



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

4B. Action

Date: January 24, 2008

SUBJECT: APPROVAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AND AUDIT FOR 2006-2007

BOARD GOAL: All systems in the Keller Independent School District will be effective, efficient and accountable in support of the district's mission.

FISCAL NOTE: Budgeted in General Fund

Background Information:

- TEA requirement to have an annual financial audit of the district's financial statements performed by an independent certified public accountant.
- TEA/State law requires that the annual audit be presented for acceptance by the Board of Trustees 150 days after the fiscal year end.
- The format of the audit can be presented as prescribed by the Government Financial Officers Association (GFOA).

Administrative Considerations:

- The firm of Weaver and Tidwell L.L.P., an independent certified public accountant firm, conducted the district's annual audits.
- The audit opinion by Weaver and Tidwell L.L.P. is unqualified. This type of opinion is the highest and best opinion an auditor can render.
- The presentation includes many statistical schedules with financial history of the district. This enhanced reporting is to provide additional information about the district.
- This reporting will have a favorable impact on our bond ratings. The additional information will be used by investors to make a better informed investment in the District in the future.
- The CAFR will be submitted to the GFOA for consideration for the Certificate of Achievement for Excellence in Financial Reporting by the end of February.

- The audit produced no findings or Management comments by the auditor. This will be the District's second year in a row to produce a "clean" audit.

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The administration recommends the Board of Trustees approve the 2006-2007 Comprehensive Annual Financial Report and Audit.

Respectfully submitted,

Kent V. Morrison, III
Chief Financial Officer