

**AGENDA for the Joint *SPECIAL* Meeting of the
Sierra County Board of Education
and the
Sierra-Plumas Joint Unified School District Governing Board**

April 25, 2024

4:00pm – Review of proposals for auditing services

Meeting Location:

Loyalton: Sierra County Office of Education, Room 4, 109 Beckwith Rd, Loyalton CA 96118

Zoom for the public:

Link: <https://us02web.zoom.us/j/84486500880>

Phone dial-in: 669-900-9128 (Press *6 to unmute)

Webinar ID: 844 8650 0880

Board Members:

Area 1: Patty Hall – phall@spjUSD.org

Area 2: Annie Tipton (Vice President) – atipton@spjUSD.org

Area 3: Christina Potter (Clerk) – cpotter@spjUSD.org

Area 4: Kelly Champion (President) – kchampion@spjUSD.org

Area 5: Richard Jaquez – rjaquez@spjUSD.org

Any individual who requires disability-related accommodations or modifications including auxiliary aids and services in order to participate in the Board meeting should contact the Superintendent(s) or designee in writing.

Any student or parent/guardian who wishes to have directory information or personal information, as defined in Education Code 49061 and/or 49073.2, be excluded from the minutes should contact the Superintendent(s) or designee in writing.

Public inspection of agenda documents that are distributed to the Board less than 72 hours before the meeting, will be made available at Sierra County Office of Education, Room 3, 109 Beckwith Road, Loyalton, CA, 96118, and posted with the online agenda at <http://www.sierracountyofficeofeducation.org> (Government Code 54957.5).

A. CALL TO ORDER

Please be advised that this meeting will be recorded.

B. ROLL CALL

C. APPROVAL OF AGENDA

D. FLAG SALUTE

E. PUBLIC COMMENT

Special Meeting Agenda Items only, please.

This is an opportunity for members of the public to directly address the governing board on any item of interest that is within the subject matter jurisdiction of the governing board listed on this agenda. Three (3) minutes may be allotted to each speaker and a maximum of twenty (20) minutes to each subject matter.

F. ACTION ITEMS

1. Review of proposals for auditing services

- a. Nigro & Nigro^^
- b. SingletonAuman**
- c. RT Dennis Accountancy**

G. ADVANCED PLANNING

1. The next Regular Joint Board Meeting will be held on May 14, 2024, at Sierra County Office of Education, Room 4, 109 Beckwith Rd, Loyalton CA 96118 at 6:00pm. If needed, Closed Session may be held before the Regular session beginning at 5:00pm. Zoom videoconferencing will be available for the public.

H. ADJOURN



James Berardi,
County Superintendent



Sean Snider,
District Superintendent

^^ prior meeting handout

** enclosed

PROPOSAL FOR INDEPENDENT AUDITING SERVICES

**Sierra County Office of Education and
Sierra-Plumas Joint Unified School District**

**For the Fiscal Year Ending
June 30, 2024**



Respectfully Submitted on March 29, 2024 by:

Jeff Nigro, CPA, CFE

Nigro & Nigro, PC

jnigro@nncpas.com

Murrieta Office: 25220 Hancock Ave. #400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
Walnut Creek: 2121 N. California Blvd. #290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444

Let's Work Together!



*By applying our financial expertise,
we partner with our clients to build
valuable relationships that inspire success.*



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March 29, 2024

Sierra County Office of Education and
Sierra-Plumas Joint Unified School District

Thank you for inviting us to propose our services to you. We welcome the opportunity to share our approach for helping Sierra County Office of Education and Sierra-Plumas Joint Unified School District (the LEAs) meet their need for annual audit services. The enclosed proposal responds to your request for audit services for the fiscal year ending June 30, 2024.

Why We Believe We Are the Best Choice

We pride ourselves on the quality of the work we do and the value we bring to our clients, and that means that we spend the time to “get it right”. I am confident that you will find that the level of involvement from our partners on the audit is unprecedented in the industry. It is this “hands-on” approach from actively involved partners and less reliance on less-experienced staff that sets us apart from the crowd. Our primary goal is to service the K-12 education community with highly competent and trained professionals, who will not simply perform your audit, but will partner with you to help you achieve success.

