



**Agenda V.B.2.  
November 12, 2020**

**To:** Members, Board of Education

**From:** Lisa K. Rider, Executive Director of Business Services

**Date:** November 5, 2020

**Re:** Approve Financial Audit Report for 2019-2020

**Recommendation:** That the Board of Education approve the Financial Audit Report for 2019-2020

Electronic copies of the Financial Audit Report for 2019-2020 have been made available to the board members and printed bound copies will be provided to Members of the Board on or before November 12. Once approved by the Board of Education, electronic copies of the report will be made available via the website for the public.

There are two main reports available at this time.

- 1) Comprehensive Annual Financial Report (CAFR)
- 2) Executive Audit Summary (EAS)
- 3) Internal Control and Minnesota Legal Compliance Required Report

With the allocation of the Federal Coronavirus Aid, Relief, and Economic Security (CARES) funds, the federal compliance guide necessary for Single Audit testing has not yet been provided to auditors. Therefore, the Single Audit Report is not included at this time and will be provided once the compliance guide and testing is complete on the CARES and other Federal programs.

The EAS is prepared by CliftonLarsonAllen and provides a nice summary of the CAFR including a legislative summary. This is a good starting point in absorbing the Annual Financial Audit.

Next, I would suggest the reading of the Introductory Section, Financial Section and Required Supplementary Section within the CAFR for overviews on the Financial Audit. Highlights include:

- “Unmodified” Audit Report
- No compliance issues noted
- No “material weaknesses” in internal controls noted
- One Legal Compliance Findings
- General Fund unassigned fund balance increased by \$2,537,881

I recommend the Board of Education approve the Financial Audit Report for 2019-2020.

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