



**BARNES DENNIG**  
Accounting • Tax • Business Insight

# Auditor's Report to Board of Education

Year Ended June 30, 2021

December 14, 2021



# REQUIRED COMMUNICATIONS

---

## *Introduction*

We are pleased to serve Gallatin County School District as its independent auditors and look forward to continuing our relationship. We provide the information on the following pages to assist you in performing your oversight responsibilities. This information is intended solely for the information and use of the Board of Education and management and is not intended to be and should not be used by anyone other than these specified parties.

## *Planned Audit Scope*

Communicated in our Engagement Letter dated April 5, 2021.

Audit of June 30, 2021 financial statements in accordance with generally accepted auditing standards and Government Auditing Standards.

Single Audit compliance audit of major federal programs in accordance with Uniform Guidance.

# REQUIRED COMMUNICATIONS

---

- *Auditor and Management Responsibilities*
  - The financial statements are the responsibility of the District's management.
  - As the District's auditors, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us.
  - The internal controls are the responsibility of management. As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
  - Our audit of the financial statements does not relieve you or management of your responsibilities.
  - Refer to our engagement letter with the District for further information on the responsibilities of management and Barnes Dennig.

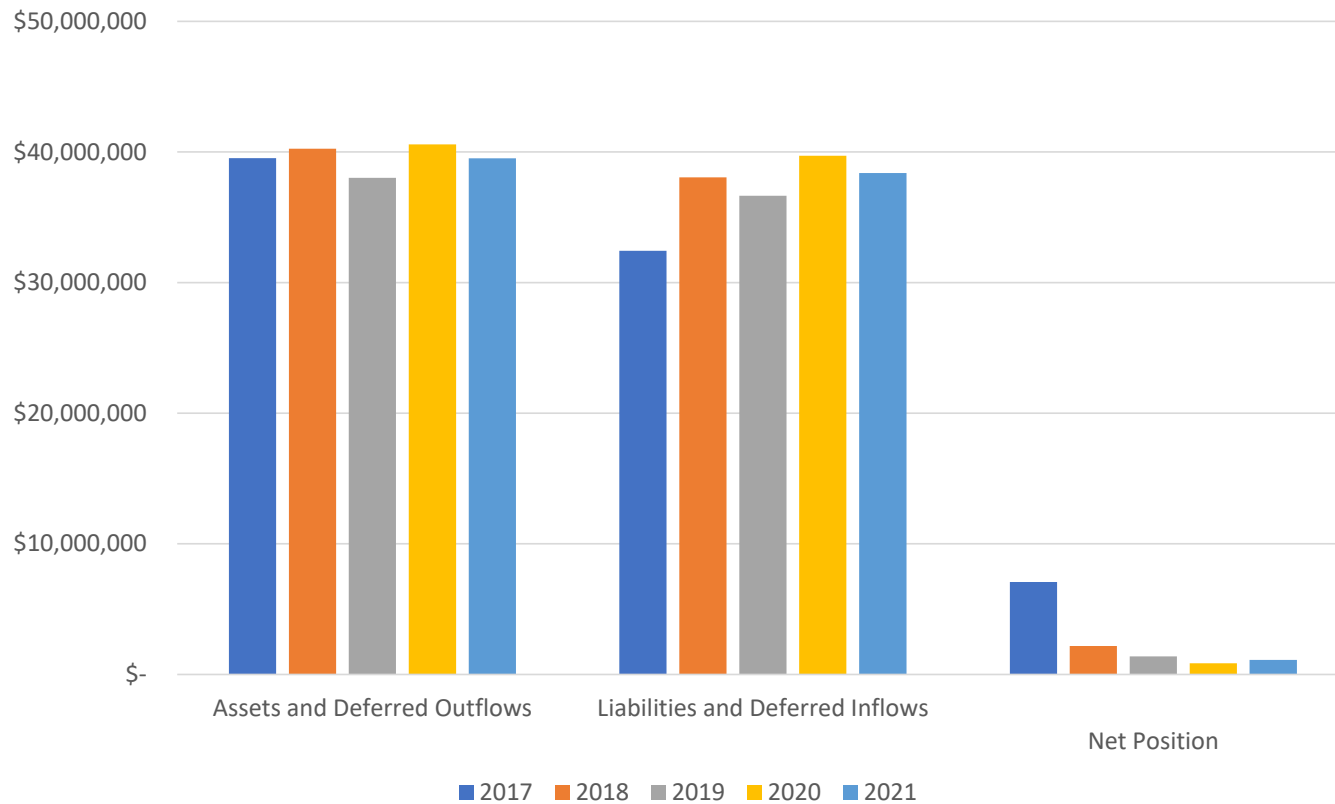
# EXECUTIVE SUMMARY

---

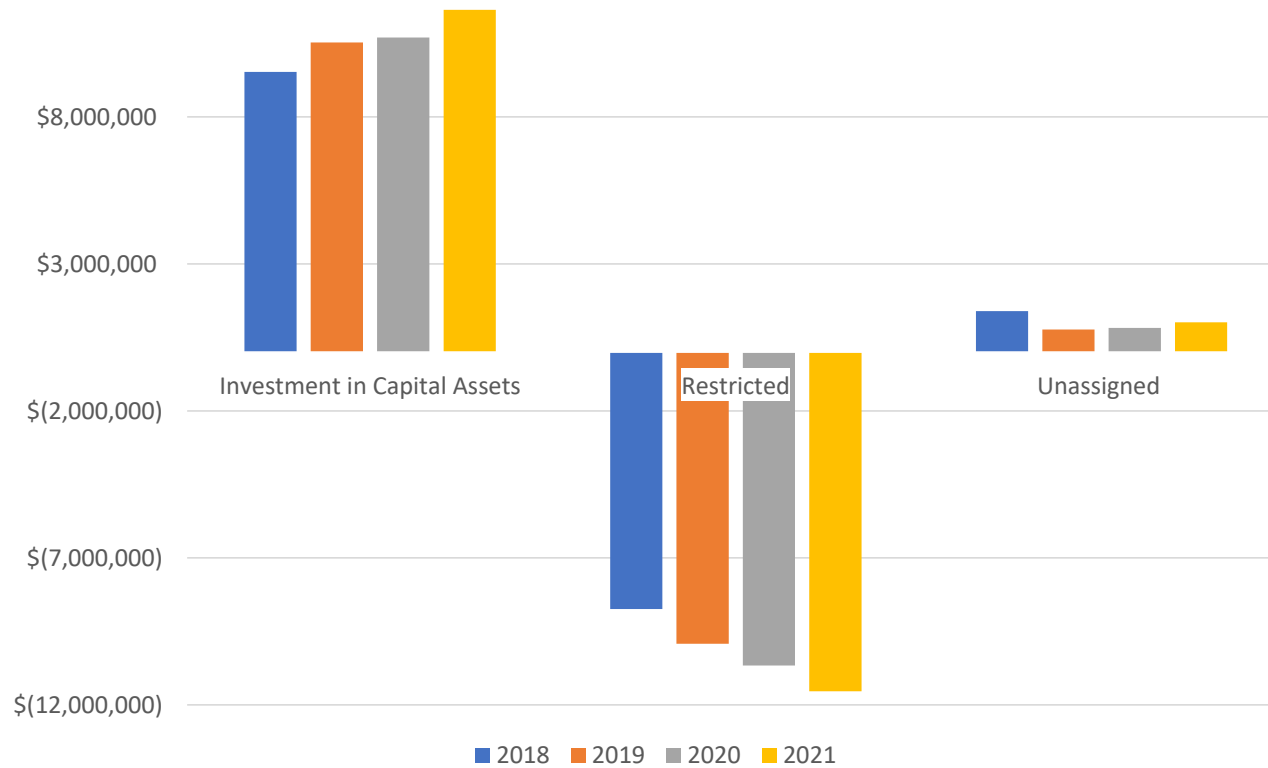
- We issued an unmodified (clean) opinion on the financial statements
- We issued an unmodified (clean) opinion on the major federal program
- We received excellent cooperation from Kelley and the rest of the staff
  - No disagreements of difficulties encountered during the audit
  - No consultations with other independent accountants
- Significant Accounting Policies are discussed in Note 1 to the financial statements
  - *GASB 84: Fiduciary Activities*
- Internal accounting estimates
  - Depreciable lives of capital assets
- No internal control matters are reportable
- We are not aware of any matters related to fraud or illegal acts that require communication
- Other written communication – management representation letter
- Audit Adjustments
  - No significant audit adjustments or uncorrected (due to materiality levels) adjustments

