



Plano Independent School District

Year Ended June 30, 2020



Overview

- Introduction
- Audit Process
- Auditor Communications and Auditor Results including Financial Highlights
- Strengths and Accomplishments
- Questions

Introductions



Specialization in Education

- Auditor of **more** Public School Districts in the state than any other Public Accounting Firm.
- Auditor of the **five largest Districts** in the state.
- Auditor of over 50 Texas Public Schools and Charter Schools.

Focused government practice

- Largest audit industry practice in the firm
- 120+ Government & Nonprofit audit professionals
- Annual free government CPE tailored to your specific needs
- Our Partner-in-Charge of Government Services serves on the AICPA State and Local Government Expert Panel
- Your partner and quality control partner are both on the GFOA Special Review Committee

Engagement Leadership



Jennifer Ripka, CPA
Partner,
Assurance Services

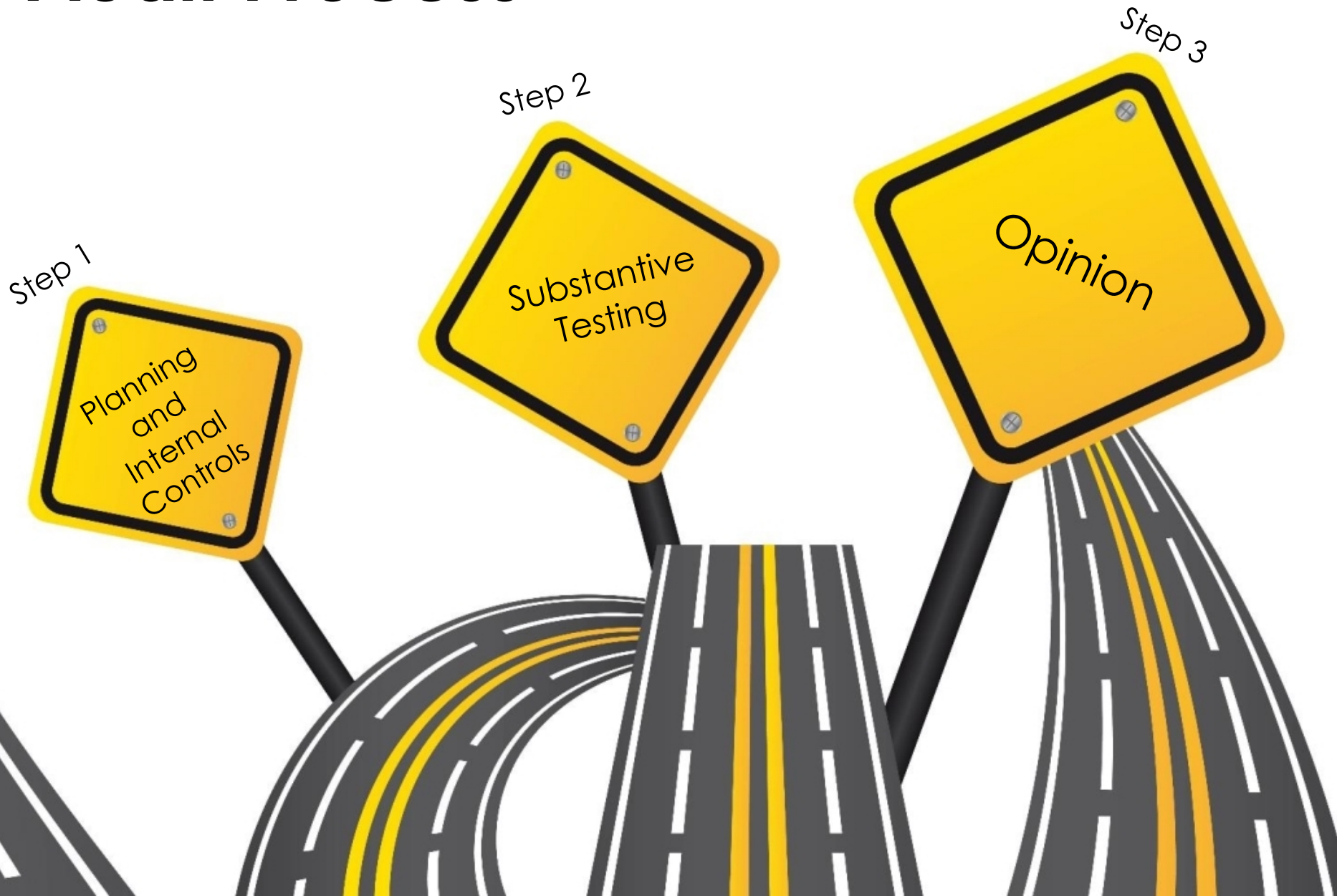
- ✓ Thirteen years of public accounting experience
- ✓ Dedicated to serving public sector clients
- ✓ K-12 Education Practice Leader
- ✓ GFOA Special Review Committee Member