Here are some questions to ask yourself when evaluating proposals:

- Is the firm a member of the AICPA’s Government Audit Quality Center?
- Does the firm have a peer review with a Pass rating?
- Is the firm an active participant in industry groups, such as CASBO and CSBA?
- Does the firm regularly attend SSC budget conferences and stay up to date by subscribing to SSC’s Fiscal Reports service?
- Does the firm help keep you up to date and informed on audit and accounting matters?
- Is the firm an active member of the State K-12 Audit Guide committee?
- Does the firm have one of the lowest rates of audit reports rejected by the State Controller’s Office?
- Does the firm leverage technology in order to minimize time in the Districts, interruptions to your staff and allowing you to upload audit documentation through a secure electronic portal?
- Does the audit partner spend a significant percentage of the audit on-site rather than just showing up for a day at the end of the audit?
- Does the audit partner have a Certified Fraud Examiner license?

By choosing Nigro & Nigro, you will be able to answer “Yes” to all of those questions. Here are just some more of the reasons why we believe we are still your best choice:

- **Credibility, Reputation, and Resources of a Large Firm** without sacrificing the small-firm touch. Our CPAs and consultants can help you analyze and address financial, operational, and regulatory issues so you can focus your attention on serving your students.

- **Efficiency.** Our goal is to provide exceptional client service. A well-planned and well-executed engagement by an experienced service team will minimize disruption to your staff and enable timely completion of all deliverables.
- **Experience Auditing California School Districts.** We proudly serve more than 60 California school districts annually. In addition, during the past year we performed more than 25 bond audits for California school districts. We understand the requirements of the California Education Code, the rules of the State Controller's Office, and the unique reporting requirements for California school districts.
- **An Efficient and Effective Work Plan.** We currently serve over 75 governmental entities state-wide, which enables our staff to understand the scope of the audit. We also understand the District's complexities, not just from a compliance standpoint but also from an operational point of view. We have developed an effective work plan that takes into consideration your needs for high quality audit services, as well as timely deliverables. As a result of our efficient work plan, we commit to meeting your deadlines to complete our auditing services within the time period you specify.
- **Thought Leadership.** Members of our firm have been actively involved as presenters in numerous industry conferences and programs, including the ACSA Professional Development Committee, CASBO, and CSBA. We have incorporated our experience with these committees into our audit framework.
- **Engagement Team.** We know that quality people drive quality results, which is why our commitment to you starts with the engagement team members who are selected based on their experience, focus on serving local government agencies, and who are the best fit for you. We will assign the engagement partner as the "accountant-in-charge" of the audit, rather than a senior accountant with far less experience. Each of the District's engagement team members have completed and exceeded the mandatory requirement for continuing professional education hours. Our goal is to provide quality client service by developing strong professional relationships with District staff. We are committed to providing services that are tailored specifically for each of the District's opinion units and the objectives you look to achieve.
- **A Focus on Providing Consistent, Dependable Service to School Districts.** Nigro & Nigro is organized by industry, affording our clients with industry-specific expertise supplemented by valuable local service and insight. Therefore, the District will enjoy the service of members of our LEA Services Team who have experience with similar school districts and understand the issues and environment critical to you.

You may have many options in selecting an auditor. By choosing Nigro & Nigro, you will gain value-added accounting and operational insights. Based on our previous history with LEAs, we believe we are the right fit for you, as we have the expertise and depth of resources within our firm to offer you exceptional service while maintaining a sincere and honest relationship. We understand the work, we are committed to meeting your deadlines, and we would like the opportunity to continue to be your auditors. We also commit to meeting or exceeding your expectations.

Thank you once again for the opportunity to present our qualifications. If you have any questions about our offerings, please do not hesitate to contact me.

Sincerely,



Jeff Nigro, CPA, CFE
 Audit Services Partner
 25220 Hancock Ave, #400, Murrieta, CA 92562
 (951) 698-8783

PROFILE OF THE FIRM

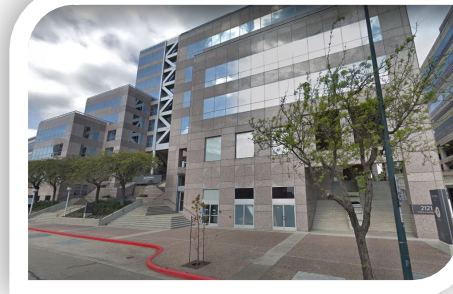
Size and Location of Offices

The firm was originally established in 1999. In 2013, we opened our second office in Northern California in order to better serve our growing client base of school districts in the San Francisco Bay Area. The Firm now has six partners and a professional staff of 18 accountants and expects to add more in the coming years as we continue to grow. We are a full-service firm, providing audit and review, tax, consulting, and accounting services to local government, non-profit organizations, charter schools, and commercial businesses. The office serves clients of all sizes and industries; however, we focus on school districts, just like yours.

