EHQHILWV IRU WKH GHILQHG EHQHILW SHQVLRQ SODQV DUH EDVHG RQ PHPEHUV¶ ILQDO FRPSHQVDWLRQ DJH DW UHWLUHPHQW DQG \HDUV RI VHUYLFH FUHGLW PHPEHUV DUH HOLJLEOH PHPEHUV RU EHQHILFLDULHV LQ 0HPEHUV EHFRPH IXOO\ YHVWHG DIWHU ILYH \HDUV \HDUV IRU 6WDWH VHUYLFH PHPEHUV

&RQWULEXWLRQV

127(± 1(7 3(16,21 /,$%,/,7< ± 38%/,& (03/2<(5¶6 5'(7% 5(&R(Q1W7L)QXHG

5HTXLUHG FRQWULEXWLRQ UDWHV IRU DFWDUYHD SSOHDUHFHPHPEHUV RIDSQDG\UHF
\HDU HQGHG -XQH ZHUH DV IROORZV

Members 7KH PHPEHU FRQWULEXWLRQ UDWH ZDLVFDEOH RU PHPEHU SHUFHQWLQ
ILVFDO \HDU

Employers 7KH HPSOR\HU FRQWULEXWLRQ UDWEHH ZDPVHPEHU SHUFHQWVRI DS

7KH 'LVWULFW FRQWULEXWHG \HDU WRHQGKHG SMXQH IRU WKH ILVFDO

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

$W -XQH WKH 'LVWULFW UHSRUWHG D OLDELOLW\ IRU LWV SURSRUWLRQDWH VKD
SHQVLRQ OLDELOLW\ 7KH QHW SHQVLRQ OLDELOLW\ ZDV PHDVXUHG
OLDELOLW\ XVHG WR FDOFXODWH WKH QHW SHQVLRQ OLDELOLW\ ZDV GHWHUPLQHG
7KH 'LVWULFW RI SURSRUWLRQ RI WKH QHW SHQVLRQ OLDELOLW\ ZDV EDVHG RQ
FRQWULEXWLRQV WR WKH SODQ UHODWLYH WR WKH SURMHFWHG FRQWULEXWLRQV RI DOO
-XQH WKH 'LVWULFW¶V SURSRUWLRQ ZDV ZKLFK ZDV DQ LQFUHDVH IURP
LWV SURSRUWLRQ PHDVXUHG DV RI -XQH

)RU WKH \HDU HQGHG -XQH WKH 'LVWULFW UHFRJQL]HG SHQVLRQ $W -XQH
WKH 'LVWULFW UHSRUWHG GHIHUUHG RXWIORZV RI UHVRXUFHV
SHQVLRQV IURP WKH IROORZLQJ VRXUFHV

	'HIHUUHG 2XWIORZV RI 5HVRXUFHV	'HIHUUHG ,QIORZV RI 5HVRXUFHV
'LIIHUHQFH EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH		
&KDQJHV RI DVVXPSWLRQV		
1HW GLIIHUHQFHV EHWZHHQ SURMHFWHG DQG DFWXDO HDUQLQJV RQ LQYHVWPHQWV		
&KDQJHV LQ SURSRUWLRQ DQG GLIIHUHQFHV EHWZHHQ 'LVWULFW FRQWULEXWLRQV DQG SURSRUWLRQDWH VKDUH RI FRQWULEXWLRQV		
&RQWULEXWLRQV PDGH VXEVHTXHQW WR PHDVXUHPHQW GDWH		
7RWDO		

127(± 1(7 3(16,21 /,$%,/,7< ± 38%/,& (03/2<(5¶6 5(7,5(0(17 %(1(),7 &RQWLQXHG

UHSRUWHG DV GHIHUUHG RXWIORZV RI UHVRXUFHV UHODWHG WR SHQVLRQV
VXEVHTXHQW WR WKH PHDVXUHPHQW GDWH ZLOO EH UHFRJQL]HG DV D UHGXFWLRQ
\HDU HQGHG -XQH DQG UHFRJQL]HG DV GHIHUUHG RXWIORZV RI UHVRXUFHV DQG
LQIORZV RI UHVRXUFHV UHODWHG WR SHQVLRQV ZLOO EH UHFRJQL]HG

<HDUV (QGHG
-XQH

'LIIHUHQFHV EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH DQG FKDQJHV LQ DVVXPSWLRQV DUH DPRUWL
FORVHG SHULRG HTXDO WR WKH DYHUDJH UHPDLQLQJ VHUYLFH OLYHV RI DOO PHPEHUV ZKLFK LV \HDUV D
-XQH PHDVXUHPHQW GDWH 'HIHUUHG RXWIORZV DQG LQIORZV UHODWHG WR
SURMHFWHG DQG DFWXDO HDUQLQJV RQ SHQVLRQ SODQ LQYHVWPHQWV DUH DPRUWL]HG

$FWXDULDO 0HWKRGV 7KH WRWDO SHQVLRQ OLDELOLW\ IRU WKH 3ODQ
XSGDWH SURFHGXUHV WR D ILQDQFLDO UHSRUWLQJ DFWXDULDO YDOXDWLRQ
WRWDO SHQVLRQ OLDELOLW\ WR -XQH DFWXDULDO YDOXDWLRQ UHSRUWV
XVHG WKH IROORZLQJ DFWXDULDO PHWKRGV DQG DVVXPSWLRQV
PHDVXUHPHQW

9DOXDWLRQ 'DWH	-XQH	
([SHULHQFH 6WXG\	-XQH	WKURXJK -XQH
$FWXDULDO &RVW 0HWKRG	(QWU\ DJH QRUPDO	
,QYHVWPHQW 5DWH RI 5HWXUQ		
&RQVXPHU 3ULFH ,QIODWLRQ		
:DJH *URZWK	9DULHV E\ HQWU\ DJH DQG VHUYLFH	
3RVW UHWLUHPHQW %HQHILW ,QFUHDVHV	O 3XUFKDVLQJ &2/$	
	3RZHU 3URWHFWLRQ $OORZDQFH)OR	
	3XUFKDVLQJ 3RZHU DSSOLHV	WK

7KH PRUWDOLW\ WDEOH XVHG ZDV GHYHORSHG EDVHG RQ 3(56 VSHFLILF
PRUWDOLW\ LPSURYHPHQW XVLQJ 6RFLHW\ RI $FWXDULHV 6FDOH %% 6HH
WR WKH H[SHULHQFH VWXG\ UHSRUW

$OO RWKHU DFWXDULDO DVVXPSWLRQV XVHG LQ WKH YDOXDWLRQ ZHUH EDVHG RQ
DFWXDULDO H[SHULHQFH VWXG\ IRU WKH SHULRG WR WKH DFWXDULDO
PRUWDOLW\ DQG UHWLUHPHQW UDWHV 7KH ([SHULHQFH 6WXG\ FDQ EH IRXQG DW &
ZHEVLWH

'XULQJ WKH PHDVXUHPHQW SHULRG WKH GLVFRXQW UDWH ZDV LQFUHDVHG
IURP SHUFHQW WR SHUFHQW

&RQWLQXHG

127(± 1(7 3(16,21 /,$%,/,7< ± 38%/,& (03/2<(5¶6 5(7,5(0(17)81' &DO3(56 &RQWLQXHG

7KH WDEOH EHORZ UHIOHFWV WKH ORQJ WHUP H[SHFWHG UHDO UDWHV RI UHWXUQ E\ DVVHW FODVV 7KH UDWH RI FDOFXODWHG XVLQJ WKH FDSLWDO PDUNHW DVVXPSWLRQV DSSOLHG WR GHWHUPLQH WKH GLVFRXQW UDWH DQG DVVHW DOORFDWLRQ

