

Exit Conference

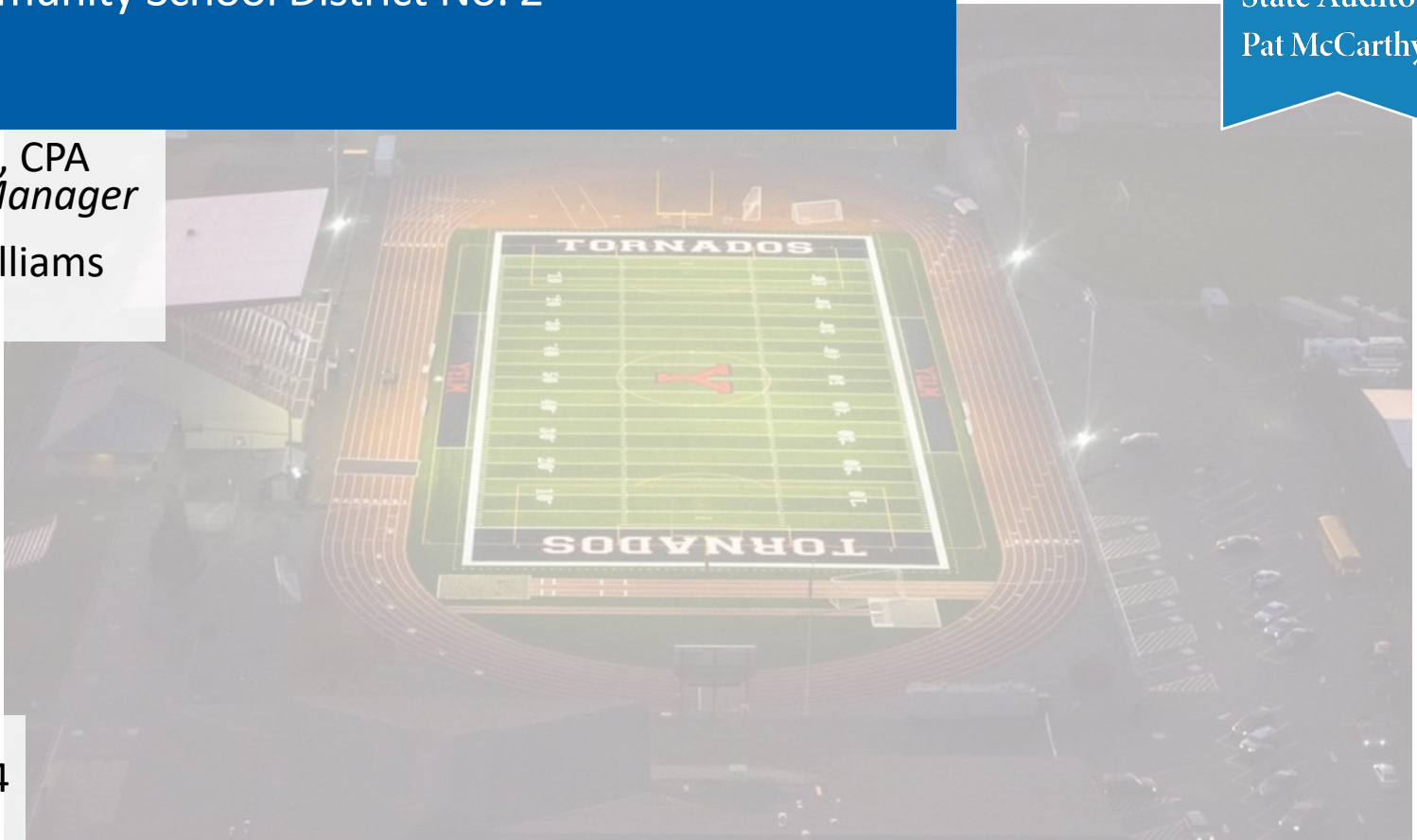
Yelm Community School District No. 2



Office of the
Washington
State Auditor
Pat McCarthy

Lisa Carrell, CPA
Program Manager

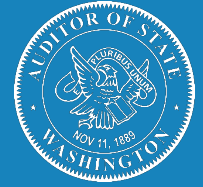
Colleen Williams
Audit Lead



May 21, 2024

Disclaimer: This presentation is intended to be viewed in conjunction with the complete packet of exit materials provided. A copy of those materials may be requested by contacting the presenters listed or by emailing PublicRecords@sao.wa.gov.

