

Fayette County Public Schools

Presentation to the Board

December 14, 2020



Jeanna L. Jones

Engagement Partner

- Certified Public Accountant
- Over 25 years of experience
- Experience includes governments, not-for-profit organizations, manufacturing, distribution, transportation and healthcare industries
- Performs numerous Single Audits in accordance with federal Uniform Guidance
- Treasurer – Big Brothers Big Sisters of Kentuckiana
- Treasurer – Regional Cancer Care Corporation – support organization for the James Graham Brown Cancer Center
- Former Treasurer and Audit Committee Chair – Goodwill Industries of Kentucky

FY20 External Audit Status

- Strothman and Company presented Audit report in detail to the Audit Committee on November 9th
- Draft of FY20 Audit Report being presented today due to District receiving and spending CARES Act Funding prior to June 30, 2020
- KDE approved automatic extension until December 15, 2020 for those Districts who spent CARES Act Funding and this was once again extended to January 15, 2021
- Compliance Supplement Addendum has not been released which provides auditors guidance on how to audit these programs under the CARES Act

Auditors' Report

- Management is responsible for the preparation and fair presentation of the financial statements
- Our responsibility is to express opinions based on our audit
- Opinions - Unmodified

Audit Opinion

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

This is an **unmodified or “clean”** opinion. This is the **highest level** of opinion that an organization can receive.

Fund Financial Statements

Key Numbers – General Fund Balance Sheet

	Total assets		\$ 99,735,009
	Total liabilities		36,098,958
	Fund balances:		
	Assigned		1,646,566
	Unassigned		61,989,485
			\$ 63,636,051

Fund Financial Statements

**Key Numbers –
Statement of
Revenues,
Expenditures
and Changes in
Fund Balance –
General Fund**

Revenues:		
	Property taxes	\$ 217,468,667
	Occupational taxes	37,228,518
	Other taxes	34,236,701
	SEEK	93,359,486
	Other state	130,799,468
	All other	5,092,950
		518,185,790
Expenditures:		
	Instruction	322,185,319
	Student support	28,044,792
	Instruction staff support	23,091,205
	District administration	8,343,647
	School administrative support	29,108,916
	Business support	28,172,725
	Plant operation & maintenance support	45,161,398
	Transportation support	24,171,038
	All other	2,793,509
	Total Expenditures	511,072,549
	Other financing uses	(14,652,796)
	Net change in fund balance	\$ (7,539,555)

Other Reports to be Issued

- Single Audit of expenditures of federal funds
 - Approximately \$46,000,000 of federal grant expenditures during FY2020
- School activity fund report
- Communication with Those Charged with Governance

Required Communications

- Significant Accounting Policies disclosed in Note B
- There were no uncorrected misstatements
- There were no difficulties in dealing with management or disagreements with management

Required Communications

Certain estimates are considered “sensitive” because of the significance to the financial statements and the possibility the actual results could differ from expected results. These include:

- Accrued sick leave
- Net Pension Liability
- Net OPEB Liability
- Workers’ compensation claims liability
- Depreciation expense and useful life of capital assets

Management Comments

- No significant deficiencies or material weaknesses noted
- No technology recommendations
- School activity fund – non compliance with REDBOOK (2 schools with no findings)
- No findings to be reported under Uniform Guidance

Questions?

Thank you for allowing
us to serve Fayette
County Public Schools