We are prepared to do what it takes to provide the extra level of service required to maintain a long-term business relationship.



MURRIETA OFFICE



WALNUT CREEK OFFICE

Experience

The Firm is pleased to provide this proposal for performance audit services to the District.

- Extensive experience with school districts, auditing approximately 60 annually.
- Highly skilled staff that focuses on your needs and looks forward to providing assistance at every opportunity.
- Proven experience in Proposition 39 Bond audits with over 25 school districts annually. We can provide assistance in documentation and can use the knowledge from our client base to provide creative ideas for improvement.
- The Firm prides itself with active partner/manager participation in the audit process. They are on-site to resolve audit issues and answer questions our clients may have regarding reporting or any other issues.
- Our staff has extensive knowledge of data extraction, which provides efficiencies during the audit process.
- The Firm is on the cutting edge of technology to provide efficiencies and cost savings to our clients.

Range of Activities Performed

- Audit services for more than 60 local educational agencies
 - Includes charter schools, school districts, county offices, and JPAs
- Financial and performance audits under Prop. 39 and 51 for school districts
- Consulting and other services for numerous other agencies and not-for-profits
- Tax services for individuals, corporations, and non-profit organizations

PROFILE OF THE FIRM (CONTINUED)

Size of Our Firm

Firm-wide, we have the following staffing for our school district audit services:

Position	Number of Employees	Number of Licensed CPA's
Partner*	7	7
Manager	6	3
Senior	3	0
Associates	12	1
Support Staff	4	-
Total	32	11

**Although the term "partner" is used throughout this proposal to avoid confusion, the firm is organized as a Professional Corporation, and the firm's owners are "shareholders."*

Experience in Auditing Computerized Systems

Our audit client base is almost exclusively made up of school districts, which means that we are eminently qualified to audit financial information in the various systems used. We are familiar with pulling necessary reports from the system and assist staff accordingly. We are also familiar with the most common software systems utilized by school districts, such as BEST, QSS, Peoplesoft, Powerschool, and Aeries attendance accounting software and ASB Works and Blue Bear ASB accounting systems. Our entire audit staff is qualified to evaluate and make recommendations for improvements to any of your systems.

Our audit client base is almost exclusively school districts, which means that we are eminently qualified to audit financial information in the various systems used.

STAFFING & QUALIFICATIONS

Meet Your Audit Leadership Team

Listed on the following pages are the resumes of the management team that will be assigned to your audit. As mentioned previously, our staff members have considerable governmental audit experience. This gives us a pool to draw on in addition to the group listed.

Name	Role	Years of Experience in K-12 Audits
Jeff Nigro, CPA, CFE	Lead Partner	32
Peter Glenn, CPA, CFE	Review Partner	12
Oscar Gonzalez	Senior Audit Manager	9
Susan Taylor, CPA, CFE	Audit Manager	4

Jeff Nigro, CPA, CFE

Lead Partner

Jeff has more than 32 years of experience auditing school districts, county offices of education and special districts. This experience, garnered from nine years with a major local audit firm and now as a founding partner at Nigro & Nigro since 1999, is in addition to his real-world experience as a Fiscal Services Manager in a large, unified school district. In addition to his extensive knowledge of school business and financial issues, Jeff has a passion for helping clients to establish and maintain sound anti-fraud programs and procedures.

Local Educational Agency Audits:

Jeff Nigro was a Senior Audit Manager with a southern California CPA firm that specializes in K-12 audits for the first nine years of his career. He then moved to a school district fiscal management position to acquire hands-on experience before starting his own firm in 1999. Mr. Nigro is an expert in all aspects of governmental auditing and accounting, having worked on a variety of assignments and issues.

