



BOARD OF SCHOOL TRUSTEES
KELLER INDEPENDENT SCHOOL DISTRICT

2D. Action

Date: January 24, 2005

SUBJECT: ANNUAL AUDIT REPORT

BOARD GOAL: Budget and Finance

FISCAL NOTE: No financial impact

Background Information:

The District's external auditors, Weaver and Tidwell, LLP, have completed the annual audit. The final draft of the annual audit report was presented at the January 10 meeting for your review.

Administrative Considerations:

Weaver and Tidwell expressed an unqualified opinion on the District's financial statements.

Weaver and Tidwell found that KISD complied, in all material respects, with the requirements of each of KISD's major federal programs.

Weaver and Tidwell noted no matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

Weaver and Tidwell noted one financial statement finding – the District overexpended budgeted amounts at the function level in the food service special revenue fund. The District is addressing this issue to prevent recurrence in the future.

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The administration recommends that the Board of Trustees approve the annual audit report as presented.

Respectfully submitted,

Kent Morrison
Assistant Supt. of Finance