



Proposal for Audit Services for

Crosslake Community Schools

35808 County Road 66
Crosslake, Minnesota 56442

Proposed By:

Brad Falteysek, CPA
Partner | Abdo
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Direct Line 952.715.3004

Mankato Office

100 Warren Street, Ste 600
Mankato, MN 56001
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Crosslake Community Schools

35808 County Road 66
Crosslake, Minnesota 56442

April 21, 2022

Dear School Board,

Thank you for the opportunity to submit this proposal to the Crosslake Community Schools (the School) for audit services. We appreciate the opportunity to work with you. Based on our experience with clients like you, we are confident that Abdo (the Firm) would be a great fit.

We work hard for those who matter most - clients, employees, family, and community - and celebrate their successes as our own. This belief is represented through our commitment to people and knowledge, process and you. We will utilize staff that is experienced and dedicated in the area of government. Our process is centered on meeting your needs, exceeding your expectations, and incorporating technology to deliver unparalleled solutions. This includes delivering prompt and effective service of the highest quality to you. The quality of our service allows us an opportunity to be an integral part of your finance team. We believe this investment should make a difference for you, our valued client. We focus on the challenges and needs that are relevant to your School, which allows us to be thoughtful in our approach in providing you with the best solutions, and leaves you assured in the value of our deliverable.

The attached proposal will demonstrate to you that we will be a great service provider and partner for your School. We look forward to meeting with you to discuss our proposal and appreciate this opportunity to present our firm for your consideration. We will follow up with you within two weeks to answer any questions or concerns you may have and to provide any further information you may need.

Sincerely,

Abdo

A handwritten signature in black ink, appearing to read "Brad Falteysek".

Brad Falteysek, CPA

Partner, Abdo

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Executive Summary

We are pleased to present our proposal for audit services to the Crosslake Community Schools. We have prepared our proposal based on our understanding of your organization's needs from the request for proposal we received and the very informational conversation we have had with [insert name] and [insert name], during which we were provided with an opportunity to get to know you better.

We understand that the key requirements you have of your selected advisors include:

- Access to partners and staff for assistance in answering questions throughout the year
- Deliver both concise and informative information to the Board
- Demonstrate familiarity, knowledge and experience in the industry
- Provide proficiency with Smart Finance
- Provide a timely and efficient audit completed after April fieldwork

We understand that the requested work to be completed includes the following services:

- Annual Financial Statement Audit
- Management Letter
- Presentation to the Board

Based on our work with more than 100 local governments similar to yours, we confidently believe we can meet your requirements and exceed your expectations for the reasons listed below and referenced in our proposal.

- We provide timely services and currently adhere to an 18-day turnaround time from fieldwork for the delivery of draft financial statements to the client.
- Our Board presentation uses ratios and comparisons of trends that give snapshots of metrics for your School through graphs and charts.
- We have a dedicated team of 40 partners, managers and staff that serve governments exclusively.
- Our government experience extends beyond just audit and compliance. We also provide the following services to government organizations.
 - Human Resource solutions
 - Long-term financial planning
 - One-on-one personalized and group-focused training opportunities
 - Process improvement- lean process and process evaluation
- Integral to our mission is a philosophy that we help organizations reach their maximum potential through open communications and teamwork. **We enjoy answering questions any time of the year, and at no cost!**

We commit to providing an excellent level of client service and helping you move beyond the numbers through communication, support and customized guidance. As you review the details of this proposal, please do not hesitate to contact us with questions or for clarification. We look forward to partnering with the School.

Your Abdo Team

Based on our ability to provide the requested services, our shared core values, and an understanding of your unique needs, we firmly believe we would be a great fit for your School. We have the resources, knowledge, people and services to provide you with the solutions you're looking for. We have assembled a team with relevant experience who are committed to performing these services to meet the expected deadlines. Each team member is briefly profiled below, and full biographies can be found on the following pages.



Brad Falteysek, CPA

Partner

brad.falteysek@abdosolutions.com
Direct Line 952.715.3004



Justin Nilson, CPA

Senior Manager

justin.nilson@abdosolutions.com
Direct Line 952.715.3011



Luke Vogt

Senior Associate

luke.vogt@abdosolutions.com
Direct Line 952.715.3077



Jill Knutson

Associate

jill.knutson@abdosolutions.com
Direct Line 952.715.3034



TEAM MEMBER BIO:

Brad Falteysek

CPA

Government Partner
MSRB Municipal Advisor Representative (Series 50)
brad.falteysek@abdosolutions.com
Direct Line 952.715.3004

Brad joined the Firm in 1998. He graduated Cum Laude from Winona State University, and worked for two years with the Minnesota Office of the Legislative Auditor's Office. He is registered and licensed to practice as a CPA in Minnesota. His work includes audit and accounting for many of the Firm's governmental clients, including audits regulated under Uniform Guidance.

EDUCATION

- Bachelor of Science in Accounting, Winona State University
Minor in Economics
Graduated Cum Laude
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

PROFESSIONAL MEMBERSHIPS

- Minnesota Government Finance Officers Association
- Minnesota Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Minnesota Association of School Business Officials

QUALIFICATIONS

- 23 years of experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Experienced in municipal government utility rate studies and long-term financial plans
- Presented at the Minnesota Association of School Business Officials Annual Conference, the Minnesota Government Finance Officers Association Annual Conference, and the Minnesota Clerks and Finance Officers Association Annual Conference
- MSRB Municipal Advisor Representative (Series 50)

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TEAM MEMBER BIO:

Justin Nilson

CPA

Senior Manager
justin.nilson@abdosolutions.com
Direct Line 952.715.3011

Justin joined the Firm in 2012 after graduating from Saint John's University. His work experience includes assisting in the audits of several municipal, school district and Single Audits. Justin is active within the Firm, participating in numerous internal task forces created to develop streamlined processes and efficiency tools, as well as assisting with internal initiatives around Recruiting and Technology.

EDUCATION

- Bachelor of Arts in Accounting, Saint John's University
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

PROFESSIONAL MEMBERSHIPS

- American Institute of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- Minnesota Government Finance Officers Association

QUALIFICATIONS

- 9 years of experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Experienced in municipal government long term financial plans
- Experienced in models for various municipal government specific areas such as utility rate, tax levy and debt analysis

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TEAM MEMBER BIO:



Luke Vogt

Senior Associate
luke.vogt@abdosolutions.com
Direct Line 952.715.3077

Luke joined the Firm in 2021 as a Senior Associate in our government audit department. Prior to joining Abdo, Luke started his career at a small CPA firm in Danville, Illinois after graduating from Indiana State University. Luke has been involved with numerous trainings, including Audit Watch University and GASB 68 Workshops to further expand his knowledge in the audit field.

EDUCATION

- Bachelor of Arts in Accounting, Indiana State University
Minor in Forensic Accounting
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

QUALIFICATIONS

- 9 years of experience auditing local governments (cities, school district, fire districts, counties)
- 5 years of experience working with Single Audits
- 6 years of experience auditing not-for-profits in Illinois
- Experience in completing tax returns
- Over 90 percent of billable time related to governmental clients
- Works extensively with Microsoft Office

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TEAM MEMBER BIO:

Jill Knutson

Associate
jill.knutson@abdosolutions.com
Direct Line 952.715.3034

Jill joined the Firm in 2022 after graduating from Benedictine College. Prior to joining Abdo full-time in 2022, Jill was a government intern during the 2020 city audit season and 2021 school audit season.

EDUCATION

- Bachelor of Arts in Accounting and Finance, Benedictine College
Graduated Summa Cum Laude
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

QUALIFICATIONS

- 1 year of experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients

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Government Experience

You can have confidence in our 59 years of quality auditing services and partnership in the government space. Since 1963, we've served Minnesota schools just like yours. With an unwavering commitment to streamlining processes, training staff, and finding technology-based solutions, we proudly offer excellence in school auditing.

Out of our 180-strong, talented staff, over 40 team members are 100% focused on government clients, including services for independent school districts and charter school. By serving government-based clients across the state, we have become experts in the nuances of how to best support you. We work together with you.

Our expertise affords you an audit experience that's painless. We do this by communicating up front, coming better prepared, and being available throughout the year to support you.

PROCESS

Our methods are centered around incorporating technology to deliver unparalleled solutions. We don't believe in a one-size-fits-all mentality. Together, we'll focus on the needs that are relevant to your school and provide the right services to meet them with a tailored audit approach.

FOCUS

We've built a team that understands the fiscal responsibilities you face. You'll receive a team with expertise in school audits. We spend more than 100 hours of training and on-boarding each team member and provide continuous training and growth opportunities to ensure success with our clients.

QUALIFICATIONS

- GFOA and MnGFOA Association members
- We speak and train on government accounting and auditing topics
- Currently audit more than 75 schools, including 19 independent school districts
- We've assisted many cities in preparing for the GFOA's Certificate of Achievement for Excellence awards in financial reporting
- Audit services for EDA's and HRA's, fire relief departments and other government organizations



Audit Approach

AUDIT SERVICES

We deliver auditing services that are more than just a compliance service. We exceed what’s considered “standard audit support,” placing a strong emphasis on a relationship-driven approach that facilitates a partnership with your School. We work together to ensure we have a clear understanding of your School’s needs, challenges and financial information. Together with your School’s team, we’ll help to leverage this information to increase efficiency and effectiveness.