Available Throughout the Year to Discuss Issues

Audit Schedule and Process



Audit Process



Audit Process

- **Audit Standards** — Performed the audit in accordance with *Generally Accepted Auditing Standards (GAAS)* and *Generally Accepted Government Auditing Standards (GAGAS)*
- **Single Audit** — Performed the single audit of federal awards in accordance with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*
- **Compliance** — Performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, including items such as compliance with procurement PFIA and TEA State Compliance requirements.



Auditor Communications and Audit Results

Results

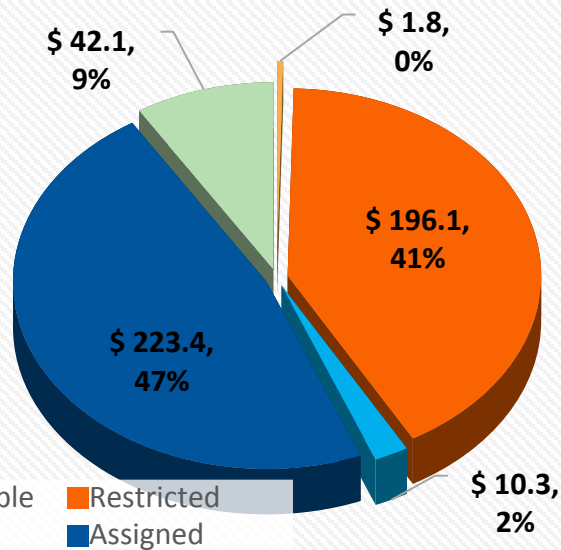


- We will issue the Independent Auditor's Report on the financial statements
 - ✓ Unmodified Opinion
- We will issue the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
 - ✓ No significant deficiencies noted
 - ✓ No material weaknesses noted
- We will issue the Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control Over Compliance in Accordance with Uniform Guidance
 - ✓ Unmodified Opinion
 - ✓ No findings noted

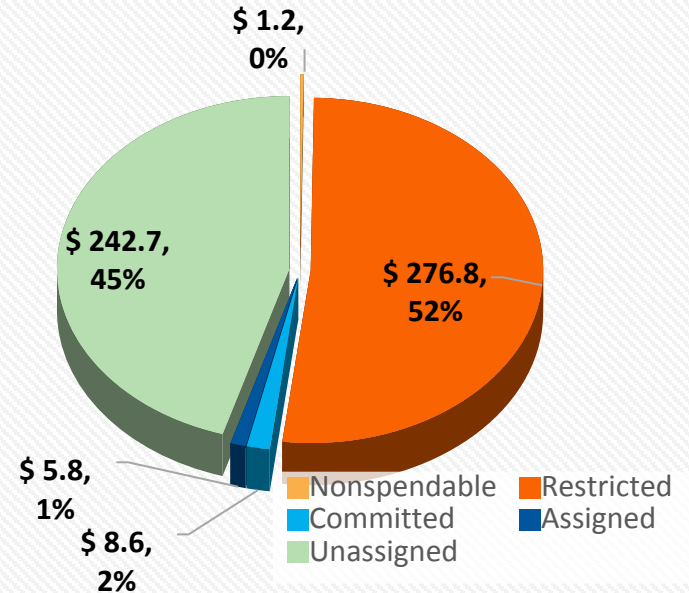
Financial Highlights

Governmental Funds– Fund Balance (Exhibit C-1)

FY 2020 Fund Balance



FY 2019 Fund Balance



Governmental Funds include: General Fund, Debt Service Fund, Capital Projects Fund, and each of the Special Revenue Funds (Federal, State, and Local Funds)

