



WARREN COUNTY SCHOOL DISTRICT  
AUDIT PRESENTATION  
JUNE 30, 2017



# Warren County School District

## *Our Audit Objectives –*

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- I. To express an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with U.S. Generally Accepted Accounting Principles
- II. To identify and report on significant deficiencies and material weaknesses in internal control noted during the audit

# Warren County School District

## *Steps for arriving at our audit objective -*

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### Properly planning the audit engagement

- Acquiring an understanding of the District's activities, School District's structure, and accounting and operating systems

### Obtain an understanding of the Internal Control Structure

- Document an understanding of the client's control system through narratives, questionnaires/inquiries, and flowcharts

# Warren County School District

## *Steps for arriving at our audit objective (cont.) -*

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### Assessing control risk

- Determining whether the client's controls can be relied upon to support the auditors' preliminary control risk assessment

### Substantive testing

- Based on the understanding and testing of the client's controls, determine the nature, timing, and extent of substantive testing

# Warren County School District

## *Steps for arriving at our audit objective (cont.) -*

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Issuance of an opinion on the financial statements

- For the year ended June 30, 2017, a standard unmodified “clean” opinion has been issued

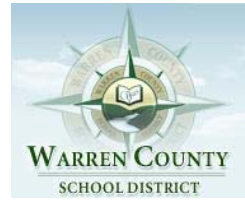
No significant deficiencies or material weaknesses in internal control were identified

Notice the use of the term “material” in the audit opinion. The auditor is not expected to plan the audit to detect immaterial errors or irregularities

# Warren County School District

## *Management's Responsibility -*

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Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities

Management is also responsible for making all financial records and related information available to us and for ensuring all financial information is properly recorded and reliable

# Warren County School District

## *Required comments from the auditors -*

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### Audit Adjustments

- There was an audit adjustment for the year ended June 30, 2017. Areas affected by the adjustment were:
  - Payables
  - General Supply Expenses
- Other adjustments were normal necessary items to close the books at year end

### Qualitative Aspects of Accounting Practices

- No new accounting policies were adopted and the application of significant policies was not changed during the year ended June 30, 2017

# Warren County School District

## *Required comments from the auditors (cont.) -*

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### Difficulties Encountered in Performing the Audit

- The auditors did not encounter difficulties in the performance or completion of the audit

### Disagreements with Management

- The auditors are not aware of any significant disagreements with management regarding any item of financial reporting or other matter affecting our audit

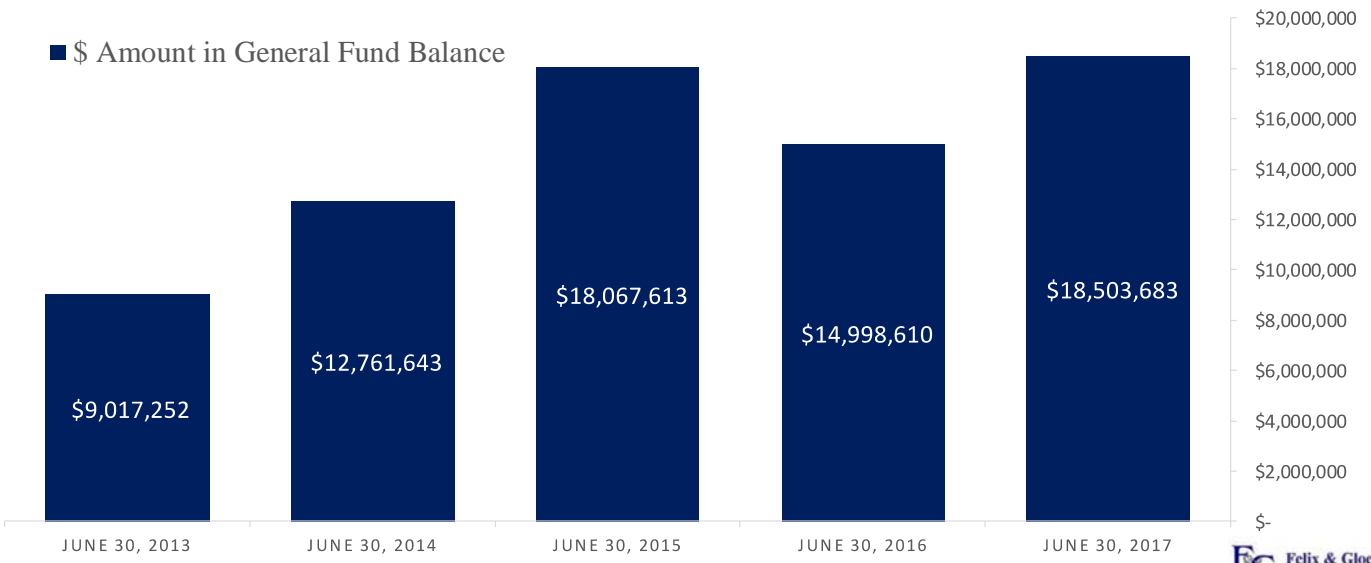
### Significant Estimates Included in the Statements