# STATEMENT OF NET POSITION

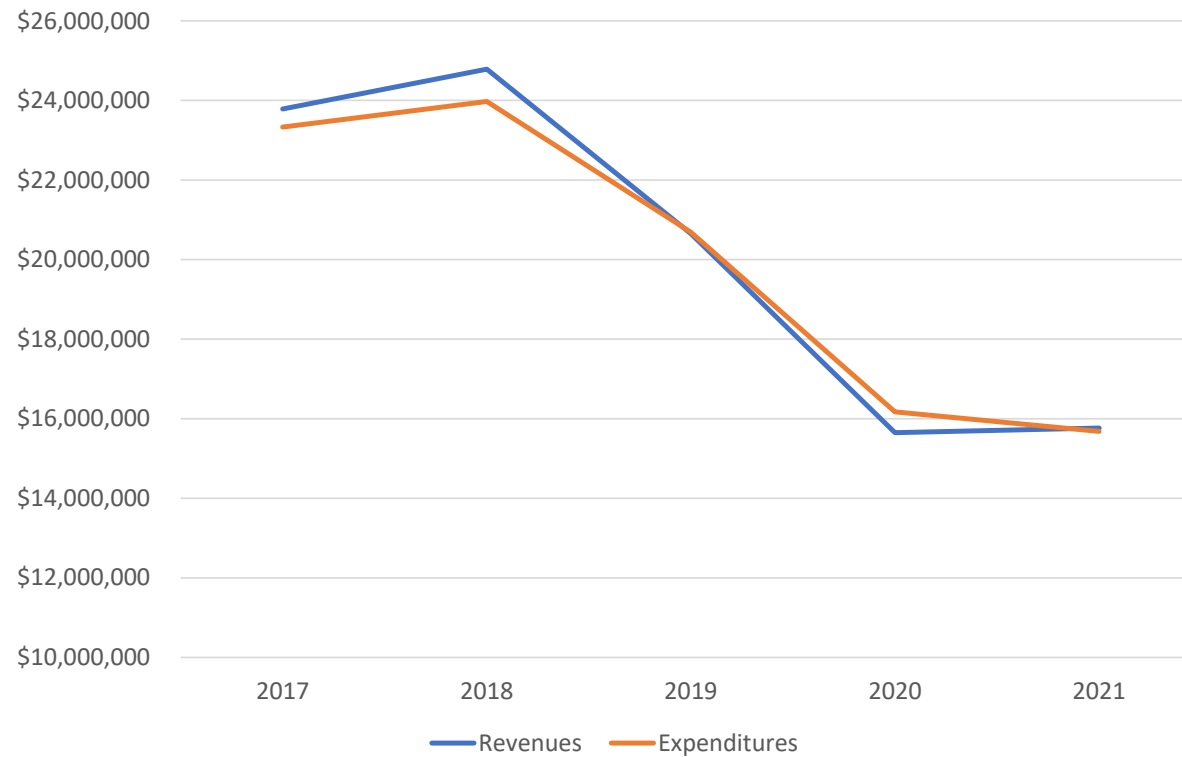
## TRENDS DISTRICT WIDE



# DISTRICT-WIDE NET POSITION ANALYSIS