PARTNERSHIP

Integral to our mission is a philosophy that we help schools reach their maximum potential through open communication and teamwork. We enjoy answering questions any time of the year, and at no cost! We also believe in:

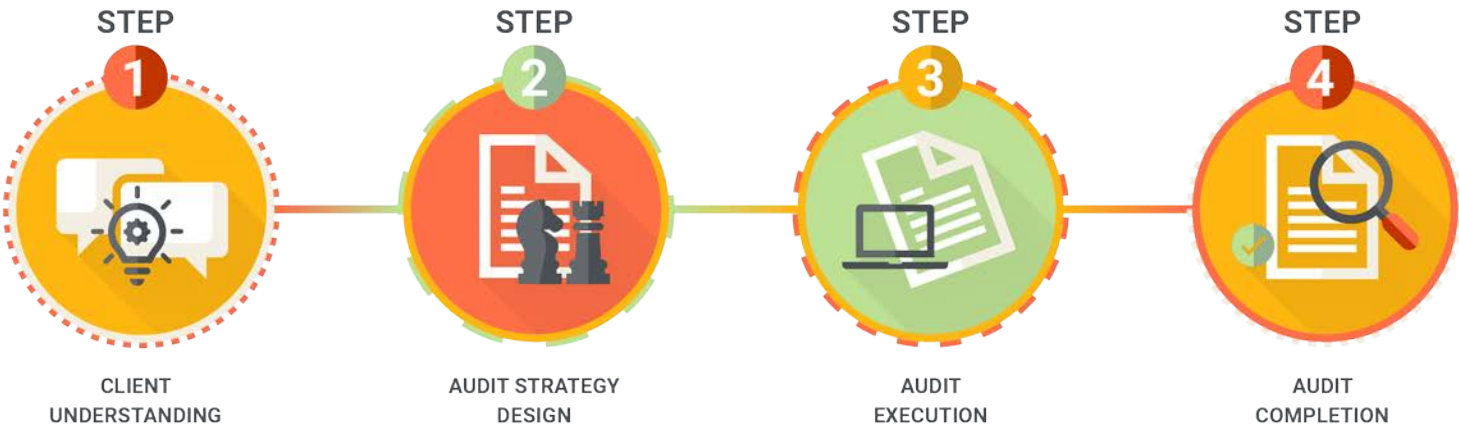
- Consistent, clear, proactive communication that offers suggestions and makes your work easier.
- Returning phone calls and questions promptly.
- Gathering information through dialog, not checklists.
- Conducting listening calls with you outside of the engagement to understand your organization, build a long-term relationship with you and learn how we can improve.

PEOPLE

Our value comes from our experience and the education we can provide. Our professionals go beyond the required standards to make sure we have a clear understanding of your School. We work with your management team to leverage this information to increase efficiency and profitability. You can learn more about your audit team in the team section.

PROCESS

While we will audit the financial statements of your School for the year ended June 30, 2022, 2023 and 2024 in accordance with the applicable regulatory standards, our process is designed to go far beyond that. Our process enables us to gain a thorough understanding of the processes, procedures, and general operations of your School.



Technology

We believe technology should enhance our service offerings, making our work less intrusive, our time with you more productive and everyone's data more secure. The use of technology in our audit services enables us to streamline our processes and helps to automate certain functions of our work so we are able to spend more time analyzing our results and working directly with you.

Through the outbreak of COVID-19, our team has been able to seamlessly move to a completely remote work environment with no loss of productivity, cooperation, or communication. Since March 17, 2020, our staff has been successfully conducting remote audit preparation using the latest video conferencing and secure file sharing technology. Through Zoom, Microsoft Teams, or whatever technology your School may use, our team will continue to work through normal procedures, including regular meetings with you during the planning/fieldwork phase to ensure effective collaboration with your team.

We take the security of our client's data - and our own - very seriously. A number of systems are in place to ensure the safety of your School's data. We operate on a remote distributed infrastructure leveraging Microsoft's Cloud Platform Azure. This not only allows our staff to securely work from any computer, anywhere, any time, but also provides large-scale, cutting-edge technology and security for your data. Your data is housed in secure data centers that reside exclusively in the U.S. and not on laptops or local servers which could be stolen or misplaced. We also continually provide security awareness training to our staff members to ensure they are good digital stewards of your data.

IT ALSO MEANS:

- All firm staff use dual authentication to ensure that every login to our remote environment is secure and authorized.
- All data is saved on redundant servers and data centers so if one server fails, another immediately takes over with no data lost.
- All data is backed up continually which means we always have an extra copy for safe-keeping.
- All incoming emails, attachments, and embedded links are scanned for viruses prior to landing in our inbox, which allows us to operate with more protection from phishing emails, malware attacks, and other digital threats.

Our cloud platform, Azure, is globally trusted by companies and governments and has numerous security compliance standard they adhere to. Reports of these can be provided as requested.



Service Timeline

We prepare a timeline each year for our audits. Timelines are based on when organizations are able to complete their necessary year-end work. Please see below for an anticipated timeline that identifies what you can expect, and when. Once hired we will work with you on an exact timeline that fits your needs. This is an example of a typical timeline. Additionally, the table below outlines our proposed segmentation of the engagement.

June

July

August

September

Client Understanding

Together, we mutually agree with management on a timeline to perform the audit.

Planning & Interim Fieldwork

We will select our sample and provide information requests to **management**. We estimate dedicating one day of remote work.

Year-end Audit & Fieldwork

We will have our team working remotely to conduct fieldwork using our outlined audit approach. We estimate dedicating 2 full days for the audit fieldwork.

Reporting

We will provide drafted materials by September 1st, followed by a report presented to the Board.

Value

We at Abdo help our clients improve their city/school/county and achieve their financial goals. We heard you say that the following factors were important in our relationship:

- Completing work in advance of due dates by creating a schedule of work agreed upon by Abdo and the School.
- Providing excellent communication and insights on consulting matters that fall outside the scope of your traditional accounting services
- Meeting regularly throughout the year to stay on top of industry trends and work together to achieve your goals
- Having great managers and partners you can reach out to if any questions come up throughout the year

We will provide services that deliver on these factors that are important to you.

Our fees range from \$100 to \$404 per hour based upon the experience and level of the individuals to be assigned to perform the audit. Fees are also based on the assumption that your School’s staff will be assisting us whenever possible with audit schedules. We will provide a detailed audit plan and prepare a list of requested schedules upon proposal acceptance.

We do not believe in charging for phone calls, emails, or routine communications. Instead, we *encourage* clients to call us for questions, advice, or just update us on what is happening in their organization throughout the year. We want to be a resource for you – without any worry about whether or not the meter is running. When our communications identify additional service needs, we’ll discuss these needs with you and provide an additional fee range as needed.

We have not anticipated any additional hours for new audit or accounting standards. Accounting or audit standard changes may result in increased hours.

Summary Schedule of Professional Fees				
	Year End June 30	2022	2023	2024
Audit	Not-to-Exceed Amount	\$13,350	\$13,700	\$14,050

What Our Clients Say

CLIENT REFERENCES

One of the things we enjoy most about our work is developing long-term relationships with our clients and watching their organization thrive as we help them to evolve and grow. Our clients listed below serve as a sample of references of those we partner with for their audit services. Additional references are available upon request.

**ISD #95
CROMWELL WRIGHT
SCHOOLS**


Kristi Borglund
Business Manager
P 218.644.3737

**ST. CLOUD MATH AND
SCIENCE ACADEMY**

Tammy Bengtson
Executive Director
P 320.774.2201

**TRIO WOLF CREEK
DISTANCE LEARNING
CHARTER**

Tracy Quarnstrom
Director
P 651.213.2017



We've been really fortunate to partner with Abdo on our annual audit for the last 7 years. They are consistent with their performance and their staffing; respectful of timelines and school staff members; and provide good feedback and data for improvement.

I would recommend them to any public charter school looking for a best value proposition for their annual school audits. The Abdo team knows their stuff!

Hennepin Elementary School
Julie Henderson | Executive Director

License & Independence

LICENSED TO PRACTICE IN MINNESOTA

The Firm and its entire CPA staff hold licenses to practice in the state of Minnesota. All licenses are in good standing. The Firm and several partners and staff are licensed in other states and also are in good standing. The Firm's CPAs are all members in good standing with the Minnesota Society of CPAs and the AICPA. Our professional staff and membership in professional associations indicates that the services we provide to your School will be of the highest quality.

INDEPENDENCE

Our standards require that we be without bias with respect to your operations. The Firm is independent of the School as defined by auditing standards generally accepted in the United States of America.

The Firm has not been engaged by the School or any of its agencies, component units or oversight units for the past five years. Because the Firm is required to follow GAO independence standards mentioned in the previous paragraph, any prior relationships would not constitute any conflicts of interest relative to performing the proposed audits. Also, the Firm shall give the School written notice of any relevant professional relationships entered into during the period of this agreement.