- Collectability of receivables
- Valuation of fixed assets on adoption of GASB Statement #34
- Valuation of the Pension Liability on adoption of GASB Statement #68





# General Fund Balance



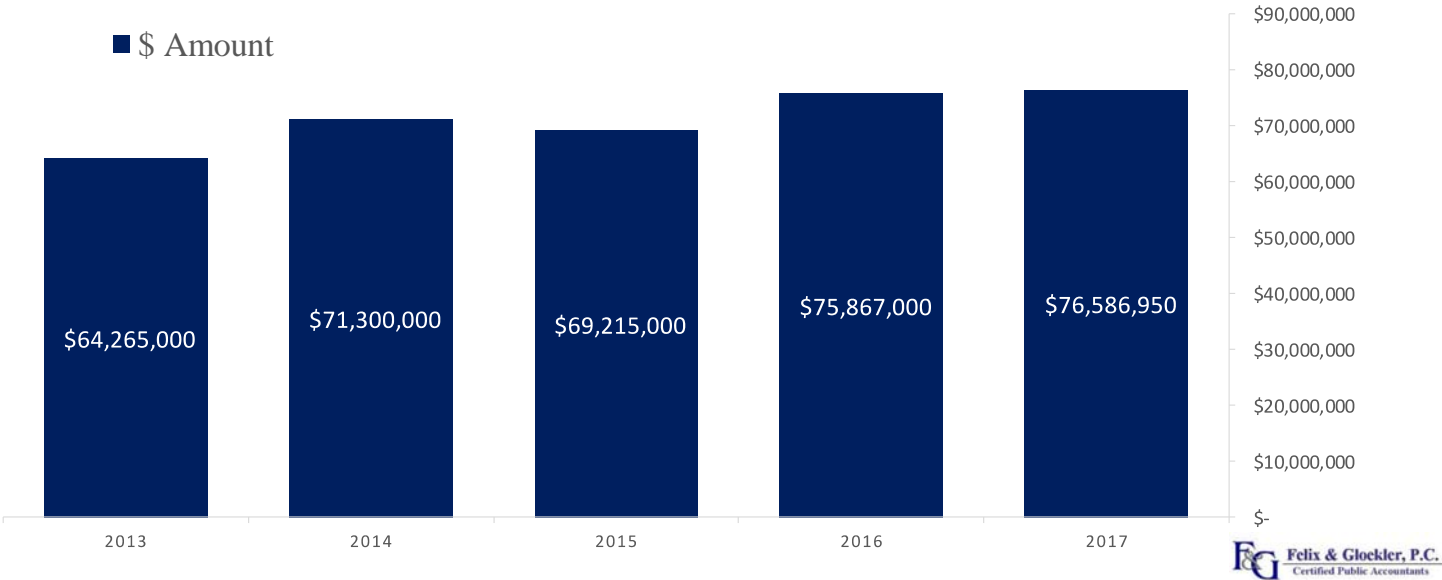


# General Fund Net Change in Fund Balance

June 30 Year End	Dollar Amount
June 30, 2012	\$ 576,635
June 30, 2013	\$ 4,168,872
June 30, 2014	\$ 3,744,391
June 30, 2015	\$ 5,305,970
June 30, 2016	(\$3,069,003)
June 30, 2017	\$ 3,505,073



