SAN LEANDRO UNIFIED SCHOOL DISTRICT

2018-19 AUDIT REPORTS

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Assistant Superintendent

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Overview

- Review 2018-19 District Audit – All Funds
- Review 2018-19 Measure J1 Bond Audit – Financial and Performance

2018-19 Audit

- Our auditor, Vavrinek, Trine, Day & Company (VTD), merged with a new company named Eide Bailly.
  - SLUSD under contract with Eide Bailly through 2019-20 fiscal year audit
- Partner in charge of district audit is Terri Montgomery
- For fiscal year 2018-19, auditors visited
  - Garfield and Madison
  - John Muir
  - SLHS, Lincoln, and Lighthouse

2018-19 Audit – Net Position

- Since 2014-15, district audits are required to include "share" of state-wide unfunded pension liabilities.
- SLUSD net pension liability for PERS and STRS: $111 million
  - Net pension liability for PERS and STRS was $108.2 million for the prior year
- SLUSD has negative "net position" of ($47.3 million)
  - Net position was ($48.1 million) last year

2018-19 Audit Findings

- Invoices from bond program were dated prior to 7/1/2019 but received in August – for ongoing work. Payment should have been made from 2018-19.
  - Bond staff had called all vendors prior to end of year to check on status of outstanding invoices.
  - This finding is a repeat of similar one from 2017-18
  - Business and Bond departments will review procedures for 2019-20

- Two elementary Contract Independent Study forms were signed by principals after end of contract period. Requirement is to sign before the absence begins.
  - We will review this requirement with principals and attendance staff
  - We will review copies of all contracts prior to audit visit for 2019-20 to ensure compliance

2018-19 Bond Audit

- A requirement of a Prop 39 (55%) bond measure is to carry out an annual financial and performance audit.
- Bond audit was performed at the same time as the district audit.
- Bond and district audit included same finding regarding late invoices.

2018-19 Audit

- Eide Bailly issued an unmodified opinion for the financial statements (this means it was a clean opinion – fairly stated).

Governing Board Recommendation

Accept the following 2018-19 Audits:

- District Financial Audit
- Measure J1 Financial and Performance Audits

Questions or Comments?