



City of San Antonio

Agenda Memorandum

File Number:17-5860

Agenda Item Number: 5.

Agenda Date: 11/7/2017

In Control: Early Childhood Education Municipal Development Corporation Board of Directors

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Sarah Baray, Ph.D.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Fiscal Year 2017 Financial Audit and Related Reports

SUMMARY:

This item includes a briefing and Board discussion of the results of the Pre-K 4 SA financial audit engagement by RSM US LLP for the 2017 fiscal year beginning on July 1, 2016 and ending on June 30, 2017.

BACKGROUND INFORMATION:

Pre-K 4 SA is required to engage an independent certified public accounting (CPA) firm to conduct an annual audit of financial records and accounts. As a result, various reports and opinions are prepared in order to communicate the financial position of Pre-K 4 SA. A brief description of each of the reports produced during the annual audit is provided below.

On an annual basis, Pre-K 4 SA publishes an Annual Financial Report which reports the program's financial position, results of operations, and the liquidity of funds. The Annual Financial Report is presented as part of the City of San Antonio Comprehensive Annual Financial Report (CAFR) and is available to the general public.

Pre-K 4 SA also publishes the Financial and Compliance Reports on Federal Grants "Single Audit Report." Because the program receives financial assistance in the form of a federal grant, Single Audit Reports are required in order to comply with the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Uniform Guidance. The Single Audit Report is submitted to the federal and state agencies from which Pre-K 4 SA received grant funding during the fiscal year.

The letter on Internal Control (Management Letter) is a formal communication by RSM US LLP to the Board of Directors and management that focuses on internal control matters discovered during the course of the audit of financial statements.

ISSUE:

This item includes a presentation of the Annual Financial Report, Single Audit and Management Letter to the Board of Directors by RSM US LLP.

ALTERNATIVES:

This item includes a briefing only.

FISCAL IMPACT:

This item includes a briefing only.

RECOMMENDATION:

This item includes a briefing only.