Financial Highlights



Governmental Funds– Fund Balance- Continued

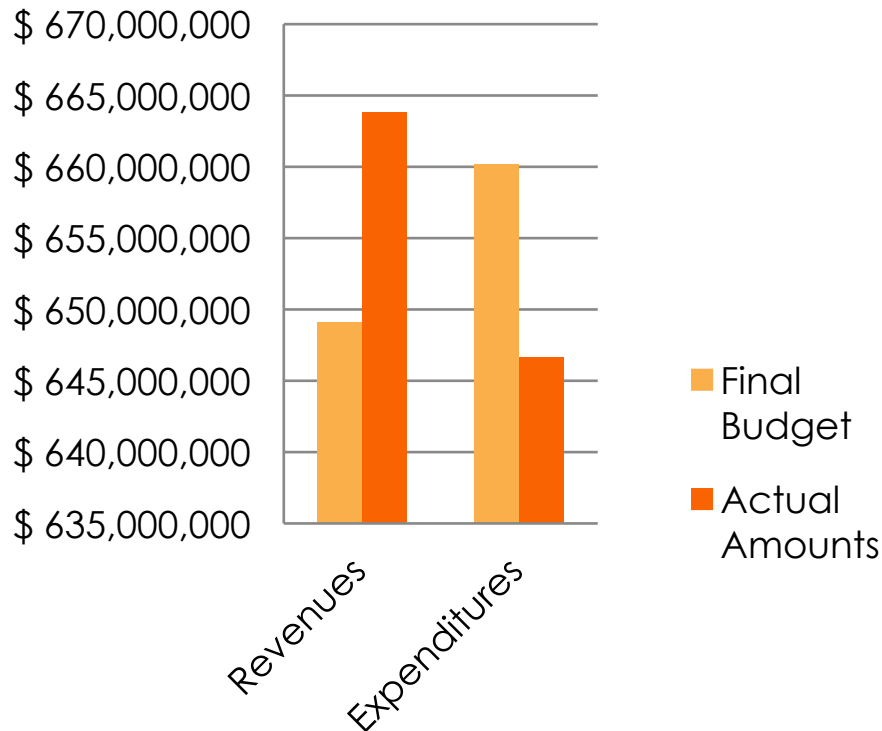
Fund balance totaled \$473.7M, a decrease of \$61.4M as a result of expenditures exceeding revenues by \$78M, net transfers from other funds, proceeds insurance recoveries, and proceeds from debt issuances.

- Nonspendable- Not expendable- [Inventory/Prepaid Items]
- Restricted Fund Balance- Represents funds restricted by external providers, the constitution, or legislation. [Debt Service Fund, Capital Projects Fund, Federal and State Financial Assistance]
- Committed Fund Balance- Designated by the District- Formal action by the Board of Trustees [Campus Activity Funds and Local Special Revenue Funds not externally restricted]
- Assigned Fund Balance- Designated by the District- Assignment can be completed by the Board, Superintendent, or the CFO

General Fund – Budget and Actual

Budget and Actual

(in thousands of dollars)



General Fund Highlights

(Exhibit G-1)

- General Fund actual revenues exceeded budgeted revenues by \$14.7M.
- General Fund budgeted expenditures exceeded actual expenditures by \$13.5M.
- General Fund had a favorable budget variance of \$27.4M.
- Ending fund balance of \$266.7M, an increase of \$17.2 M.

Financial Highlights



Capital Assets and Long-Term Debt

Capital Assets

- Total Capital Assets increased \$31.3M in FY 2020 to \$1.1B
- The change in capital assets is primarily driven by renovations, additions, security access systems, and HVAC upgrades that occurred across the district.

Long-Term Debt

- Bonds payable decreased \$102.2M or 12% over the prior year.
- In FY20, the District issued \$23.4M in Series 2019 Unlimited Tax School Building & Refunding Bonds.
- As of 6/30/2020, \$49.9M in authorized bonds remained unissued.



**STRENGTHS AND
ACCOMPLISHMENTS**

What's Working Best?

- Knowledgeable **management**
- **Full** cooperation District-wide
- **Internal Audit Department** (audit plan and timely audits)
- **No findings** identified in testing of compliance or controls over compliance in either of the major programs
- District qualifies as a **low-risk auditee**
- **No significant deficiencies** or **material weaknesses** in internal controls



DISCUSSION

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