The Firm is a member of the American Institute of Certified Public Accountants Division of Firms and has received an unmodified opinion on its Peer Review. Our Peer Review was completed in 2020 and resulted in a pass rating. A copy of this letter can be found in Appendix B.

The Firm has not had any federal or state desk reviews or field reviews of its audits in the last three years. We have had no disciplinary action taken or pending against the Firm during the past three years with state regulatory bodies or professional organizations.

We maintain library facilities which include current professional literature and specific information for the industries that we serve. The Firm library is also reviewed as part of the external quality review program. The Firm has in-house training programs specific to the industries we serve in order to maintain a knowledge-base relevant to our unique clients. We also perform auditing and accounting updates for our clients that are organized by our staff. These practices ensure the quality of our staff over the term of engagement.

Why Partner with Abdo

LIGHTING THE PATH FORWARD

In a world of ever-changing complexity, people need caring, empathetic and highly skilled professionals they can depend on to provide the right advice and solutions for them. Our clients seek growth and success, but also want security and confidence. For nearly 60 years, Abdo has provided insights for our clients to help them achieve their goals.


That same innovative spirit is also what has earned us the title of being one of the top accounting firms in the Midwest. Abdo is a better firm today because of the efforts we made to support a culture driven by our core values of growth, relationships, and teamwork.

With this foundation in place, we have successfully helped our clients identify and break through their own growth barriers. Every challenge they face is an opportunity for us to listen, understand and empower them with solutions and a plan to achieve their goals. It's fulfilling to serve as the catalyst that helps them overcome obstacles that block their progress.

When it comes to our working relationships, we are partners. We're confidants. We're the catalyst that sparks true business growth, providing guidance through every challenge and opportunity along the way.

ABOUT ABDO

Abdo is a full-service accounting and consulting firm that delivers customized strategies and innovative solutions to help businesses, governments and nonprofits succeed. With more than 180 professionals and nearly six decades of experience, Abdo is ranked as one of the top accounting firms in the Midwest. It is a licensed CPA firm with offices located in Minneapolis and Mankato, Minnesota. Abdo's commitment to its clients is to gain in-depth knowledge of their unique challenges, opportunities, and needs. Through this consultative approach, Abdo partners with organization leaders to light the path forward to confidently reach their goals.



"Listening to our clients' needs, understanding their challenges, and adjusting how we work together is key to our partnership with the people we serve."

— Steve McDonald, CPA | Managing Partner



Abdo

Diversity, Equity & Inclusion

At Abdo, we recognize the need for continuous improvement in diversity, equity and inclusion initiatives throughout our firm and the accounting industry at large. We believe that when we understand each other better, we grow better together. Through our annual Affirmative Action reporting, we identify areas where improvement is needed and take steps to address these areas.

Over the past year, we have increased our efforts to promote diversity, equity, and inclusion within our firm and community through implicit/unconscious bias, anti-harassment, and interview training. In 2021, our Diversity, Equity, and Inclusion Committee looks forward to implementing a full scope of ideas, projects, and initiatives to move our firm forward through learning, understanding, and improving on these issues.

We have increased our number of women at the highest leadership level in recent years, with the last four additions to our partner group being female. We strive for continued growth in our ability to attract and retain women and people of color within our firm and we are working towards greater equity and diversity for all within our industry.

In order to build a more inclusive work environment, the firm has implemented diversity and inclusion education and have required all employees to attend a series of monthly sessions provided by the Greater Mankato Diversity Council. A video training resource on the topic of empathy is also being developed for further employee education and awareness. Additional DEI initiatives are listed on the following page. Please let us know if you have any questions or concerns regarding our DEI activity or have additional ideas on how we can improve diversity, equity, and inclusion at Abdo.



57%

of our Employees
are Female

(industry average: 47%)



43%

of our Management Level
Employees are Female

(industry average: 23%)



26%

of our 2021 Interns
were people of color

[Source: AICPA 2019 Trends Report]



In 2020, the firm applied to be a co-sponsor for the **AICPA PCPS George Willie Ethnically Diverse Student Scholarship & Internship**, which allows 10 ethnically diverse accounting students the opportunity to be awarded internships with a firm that has been selected by the AICPA as co-sponsors of the program. Earlier this year, we found out that we were one of 10 firms in the nation to be selected as a co-sponsor for 2022. As a co-sponsor, we will host an ethnic minority accounting student to work alongside our CPAs and advisors during the 2022 internship season.



We are committed to the continued support and advancement of women in our firm and in our communities and one of the ways we do this is through partnership with YWCA Mankato, an organization that is continually empowering women in our communities to enhance their individual strengths and build leadership skills. In 2020, we were proud to be a sponsor of the **Elizabeth Kearney Women's Leadership Program** and we continue to be an annual attendee of the Women's Leadership Conference – which was held virtually last year with great success!



For years, Minnesota State University, Mankato has been the primary university we recruit from for our summer program participants and interns. Recently, we met with the leaders of the newly formed **National Association of Black Accountants chapter at Minnesota State University, Mankato** and elected to be a sponsor for the 2021-2022 academic year. We believe this partnership is a starting point towards increasing the diversity of our future summer program participants and interns.



In 2021, we celebrated International Women's Day with the Edina Chamber of Commerce as the sponsor of the Healing & Moving Forward Together webinar - part of their **Women Inspiring Leadership & Learning (W.I.L.L.)** series. Attendees heard from Jasmine Stringer - speaker, lifestyle expert, and author - as she guided us through how to communicate, be a better ally, and become connected, informed and engaged in support of our colleagues of color within the workplace and the community.



Appendix A

PROPOSER GUARENTEES & WARRANTIES

Proposer Guarantees & Warranties

1. Proposer warrants that it is willing and able to comply with State of Minnesota Laws with respect to foreign (non-State of Minnesota) corporations.
2. Proposer warrants that it is willing and able to obtain an “errors and omissions” insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Crosslake Community Schools, located in Crosslake, Minnesota.
4. The proposer certifies that it can and will provide and make available at a minimum, all services set forth in Section II, Nature of Services Required.
5. Proposer warrants that all information provided in this proposal is true and accurate.

Signature of Official



Name (typed)

Brad Falteysek, CPA

Title

Partner

Firm

Abdo

Date

April 21, 2022

Appendix B

PEER REVIEW REPORT



REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 10, 2020

To the Partners of
Abdo, Eick and Meyers, LLP
and the Peer Review Committee of the Nevada Society
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Abdo, Eick and Meyers, LLP (the firm) in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; audits of employee benefit plans, and an audit performed under FDICIA.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Abdo, Eick and Meyers, LLP in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Abdo, Eick and Meyers, LLP has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Brady Martz". The signature is written in a cursive, flowing style.

Brady Martz and Associates, P.C.