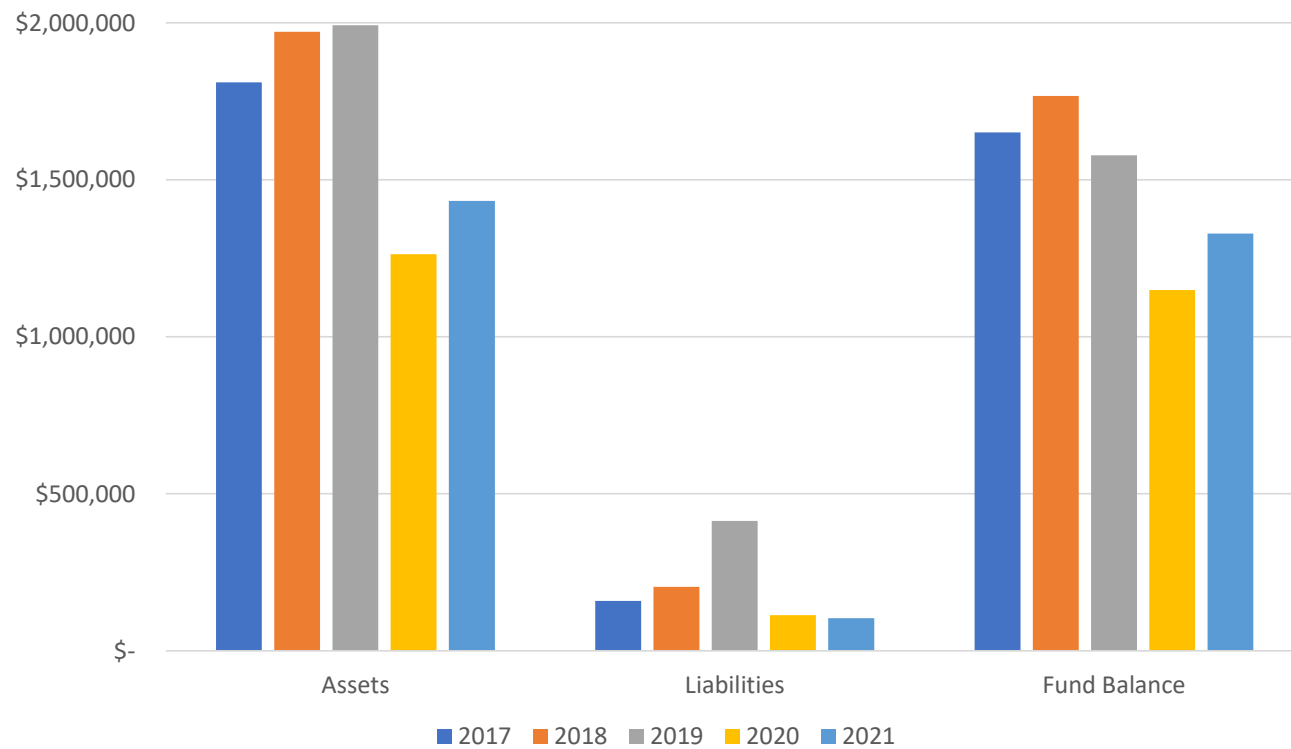


# REVENUE OVER EXPENSES – DISTRICT WIDE



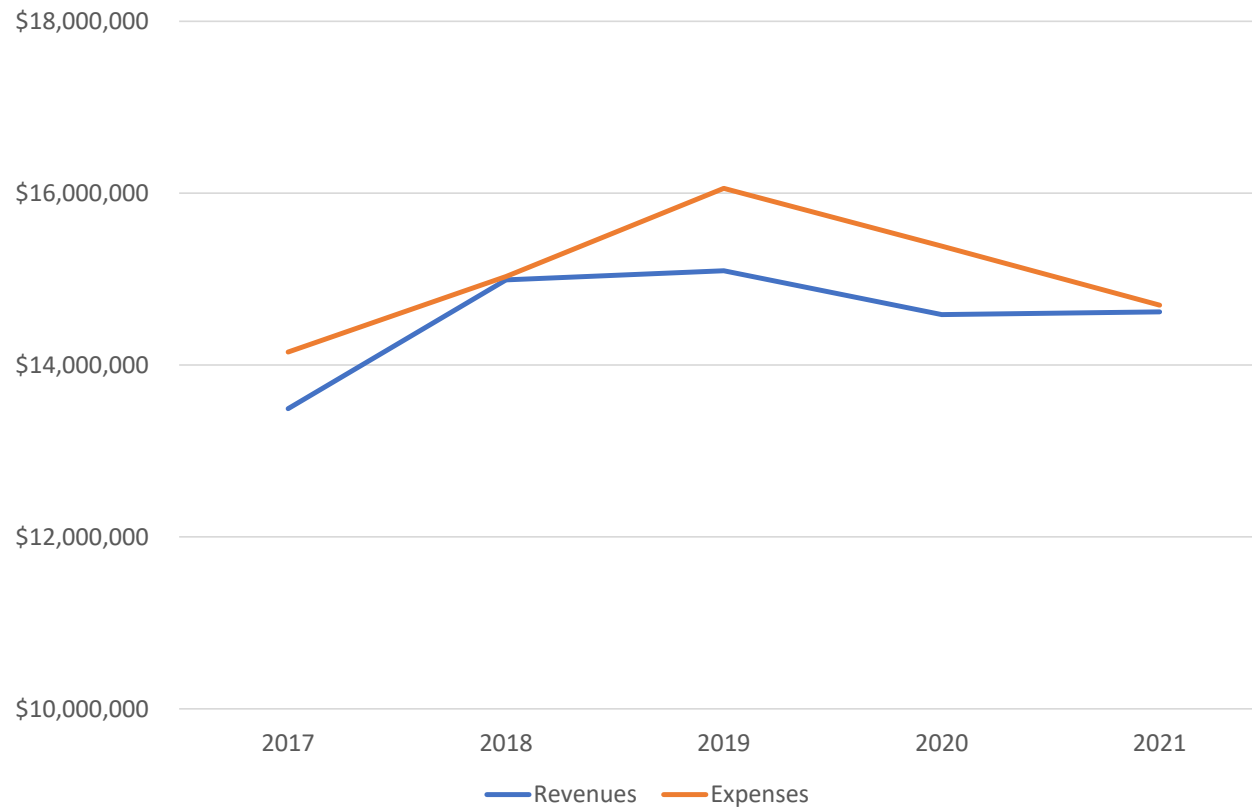
Source: Audited Financial Statements

