**Summary of Progress as of April 17, 2026**

The chart attached includes a summary of activities that are in progress for the FY2024, FY 2025 and the FY2026 fiscal years clean up and audit preparation.

Bank Statements for 2023 and 2024 have been completed. Fiscal Year 2025 has begun, the General Fund has been Substantially reconciled thru June 2025. Journal entries posted for the general fund and have been cleared back within the reconciliations and posted. Draft entries for the rest of the year continue.

The remaining funds are still pending for FY2025, as the General Fund is being reconciled several entries and corrections impact the other accounts which will help with those reconciliations once all the General Fund is completed. FY2026 has not yet begun.

Audit field work for FY2024 was finished Friday, April 17th. (See detailed summary below)

The Schedule of Expenditures of Federal Awards (SEFA) reconciliation is in process. This is a schedule that gets prepared every year to reconcile the federal awards received and the expenditures they were used for.

**Efficiencies and Internal Control Items for the week of April 17,2026**

Monthly close schedule development continues as the reconciliations move forward. Once reconciliations are currently this will be the document that all staff uses each month for the close. New templates will be needed to help with standardized journals that need to be made, for example recording property taxes when received so the appropriate accounts and funds are correctly credited, and this then will avoid correcting entries needed later.

Summary of grants received by the district and included in the financials and audit has been analyzed and organized. Copy of the summary chart is attached. This is a great accomplishment as this one platform includes all the grants received, applied for and not received. The spreadsheet houses for each grant the application, the grant specifics, the grant award letter, the monthly reconciliations and the reporting that needs to be done for each grant. This one platform for all the grants will enable the annual SFEA for the audit to be completed quickly and have one place for the auditors to do all testing.

The 2024 audit fieldwork is substantially complete, and the auditors anticipate completion on time, 4/17/26. The auditors anticipate working with members of the team on their final day of fieldwork to begin collecting data necessary for the 2025 audit. At this stage, the audit is largely under the internal processes of the firm. There will likely be minor follow-up questions or requests as it goes through the necessary partner review, and quality control procedures.

After the completion of audit fieldwork, work will begin on finalizing reports and preparing the footnotes to the financial statements. The auditors will be preparing the financial statements for the FY24 audit so staff can resume working on FY25 to get it ready for the audit. With the Auditors completing the FY24 financials this will give staff the roadmap going forward.

One of the challenges noted during this audit was a lack of prior year workpapers, generally required for ensuring accounts can be properly reviewed and rolled forward. The firm has been extremely helpful in helping the business office with workpapers that will align to their testing requirements and improve the year end close process for the district.

One item noted during the review was the lack of proper maintenance of the AR aging. This report has been corrected by Accounts Receivable. Additionally, it was noted that certain receivables such as special education tuition were not being tracked through the AR module and were previously tracked through a manual spreadsheet. The team has begun working on the process to resolve this to ensure proper tracking of receivables. We have obtained to confirm a detailed listing of all special ed invoicing and began the process of tying them out to their subsequent receipt to include on the Aging, as well as for use in the calculations for deferred inflows of resources.

We will also be working with the firm to develop improved cash receipting procedures utilizing "My School Bucks' "This will help to ensure improved record keeping, and segregation in the cash receipt process. A number of deposits for FY24 were noted as deposits to the student activity fund and not recorded. Ongoing daily cash management combined with proper receipting will assist with accurate record keeping. The final implementation is currently under development.

Year-end CAR (Consolidated Annual Report) was not booked properly and resulted in additional efforts to complete preparation of audit materials. The largest impact was non-cash entries booked against cash accounts in FY24, and entries booked directly against fund balance. These have been corrected.

A few accounts noted incorrect or inconsistent accounting treatment during the year. Additionally, the auditors provided recommendations for record keeping of federal grant dollars. Notable changes to process include:

- Proper recording of Medicaid distributions to Iowa Department of Human Services (Previously corrected)
  At some point during the year, a transition was made from recording IDHS payments from contra revenue to an AP liability. However, the receipts were still recorded as straight revenue resulting in overstatement of revenue
- Specific identification of payroll costs associated with federally funded programs (in lieu of year end expense transfers) Moving forward we will identify individuals at the beginning of the fiscal year to fund out of programs like IDEA, and then transfer any surplus expenditures to more generalized programs or funds.
- Proper treatment of TAP (Teacher Apprenticeship Program)

The state remittance, as well as all salary expenses were included as expenses in the TAP program. This resulted in double counting the revenue, and triple counting expenditures to the program. The payments for the matching portion of TAP will now be recorded as funds held by an outside agency, and the receipts netted against 50% of the asset, and 50% revenue. At fiscal year-end, an adjustment to expenditures will be required to net out 50% of the expenditures of the program to reconcile the net contributions with the expenditures.