



Smart decisions. Lasting value.™

Fresno Unified School District
Audit Results for the year ended
June 30, 2018

December 12, 2018

Auditor's Responsibilities, Planned Scope, and Audit Timeline

- Express an opinion on the financial statements, federal compliance and state compliance
- Risk of material misstatement
- Internal control evaluation
- Risk based audit approach

Phase One –
March 2018

Phase Two –
May 2018

Phase Three –
October 2018

Reporting /
Completion –
October/November
2018

New Accounting Standards

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Restatement of beginning net position of \$559,534,914

Corrected and Uncorrected Misstatements

- Corrected Misstatements:

- No corrected misstatements

- Uncorrected Misstatements:

1. Internal Service (Self-Insurance) Fund: A portion of the District's payroll is accounted for in the Internal Service Fund; therefore, a portion of the District's Net Pension Liability should also be allocated. However, the Internal Service Fund is combined with the Governmental Activities of the District; therefore, the Net Pension Liability District-wide is not understated.

Other Required Communications

- There were no difficulties encountered with management
- There were no disagreements with management
- No consultation with other accountants
- No significant or adverse events require your attention in connection with the completion of the audit

Audit Results

Type of Opinion	Results / Questioned Cost
Financial Statements	Unmodified
Federal Compliance	Unmodified
State Compliance	Unmodified

Financial Highlights

- Key Statistics:

- Total assets of the District at June 30, 2018: \$1.4 billion
- Total net position of the District at June 30, 2018: \$(1.0 billion)
 - Net Pension Liability at June 30, 2018: \$(822.4 million)
 - Net OPEB Liability at June 30, 2018: \$(982.1 million)
- Total change in net position for the District for the year ended June 30, 2018: \$(29.4 million)
- General Fund, Fund Balance at June 30, 2018: \$150.1 million
- In compliance with reserves recommended by the State of California
- Positive certification status with County Office of Education

Conclusion

- The District's financial statements are presented fairly in all material respects
- No audit adjustments
- No audit findings
- Management and staff at the District office and school sites visited were prepared for our visit and responded timely to our requests
- The District's audit report will be filed with the State Controller's Office before the December 15, 2018 reporting deadline

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. Crowe may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this document. © 2018 Crowe LLP.