Consulting Services:

Mr. Nigro has experience in a variety of LEA issues, garnered from his public accounting experience and experience as the Fiscal Services Manager at Lake Elsinore Unified School District. He regularly consults with clients in areas of:

Training:

- GASB and new State Audit requirements
- ASB workshops and training
- Attendance accounting
- Fraud prevention and detection

Financial Reporting:

- Single Audits
- Prop. 39 Bond Performance Audits
- Year-end closing procedures
- Cash flows
- Budget development and projections
- Multi-Year projections

Additional Areas:

- Anti-fraud program implementation
- Enrollment projections
- Asset safeguard and control
- ACFR development



Education:

Bachelor of Business Administration,
Accounting
California State University, Fullerton,
1991

Licenses and Certifications:

- Certified Public Accountant, California
- Certified Fraud Examiner
- School Business Management Certificate,
California State University, Fullerton

Professional Affiliations:

- California Association of School
Business Officials (CASBO) Eastern
Section, Associate Member
- Association of Certified Fraud Examiners

Continuing Education:

- School District Conference (past
presenter)
- CASBO Annual Conference (past
presenter)
- SSC Finance & Management
Conferences
- ACSA School Business Academy
(presenter)
- Government Accounting & Auditing
Conference
- In-house training for audit staff
(presenter)
- Annual GFOA Conference



Peter Glenn, CPA

Review Partner

Peter has 12 years of experience auditing both school districts and special districts. He has been in public accounting for over 12 years. His main responsibilities include assistance in planning and overseeing audit work, review of assistants' and staff work, and performing audit procedures in more complex audit areas.

Audit Services:

Peter Glenn began his auditing career with Nigro & Nigro in 2011 and has worked in public accounting for over 15 years. He is appreciated for his patience and ability to break down complex situations. His specialties include audits of LEA's, special districts, and other governmental entities.

Consulting Services:

Mr. Glenn has experience in a variety of governmental accounting issues, derived from his auditing experience at the firm. He regularly consults with clients in areas of:

School District Accounting:

- Internal controls
- Financial reporting & GASB 34, 68, and 75
- Single Audits

Financial Reporting:

- Capital assets
- Prop. 39 Bond Performance Audits
- Prop. 51 School Facilities Program Audits
- Year-end closing procedures
- Cash flows
- State audit requirements

School District Clients Recently Served:

- Chaffey Joint Union High
- Arcadia Unified
- Fullerton Elementary
- Tustin



Education:

Bachelor of Science, Business Administration, Accounting
California State University,
San Marcos, 2008, Magna Cum Laude

Licenses and Certifications:

- Certified Public Accountant, California
- Certified Fraud Examiner

Continuing Education:

- GFOA Annual Conference
- AICPA Advanced Topics in Single Audit
- SSC Finance & Management Conferences
- Government Accounting & Auditing Conference
- In-house training for audit staff (presenter)



Oscar Gonzalez

Senior Audit Manager

Oscar began his accounting career in 2013, immediately after graduating from California State University, San Bernardino. He began working as a staff auditor for VTD, LLP in their Rancho Cucamonga office for 5 years, during which he was promoted to Supervisor level. He then joined Nigro & Nigro in July of 2018. He continues to hone his skills and expand his knowledge on the ever-changing world of accounting by staying up to date on new pronouncements and their effects.

Audit Services:

Oscar joined Nigro & Nigro in July of 2018, participating in audits of LEAs and agreed-upon procedure engagements. He has successfully navigated his way to becoming one of the most knowledgeable members of our audit team and has earned the respect of clients and colleagues. His friendly demeanor puts his clients at ease, but his customer-oriented approach to the audit is what his clients have come to appreciate the most.

Consulting Services:

Mr. Gonzalez has experience in a variety of governmental accounting issues, derived from his auditing and consulting experience at the Firm. He regularly consults with clients in areas of:

School District Accounting:

- Internal controls
- Financial reporting & GASB 34
- Single audits
- Attendance accounting
- Associated Student Body

Financial Reporting:

- Capital assets and depreciation schedules
- Agreed upon procedures
- Prop. 39 Bond Performance audits
- Prop. 51 School Facilities Audits

School District Clients Recently Served:

- Aromas San Juan Unified
- Coffee Creek Elementary
- Grossmont Union High
- Forestville Union
- Inglewood Unified
- Trinity Alps Unified
- Twin Hills Union



Education:

Bachelor of Arts, Business Administration,
Accounting California State University,
San Bernardino 2012

Masters in Accounting
California State University, San
Bernardino 2012

Professional Affiliations:

- American Institute of Certified Public Accountants (AICPA)

Continuing Education:

- School District Conference
- CASBO Annual Conference
- In-house training for audit staff (presenter)

Susan Taylor, CPA, CFE

Manager

Susan started her accounting career in 2017 working as a staff accountant for an accounting and consulting firm, specializing in small businesses in a variety of industries, in San Diego. During this time, she attended California State University, San Marcos, and obtained her bachelor's degree in accounting in 2018. In 2019, Susan joined Nigro & Nigro as a staff accountant in the audit department. She recently received her CPA and CFE certificates and continues to increase her knowledge of both government and financial accounting standards.