Appendix C

SAMPLE AUDIT PRESENTATION



Lighting the path forward

Sam

School Name

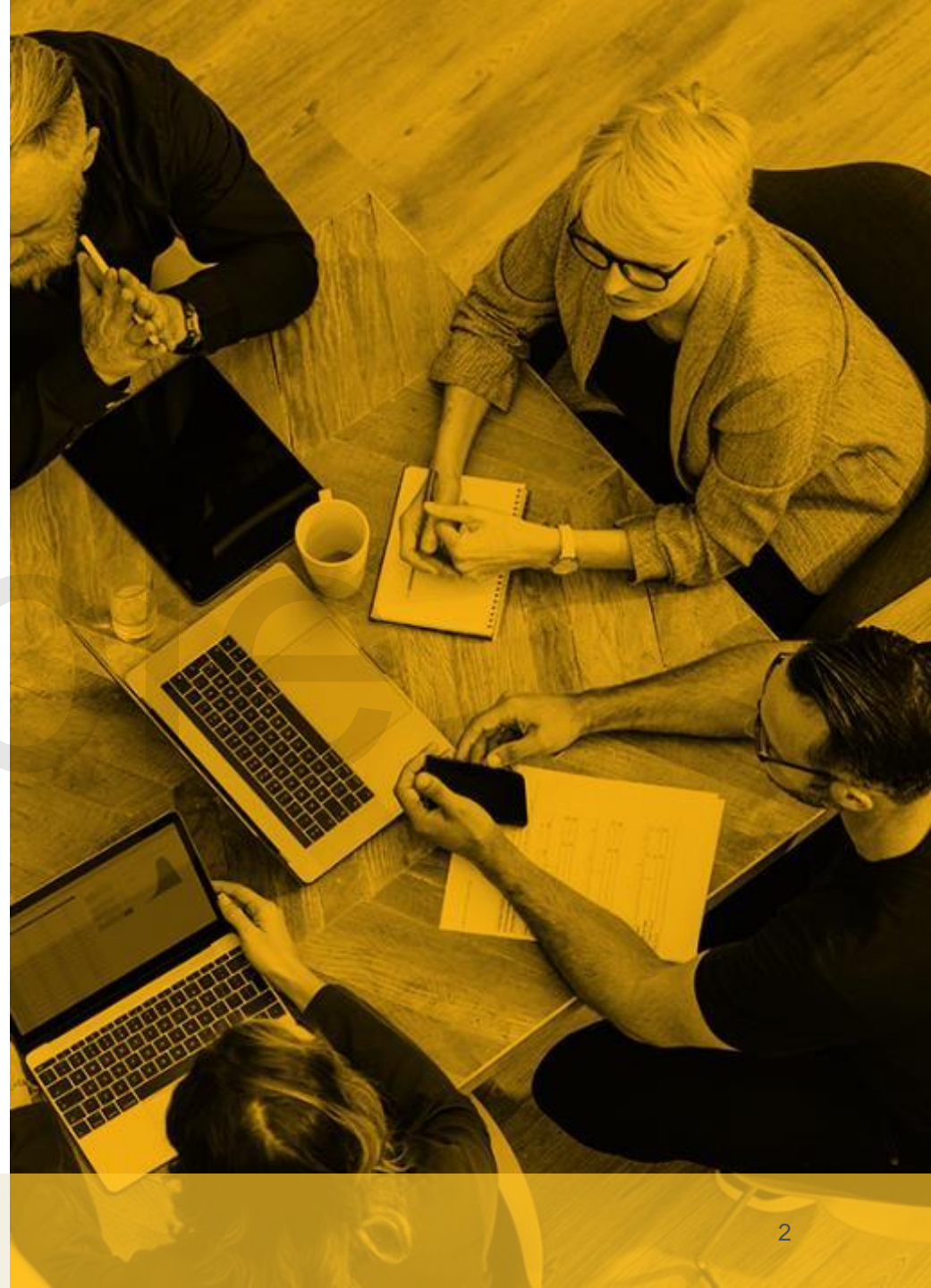
Fiscal Year 20XX

Financial Statement Audit



Introduction

- Audit Opinion and Responsibility
- General Fund Results
- Other Governmental Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion



