



Mid-Valley Special Education Cooperative

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MEMO TO: MV Executive Advisory Board

FROM: Nancy Sporer
Director of Business & Human Resources

DATE: November 6, 2013

RE: **FY13 AUDIT REPORT**

The 2013 audit report of Mid Valley is complete and a copy of the AFR has been filed electronically with the State. A copy of the audit report is included with this memo, and a hard copy will be available at the Board meeting on November 6, 2013.

The auditors completed their field work on September 24, 2013. As noted in the management discussion letter, no material weaknesses were identified. Recommendations were made to budget for on-behalf payments for TRS and to reinforce the purchasing card guidelines. All procurement card holders have read the P-Card manual and have signed an acknowledgement form indicating they will comply with the policies and the Code of Conduct contained in the manual.

The audited fund balances, and my subsequent adjustments, are as follows:

	Fund Balance Reconciliation		
	6/30/13 Audit		
	Ed Fund	O&M Fund	Total
Fund balance as per books	186,578	303,071	
Audited fund balance	186,578	303,071	489,649

The FY13 audited fund balance represents primarily an accumulation of Medicaid Administrative Outreach funds over the years. The balance in the O&M Fund, to the best of my knowledge, has accumulated over the years due to tuition refunds not being coded properly. All the refunds were paid from the Ed Fund instead of proportionately from Ed and O&M. The reported fund balance will be discussed with the Finance Committee and a recommendation will be forthcoming.

Please feel free to call me if you have any questions.

Recommendation

It is recommended that the MVSEC Executive Advisory Board approve and accept the audit report for fiscal year ended 2013.