$VVHW &ODVV	$VVXPHG $VVHW $OORFDWLRQ	/RQJ 7HUP ([SHFWHG 5HDO 5DWH RI 5HWXUQ <HDUV	([SHFWHG 5HDO 5DWH RI 5 <HDUV
*OREDO (TXLW\			
)L[HG ,QFRPH			
,QIODWLRQ $VVHWV			
3ULYDWH (TXLW\			
5HDO (VWDWH			
,QIUDVWUXFWXUH)RUHVWODQG			
/LTXLGLW\			

\HDU JHRPHWULF DYHUDJH
$Q H[SHFWHG LQIODWLRQ UDWH RI XVHG IRU WKLV SHULRG
$Q H[SHFWHG LQIODWLRQ UDWH RI XVHG IRU WKLV SHULRG

'LVFRXQW 5DWH

NOTE – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in Rate: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of %, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is percentage point lower or percentage point higher (percent) than the current r

	Decrease	Current Discount Rate	Increase
District's proportionate share of the net pension liability			

Pension Plan Fiduciary Net Position: Detailed information about the pension plan

127(± 27+(5 3267(03/2<0(17 %(1(),76 &RQWLQXHG

7KH 'LVWULFW¶V *RYHUQLQJ %RDUG DXWKRUL]HG D PHPEHUVKLS WR HVWDEOLVK WKH EHQHILWV RI WKH 3ODQ DQG WKH WHUPV RI
3ODQ 7KH 'LVWULFW DQG *RYHUQLQJ %RDUG KDYH WKH DXWKRULW\ WR HVWDEOLVK WKH UHTXLUHPHQWV
WKH 3ODQ EHQHILWV DV WKH\ FRPH GXH

(PSOR\HHV &RYHUHG E\ %HQHILW 7HUPV 7KH IROORZLQJ LV D WDEOH RI SODQ SDUWLFLS

	1XPEHU RI 3DUWLFLSDQWV
,QDFWLYH 3ODQ PHPEHUV FRYHUHG VSRXVHV RU EHQHILFLDULHV FXUUHQWO\ UHFHLYLQJ EHQHILWV	
,QDFWLYH HPSOR\HHV GHSHQGHQWV HQWLWOHG WR EXW QRW \HW UHFHLYLQJ EHQHILWV	
$FWLYH HPSOR\HHV	

&RQWULEXWLRQV &DOLIRUQLD *RYHUQPHQW &RGH VSHFLILHV WKH FRQWULEXWLRQ UHTXLUHPHQWV RI
FRYHUHG HPSOR\HHV DUH HVWDEOLVKHG DQG PD\ EH DPHQGHG E\ WKH

&RQWULEXWLRQV WR WKH 3ODQ IURP WKH 'LVWULFW ZHUH IRU WKH \HDU HQGHG -XQH IR

23(% 3ODQ ,QYHVWPHQWV 7KH GLVFRXQW UDWH XVHG WR PHDVXUH WKH WRWDO 23(% OLDELOLW\ ZDV EDVHG RQ WKH
DOORFDWLRQ DQG DVVXPHG UDWH RI UHWXUQ

$VVHW &ODVV	/RQJ 7HUP $VVXPHG $VVHW $OORFDWLRQ <HDU	([SHFWHG 5HDO 5DWH RI 5HWXUQ <HDU	([SHFWHG 5DWH
*OREDO (TXLW\			
)L[HG ,QFRPH			
7UHDVXU\ ,QIODWLRQ 3URWHFWHG 6HFXULWLHV			
5HDO (VWDWH ,QYHVWPHQW 7UXVWV			
&RPPRGLWLHV			
*HRPHWULF DYHUDJH			

5ROOLQJ SHULRGV RI WLPH IRU DOO DVVHW FODVVHV ZHUH FRPELQHG WR SURGXFH WKH
EHWZHHQ DVVHW FODVVHV 7KLV PHDQV WKDW WKH FDSLWDO PDUNHW DVVXPSWLRQV UHIOHFW
UHIOHFW WKH DYHUDJHV RYHU WLPH DQG QRW LQGLYLGXDO \HDUV EDVHG RQ UHDO UHWXUQV
DYHUDJH $GGLWLRQDOO\ WKH KLVWRULFDO UHDO UHWXUQV ZHUH DGMXVWHG IRU
DVVXPHG ORQJ WHUP LQIODWLRQ DVVXPSWLRQV
RIIVHW E\ DVVXPHG LQYHVWPHQW H[SHQVHV
WKH SODQ ZRXOG EH VXIILFLHQW WR SD\ IXWXUH EHQHILWV

0RQH\ ZHLJKWHG UDWH RI UHWXUQ RQ 23(% SODQ LQYHVWPHQWV

7KH PRQH\ ZHLJKWHG UDWH RI UHWXUQ UHSUHVHQWV RI 23(% SODQ LQYHVWPHQWV
H[SHQVHV DGMXVWHG IRU WKH FKDQJLQJ DPRXQWV DFWXDOO\ LQYHVWHG

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 27+(5 3267(03/2<0(17 %(1(),76 &RQWLQXHG

$FWXDULDO $VVXPSWLRQV 7KH 23(% OLDELOLW\ LQ WKH -XQH ... GHWHUPLQHG
XVLQJ WKH IROORZLQJ DFWXDULDO DVVXPSWLRQV DSSOLHG WR DOO ...
RWKHUZLVH VSHFLILHG

9DOXDWLRQ GDWH -XQH
0HDVXUHPHQW GDWH -XQH
)XQGLQJ 0HWKRG (QWU\ DJH QRUPDO OHYHO
*HQHUDO ,QIODWLRQ 5DWH
/RQJ 7HUP 5HWXUQ RQ $VVHWV DV RI -XQH
QHW RI SODQ LQYHVWPHQW
DQG LQFOXGLQJ LQIODWLRQ
'LVFRXQW UDWH DV RI -XQH
DV RI -XQH
XVH RI)LGHOLW\ \HDU $$ *2 0X
%RQG ,QGH[
6DODU\ LQFUHDVH SHU \HDU XVHG RQO
FRVW RI EHQHILWV EHWZHHQ VHUY

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 27+(5 3267(03/2<0(17 %(1(),76 &RQWLQXHG

&KDQJHV LQ WKH 1HW 23(% /LDELOLW\

	7RWDO 23(% /LDELOLW\		7RWDO)LGXFLDU\ 1HW 3RVLWLRQ		1HW /LD
	D	E	D	E	
%DODQFH -XQH					
&KDQJHV IRU WKH \HDU					
6HUYLFH FRVW					
,QWHUHVW					
$VVXPSWLRQ FKDQJHV					
(PSOR\HU FRQWULEXWLRQV					
,QWHUHVW LQFRPH					
,QYHVWPHQW JDLQV					
$GPLQLVWUDWLYH H[SHQVH					
%HQHILW SD\PHQWV					
1HW FKDQJH					
%DODQFH -XQH					

7KH FKDQJHV LQ DVVXPSWLRQV LQFOXGHG HIIHFWV RI KDQJHV LQ LQWHUHVW UDWHV FRQWULEXWLRQV
LQ WKH FXUUHQW YDOXDWLRQ

7KHUH ZHUH QR FKDQJHV LQ DVVXPSWLRQV RU PHWKRGV GXULQJ WKH \HDU ZKLFK KDG D
VLJQLILFDQW HIIHFW RQ WKH 'LVWULFW¶V WRWDO 23(% OLDELOLW\