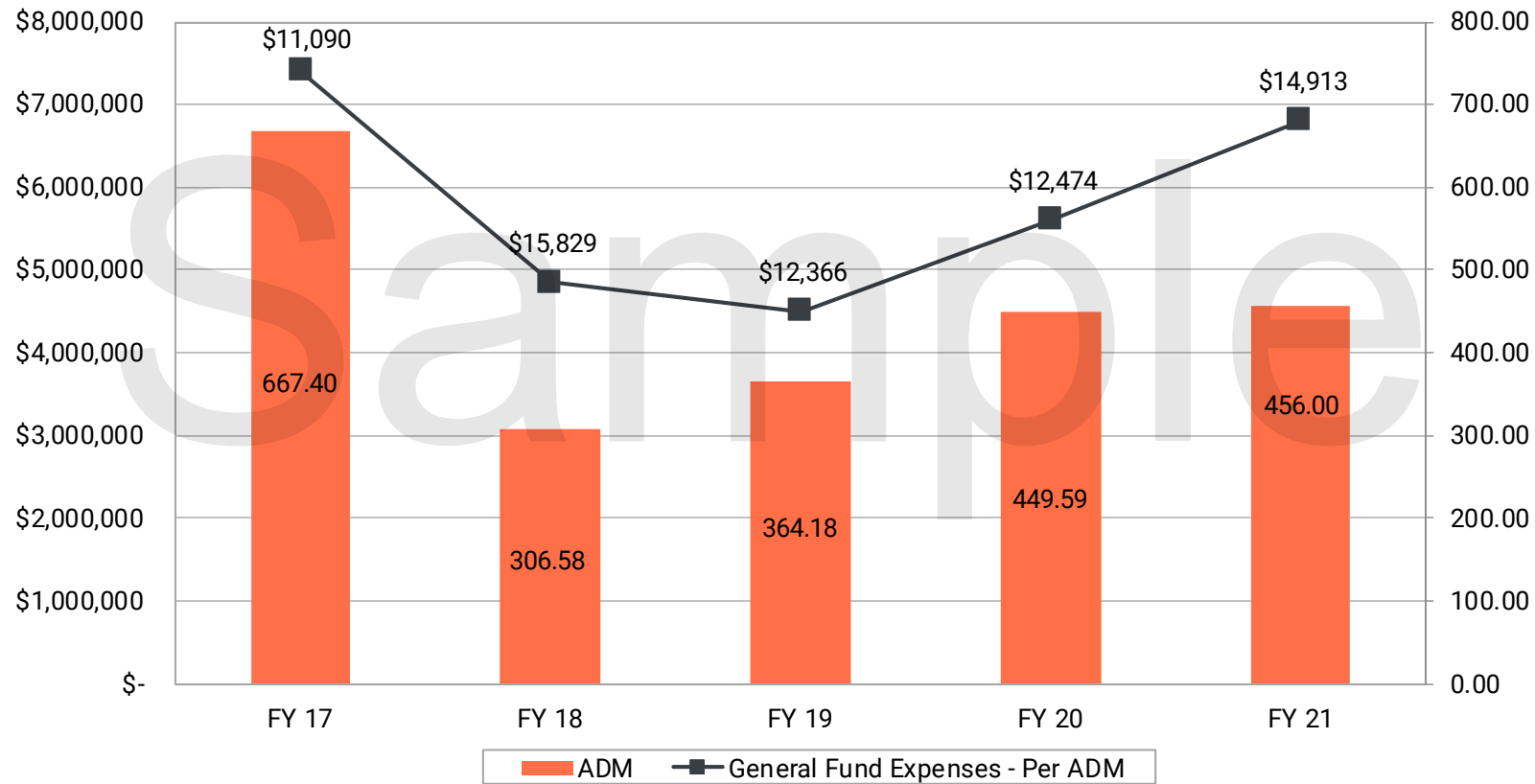
**Minnesota Legal
Compliance**



Single Audit Report

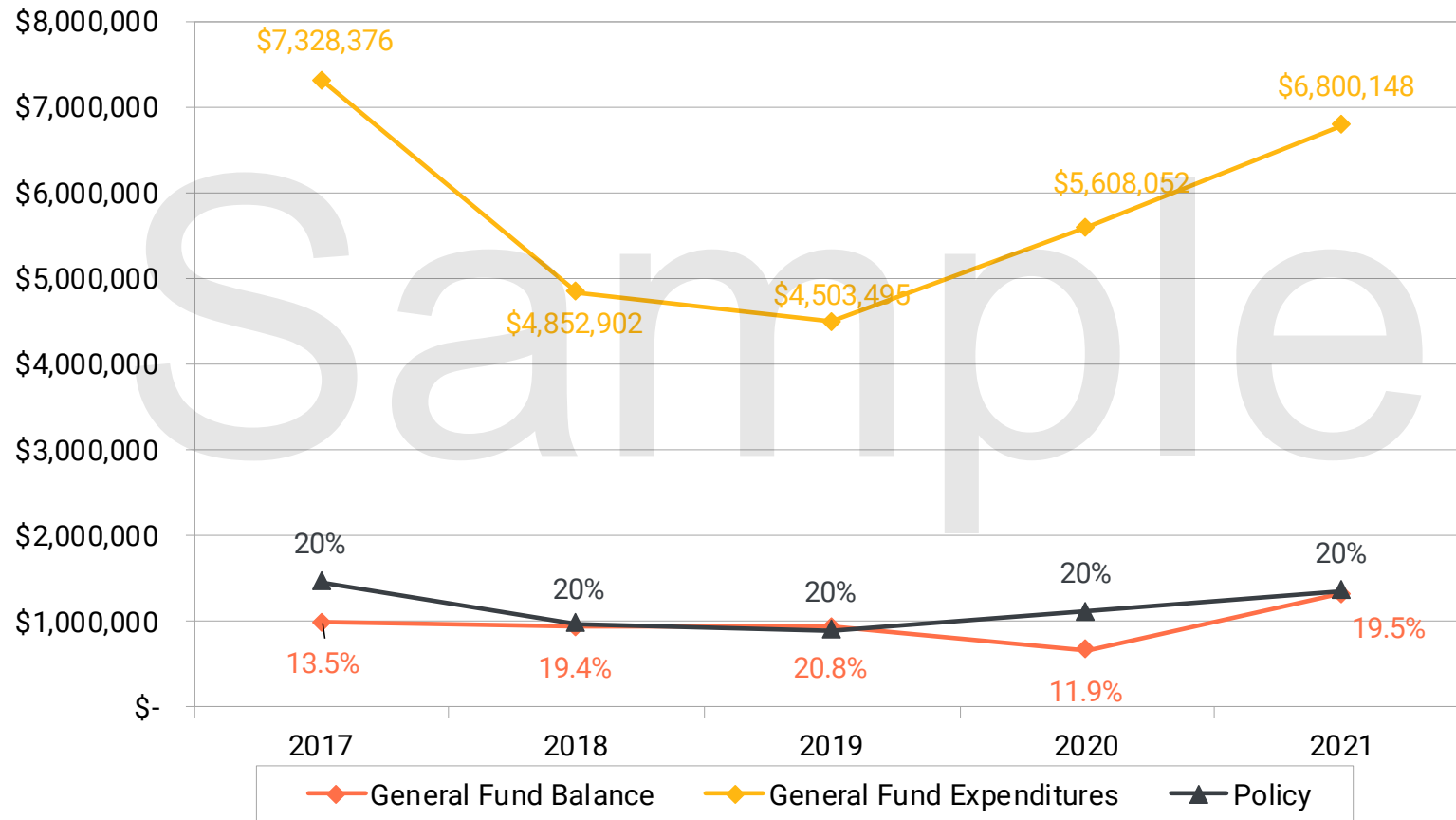


Average Daily Membership and General Fund Expenditures



General Fund Fund Balances

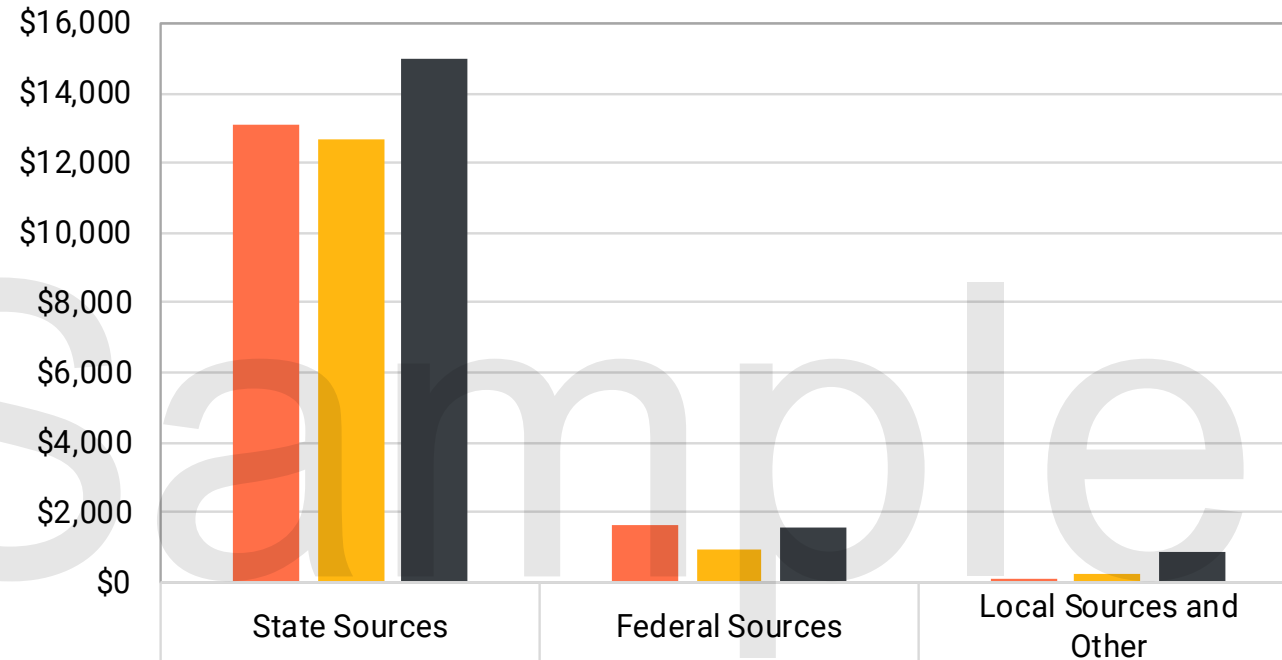
Fund Balance Goal of 20% of Expenditures



General Fund Budget to Actual

	Final Budgeted Amount	Actual Amount	Variance with Final Budget
Revenues	\$ 6,667,316	\$ 6,783,473	\$ 116,157
Expenditures	<u>6,809,506</u>	<u>6,800,148</u>	<u>9,358</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(142,190)</u>	<u>(16,675)</u>	<u>125,515</u>
Other Financing Sources (Uses)			
Transfers out	(28,200)	(16,921)	11,279
Loan issued	<u>693,753</u>	<u>693,752</u>	<u>(1)</u>
Total other financing sources (uses)	<u>665,553</u>	<u>676,831</u>	<u>11,278</u>
Net Change in Fund Balances	523,363	660,156	136,793
Fund Balances, July 1	<u>667,615</u>	<u>667,615</u>	<u>-</u>
Fund Balances, June 30	<u><u>\$ 1,190,978</u></u>	<u><u>\$ 1,327,771</u></u>	<u><u>\$ 136,793</u></u>

