

**TO:** Board of Directors  
Region One Education Service Center

**SUBJECT:** Annual Financial Audit Report

**DATE:** December 18, 2018

**ITEM 5:** Action

**Background and Significant Issues:** The Texas Education Code Section 44.008 mandates that the Board of Directors shall have its Center's fiscal accounts audited annually at the Center's expense by a certified or public accountant holding a permit from the Texas State Board of Public Accountancy. The audit must be completed following the close of the fiscal year. A copy of the annual audit report, approved by the Board shall be filed by the Center with the agency not later than the 150<sup>th</sup> day after the end of the fiscal year for which the audit was made (January 28, 2019).

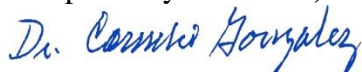
The Center has a contract with Patillo, Brown & Hill for external auditing services for fiscal year ending August 31, 2018. The firm has completed the audit, and a representative will present a formal report of the annual audit for the Board's consideration.

**Related Goal(s):** To comply with state law and to provide prudent fiscal management of the Center's funds and resources.

**Cost and Funding Sources:** The cost is \$25,000, and the Business Office budget covers the cost of the audit.

**Executive Director's Recommendation:** Recommend approval of the Annual Financial Audit as presented.

Respectfully submitted,



Dr. Cornelio Gonzalez  
Executive Director

**Staff Person(s) Responsible:** Connie Lopez, CPA, Deputy Director  
Amanda Galvan, Finance Director

## Annual Financial Audit Report

### Action Taken

\_\_\_\_\_ made a motion to approve the Annual Financial Audit  
as presented.

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**Seconded by:** \_\_\_\_\_

**Vote:** \_\_\_\_\_