# BALANCE SHEET TRENDS – GENERAL FUND

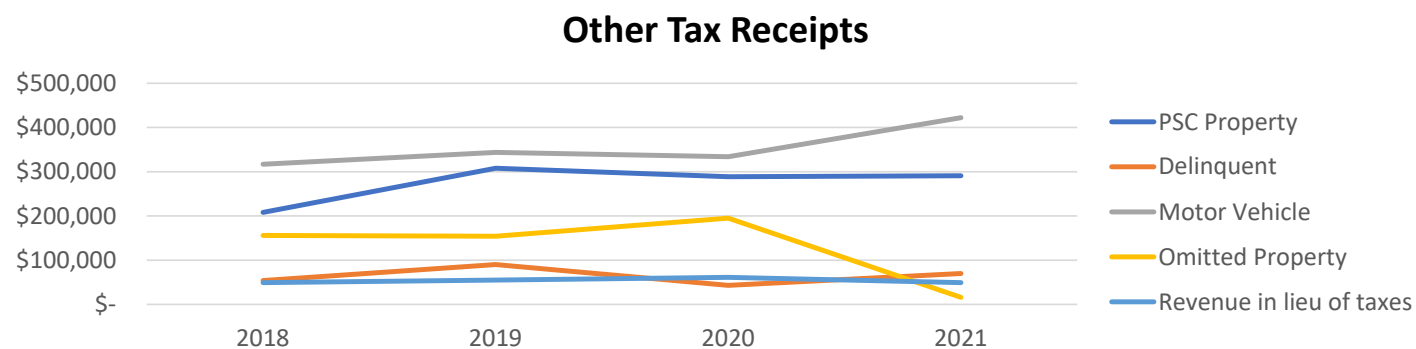
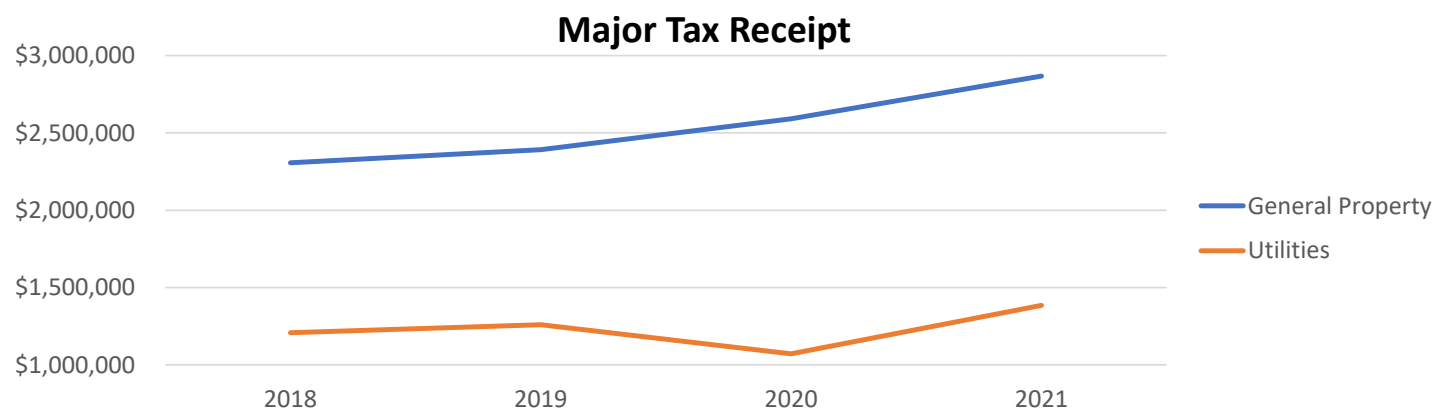




