



Craig City School District

P.O. Box 800, Craig, Alaska 99921
www.craigschools.com
Phone (907) 826.3274
FAX (907) 826.3322

Jackie Hanson, Superintendent
David Harris, Elem./MS Principal
Josh Andrews, HS Principal
Heather Mendonsa, PACE Principal

Memorandum Item 10c

TO: CCSD School Board Members
FROM: Jackie Hanson, Superintendent
DATE: December 5, 2024
SUBJECT: CCSD FY2024 Audit

First and foremost, I would like to extend my gratitude to CCSD's Business Manager, Melinda Bass, for her exceptional dedication and commitment to CCSD's FY2024 Audit. It was a significant undertaking that required considerable time and effort. Thank you, Melinda, for all your hard work!

Enclosed and attached with this memo is a copy of the CCSD's FY2024 Audit. Please note, the audit had two (2) findings. One finding had to do with internal controls and payroll. The other finding involved financial reporting and end of year closeout. CCSD's response to these findings are outlined in the attached Corrective Action Plan. Each finding has already been addressed and will be rectified by the end of the fiscal year.

Significant FY2024 Audit takeaways for the Board to be aware of include the following:

- CCSD's FY2025 General Fund Balance is -\$651,105.00 / -7.83%
- CCSD's FY2025 Board Approved Budget reflected a Negative Fund Balance of -118,747.81
 - In sum, CCSD must now consider a negative FY25 General Fund Balance in the total amount of -769,852.81 (-651,105.00 + -118,747.81).
- It's important for the Board to understand and recognize that CCSD is facing a serious FY2025 General Fund budget deficit, currently has no General Fund balance, and continues to experience General Fund cash flow issues regularly.
- I continue to work with Melinda to revise CCSD's FY2025 General Fund Budget to chip away at the negative fund balance as much as possible. To date, the difference between the FY25 Original Board Approved Budget Activity and the FY25 Projected Budget Activity is \$435,698.44. What this means is that we've decreased the deficit by \$435,698.44.

Suggested Motion: Move to approve and accept CCSD's FY2024 Audit as presented.