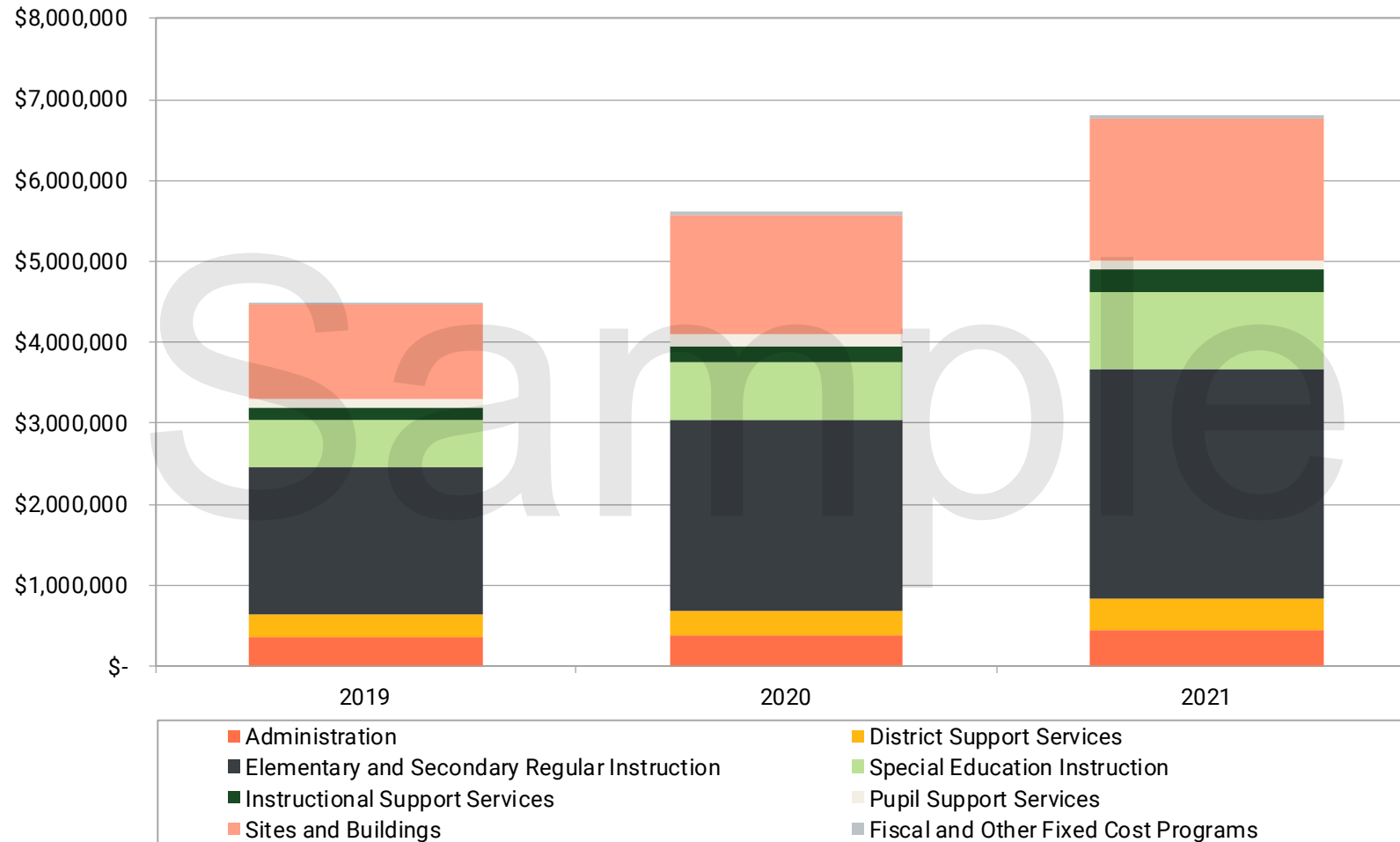
General Fund Revenues per ADM



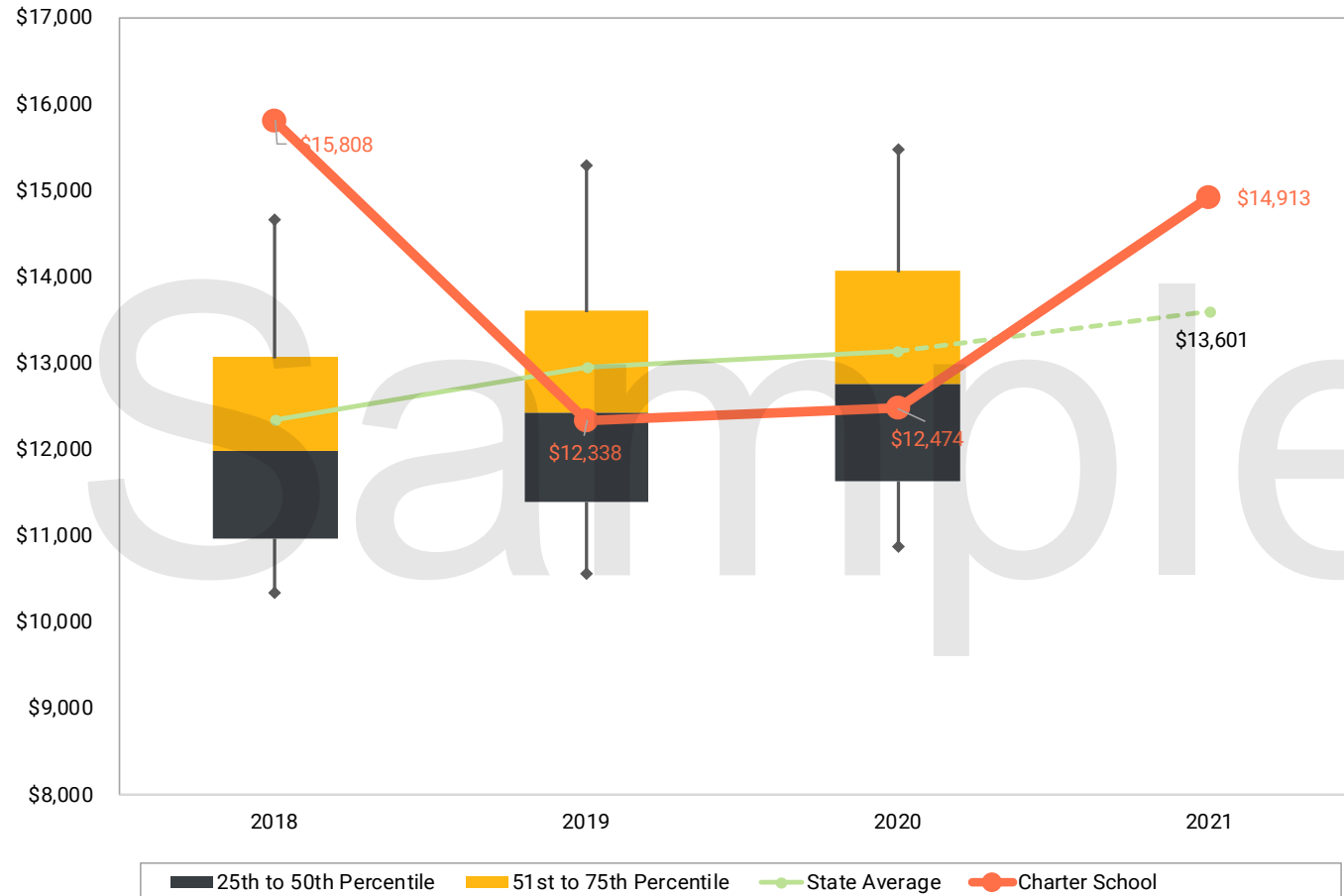
	State Sources	Federal Sources	Local Sources and Other
2021 Charter School	\$13,118	\$1,654	\$104
2020 Region 07W*	\$12,717	\$941	\$187
2020 Statewide Average*	\$14,978	\$1,562	\$818

* Information obtained from School District Profile reports published by the MDE

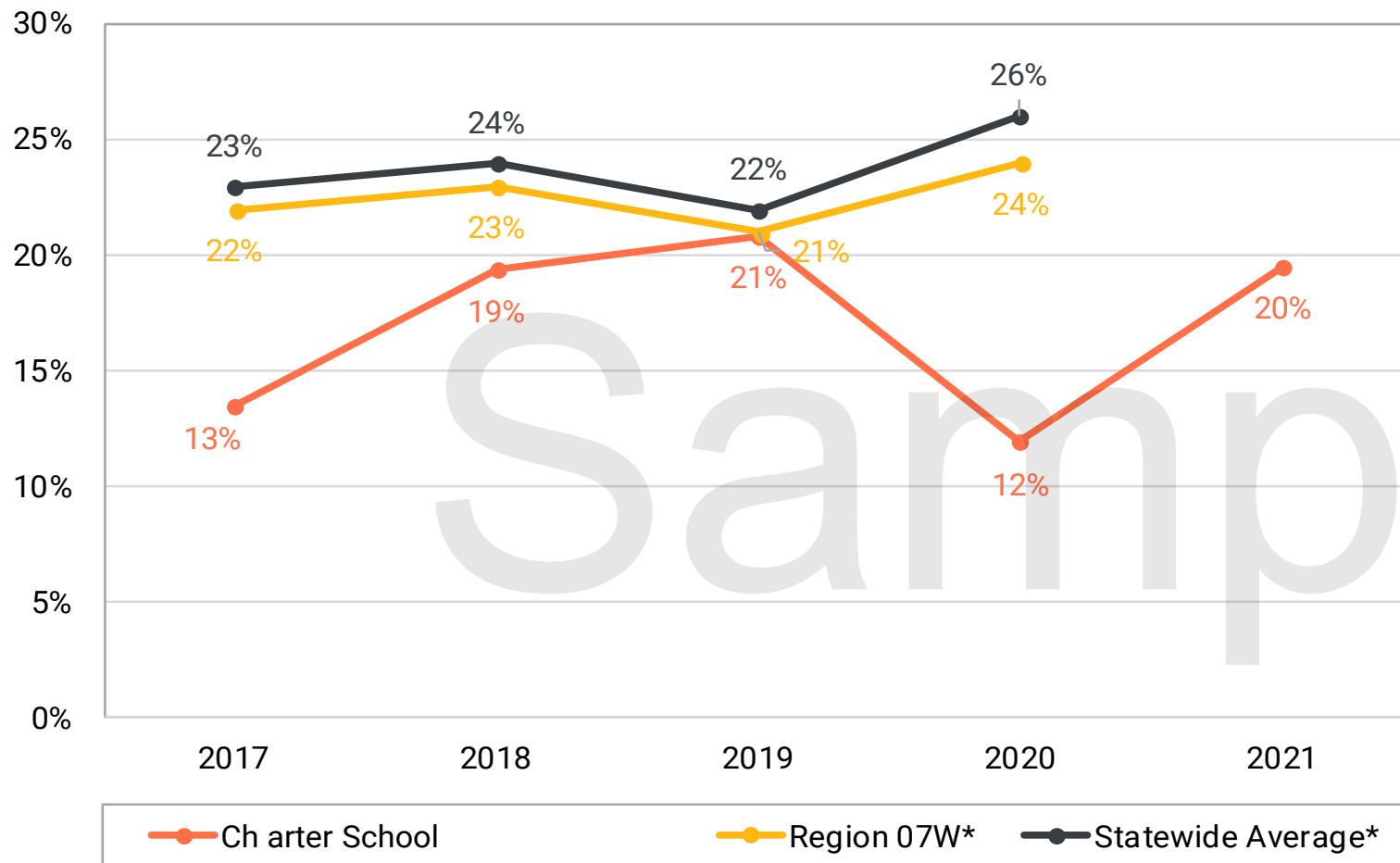
General Fund Expenditures



General Fund Expenditures per ADM



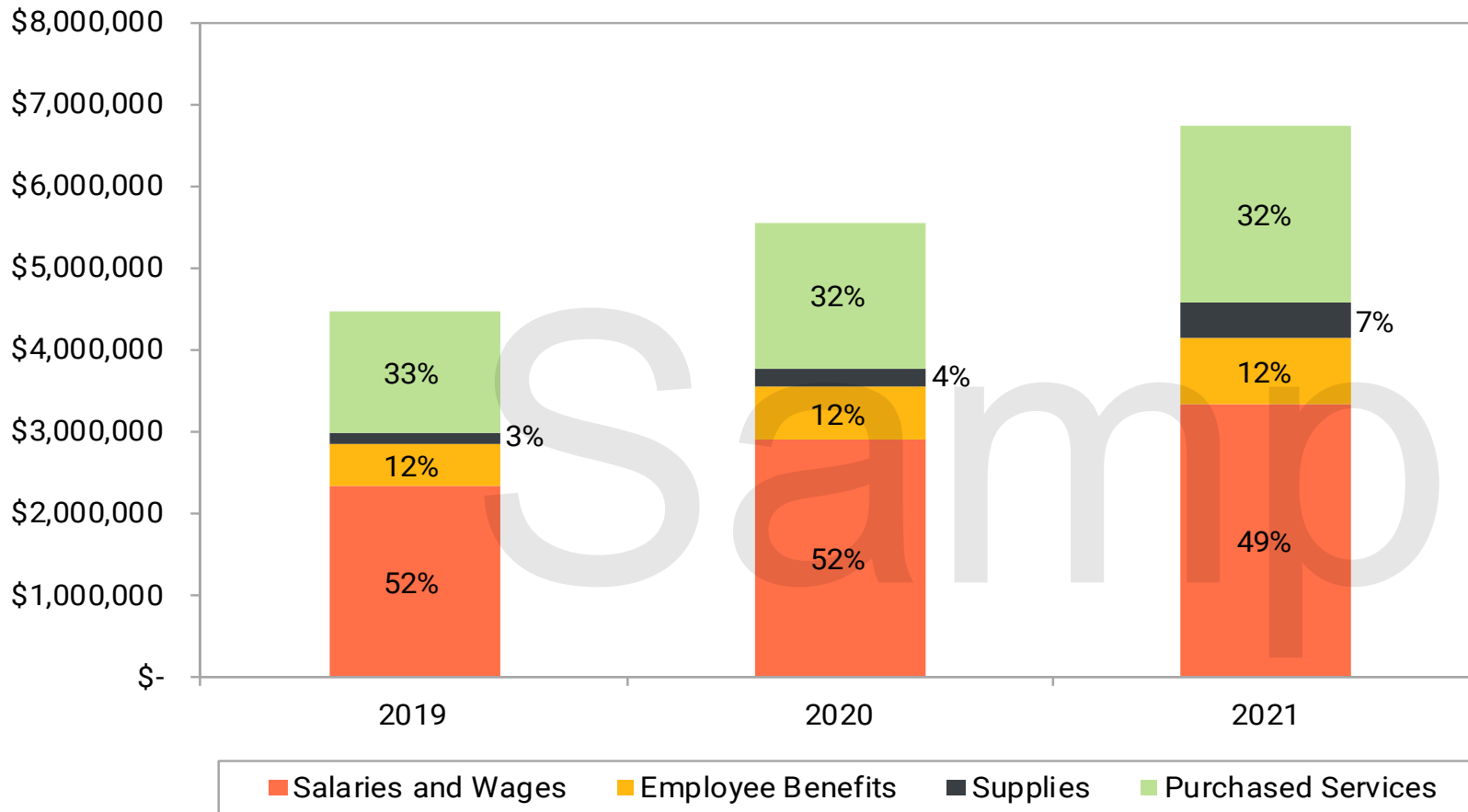
* Percentile data and state average obtained from School District Profile reports published by the MDE