6HQVLWLYLW\ RI WKH 1HW 23(% /LDELOLW\ WR RWKHU $VVXPSWLRQV
FDOFXODWHG XVLQJ WKH GLVFRXQW
7KH VFKHGX

127(± 27+(5 3267(03/2<0(17 %(1(),76 &RQWLQXHG

7KH IROORZLQJ WDEOH SUHVHQWV WKH
SHUFHQW 7KH VFKHGXOH DOVR VKRZV
KHDOWK FDUH FRVW WUHQG UDWH WKDQ

	'HFUHDVH	+HDOWKFDUH &RVW 7UHQG 5DWHV 5DWH	,QFUHD
1HW 23(% OLDELOLW\			

OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

)RU WKH \HDU HQGHG WKH 'LVWULFW UHFRJQL]HG 23(% $W -XQH
WKH 'LVWULFW UHSRUWHG GHIHUUHG RXWIORZV RI UHVRXUFHV DQG

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 27+(5 3267(03/2<0(17 %(1(),76 &RQWLQXHG

'LIIHUHQFHV EHWZHHQ DFWXDO HDUQLQJV RI WKH -XQH VXUHPHQW GDWH &RQWULEXWLRQV DQG RWKHU D FORVHG \HDUV DV RI WKH -XQH PHDVXUHPHQW GDWH SHULRG RI \HDUV DV RI WKH -XQH PHDVXUHPHQW GDWH

127(± -2,17 32:(56 $*5((0(176

6FKRROV ,QVXUDQFH $XWKRULW\ LV D PHPEHU ZLWK LQGHSHQGHQW 6FKRRO
$XWKRULW\

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72),1$1&,$/ 67$7(0(176
-XQH

127(± 68%6(48(17 (9(17

2Q -XO\ WKH HVWDEOLVKPHQW RI WKH 2EOLJDWLRQ %RQGV 0HDVXUH 4
6HULHV) WR WDOLQJ IRU WKH SXUSRVH RI ZLWKGUDZLQJ WKH RXWVWDQGLQJ
0HDVXUH 4 7KH EOLJDWLRQ 2% RQGV DXWKRUL]HG E\ WKH V
\HDU WKURXJK $XJXVW ZLWK DQ LQWHUHVW UDWH RI

5(48,5(' 6833/(0(17$5< ,1)250$7,21

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
*(1(5$/)81'
%8'*(7$5< &203$5,621 6&+('8/(
)RU WKH <HDU (QGHG -XQH

	%XGJHW		9DULDQFH)DYRUDEOH	
	2ULJLQDO	)LQDO	$FWXDO	8QIDYRUDEOH
5HYHQXHV				
/&))				
6WDWH DSSRUWLRQPHQW				
/RFDO VRXUFHV				
7RWDO /&))				
)HGHUDO VRXUFHV				
2WKHU VWDWH VRXUFHV				
2WKHU ORFDO VRXUFHV				
7RWDO UHYHQXHV				
([SHQGLWXUHV				
&XUUHQW				
&HUWLILFDWHG VDODULHV				
&ODVVLILHG VDODULHV				
(PSOR\HH EHQHILWV				
%RRNV DQG VXSSOLHV				
&RQWUDFW VHUYLFHV DQG RSHUDWLQJ H[SHQGLWXUHV				
2WKHU RXWJR				
&DSLWDO RXWOD\				
'HEW VHUYLFH				
3ULQFLSDO UHWLUHPHQW				
,QWHUHVW				
7RWDO H[SHQGLWXUHV				
'HILFLHQF\ RI UHYHQXHV XQGHU H[SHQGLWXUHV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) &+$1*(6 ,1 1(7 23(% /,$%,/,7< $1' 5(/$7(' 5$7,26
)RU WKH <H-XQH G

/DVW)LVFDO <HDUV

727$/ 23(% /,$%,/,7<
6HUYLFH FRVW
,QWHUHVW RQ WRWDO 23(% OLDELOLW\
&KDQJHV RI DVVXPSWLRQV
%HQHILW SD\PHQWV

1HW FKDQJH LQ WRWDO 23(% OLDELOLW\

7RWDO 23(% OLDELOLW\ EHJLQQLQJ RI \HDU D

7RWDO 23(% OLDELOLW\ HQG RI \HDU E

3/$1),'8&,$5< 1(7 326,7,21
&RQWULEXWLRQV HPSOR\HU
1HW LQYHVWPHQW LQFRPH
$GPLQLVWUDWLYH H[SHQVHV
%HQHILW SD\PHQWV ' Hð)"<$PÀ0ð°u0€P ... pÀ@PÀðÀpÀ0 0P€ À À 0)0‰i"0
HQWV

2WKHU 3RVWHPSOR\PHQW %HQHILWV
/DVW)LVFDO <HDUV

$FWXDULDOO\ GHWHUPLQHG FRQWULEXWLRQ

&RQWULEXWLRQV LQ UHODWLRQ WR WKH DFWXDULDOO\ GHWHUPLQHG FRQWULEXWLRQ

&RQWULEXWLRQ GHILFLHQF\ H[FHVV

&RYHUHG HPSOR\HH SD\UROO

&RQWULEXWLRQV DV D SHUFHQWDJH RI FRYHUHG HPSOR\HH SD\UROO

7KH $'& IRU WKH 'LVWULFW V ILVFDO WHDUU PLQHG -XDQH SDUW RI DWKH -XQH XVLQJ D GLVFRXQW UDWH

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

/DVW)LVFDO <HDUV

0RQH\ ZHLJKWHG UDWH RI UHWXUQ RQ 23(% SODQ LQYHVWPHQWV

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) 7+(',675,&7¶6 3523257,21$7(
6+$5(2) 7+(1(7 3(16,21 /,$%,/,7<
)RU WKH <HDU (QGHG -XQH

6WDWH 7HDFKHUV 5HWLUHPHQW 3ODQ
/DVW)LVFDO <HDUV

'LVWULFW V SURSRUWLRQ RI WKH QHW SHQVLRQ OLDELOLW\

'LVWULFW V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\

6WDWH V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ DVVRFLDWHG ZLWK WKH 'LVWULFW

7RWDO QHW SHQVLRQ OLDELOLW\

'LVWULFW V FRYHUHG SD\UROO

'LVWULFW V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ DV D SHUFHQWDJH RI LWV FRYHUHG SD\UROO

3ODQ ILGXFLDU\ QHW SRVLWLRQ DV D SHUFHQWDJH RI WKH WRWDO SHQVLRQ OLDELOLW\

7KH DPRXQWV SUHVHQWHG IRU HDFK ILVFDO \HDU ZHUH GHWHUPLQHG EDVHG RQ PHDVXUHPHQWV GR

$OO \HDUV SULRU WR DUH QRW DYDLODEOH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) 7+(',675,&7¶6 3523257,21$7(
6+$5(2) 7+(1(7 3(16,21 /,$%,/,7<
)RU WKH <HDU (QGHG -XQH

3XEOLF (PSOR\HU V 5HWLUHPHQW)XQG %
/DVW)LVFDO <HDUV

'LVWULFW V SURSRUWLRQ RI WKH QHW SHQVLRQ OLDELOLW\

'LVWULFW V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\

'LVWULFW V FRYHUHG SD\UROO

'LVWULFW V SURSRUWLRQDWH VKDUH RI WKH QHW SHQVLRQ OLDELOLW\ DV D SHUFHQWDJH RI LWV FRYHUHG SD\UROO

3ODQ ILGXFLDU\ QHW SRVLWLRQ DV D SHUFHQWDJH RI WKH WRWDO SHQVLRQ OLDELOLW\

7KH DPRXQWV SUHVHQWHG IRU HDFK ILVFDO \HDU ZHUH GHWHUPLQHG EDVHG RQ

$OO \HDUV SULRU WR DUH QRW DYDLODEOH

6HH DFFRPSDQ\LQJ QRWH WR UHTXLUHG VXSSOHPHQWDU\ L

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) 7+(',675,&7¶6 &2175,%87,216
)RU WKH <HDU (QGHG -XQH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) 7+(',675,&7¶6 &2175,%87,216
)RU WKH <HDU (QGHG -XQH

