

REPORT ON 2014 FINANCIAL RECORDS **AUDIT FOR FAYETTE COUNTY PUBLIC SCHOOLS**

Background:

The Kentucky Department of Education annually requires submission of the Annual Financial Report (AFR) following the close of the fiscal year, which is June 30. The State Committee for School District Audits requires all local school Districts to provide an annual independent audit of the financial records and Accounts under the Board's control. The audit covers the entire fiscal year ending June 30, 2014.

Each audit is expected to accurately reflect the financial position of the district on June 30, 2014 and to include audit suggestions and recommendations for management. Management responses are included in the report. They become action plans for the successive year(s).

The Board selects the independent audit firm by competitive bidding. Strothman & Company, Louisville, KY conducted the audit. The audit includes all district funds and is inclusive of school activity funds.

Rationale:

The audit disclosed no material instances of noncompliance with the requirements of the Governmental Accounting Standards Board and the Office of Management and Budget Circular A-133 Audits of State and Local Governments with respect to the items tested. The district received an unmodified opinion.

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POLICY REFERENCE: 01.11 (General Powers and Duties of the Board)

RECOMMENDATION: A motion is in order to:

"Accept the independent audit report for the Fayette County Public Schools for the fiscal year ending June 30, 2014 as presented."