* Information obtained from School District Profile reports published by the MDE

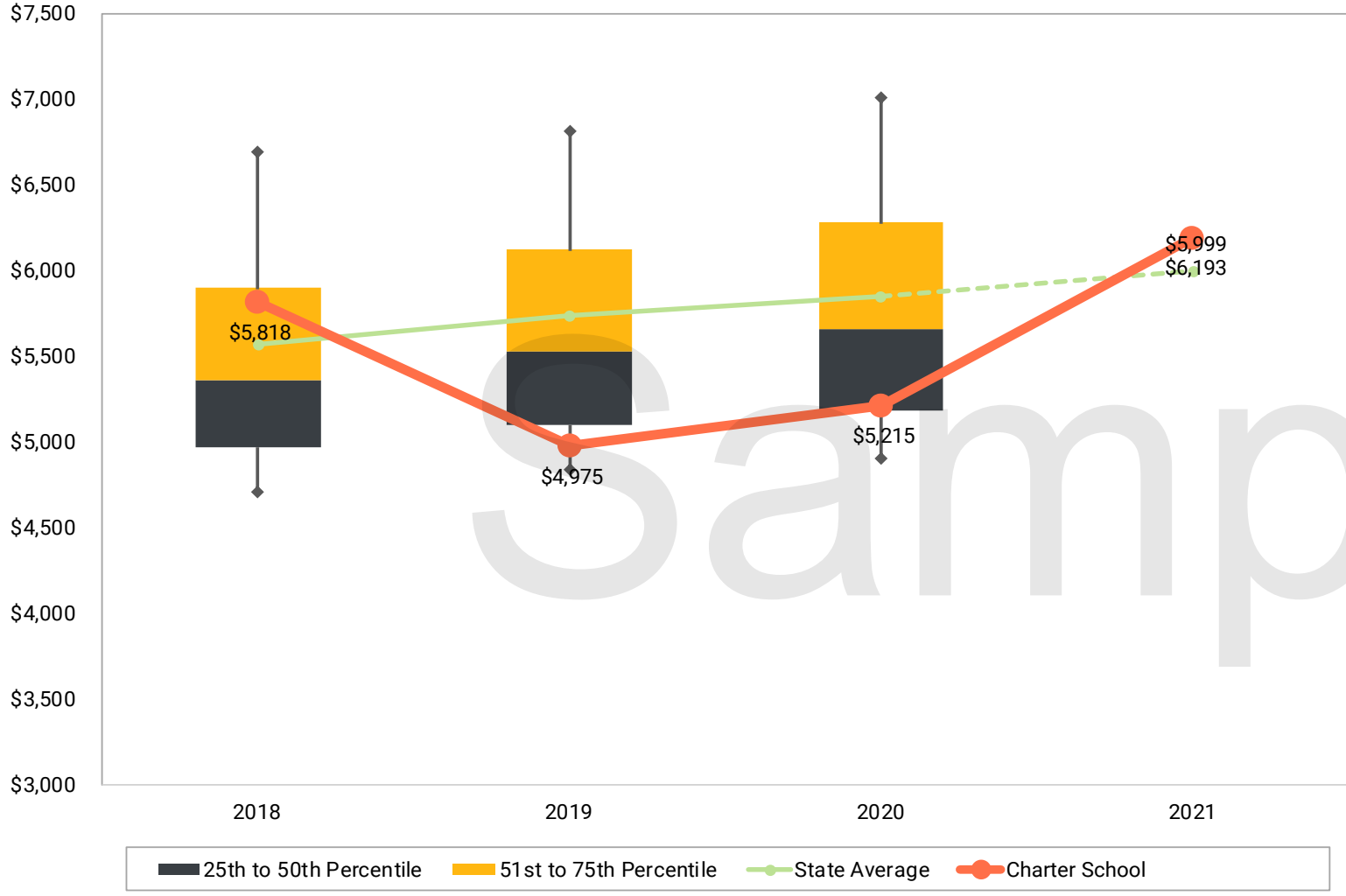
General Fund Fund Balances as a Percentage of Expenditures

Key Performance Indicators



General Fund Expenditures by Object Code

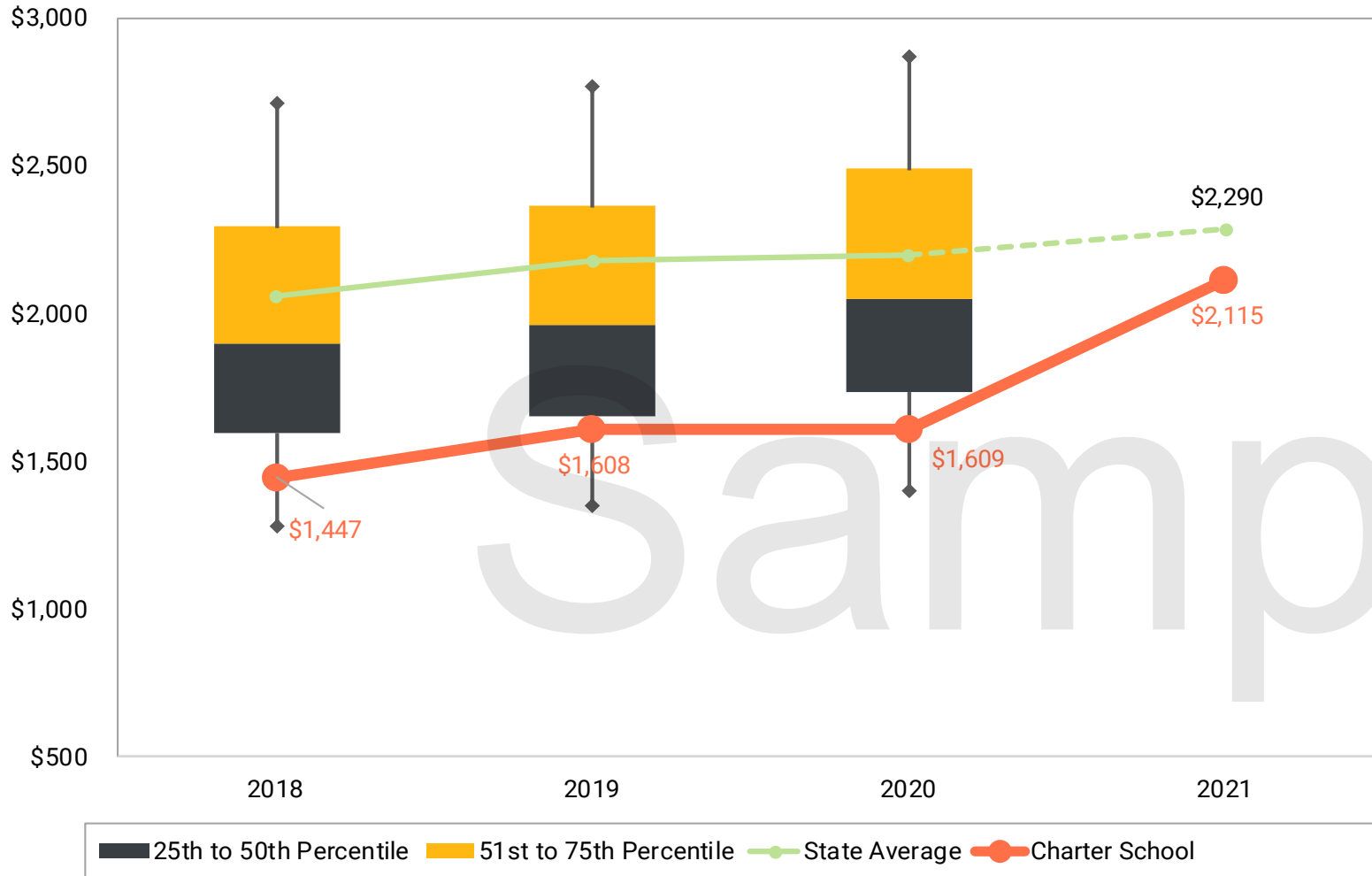
Key Performance Indicators



* Percentile data and state average obtained from School District Profile reports published by the MDE

