

ACTION

Background Information:

A financial audit, or more accurately, an audit of financial statements, is the review of the Service Center's statements resulting in publication of an independent opinion on whether or not the Service Center's financial statements are relevant, accurate, complete, and fairly presented.

Administrative Consideration:

The Board selects an audit firm to perform the required annual independent audit of the Service Center's annual financial statements.

Previously, Request for Proposals were sent to nine audit firms requesting information as to the background of the firm, the firm's understanding of the work to be done, capability to provide audit services in a professional and timely manner, outline of audit procedures, and service center staff assistance required in the preparation of the audit. Based upon proposals received, Roloff, Hnatek & Co. L.L.P. was selected.

Roloff, Hnatek & Co. L.L.P. performed the independent audit of the Service Center's last fiscal year financial report. The firm was knowledgeable and performed the audit in accordance with general accepted accounting standards and generally accepted government auditing standards contained in the *Texas Education Agency Financial Accountability System Resource Guide* and had an excellent working relationship with service center's business office personnel.

Administrative Recommendation:

Based on prior fiscal year audit services, Administration recommends Roloff, Hnatek & Co. L.L.P. be selected to perform an independent audit of 2018-2019 school year financial statements.

Board Action Requested:

Motion for selection.