

Audit Report: Fiscal Year 2021

Background:

Every public school in Iowa is required by law to hire a neutral, third-party firm to perform a thorough audit of school district finances and procedures. This year our audit was performed by Rachelle K. Thompson.

Rachelle K. Thompson is a local CPA from Hampton, Iowa, with over eighteen years of experience in auditing cities and school districts. This is her second year auditing our district.

Audit Exit Interview:

Ms. Thompson concluded her site visit in August. She finished with an exit interview. It was an extremely good exit interview. Kudos to Business Manager Greenfield and her team with Socorro and Thelma.

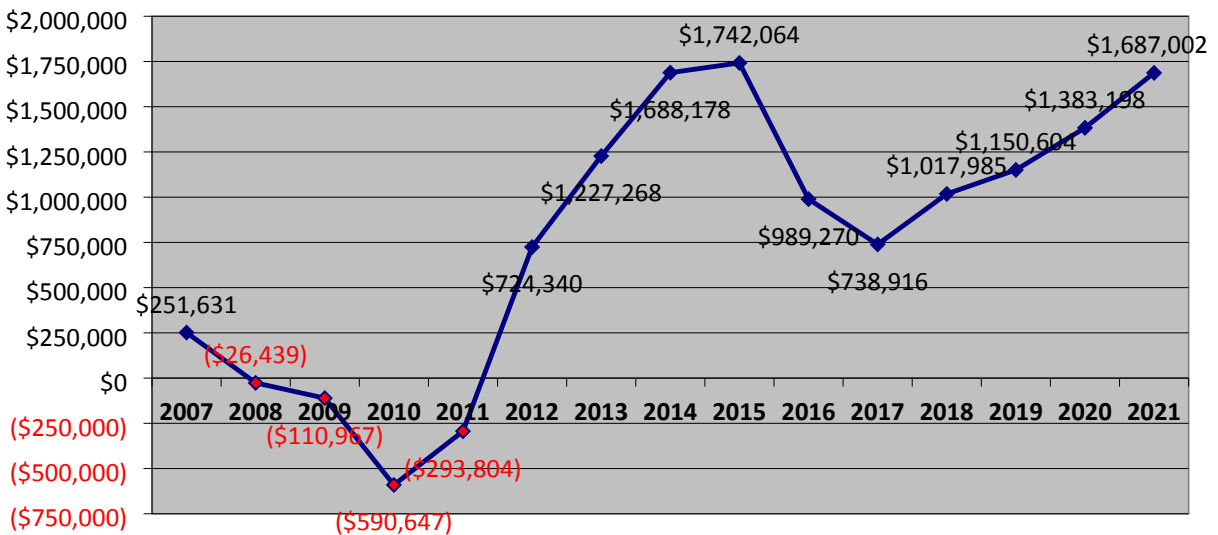
Audit Report:

By GASB accounting, we closed our books with a positive general fund reserve cash balance (Unassigned: General Fund) of \$1,687,002. This represents a continued extension of the reversal in our financial cash position.

This also represents a significant increase in the balance over the previous year; however, this number was bolstered by federal COVID relief money that is temporary and restricted.

The graph below shows the changes in the general fund reserve balance over the last 14 years.

B-K CSD General Fund Reserve Balance History



Audit Citations:

However, one small issue is cited in the report. We have deficit student lunch accounts. We are trying to collect the deficits, but the auditor is compelled to report on this.

*The full **audit report** is available for viewing under the **EXTRAS** tab of BoardBoard. It has been omitted from the main board materials due to its length and volume.*

Recommended Action:

I recommend the board move to approve the audit report as submitted.