3XEOLF (PSOR\HU V 5HWLUHPHQW)XQG %
/DVW)LVFDO <HDUV

____	____	____	____

&RQWUDFWXDOO\ UHTXLUHG FRQWULEXWLRQ

&RQWULEXWLRQV LQ UHODWLRQ WR WKH FRQWUDFWXDOO\ UHTXLUHG FRQWULEXWLRQ

_____	_____	_____	_____

&RQWULEXWLRQ GHILFLHQF\ H[FHVV

_____	_____	_____	_____

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(72 5(48,5(' 6833/(0(17$5< ,1)250$7,21
-XQH

127(385326(2) 6&+('8/(6

$ %XGJHWDU\ &RPSDULVRQ 6FKHGXOH

7KH 'LVWULFW HPSOR\V EXGJHWDU\ FRQWURO E\ REMHFW FRGHV DQG E\ XQLW DSSURSULDWLRQ DFFRX

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72 5(48,5(' 6833/(0(17$5< ,1)250$7,21
&RQWLQXHG
-XQH

127(± 385326(2) 6&+('8/(6 &RQWLQXHG

+ &KDQJHV RI $VVXPSWLRQV

7KH GLVFRXQW UDWH IRU WKH 1HW 2SHUDWLQJ % OLDELOLWLHV \LHOG DSSOLFDEOH WR WKH SHQVLRQ DFWXDULDO UHSRUWV UHVSHFWLYHO\

7KH GLVFRXQW UDWH IRU 3XEOLF (PSOR\HU V 5HWLUHPHQW %HQHILW 3ODQ DQG DFWXDULDO UHSRUWV UHVSHFWLY -XQH

7KH IROORZLQJ DUH WKH DVVXPSWLRQV XVHG WR GHWHUPLQH 7HDFKHUV 5HWLUH

0HDVXUHPHQW SHULRG
$V RI -XQH $V RI -XQH $V RI -XQ
$VVXPSWLRQ

&RQVXPHU SULFH LQIODWLRQ
,QYHVWPHQW UDWH RI UHWXUQ
:DJH JURZWK

6833/(0(17$5< ,1)250$7,21

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
&20%,1,1* %$/$1&(6+((7
$// 121 0$-25)81'6
-XQH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
&20%,1,1* 67$7(0(17 2) &+$1*(6
,1 $66(76 $1' /,$%,/,7,(6
678'(17 %2'<)81'6
)RU WKH <HDU (QGHG -XQH

%DODQFH -XO\ $GGLWLRQV %DODQFH -XQH

6WXGHQW %RG\ )XQGV

& . 0F&ODWFK\ +LJK 6FKRRO

$VVHWV
&DVK RQ KDQG DQG LQ EDQNV
5HFHLYDEOHV
6WRUHV LQYHQWRU\
2WKHU DVVHWV

7RWDO DVVHWV

/LDELOLWLHV
$FFRXQWV SD\DEOH

1 ’– . %†À Cqh 0VR aD•• 0uR

)

’ Âà ¢Xl T7 € †R aD•• u

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
&20%,1,1* 67$7(0(17 2) &+$1*(6
,1 $66(76 $1' /,$%,/,7,(6
678'(17 %2'<)81'6
)RU WKH <HDU (QGHG -XQH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
&20%,1,1* 67$7(0(17 2) &+$1*(6
,1 $66(76 $1' /,$%,/,7,(6
678'(17 %2'<)81'6
)RU WKH <HDU (QGHG -XQH

%DODQFH -XO\ $GGLWLRQV

%DODQFH -XQH

5RVHPRQW +LJK 6FKRRO

$VVHWV
&DVK RQ KDQG DQG LQ EDQNV
5HFHLYDEOHV
6WRUHV LQYHQWRU\
2WKHU DVVHWV

	%DODQFH -XO\	$GGLWLRQV	'HGXFWLRQV	%DODQFH -XQH

&KDUOHV $ -RQHV 6NLOOV DQG (GXFDWLRQ &HQWHU

$VVHWV				
&DVK RQ KDQG DQG LQ EDQNV				
5HFHLYDEOHV				
6WRUHV LQYHQWRU\				
2WKHU DVVHWV				
7RWDO DVVHWV				
/LDELOLWLHV				
$FFRXQWV SD\DEOH				
'XH WR VWXGHQW JURXSV				
7RWDO OLDELOLWLHV				

$:DUUHQ 0F&ODVNH\ $GXOW &HQWHU

$VVHWV				
&DVK RQ KDQG DQG LQ EDQNV				
5HFHLYDEOHV				
6WRUHV LQYHQWRU\				
2WKHU DVVHWV				
7RWDO DVVHWV				
/LDELOLWLHV				
$FFRXQWV SD\DEOH				
'XH WR VWXGHQW JURXSV				
7RWDO OLDELOLWLHV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
&20%,1,1* 67$7(0(17 2) &+$1*(6
,1 $66(76 $1' /,$%,/,7,(6
678'(17 %2'<)81'6
)RU WKH <HDU (QGHG -XQH

	%DODQFH -XO\	$GGLWLRQV	'HGXFWLRQV	%DODQFH -XQH
(OHPHQWDU\ DQG 0LGGOH 6FKRROV				
$VVHWV				
&DVK RQ KDQG DQG LQ EDQNV				
5HFHLYDEOHV				
6WRUHV LQYHQWRU\				
2WKHU DVVHWV				
7RWDO DVVHWV				
/LDELOLWLHV				
$FFRXQWV SD\DEOH				
'XH WR VWXGHQW JURXSV				
7RWDO OLDELOLWLHV				
7RWDO 6WXGHQW %RG\ )XQGV				
$VVHWV				
&DVK RQ KDQG DQG LQ EDQNV				
5HFHLYDEOHV				
6WRUHV LQYHQWRU\				
2WKHU DVVHWV				
7RWDO DVVHWV				
/LDELOLWLHV				
$FFRXQWV SD\DEOH				
'XH WR VWXGHQW JURXSV				
7RWDO OLDELOLWLHV				

6DFUDPHQWR&LW\8QLILHG 6FKRRO 'LVWULFW D SRORLW&LDFDLIRVUXQELGL YZLDYLRHQVWDD
RQ -XO\ 7KH WHUULWRU\ GFRRHYVHQURHWG LEQFOWKHH F'HLUWWDULQ FDWUHD
6DFUDPHQWR EXW GPRHHVRLQQWFLJXGRHXVVRVHRUXULWLGH EHWDWEROQGDULHV
6DFUDPHQWR &RXQW\ EHRXQGGDFULHVSHU7KHWHHGHQRWDU\RQHKROOV JUGHV
HOHPHQWDU\ PLGGOH .VFKRROVIVPLJUGGDGHHWGFKROOV WJZURD PLGGOH KLJK V
JUGHV VHYHQ KLJK VFKROOV LJYUHDGVHFKROOV WWKZURHDGXOWHUHGXWD
WZR VSHFLDO HGXFDWRLRQ\ FRXQWHKVLOODQGSUHVHQWVHFKRRO VHUYLQJ LQI
DJH a° ‹ 0,• LIUHH

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
25*$1,=$7,21
-XQH

$'0,1,675$7,21
&RQWLQXHG

&DQF\ 0F$UQ
&KLHI +XPDQ 5HVRXUFHV 2IILFHU

,ULV 7D\ORU (G '
&KLHI $FDGHPLF 2IILFHU

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $9(5$*('$,/< $77(1'$1&(
)RU WKH <HDU (QGHG -XQH

