

**ESTACADA SCHOOL DISTRICT
BOARD AGENDA
SUPPORTING DOCUMENT FOR ACTION ITEM**

Regular Meeting of January 8, 2025

ITEM : Audit Firm

PREPARED BY: Mike Waer

TYPE OF ITEM: ACTION ITEM

BACKGROUND INFORMATION:

Pauly, Rogers and Co., P.C. has been the audit firm for the Estacada School District for over five years, providing annual auditing services in conformance with the generally accepted accounting principles (GAAP) set forth by the Government Accounting Standards Board (GASB).

Two primary partners at Pauly, Rogers and Co., P.C, along with their teams, are launching Clear Trail CPAs LLC, a firm exclusively dedicated to municipal auditing. The new firm, Clear Trail CPAs, LLC is honoring all current engagement letters, quotes, and proposals (with Polly, Rogers, Co.), if Districts decided to transfer service to the new firm. The audit team and compliance managers will remain unchanged, ensuring a seamless transition of your services to Clear Trail CPAs.

The timing of the firm's transition is during the annual financial audit for the Estacada School District. Therefore, the District explored two options:

1. Remain with the current auditing firm, Pauly, Rogers and Co., P.C.
2. Recommend to the Executive Board of the Directors to transfer to a new auditing firm, Clear Trail CPAs LLC.

It was determined that if the District were to remain with Pauly, Rogers and Co., P.C., the annual audit would be delayed, due to the limited capacity and availability of the firm's audit teams. Clear Trail CPAs LLC would be able to maintain the current audit schedule with the **expected** completion date of January 31, 2025.

ADDITIONAL INFORMATION:

- The current audit fees are below the bidding process requirements of \$250,000 per ORS, therefore, no procurement is required at this time.
- Procurement of new services: As a best practice approach, the District does intend to complete a full procurement of auditing services by Spring 2025.

RECOMMENDATION: To authorize Estacada School District transfer services to Clear Trail CPAs LLC, to complete the annual financial audit, for fiscal year 2023-2024.