# Bonds & Notes Payable

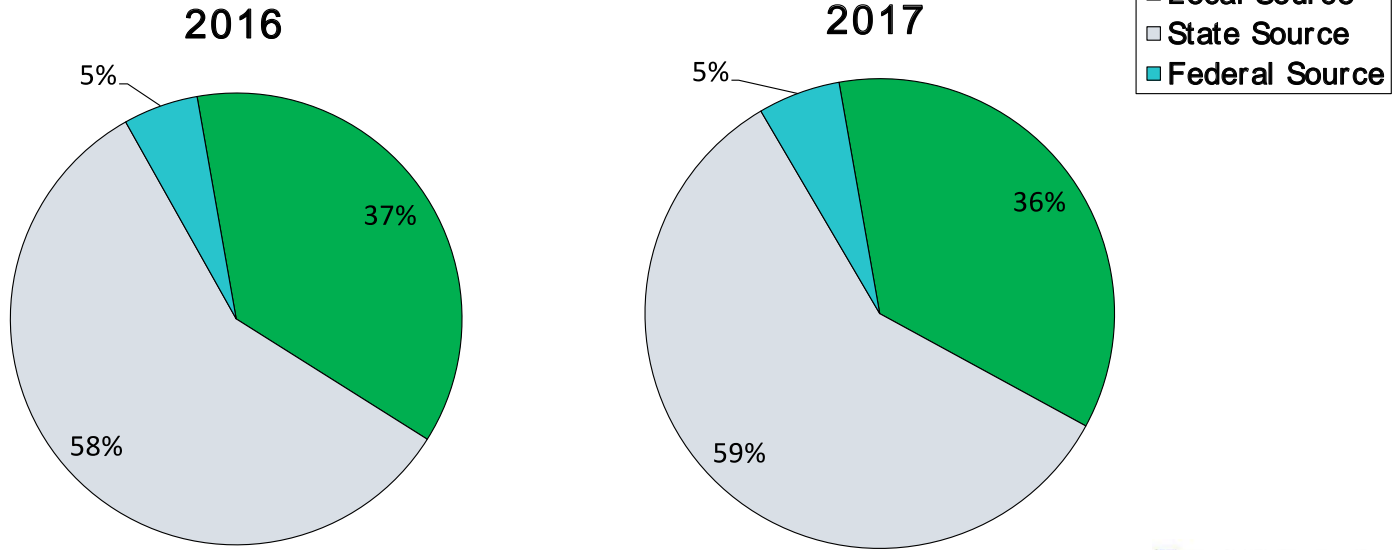




# Retirement Plan Contributions

June 30 Year End	Dollar Amount
June 30, 2012	\$ 2,610,380
June 30, 2013	\$ 3,519,676
June 30, 2014	\$ 4,481,774
June 30, 2015	\$ 5,929,503
June 30, 2016	\$ 7,379,855
June 30, 2017	\$ 8,797,204

# Composition of General Fund Revenue





# Composition of General Fund Expenditures

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Expenditures	June 30, 2016	June 30, 2017
Instruction	\$ 42,919,980	\$ 43,180,828
Support Services	\$ 25,172,634	\$ 22,751,449
Non instructional Services	\$ 969,987	\$ 903,720
Capital Outlay	-	\$ 103,526
Totals	\$ 69,062,601	\$ 66,939,523

# Composition of General Fund Expenditures