	6HFRQG 3HULRG 5HSRUW	5HYLVHG 6HFRQG 3HULRG 5HSRUW	$QQXDO 5HSRUW
&HUWLILFDWH 1XPEHU	&	)&	&(
(OHPHQWDU\			
7UDQVLWLRQDO .LQGHUJDUWHQ WKURXJK 7KLUG			
)RXUWK WKURXJK 6L[WK			
6HYHQWK DQG (LJKWK			
6SHFLDO (GXFDWLRQ			
&RPPXQLW\ 'D\ 6FKRRO			
6HFRQGDU\			
1LQWK WKURXJK 7ZHOIWK			
6SHFLDO (GXFDWLRQ			
7RWDO 6HFRQGDU\			
'LVWULFW $'$ 7RWDOV			
&KDUWHU 6FKRROV			
&HUWLILFDWH 1XPEHU	(&		%%
%RZOLQJ *UHHQ (OHPHQWDU\ &ODVVURRP %DVHG			
7UDQVLWLRQDO .LQGHUJDUWHQ WKURXJK 7KLUG			
)RXUWK WKURXJK 6L[WK			
7RWDO %RZOLQJ *UHHQ (OHPHQWDU\ &KDUWHU			
&HUWLILFDWH 1XPEHU	)%& %)		&
*HRUJH :DVKLQJWRQ &DUYHU 6FKRRO RI $UWV DQG			
6FLHQFH &ODVVURRP %DVHG			
1LQWK WKURXJK 7ZHOIWK			
&HUWLILFDWH 1XPEHU	''$ &		))(
1HZ -RVHSK %RQQKHLP &ODVVURRP %DVHG			
7UDQVLWLRQDO .LQGHUJDUWHQ WKURXJK 7KLUG			
)RXUWK WKURXJK 6L[WK			
7RWDO 1HZ -RVHSK %RQQKHLP &KDUWHU			
&HUWLILFDWH 1XPEHU	& '(		%)
1HZ 7HFKQRORJ\ +LJK &ODVVURRP %DVHG			
1LQWK WKURXJK 7ZHOIWK			
&HUWLILFDWH 1XPEHU	(& &		')
7KH 0HW 6DFUDPHQWR +LJK 6FKRRO			
1RQ &ODVVURRP %DVHG			
1LQWK WKURXJK 7ZHOIWK			
7RWDO &KDUWHU 6FKRROV			

7KH &KDUWHU 6FKRROV GLG QRW VXEPLW UHYLVHG VHFRQG SHULRG UHSR

6HH DFFRPSDQ\LQJ QRWHV WR VXSSOHPHQWDU\ LQIRUPD

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) ,16758&7,21$/ 7,0(
)RU WKH <HDU (QGHG -XQH

*UDGH /HYHO	6WDWXWRU\ 0LQXWHV 5HTXLUH PHQW	$FWXDO 0LQXWHV	1XPEHU RI 'D\V &DOHQGDU 6WDWXV	7UDGLWLRQDO
'LVWULFW				
.LQGHUJDUWHQ				,Q &RPSOL
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
%RZOLQJ *UHHQ &KDUWHU 6FKRRO		&ODVVURRP %DVHG		
.LQGHUJDUWHQ				,Q &RPSOL
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*HRUJH :DVKLQJWRQ &DUYHU 6FKRRO RI %XVLQHVV DQG 6FLHQFH		&ODVVUR		
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
1HZ -RVHSK %RQQKHLP &KDUWHU 6FKRRO		&ODVVURRP %DVHG		
.LQGHUJDUWHQ				,Q &RPSOL
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
1HZ 7HFKQRORJ\ +LJK 6FKRRO		&ODVVURRP %DVHG		
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF
*UDGH				,Q &RPSOLDQF

6HH DFFRPSDQ\LQJ QRWHV WR VXSSOHPHQWDU\ LQIRUPD

3DVV
7KURXJK
)HGHUDO (QWLW\ )HGHUDO
&DWDORJ)HGHUDO *UDQWRU 3DVV 7KURXJK ,GHQWL
1XPEHU *UDQWRU 3URJUDP RU &OXVWHU 1DPH $VVLVWDQFH /LVWLQJ

8 6 'HSDUWPHQW RI (GXFDWLRQ 3DVV7KURXJK &ROLIRUQLD 'HSDU
RI (GXFDWLRQ

6SHFLDO (GXFDWLRQ &OXVWHU
,'($ %DVLF DQG /RFDO $VVLVWDQFH
(QWLWOHPHQW 3DUW % 6HF
,'($ 3ULYDWH 6FKRRO ,63
,'($ 3UHVFKRRO *UDQWV 3DUW %
6HFWLRQ $JH
$,'($ 3UHVFKRRO /RFDO (QWLWOHPHQW
3DUW % 6HF $JH
$,'($ 0HQWDO +HDOWK 6HUYLFHV
3DUW % 6HF
$,'($ 3UHVFKRRO 6WDII 'HYHORSPHQW
3DUW % 6HF
$ $OWHUQDWLYH 'LVSXWH 5HVROXWLRQ
3DUW % 6HF

6XEWRWDO 6SHFLDO (GXFDWLRQ &OXVWHU

$GXOW (GXFDWLRQ 3URJUDP
$ $GXOW (GXFDWLRQ $GXOW %DVLF (GXFDWLRQ (6/
6HFWLRQ
$GXOW (GXFDWLRQ $GXOW %DVLF 6HFRQGDU\ (GXFDWLRQ
6HFWLRQ
$ $GXOW (GXFDWLRQ (QJOLVK /LWHUDF\ DQG &LYLFV
(GXFDWLRQ /RFDO *UDQW

6XEWRWDO $GXOW (GXFDWLRQ 3URJUDP

&DUO ' 3HUNLQV 3URJUDP
9RFDWLRQDO 3URJUDPV 9RF $SSOLHG 6LQJOH 3DUHQW ,
&DUO 3HUNLQV $FW
&DUO ' 3HUNLQV &DUHHU DQG 7HFKQLFDO (GXFDWLRQ $G
6HF 9RFDWLRQDO (GXFDWLRQ
&DUO ' 3HUNLQV &DUHHU DQG 7HFKQLFDO (GXFDWLRQ
6HFRQGDU\ 6HF 9RFDWLRQDO (GXFDWLRQ

6XEWRWDO &DUO ' 3HUNLQV 3URJUDP

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) (;3(1',785(2))('(5$/ $:$5'6
)RU WKH <HDU (QGHG -XQH

3DVV
7KURXJK
)HGHUDO (QWLW\ )HGHUDO
&DWDORJ)HGHUDO *UDQWRU 3DVV 7KURXJK ,GHQWL
1XPEHU *UDQWRU 3URJUDP RU &OXVWHU RI 3URJUDPV

8 6 'HSDUWPHQW RI (GXFDWLRQ 3DVV7KURXJK &ROLIRUQLD 'HSDU
RI (GXFDWLRQ

(6($ 7LWOH , 3DUW $ %DVLF *UDQWV /RZ ,QFRPH
DQG 1HJOHFWHG
(6($ 7LWOH ,, 3DUW $,PSURYLQJ 7HDFKHU 4XDOLW\
/RFDO *UDQWV
'HSDUWPHQW RI 5HKDELOLWDWLRQ :RUNDELOLW\ ,, 7UDQVL
3DUWQHUVKLS 3URJUDP
6SHFLDO (GXFDWLRQ (DUO\ ,QWHUYHQWLRQ *UDQWV 3DUW