Audit Services:

Susan began her auditing career with Nigro & Nigro in December 2019, participating in audits of LEAs and not-for-profits. She is valued for her helpfulness and timely response to clients. Her specialties include audits of charter schools, school districts, and not-for-profits.

Consulting Services:

Mrs. Taylor has experience in a variety of governmental and financial accounting issues, derived from her auditing experience at the firm. She regularly consults with clients in areas of:

School District and Charter School Accounting:

- Internal controls
- Government financial reporting & GASB 34
- Not-for-profit financial reporting
- Single audits
- Attendance accounting
- State compliance for both LEAs and charter schools

Financial Reporting:

- Capital assets and depreciation schedules
- Prop. 39 Bond Performance Audits
- Prop. 51 School Facilities Audits

LEA Clients Recently Served:

- Anderson Valley Unified
- Death Valley Unified
- Eagle Peak Montessori Charter
- Escondido Charter High School and Heritage K-8 Charter
- Escondido Union
- Great Valley Academy
- Heartwood Charter
- Hickman Community Charter District
- The High Desert Partnership In Academic Excellence Foundation, Inc.
- Oceanside Unified
- Temecula International Academy



Education:

Bachelor of Science, Business Administration, Accounting
California State University,
San Marcos, 2018

Licenses and Certifications:

- Certified Public Accountant, California
- Certified Fraud Examiner

Continuing Education:

- Not for Profit Organization Annual Conference
- Government Accounting & Auditing Conference
- In-house training for audit staff (presenter)



STAFFING & QUALIFICATIONS (CONTINUED)

Training & Resources

The Firm is committed to a continuing professional education program, which emphasizes the areas of expertise of each member of our professional staff. The Firm is required to comply with the *Government Auditing Standards* for each professional practicing in the area of governmental accounting and auditing. We are committed to following those standards, which result in quality audit services, including continuing education for all staff of 60-80 hours each year, specifically in school districts and governmental auditing. As required by *Government Auditing Standards*, all governmental audit staff receive the required continuing education in the area of governmental auditing and accounting. These policies are monitored internally, reviewed annually and certified periodically by independent peer review.

Library facilities are maintained which include current professional literature and specific information for the industries that we serve. The Firm library is also reviewed as part of the external quality review program. The Firm has in-house training programs specific to our school district clients. We also perform auditing and accounting updates for our clients that are organized by our staff. These practices ensure the quality of our staff over the term of the engagement.

Our staff participates in activities relating to government accounting and reporting issues through our membership and involvement with the following organizations:

- a. American Institute of CPA's Governmental Audit Quality Center
- b. California Society of CPAs
- c. Government Finance Officers Association (GFOA)
- d. Fiscal Crisis and Management Assistance Team (FCMAT)
- e. School Services of California (SSC)
- f. Government Accounting Standards Board (GASB)
- g. California School Boards Association (CSBA)
- h. California Association of School Business Officials (CASBO)
- i. Association of Certified Fraud Examiners (ACFE)

Through our participation in these organizations and continuing education provided by them, the Firm continues to stay abreast of all current school district accounting and reporting issues. Some of the professional education our audit team members have either presented at or attended in the last two years include:

- SSC Annual Finance and Management Conference
- SSC Governor's Budget Workshop
- CASBO Annual Conference (exhibitors and presenters)
- CSBA Annual Education Conference (exhibitors)
- CalCPA School Districts Conference
- GFOA Annual Conference
- Various other CASBO workshops

We recognize that our most important product is prompt and effective service. We believe the District should work with its CPA firm throughout the entire year. We are available at any time throughout the year to provide any assistance you may need.

REFERENCES

We have long-term relationships with many school districts in California. Listed below are a few of our audit clients, although any of our clients listed on the following page could serve as a reference too. We are very proud of the consistent “high marks” we receive from our clients. These clients can attest to the Firm's responsiveness and effectiveness in the conduct of the audit engagements.

