

**Questions Submitted by Trustee Connie Prado**  
**September 20, 2017**  
**Regular Called Board Meeting**  
**Discussion and Possible Action: Item #4**

1. I have a follow-up question to *DISCUSSION AND POSSIBLE ACTION #4*, to your response of Question #4. My question did not in any way suggest issuing a Request for Proposals/Qualifications. The inference in my question was-Did the administration consider other auditing firms who also perform annual audits for other local school districts and consider recommending one of them in the same manner Garza/Gonzalez has been recommended?

**No**

2. I have a follow-up question to *DISCUSSION AND POSSIBLE ACTION #4*, to your response of Question #5. Has the school district taken the initiative in getting a response from the Texas Education Agency?

**No**

3. May I have a copy of the correspondence cited in my Questions #1 and #3 regarding *DISCUSSION AND POSSIBLE ACTION #4*?

**Yes. The documents have been uploaded to BoardBook.**



Saavedra, Abelardo &lt;asaavedra@southsanisd.net&gt;

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## Notice of Resignation and Withdrawal

1 message

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**Robert Belt** <rbelt@txauditors.com>

Fri, Sep 1, 2017 at 11:52 AM

To: Abelardo Saavedra &lt;asaavedra@southsanisd.net&gt;

Cc: JC Zamora &lt;jzamora@southsanisd.net&gt;, Ricardo Rodriguez &lt;rrodriguez@remconsultinggroup.com&gt;

Dr. Saavedra,

Attached is our Notice of Resignation and Withdrawal as the District's auditors. We have reached this decision reluctantly and after substantial deliberation which have occurred over the past six months. The discovery of the latest news story related to items relevant to our audit, while trying to determine the District's operational status after Hurricane Harvey, was our final decision factor.

To help facilitate the process of obtaining a new auditor, we have contacted a reputable firm with Texas School District experience and described to them the need for the District to begin a new relationship in which all disclosure are made prior to retention and with a new emphasis on communications with its auditors. They have preliminary agreed to assist the District.

We wish the District all the best in its future endeavors.

**Robert Belt, CPA, Managing Partner**

3210 Bingle Rd., Ste. 300

Houston, TX 77055

**Belt Harris Pechacek, LLLP***Certified Public Accountants*

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rbelt@txauditors.com

## **Auditing Texas Governments with Excellence**

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## Notice of Resignation and Withdrawal

August 31, 2017

South San Antonio ISD

Effective August 30, 2017, we will cease our services as accountants for the South San Antonio ISD (the "District"). We have reached this decision reluctantly and after substantial deliberation. The audit engagement letter dated May 27, 2016, executed by the District June 7, 2016, outlined the District's responsibilities which were not fulfilled. Accordingly, we are unable to complete our audit and are withdrawing from the engagement.

Services provided to date for the 2017 annual financial report (AFR) audit has been limited to planning for the preliminary (interim) audit procedures. There is presently a balance owed in connection with post audit procedures for the 2016 engagement of \$5,000 and \$15,000 in connection with follow up on the TEA Corrective Action Plan. Delivery of this payment may have been delayed by Hurricane Harvey.

You should take steps to retain a new accounting firm as there are a number of accounting matters that require immediate attention which include the audit of the District's annual financial report (AFR) for the year ended August 31, 2017 and the related January 2018 TEA Filing deadline.

Upon your execution of acknowledgment, release, and authorize to make disclosures to your new auditors, and payment for invoices noted above, we will cooperate with your new accountants in expediting the change to a new audit firm. Additionally, upon execution of the release we will write off time expended for planning for the 2017 AFR audit as well as additional first year audit costs, which was to be amortized over the five year contract.

We look forward to helping you make a smooth transition with your new accountants.

Very truly yours,

Belt Harris Pechacek, LLLP

By Robert Belt, CPA, Managing Partner

South San Antonio ISD

We acknowledge the receipt of the notice of resignation and withdrawal and release you from any and all obligations to perform additional services for the District in consideration for cooperation with our new auditor, write-off of time expending on the 2017 audit of our annual financial report. Additionally, we are providing our consent to allow the successor independent auditors, access to your audit documentation for the audit of our AFR. We also give consent for you to respond fully to successor audit firm's inquires.

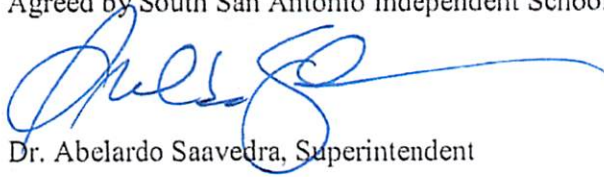
Agreed by South San Antonio Independent School District

Dr. Abelardo Saavedra, Superintendent

South San Antonio ISD

We acknowledge the receipt of the notice of resignation and withdrawal and release you from any and all obligations to perform additional services for the District in consideration for cooperation with our new auditor, write-off of time expending on the 2017 audit of our annual financial report. Additionally, we are providing our consent to allow the successor independent auditors, access to your audit documentation for the audit of our AFR. We also give consent for you to respond fully to successor audit firm's inquires.

Agreed by South San Antonio Independent School District

A handwritten signature in blue ink, appearing to read 'Abelardo Saavedra', with a long horizontal flourish extending to the right.

Dr. Abelardo Saavedra, Superintendent