3DVV
7KURXJK

)HGHUDO &DWDORJ 1XPEHU	)HGHUDO *UDQWRU 3DVV 7KURXJK *UDQWRU 3URJUDP RU &OXVWHU	(QWLW\ 1XPEHU	)HGHUDO ,GHQWL WLHV

8 6 'HSDUWPHQW RI $JULFXOWXUH 3DVVHG WKURXJK
&DOLIRUQLD 'HSDUWPHQW RI (GXFDWLRQ

&KLOG 1XWULWLRQ &OXVWHU
1DWLRQDO 6FKRRO /XQFK 3URJUDP
&KLOG 1XWULWLRQ 6XPPHU)RRG 6HUYLFH 3URJUDP
2SHUDWLRQV

6XEWRWDO &KLOG 1XWULWLRQ &OXVWHU

&KLOG 1XWULWLRQ &KLOG &DUH)RRG 3URJUDP
&KLOG 1XWULWLRQ)UHVK)UXLW DQG 9HJHWDEOH 3URJUDP

7RWDO 8 6 'HSDUWPHQW RI $JULFXOWXUH

6XEVWDQFH $EXVH DQG 0HQWDO +HDOWK 6HUYLFHV $GPLQLVWUDWLRQ

0HDGRZYLHZ 3URMHFW $ZDUH *UDQW

8 6 'HSDUWPHQW RI -XVWLFH

0LVVLQJ &KLOGUHQ V $VVLVWDQFH

8 6 'HSDUWPHQW RI 'HIHQVH

527&

8 6 'HSDUWPHQW RI /DERU

:RUNIRUFH ,QQRYDWLRQ DQG 2SSRUWXQLW\ $FW &OXVWHU
:RUNIRUFH ,QYHVWPHQW $FW <RXWK $FWLYLWLHV
:RUNIRUFH ,QYHVWPHQW $FW $GXOW $FWLYLWLHV

7RWDO 8 6 'HSDUWPHQW RI /DERU

7RWDO)HGHUDO 3URJUDPV

'LVWULFW LV XQDEOH WR SURYLGH 3&$ QXPEHUV

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
5(&21&,/,$7,21 2) 81$8',7(' $&78$/),1$1&,$/ 5(3257
:,7+ $8',7('),1$1&,$/ 67$7(0(176
)RU WKH <HDU (QGHG -XQH

7KHUH ZHUH QR DGMXVWPHQWV SURSRVHG WR DQ\ IXQGV RI WKH 'LVWU

6HH DFFRPSDQ\LQJ QRWHV WR VXSSOHPHQWDU\ LQIRUPD

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2)),1$1&,$/ 75(1'6 $1' 1/<6,6
)RU WKH <HDU (QGHG -XQH
81$8',7('

%XGJHW

*HQHUDO)XQG			
5HYHQXHV DQG RWKHU ILQDQFLQJ VRXUFHV			
([SHQGLWXUHV			
2WKHU XVHV DQG WUDQVIHUV RXW			

,QFOXGHG LQ 'LVWULFW
&KDUWHU)LQDQFLDO 6WDWHPHQ
1R &KDUWHU 6FKRROV &KDUWHUHG E\ 6WDWH %RDUG 5HSRUW

$VSLUH &DSLWRO +HLJKWV $FDGHP\ 6HSDUD
%RZOLQJ *UHHQ &KDUWHU (OHPHQWDU\ )XQG
&DOLIRUQLD 0RQWHVVRUL 3URMHFW &DSLWRO &DPSXV
&DSLWRO &ROOHJLDWH $FDGHP\ 6HSDUDW
*HRUJH :DVKLQJWRQ &DUYHU 6FKRRO RI $UW &KDUWHU 6HKRRO
*URZWK 3XEOLF 6FKRROV 6HSDUDWH 5
/DQJXDJH $FDGHP\ RI 6DFUDPHQWR 6HSDUDWH
7KH 0HW 6DFUDPHQWR +LJK 6FKRRO ,QFOXGHG DV
1HZ -RVHSK %RQQKHLP &KDUWHU 6FKRRO ,QFOXGHG D
1HZ 7HFKQRORJ\ +LJK 6FKRRO ,QFOXGHG DV &KD
2DN 3DUN 3UHSDUDWRU\ $FDGHP\ 6HSDUDWH
6DFUDPHQWR &KDUWHU +LJK 6FKRRO 6HSDUD
6RO $XUHXV &ROOHJH 3UHSDUDWRU\ 6HSDU
6W +23(3XEOLF 6FKRROV 6HSDUDWH 5H
<DY 3HP 6XDE $FDGHP\ 6HSDUDWH 5HSR

	$FDGHPLF DQG 6XSSRUW 6HUYLFHV	&KLOG &DUH
5HYHQXHV		
2WKHU ORFDO VRXUFHV	_____	_____
([SHQGLWXUHV		
&HUWLILFDWHG VDODULHV		
&ODVVLILHG VDODULHV		
(PSOR\HH EHQHILWV		
%RRNV DQG VXSSOLHV		
&RQWUDFW VHUYLFHV DQG RSHUDWLQJ H[SHQGLWXUHV		
,QGLUHFW FRVWV	_____	_____
7RWDO H[SHQGLWXUHV	_____	_____
&KDQJH LQ IXQG EDODQFH		
)XQG EDODQFH -XO\	_____	_____
)XQG EDODQFH -XQH	_____	_____

5HYHQXHV DQG H[SHQGLWXUHV IRU WKH \HDU VWDUWLQJ -XO\ DQG HQGLQJ -XQH
)XQG 6HH SDJHV WR RI WKH ILQDQFLDO VWDWHPHQWV IRU RUGHU
'HYHORSPHQW)XQG

127(385326(2) 6&+('8/(6

$ 6FKHGXOH RI $YHUDJH 'DLO\ $WWHQGDQFH

$YHUDJH GDLO\ DWWHQGDQFH LV D PHDVXUHPHQW RI WKH QXPEHU RI SXSLOV DWWHQGLQJ FODVVHV RI WKH
SXUSRVH RI DWWHQGDQFH DFFRXQWLQJ IRU DSSURYLQJ WKH EDVLV DQG SRQL
DSSRUWLRQPHQWV RI VWDWH IXQGV DUH FDOFXODWHG XVLQJ SURYLGHG GLVWULFW IRUPDW
WKH DWWHQGDQFH RI VWXGHQWV DW HOHPHQWDU\ SURJUDP JUDGH OHYHOV DQG LQ

%   6FKHGXOH RI ,QVWUXFWLRQDO 7LPH

7KH 'LVWULFW KDV UHFHLYHG LQFHQWLYH IXQGLQJ IRU LQFUHDVLQJ LQVWUXFWLRQDO WLPH DV SURYLGHG E\
IRU /RQJHU ,QVWUXFWLRQDO 7LPH ,QFHQWLYH 3URJUDP DQG DW WKH WLPH IRU PLQXWHV WDUJHW IXQGLQJ 7
SUHVHQWV LQIRUPDWLRQ RQ WKH DPRXQW RI LQVWUXFWLRQ WLPH RIIHUHG DQG ZKHWKHU
FRPSOLHG ZLWK WKH SURYLVLRQV RI (GXFDWLRQ &RGH 6HFWLRQV

&   6FKHGXOH RI ([SHQGLWXUH RI)HGHUDO $ZDUGV

7KH 6FKHGXOH RI ([SHQGLWXUH RI)HGHUDO $ZDUGV LQFOXGHV WKH IHGHUDO DZDUG DFWLYLW\ RI WKH
8QLILHG 6FKRRO 'LVWULFW SUHVHQWHG RQ WKH PRGLILHG DFFUXDO EDVLV RI DFFRXQWLQJ 7KH LQIRUPDW
VFKHGXOH LV SUHVHQWHG LQ DFFRUGDQFH ZLWK WKH UHTXLUHPHQWV RI 7LWOH &RGH RI)HGHUDO 5HJXODWLRQV
3DUW Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal
Awards (Uniform Guidance) ([SHQGLWXUHV DUH UHFRJQL]HG IROORZLQJ WKH FRVW
8QLIRUP *XLGDQFH ZKHUHLQ FHUWDLQ W\SHV RI H[SHQGLWXUHV DUH QRW DOORZDEOH RU DUH OLPLWHG
UHLPEXUVHPHQW 7KH 'LVWULFW KDV QRW HOHFWHG WR XVH WKH GH PLQLPLV LQGLUHFW FRVW
XQGHU WKH 8QLIRUP *XLGDQFH