Elementary and Secondary Regular Instruction per ADM

Key Performance Indicators



* Percentile data and state average obtained from School District Profile reports published by the MDE

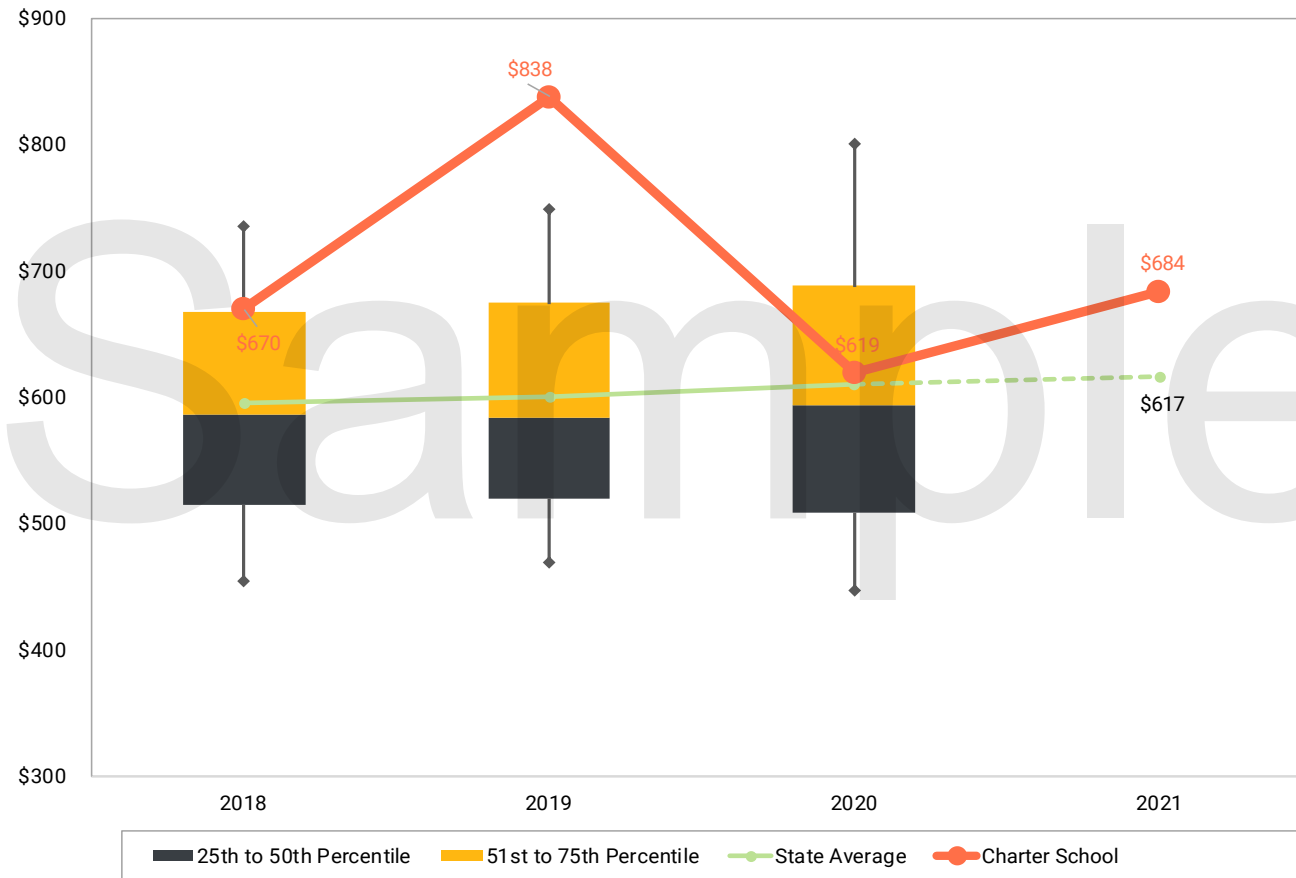
Special Education Expenditures per ADM

Key Performance Indicators

Food Service Fund – Budget to Actual

	Final Budgeted Amount	Actual Amount	Variance with Final Budget
Revenues	\$ 251,813	\$ 294,820	\$ 43,007
Expenditures	280,013	311,741	(31,728)
Deficiency of Revenues Under Expenditures	(28,200)	(16,921)	11,279
Other Financing Sources Transfers in	28,200	16,921	(11,279)
Net Change in Fund Balances	-	-	-
Fund Balances, July 1	175	175	-
Fund Balances, June 30	\$ 175	\$ 175	\$ -

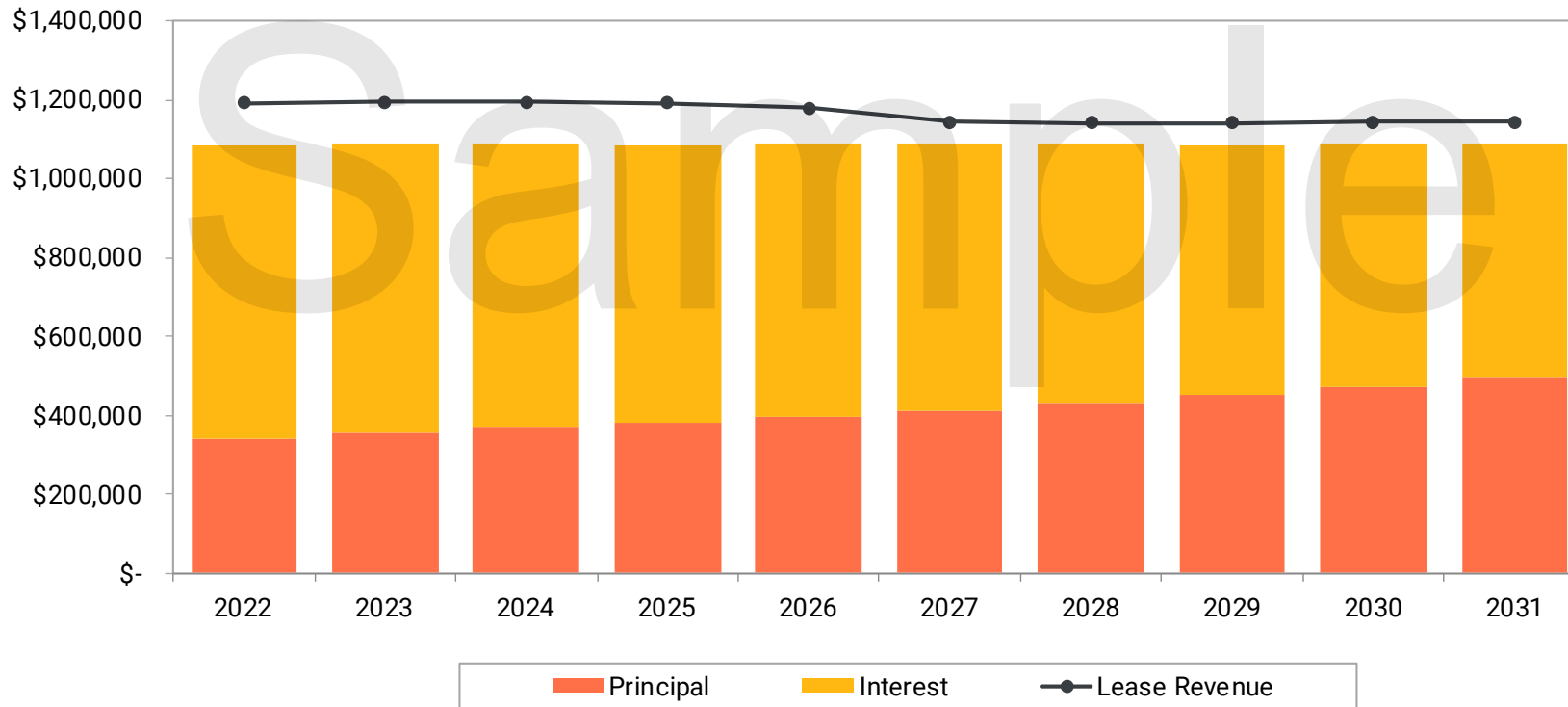
Food Service Fund Expenditures per ADM Comparison



* Percentile data and state average obtained from School District Profile reports published by the MDE

Building Company Fund

	Fund Balances June 30,		Change	Outstanding Debt
	2021	2020		
Charter School Building Company	\$ 1,598,499	\$ 1,971,353	\$ (372,854)	\$ 15,410,000



Cash and Investments Balances by Fund