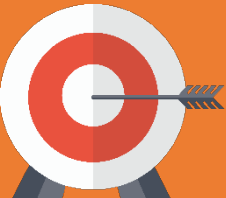
Results that Matter



Increased trust in government



Independent, transparent examinations



Improved efficiency and effectiveness of government



Pat McCarthy
State Auditor

Accountability Audit Results

September 1, 2020 through August 31, 2023



Results in Brief

This report describes the overall results and conclusions for the areas we examined.

In those selected areas, District operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

Accountability Audit Results



Using a risk-based audit approach, for the District, we examined the following areas during the period:

- Procurement – public works
- Compliance with public work projects – prevailing wages and change orders
- Payroll – gross wages and overtime
- Student enrollment reporting – basic education and alternative learning education
- Software conversion – Skyward 2.0 general ledger to Qmlativ general ledger
- Compliance with supplemental contracts for enrichment activities
- Use of restricted funds – professional learning and local revenue for enrichment activities
- Financial condition – reviewing for indications of financial distress
- Open public meetings – compliance with minutes, meetings, and executive session requirements

Financial Audit Results

September 1, 2022 through August 31, 2023



Unmodified Opinion Issued

- Opinion issued in accordance with the School District Accounting Manual
- Adverse Opinion on U.S. GAAP also issued
- Audit conducted in accordance with *Government Auditing Standards*

Internal Control and Compliance over Financial Reporting

- We reported no significant deficiencies in internal control
- We identified no deficiencies that we consider to be material weaknesses.
- We noted no instances of noncompliance that were material to the financial statements of the School District

Financial Audit Results



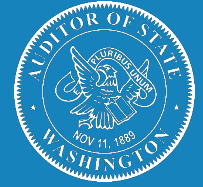
Required Communications

- We did not identify any material misstatements during the audit.
- No uncorrected misstatements have been identified.

Financial Audit Results

The audit addressed the following risks, which required special consideration:

Management override of controls



Federal Grant Compliance Audit Results

September 1, 2022 through August 31, 2023



Unmodified Opinion Issued

- Opinion issued on the District's compliance with requirements applicable to its major programs
- Audit conducted in accordance with *Government Auditing Standards* and the Uniform Guidance

Internal Control and Compliance over Major Programs

- We reported no significant deficiencies in internal control
- We identified no deficiencies that we consider to be material weaknesses
- We noted no instances of noncompliance that are required to be reported

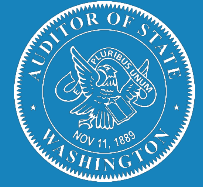
Major Programs Selected for Audit



ALN	Program or Cluster Title	Total Amount Expended
10.553/555	Child Nutrition Cluster	\$2,243,583
84.425	COVID-19 Education Stabilization Fund	\$4,530,578

These costs amount to approximately 71 percent of the total federal expenditures for 2023

Thank You!



- We thank School District officials and staff for timely communications throughout the audit process.
- In particular, we would like to thank Jennifer and Jordan for dedicating their time to answer questions and provide all requested documentation in a timely manner.

Closing Remarks

- Audit costs are in alignment with our original estimate
- Next audit: 2025
 - Financial statement
 - Federal programs

An estimated cost for the next audit has been provided in our exit packet





Report Publication

- ✓ Audit reports are published on our website.
- ✓ Sign up to be notified by email when audit reports are posted to our website:

<https://sao.wa.gov/about-sao/sign-up-for-news-alerts/>

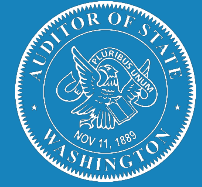
Audit Survey

When your report is released, you will receive an audit survey from us.

We value your opinions on our audit services and hope you provide feedback.



Questions?



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