7KH IROORZLQJ VFKHGXOH SURYLGHV D UHFRQFLOLDWLRQ EHWZHHQ 6WDWHPHQW
5HYHQXHV ([SHQGLWXUHV DQG &KDQJH LQ)XQG %DODQFHV DQG WKH
6FKHGXOH RI ([SHQGLWXUH RI)HGHUDO $ZDUGV 7KH UHFRQFLOLQJ DPRXQW
EHHQ UHFRUGHG DV UHYHQXHV WKDW KDYH QRW EHHQ H[SHQGHG E\ -X

'HVFULSWLRQ	&)'$ 1XPEHU	$PRXQW
7RWDO)HGHUDO UHYHQXHV 6WDWHPHQW RI 5HYHQXHV ([SHQGLWXUHV DQG &KDQJH LQ)XQG %DODQFHV		
$GG 0HGL &DO %LOOLQJ 2SWLRQ)XQGV IURP SULRU \HDU DZDUGV		
7RWDO 6FKHGXOH RI ([SHQGLWXUH RI)HGHUDO $ZDUGV		

&RQWLQXHG

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
127(6 72 6833/(0(17$5< ,1)250$7,21
-XQH

127(385326(2) 6&+('8/(6Q WLQXHG

,1'(3(1'(17 $8',725 6 5(3257
21 &203/,$1&(:,7+ 67$7(/$:6 $1' 5(*8/$7,216

%RDUG RI (GXFDWLRQ
6DFUDPHQWR &LW\ &RPPXQLW\ 6FKRRO 'LVWULFW
6DFUDPHQWR &DOLIRUQLD

Report on Compliance with State Laws and Regulations

:H KDYH DXGLWHG 6DFUDPHQWR &LW\ &RPPXQLW\ 6FKRRO 'LVWULFW¶V FRPSOLDQFH ZLWK
UHTXLUHPHQWV GHVFULEHG LQ 2017-18 Guide for Annual Audits of K-12 Local
Education Agencies and State Compliance Reporting WKH $XGLW *XLGH DSSOLFDEOH WR
UHJXODWLRQV OLVWHG EHORZ IRU WKH \HDU HQGHG -XQH

'HVFULSWLRQ	3URFHGXUHV 3HUIRUPHG
$WWHQGDQFH	<HV
7HDFKHU &HUWLILFDWLRQ DQG 0LVDVVLJQPHQWV	
.LQGHUJDUWHQ &RQWLQXDQFH	
,QGHSHQGHQW 6WXG\	<HV
&RQWLQXDWLRQ (GXFDWLRQ	<
,QVWUXFWLRQDO 7LPH	<HV
,QVWUXFWLRQDO 0DWHULDOV	<HV
5DWLR RI $GPLQLVWUDWLYH (PSOR\HHV WR 7HDFKHUV	
&ODVVURRP 7HDFKHU 6DODULHV	
(DUO\ 5HWLUHPHQW ,QFHQWLYH	1
*DQG /LPLW &DOFXODWLRQ	<HV
6FKRRO $FFRXQWDELOLW\ 5HSRUW &DUG	
-XYHQLOH &RXUW 6FKRROV	1R V
0LGGOH RU (DUO\ &ROOHJH +LJK 6FKRROV	
. *UDGH 6SDQ $GMXVWPHQW	<H
7UDQVSRUWDWLRQ 0DLQWHQDQFH RI (IIRUW	
$SSUHQWLFHVKLS 5HODWHG DQG 6XSSOHPHQWDO ,QVWUXFWLRQ	
(GXFDWRU (IIHFWLYHQHVV	<HV
&DOLIRUQLD &OHDQ (QHUJ\ -REV $FW	
$IWHU %HIRUH 6FKRRO (GXFDWLRQ DQG 6DIHW\ 3URJUDP	
*HQHUDO UHTXLUHPHQWV	<H
$IWHU VFKRRO	<HV
%HIRUH VFKRRO	1R VHH EHORZ

3URSHU ([SHQGLWXUH RI (GXFDWLRQ 3URWHFWLRQ $FFRXQW)XQGV
8QGXSOLFDWHG /RFDO &RQWURO)XQGLQJ)RUPXOD 3XSLO &RXQWV
/RFDO &RQWURO DQG $FFRXQWDELOLW\ 3ODQ
,QGHSHQGHQW 6WXG\ ± &RXUVH %DVHG
$WWHQGDQFH IRU FKDUWHU VFKRROV
0RGH RI ,QVWUXFWLRQ IRU FKDUWHU VFKRROV
1RQFODVVURRP %DVHG ,QVWUXFWLRQ ,QGHSHQGHQW 6WXG\
IRU FKDUWHU VFKRROV <HV
'HWHUPLQDWLRQ RI)XQGLQJ IRU 1RQFODVVURRP %DVHG
,QVWUXFWLRQ IRU FKDUWHU VFKRROV
$QQXDO ,QVWUXFWLRQDO 0LQXWHV &ODVVURRP %DVHG
IRU FKDUWHU VFKRROV <HV
&KDUWHU 6FKRRO)DFLOLW\ *UDQW 3URJUDP

7KH 'LVWULFW GLG QRW RIIHU DQ (DUO\ 5HWLUHPHQW ,QFHQWLYH 3U

Other Matter

6DFUDPHQWR &LW\ 6FKRRO 'LVWULFW WKH IHGHUDO SRUWLRQ RI WKH DFFRPSDQ\LQJ 6FKHGXOH RI &RPSOLDQFH DQG DFFRUGLQJO\ ZH H[SUHVV QR RSLQLRQ RQ W
8QLILHG 6FKRRO 'LVWULFW V UHVSRQVLELOLW\ LQFOXGHV WKH GHVLJQ LPSOHPHQWDWLRQ DQG PDLQWHQDQFH RI LQWHUQDO FRQWUROV UHOHYDQW WR WKH SUHSDUDWLRQ DQG IDLU SUHVHQWDWLRQ RI WKH
6WDWH &RPSOLDQFH DQG DFFRUGLQJO\ ZH H[SUHVV QR RSLQLRQ RQ W

3XUSRVH RI WKLV 5HSRUW

7KH SXUSRVH RI WKLV UHSRUW RQ FRPSOLDQFH DQG RQ LQWHUQDO FRQWURO RYHU FRPSOLDQFH LV VROHO\ WR GHVFULEH WKH VFRSH RI RXU WHVWLQJ RI FRPSOLDQFH DQG WKH UHVXOWV RI WKDW WHVWLQJ LQ DFFRUGDQFH ZLWK *RYHUQPHQW $XGLWLQJ 6WDQGDUGV LVVXHG E\ WKH &RPSWUROOHU *HQHUDO RI WKH 8QLWHG 6WDWHV DQG WKH 7H[DV (GXFDWLRQ $JHQF\ V $QQXDO Audits of K-12 Local Education Agencies and State Compliance Reporting $FFRUGLQJO\ WKLV UHSRUW LV VXLWDEOH IRU DQ\ RWKHU SXUSRVH

&URZH //3

6DFUDPHQWR &DOLIRUQLD
1RYHPEHU

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
San Ramon Valley Unified School District
San Ramon, California

Report on Compliance for Each Major Federal Program

We have audited San Ramon Valley Unified School District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the District's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 15, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Crowe LLP

Sacramento, California
December 15, 2017

Report on Internal Control Over Compliance

6(&7,21 ,,),1$1&,$/ 67$7(0(17),1',1*6

'(),&,(1&< 678'(17 %2'< $&&2817,1*

&ULWHULD

(GXFDWLRQ &RGH 6HFWLRQ DQG &DOLIRUQLD $GPLQLVWUDWLYH &RGH ... $FFRXQWLQJ 3URFHGXUHV
VWXGHQW 2UJDQL]DWLRQV ... WUDQVDFWLRQV RI VWXGHQW RUJDQL]DWLRQV ... WKH UHJXODWLRQV
*RYHUQLQJ %RDUG RI WKH VFKRRO GLVWULFW

&RQGLWLRQ

$W YDULRXV VFKRRO VLWHV VHOHFWHG IRU WHVWLQJ ... WKH IROORZLQJ

$UWKXU $ %HQMDPLQ +HDOWK 3URIHVVLRQV +LJK 6FKRRO

- 3URILW DQG /RVV VWDWHPHQWV IRU WKH VWXGHQW VWRUH DUH Q...
-)XQGUDLVHUV DUH QRW DSSURYHG E\ WKH VLWH SULQFLSDO

6DP %UDQQDQ 0LGGOH 6FKRRO

- $ GXDO FRXQW LV QRW EHLQJ GRFXPHQWHG ZKHQ IXQGV DUH WXU...
- $ UHFHLSW LV QRW EHLQJ LVVXHG ZKHQ IXQGV DUH WXUQHG LQWR...
- &DVK UHFHLSWV DUH QRW UHFRQFLOHG ... GRFXPHQWV ...
- 3URILW DQG /RVV VWDWHPHQWV IRU ... VWRUH DUH Q...

