

# Tucson Unified School District

## 2016 Audit Results

Presented by:

Corey Arvizu, CPA

Casey Good, CPA

# Comprehensive Annual Financial Report

- Transmittal letter
- Auditor's report
- Management's discussion and analysis
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Budgetary comparison schedule
- Combining fund statements
- Statistical section

# Financial Highlights

- Revenues remained relatively stable, increasing \$6 million or 1%
- Expenses consistent at \$418 million, with increases in instruction and decreases in admin costs
- Combined fund balance of \$80 million, of which \$49 million is restricted for specific purposes
- Debt paid down a total of \$25 million
- Addition of \$13 million in pension liabilities

# Investments

- GASB Statement 72 requires governments to account for investments at fair value based on a hierarchy of inputs
- District's investments amount to \$52 million
  - \$18 million measured at fair value, rest at county/state treasurer

<u>Investment Type</u>	<u>Category</u>	<u>Fair Value</u>
Money Market - U.S Treasuries	Level 1	\$ 2,876,583
U.S. Agencies	Level 2	5,600,000
Certificates of Deposit - negotiable	Level 2	9,119,000

# Receivables

- State of Arizona Equalization Rollover
- Reimbursement based grants
- Total \$86 million

	General Fund	Classroom Site Fund	Title I Grants Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:					
Due from federal government	\$ 307,274	\$	\$14,301,383	\$	\$ 6,250,537
Due from state government	56,552,540	1,533,363		5,782,207	807,212
Due from county government	370,895			3,746	
Net due from governmental entities	<u>\$ 57,230,709</u>	<u>\$ 1,533,363</u>	<u>\$14,301,383</u>	<u>\$ 5,785,953</u>	<u>\$ 7,057,749</u>

# Summary of Results

- Audit procedures conducted from April through December 2016
- Presented to audit committee December 16 for approval
- Unmodified financial statement audit opinion
- No disagreements with management regarding presentation or disclosure
- No significant deficiencies or material weaknesses in internal control identified
- No management letter issued

# Summary of Results

- USFR Compliance Questionnaire
  - 8 schools sampled
  - 13 comments, over 500 possible questions
- Single Audit Reporting Package
  - Low risk auditee
  - Improving Teacher Quality, Nutrition, 21<sup>st</sup> Century audited
  - 1 compliance finding – highly qualified

# Final Comments

- No significant accounting pronouncements in fiscal year 2016-17
- Management and staff cooperative and helpful during the audit process
- Anticipate starting audit process for fiscal year 2016-17 in April



# Questions?

Casey Good, Manager  
(520) 742-2611 x148  
caseyg@heinfeldmeech.com

Corey Arvizu, Partner  
(520) 742-2611 x101  
coreya@heinfeldmeech.com