



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

4B. Action

Date: April 17, 2006

SUBJECT: SELECTION OF FINANCIAL AUDITORS

BOARD GOAL: All systems in the Keller Independent School District will be effective, efficient and accountable in support of the district's mission.

FISCAL NOTE: Budgeted in General Fund

Background Information:

- TEA requirement to have an annual financial audit of the district's financial statements performed by an independent certified public accountant.
- Selection of the financial auditors is based on qualifications.

Administrative Considerations:

- The terms of the award of the annual audit contract will be for a five (5) year period.
- The contract will be renewed annually begin with the 2005-2006 audit and will end with the 2009-2010 audit.
- The District's Budget and Finance committee interviewed four (4) audit firms out of six (6) that submitted proposals.
- The interview represented 22% of the evaluation process as stated in the proposal guidelines.
- Technical points concerning audit work plan, staff qualifications and experience represents 65% of the evaluation process.
- The cost of the engagement for the standard audit as required by state and federal law represents 13% of the evaluation process.
- The overall proposal that represents the best value to the district was from Weaver and Tidwell L.L.P.

- The schedule of audit fees for the five year engagement are as follows:

Audit Year	Amount
2005-2006	\$50,950
2006-2007	\$52,475
2007-2008	\$54,050
2008-2009	\$55,675
2009-2010	\$57,350

- Previously included in your agenda of March 27, was a copy of the Weaver and Tidwell proposal.

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The administration recommends that the Board of Trustees approve Weaver and Tidwell L.L.P. as the district's annual auditors for a contract renewed yearly ending with the 2009-2010 audit.

Respectfully submitted,

Kent V. Morrison, III
Chief Financial Officer