1HZ 7HFKQRORJ\ +LJK 6FKRRO

-)XQGUDLVHUV DUH QRW DSSURYHG SULRU WR WKH HYHQW
- 0RQWKO\ ILQDQFLDO UHSRUWV DQG ... DUH QRW

$PHULFDQ /HJLRQ &RQWLQXDWLRQ +LJK

- 5HFHLSWV DUH QRW LVVXHG ZKHQ IXQGV DUH WXUQHG LQWR WKH
- 'HSRVLWV DUH QRW SHUIRUPHG LQ D WLPHO\ PDQQHU

(IIHFW

7KHUH H[LVWV D ULVN WKDW $6% IXQGV ... SRWHQWLDOO\ EH PLVD...

&DXVH

$GHTXDWH LQWHUQDO FRQWURO SURFHGXUHV ... FRQVLV...

)LVFDO ,PSDFW

1RW GHWHUPLQDEOH

6(&7,21 ,,,),1$1&,$/ 67$7(0(17),1',1*6
&RQWLQXHG

'(),&,(1&< 678'(17 %2'< $&&2817,1* &RQWLQXHG

5HFRPPHQGDWLRQ

%DVHG RQ WKH GHILFLHQFLHV LGHQWLILHG DERYH ZH UHFRPPHQG WK

- &DVK FRXQW IRUPV VKRXOG EH SUHSDUHG IRU HYHU\ GHSRVLW RI IXQGV FROOHFWHG
- $ UHFHLSW IRU WKH IXQGV WXUQHG LQWR WKH $6% VKRXOG EH LV
- &DVK UHFHLSWV VKRXOG EH DWWDFKHG WR WKH GHSRVLW VOLS DQG LQFOXGH XQLW LWHPV VROG
- 3URILW DQG /RVV VWDWHPHQWV IRU IXQGUDLVHUV VKRXOG EH SUHSDUHG DQG VXEPLWWHG VKRXO
- 7KH 0RQWKO\ (QFXPEUDQFH 5HSRUW VKRXOG EH UHYLHZHG E\ WKH
- $SSURYDO RI H[SHQGLWXUHV VKRXOG EH GRFXPHQWHG DQG VLJQHG E\ DOO LQFOXGLQJ HOHFWHG VWXGHQW UHSUHVHQWDWLYH EHIRUH SXUFKDVH EHIRUH D

9LHZV RI 5HVSRQVLEOH 2IILFLDOV DQG 3ODQQHG &RUUHFWLYH $FWLRQ

7KH 'LVWULFW ZLOO ZRUN ZLWK VLWH PDQDJHPHQW WR HQVXUH DOO DWWHQG WUDLQLQJ DQG ZLOO FRQWLQXH WR SURYLGH VWDII LQ IUDXG SUHYHQWLRQ DQG LQWHUQDO FRQWUROV DQG TXDUWHUO\ PHHWLQJV ZLWK WKH RUJDQL]HG VLWH VXSSRUW VWDII

6(&7,21 ,,,)('(5$/ $:$5'),1',1*6 $1' 48(67,21(' &2676

1R PDWWHUV ZHUH UHSRUWHG

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

67$7(&203/,$1&($77(1'$1&(5(3257,1*

&ULWHULD

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*$)25 &/&28176

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

& . 0F&ODWFK\ +LJK

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK 0HDO 3URJUDP /HDUQHUV			%RWK)530
(QUROOPHQW)6	530	(/$6	(/$6	7RWDO
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

&DPHOLD %DVLF (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK 0HDO 3URJUDP /HDUQHUV			%RWK)530
(QUROOPHQW)6	530	(/$6	(/$6	7RWDO
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

&HVDU &KDYH] ,QWHUPHGLDWH

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK 0HDO 3URJUDP /HDUQHUV			%RWK)530
(QUROOPHQW)6	530	(/$6	(/$6	7RWDO
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

[redacted]

576

$ 383,/

FRXQW

RWK)530
WDO

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

(WKHO , %DNHU (OHPHQWDU\

		8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK				
	0HDO 3URJUDP	/HDUQHUV	%RWK)530		
(QUROOPHQW)530	(/$6	(/$6	7RWDO		
$V FHUWLILHG RQ &DO3$'6					
$XGLW DGMXVWPHQWV					
$GMXVWHG FRXQWV					

)DWKHU .HLWK % .HQQ\ .

		8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK				
	0HDO 3URJUDP	/HDUQHUV	%RWK)530		
(QUROOPHQW)530	(/$6	(/$6	7RWDO		
$V FHUWLILHG RQ &DO3$'6					
$XGLW DGMXVWPHQWV					
$GMXVWHG FRXQWV					

)HUQ %DFRQ 0LGGOH

		8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK				
	0HDO 3URJUDP	/HDUQHUV	%RWK)530		
(QUROOPHQW)530	(/$6	(/$6	7RWDO		
$V FHUWLILHG RQ					

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

+LUDP : -RKQVRQ +LJK

8QGXSOLFDWHG SXSLO FRXQW
)UHH 5HGXFHG (QJOLVK
0HDO 3URJUDP /HDUQHUV %RWK)530
(QUROOPHQW)530 (/$6 (/$6 7RWDO

$V FHUWLILHG RQ
&DO3$'6
$XGLW DGMXVWPHQWV _____ _____ _____

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

0DWVX\DPD (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

1LFKRODV (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

1RQ 3XEOLF 6FKRRO *URXS IRU 6DFUDPHQWR &LW\ 8QLI

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

2 : (UOHZLQH (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

2DN 5LGJH (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

3DUNZD\ (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

6XWWHUYLOOH (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

7DKRH (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

7KHRGRUH -XGDK (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP	/HDUQHUV	%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7
6&+('8/(2) $8',7),1',1*6 $1' 48(67,21(' &2676
<HDU (QGHG -XQH

6(&7,21 ,9 67$7($:$5'),1',1*6 $1' 48(67,21(' &2676

'(),&,(1&< ± 81'83/,&$7(' /2&$/ &21752/)81',1*)2508/$ 383,/
&28176 &RQWLQXHG

:DVKLQJWRQ (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

:LOO & :RRG 0LGGOH

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

:LOOLDP /DQG (OHPHQWDU\

	8QGXSOLFDWHG SXSLO FRXQW			
	)UHH 5HGXFHG (QJOLVK			
	0HDO 3URJUDP /HDUQHUV		%RWK)530	
(QUROOPHQW)530	(/$6	(/$6	7RWDO	
$V FHUWLILHG RQ &DO3$'6				
$XGLW DGMXVWPHQWV				
$GMXVWHG FRXQWV				

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7

67$786 2) 35,25 <($5
),1',1*6 $1' 5(&200(1'$7,216

6$&5$0(172 &,7< 81,),(' 6&+22/ ',675,&7