

# THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING



# PRESENTATION TO THE BOARD OF DIRECTORS OF THE SAN ANTONIO EARLY CHILDHOOD EDUCATION MUNICIPAL DEVELOPMENT CORPORATION

Audit Results for Fiscal Year Ended June 30, 2018



November 13, 2018

# Engagement Team

- Marc Sewell, Audit Partner
- Kevin Smith, Engagement Quality Reviewer
- Kane Wells, Audit Manager
- Elizabeth Lyssy, In-Charge Auditor
- Schriver, Carmona, and Company, PLLC – Subcontracting Firm (20% participation)
  - Chris Carmona, Partner
  - Richard Martinez, Auditor

# Audit Results

- Opinion on the Financial Statements
  - Unmodified, also referred to as a “clean opinion”
- Report on Internal Controls over Financial Reporting and Compliance with Laws and Regulations
  - Compliance with laws and regulations – no issues to report
  - Report on Internal Control over Financial Reporting
    - Material weaknesses - none reported
    - Significant deficiency – 1 finding
      - Reporting compensated absences on the government-wide financial statements
- Opinion on Uniform Guidance Compliance
  - Major program: Child and Adult Care Food Program (CACFP)
    - Unmodified (“clean opinion)
    - Significant deficiency/non-compliance - eligibility
    - No questioned costs reported

# Governance Required Communication

- Auditors' Responsibility Under Auditing Standards Generally Accepted in the United States
- Planned Scope and Timing of the Audit
  - Completed within timeline previously communicated
- Qualitative Aspects of Significant Accounting Practices
- Significant Difficulties Encountered During the Audit – None
- Corrected Misstatements –
  - Adjustment to record compensated absences in the amount of \$841,120
- Uncorrected Misstatements –
  - To recognize the effect of a prior year factual error of \$53 and a prior year projected error of \$54,830.
  - Adjustment to reduce beginning net position and expense by \$896,610, for the cumulative effect of unrecorded compensated absences from prior years
- Disagreements with Management – None

THANK YOU FOR  
YOUR TIME AND  
ATTENTION

# QUESTIONS AND ANSWERS?

## RSM US LLP

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