

You've Received your Audited Financials – Now What?

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The Plan For the Next Hour.....

- Reviewing the audit report - what to look for.
- Sharing the audit report with the board of education.
- Review 2020-21 DPI audit findings.
- Common audit findings.



Reviewing the Audit Report

- Quick glance.
- Does the report match your financial records?
- Review the notes. Do they make sense?
- Review the findings (if any).
- Continue to communicate with the board of education.



NOTE: Audit reports are the responsibility of the school district.

Audit Report - Board of Education



- No surprises!
- Who should present the audit report to the BOE?
 - Business Manager
 - Auditor
- Be prepared! Communicate findings (if any) and the plan to eliminate future findings.

Audit Report - Board of Education

- After BOE approval, be sure to share report:
 - Banks
 - P-Card Provider
 - Lenders
 - Municipal Securities Rulemaking Board (EMMA Website)
- Be sure your auditor submits the report to DPI before the deadline.

*DON'T MISS
THE DEADLINE!*

2020-21 DPI Audit Findings

Federal Audit Findings

- Child Nutrition Cluster (procurement, suspension and debarment) - 24
- ESSER/GEER - 7
- Special Education - 2

State Audit Findings

- Pupil Transportation - 54
- Special Education and School Age Parents - 33
- General Aids Cluster - 1
- Bilingual Bicultural Aid - 1



"Here are our recommendations. It may seem a short document, but we used a size 2pt font."

2020-21 DPI Audit Findings (cont'd)

Financial Statement Findings

- Financial Statement Preparation - 292
- Segregation of Duties - 246
- Material Audit Adjustments - 103
- Cash Reconciliation - 14
- Schedule of Expenditures of Federal Awards - 22



Common Audit Findings

Procurement, Suspension and Debarment

- Uniform Grant Guidance - implemented December 2014
 - Rules/requirements for Federal grants
 - Create/follow policy
 - SAM.gov
 - Amazon setting
- Competitive bids - follow district policy
- Document, document, document



Common Audit Findings (cont'd)

Pupil Transportation

- Number of students reported incorrectly
 - distance category
 - counted twice
 - bus documentation does not support number reported to DPI
 - special education students counted
 - students counted bussed less than 2 miles with no Unusually Hazardous Plan (UHT) on file at DPI
- Audited once every 3 years
 - unless assessed low risk by auditor
 - or, under \$25,000



Common Audit Findings (cont'd)

Special Education and School Age Parents

- No Valid Licence - teacher coded to 011 aidable
- Transportation not included in student IEP

- Must be audited every years (deeper dive once every 3 years)



Common Audit Findings (cont'd)

Financial Statement Preparation

- Prepared by auditor or district?
- Reversing prior year ending balances.
- Payroll liabilities.

Segregation of Duties

- Small districts typically receive this finding.
- Not enough staff to segregate responsibilities.

Material Audit Adjustments

- Correcting misstatements.



Common Audit Findings (cont'd)

Cash Reconciliation

- Not reconciled; should reconcile at least monthly.
- Domino effect; if cash isn't correct, then most likely, revenues and expenses are not either.
- WISE Finance

Schedule of Expenditure of Federal Awards

- Auditors prepare schedule



Common Audit Findings (cont'd)

Community Service Fund (Fund 80)

- Allowable expenses.
- Overhead costs and facility use reimbursement.
- If unsure, review DPI's website.

<https://dpi.wi.gov/sfs/finances/fund-info/community-service/overview>

- Or, consult your auditor.



Common Audit Findings (cont'd)

Other Findings

- ESSERS/GEER
- Other Findings - Share yours..



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