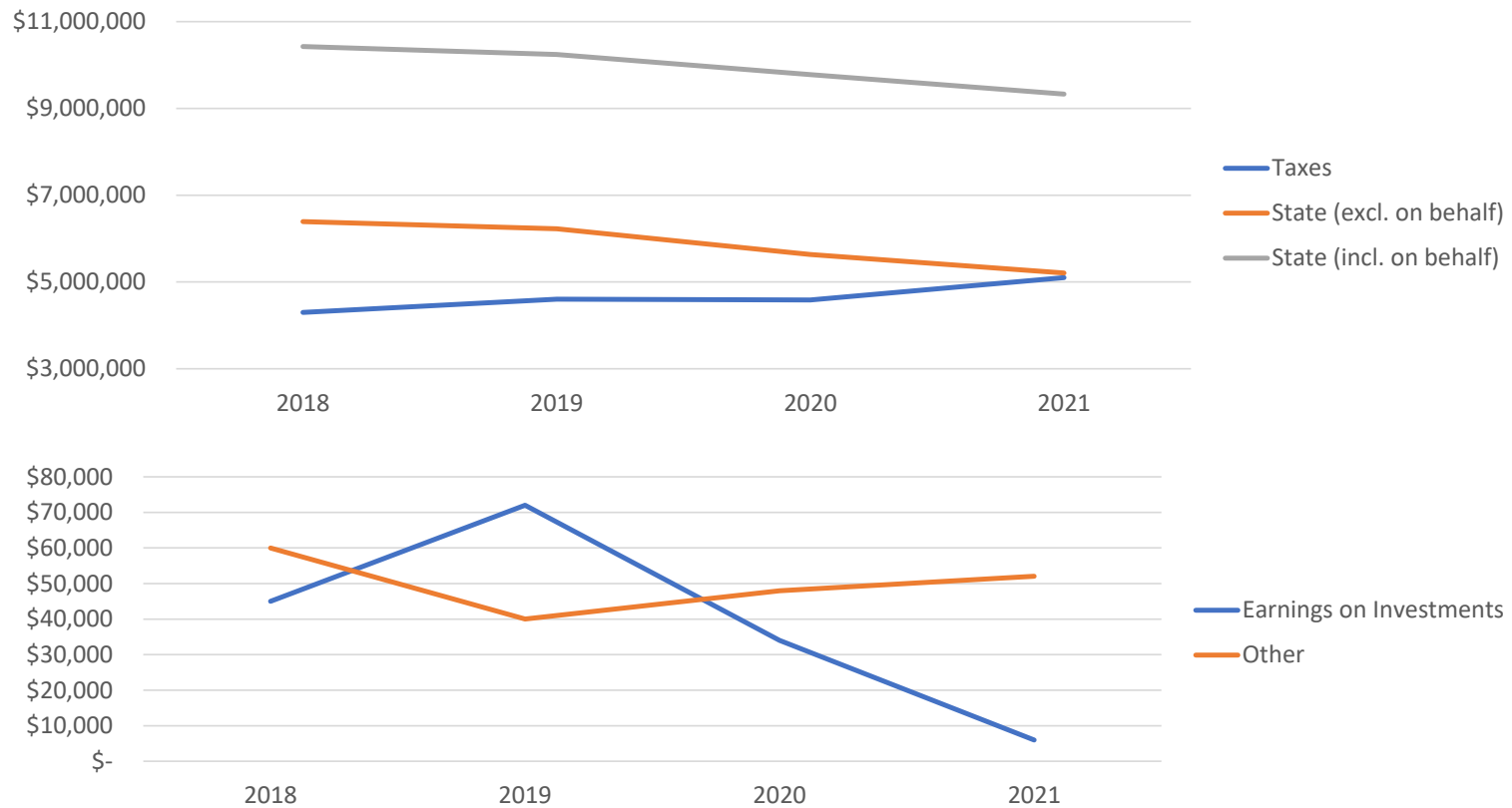
# REVENUES OVER EXPENSES – GENERAL FUND



# TAX REVENUES GENERAL FUND



# GENERAL FUND REVENUES BY SOURCE



# REVENUES OVER EXPENSES FOOD SERVICE

