



OUR students...THE future

FISCAL YEAR 2022: FINANCIAL STATEMENT AUDIT AND FEDERAL SINGLE AUDIT

RESPONSIBILITY FOR FINANCIAL STATEMENTS AND THE FINANCIAL STATEMENT AUDIT

Party	Role
Management	Responsible for internal control and the preparation of the financial statements.
Board of Trustees	Responsible for ensuring that management meets its responsibility for internal control and financial reporting
Audit Committee	Assists the Board of Trustees in overseeing that management meets its responsibility for internal control and financial reporting.
Independent Auditors	Accumulate the evidence necessary to support an opinion on the fair presentation of the financial statements.

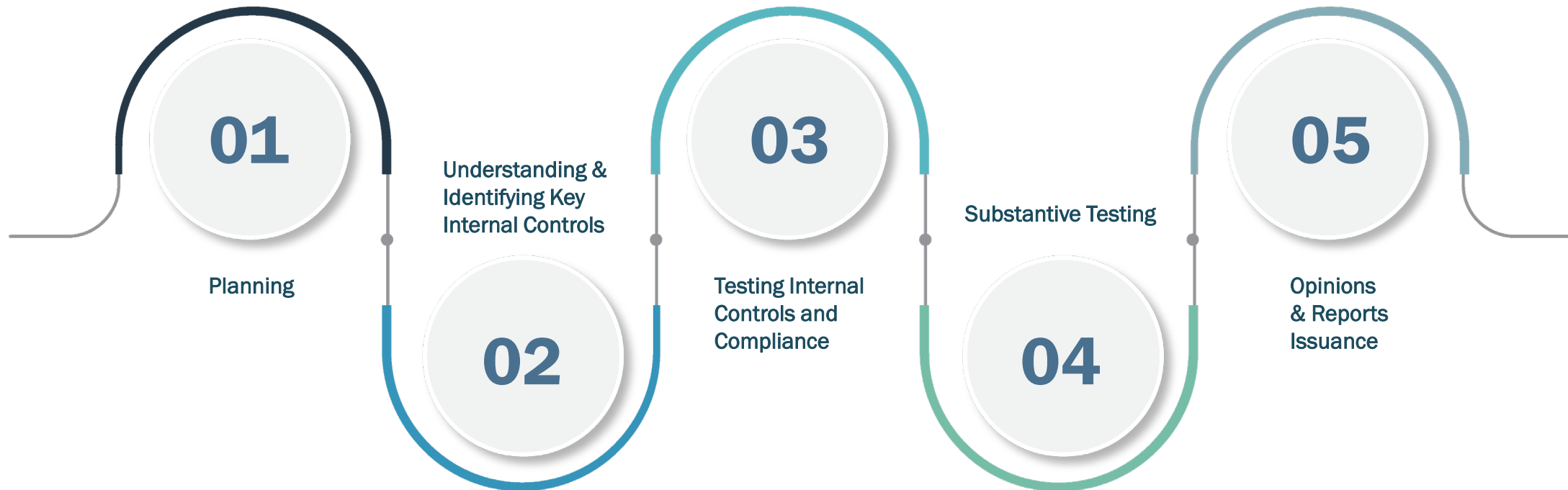
FINANCIAL STATEMENT AUDIT

- The purpose of a financial statement audit is to provide users of financial statements with reasonable assurance that they can rely upon those financial statements to make informed decisions.
- The independent audit is an evaluation of the reliability of the District's financial statements, *not* an assessment of its economic well-being.
 - The financial statement audit includes activity as of and for the year ended June 30, 2022. The audit does not opine or comment on management's financial forecast of future fiscal periods.
- The independent auditor's goal is:
 - To obtain *reasonable assurance* concerning the fair presentation of financial statements, *not* absolute certainty.
 - For the financial statements to be free from *material* misstatements (misstatements that are significant enough to *matter* to the user of the financial statements).

INDEPENDENT AUDITOR'S RESPONSIBILITY FOR THE VARIOUS CONTENTS OF AN ANNUAL FINANCIAL REPORT

Item	Status	Responsibility
Managements discussion and analysis	Required supplementary information (RSI)	Conduct limited procedures (inquiries and comparisons)
Basic financial statements	Audited	Render an opinion on fair presentation
General fund budgetary comparison, pension, and OPEB information	Required supplementary information (RSI)	Conduct limited procedures (inquiries and comparisons)
Combining and individual fund statements, other budgetary comparisons, and required TEA schedules	Other supplementary information (OSI)	Render an opinion on fair presentation in relation to the basic financial statements

THE AUDIT PROCESS



PURPOSE OF THE AUDIT – THE OPINION ON THE REPORT

Disclaimer

Qualification
(modification due
to scope limitation
or departure from
GAAP)

Unmodified
(Clean Opinion)

AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Clean Report



- Unmodified or “Clean” Opinion
- Audit conducted in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*
- Pages 1-3

AUDITOR'S REPORT ON INTERNAL CONTROL AND COMPLIANCE

Clean Report



- Internal control over financial reporting
 - No material weakness identified
 - No significant deficiencies identified
- No instances of noncompliance material to the financial statements were noted
- Pages 113-114

FEDERAL SINGLE AUDIT REPORT

Clean Report



- Unmodified opinion on compliance over each major federal program
- No internal control findings related to each major program
- Pages 115-117 of the Annual Financial Report

REQUIRED COMMUNICATIONS

Significant Accounting Policies

- The District's accounting policies and methods are appropriate and in accordance with industry standards.
- GASB No. 87, *Leases* was implemented in FY 2022.

Accounting Estimates

- The preparation of the financial statements requires that certain estimates and judgments be made by management. These judgments and estimates include:
 - State Aid
 - Allowances for uncollectable taxes receivable
 - Net pension and OPEB liabilities, deferred inflows and outflows of resources, and pension and OPEB expense
- We concluded that management has a reasonable basis for significant judgments and estimates that impact the financial statements.

REQUIRED COMMUNICATIONS

Difficulties Encountered in Performing the Audit

- We encountered no difficulties in dealing with management in performing and completing our audit.

Significant Risks

- Management override of internal controls.
- Revenue recognition.

Corrected or Uncorrected Misstatements

- There were no material misstatements that were identified by us that required management's correction.

Disagreements with Management

- We had no disagreements with management over the application of accounting principles or management's judgments about accounting estimates.

REQUIRED COMMUNICATIONS

Management Representations

- We have requested certain representations from management.

Consultation with Other Accountants

- We are not aware of any situations in which management consulted with other accountants on accounting or financial reporting matters.

Major Issues Discussed with Management Prior to Retention

- We discussed the application of accounting principles and auditing standards, however, our responses were not a condition to our retention.

QUESTIONS?