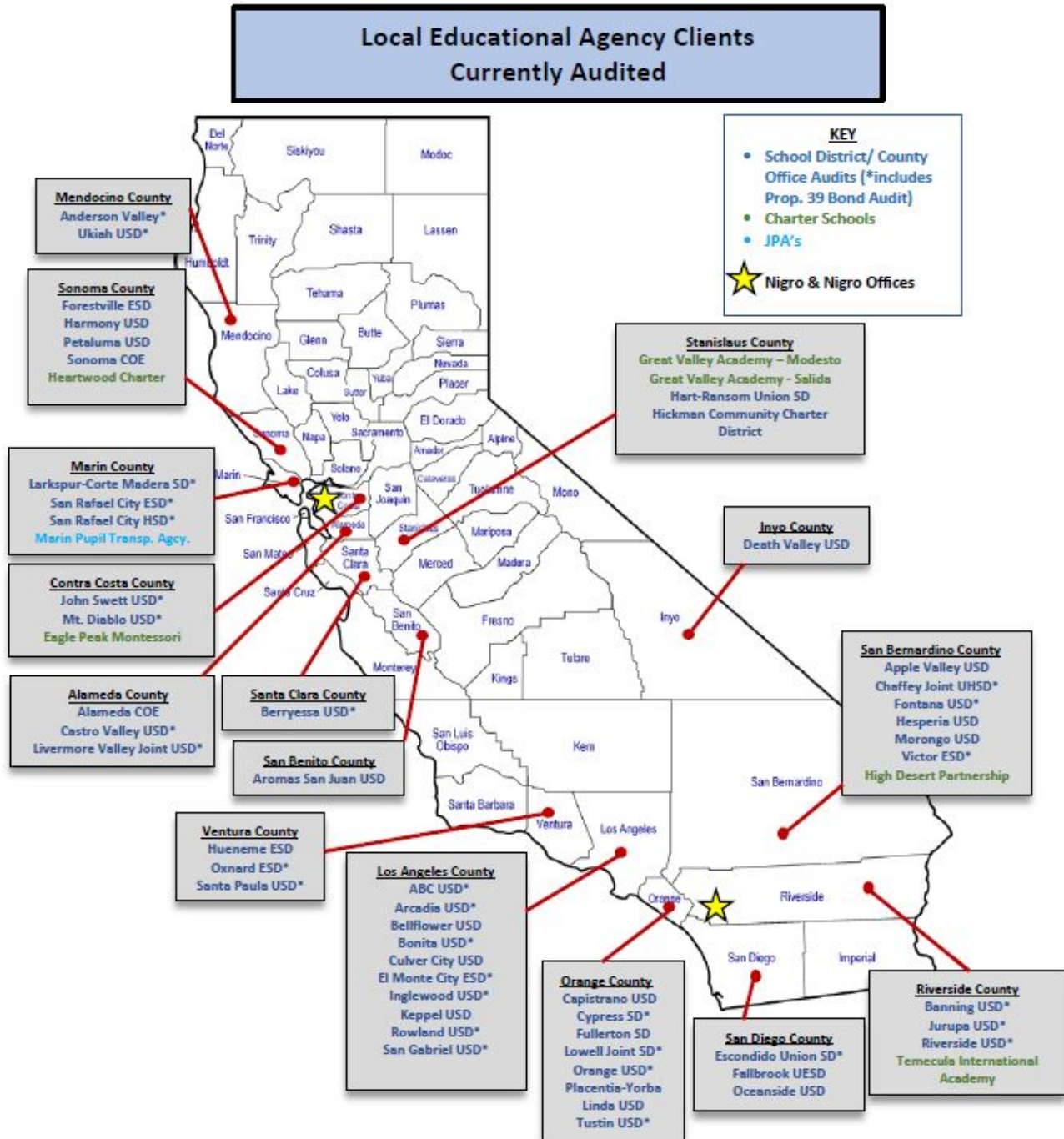
Organization Name:	Alameda County Office of Education
Contact Person:	Leigh Ann Blessing Chief of Finance and Operations
Email:	leighann@acoe.org
Address:	313 West Winton Ave. Hayward, CA 94544
Phone:	(510) 670-4271

Organization Name:	Hart-Ransom Union School District
Contact Person:	Debra Silva Chief Business Officer
Email:	dsilva@hartransom.org
Address:	3920 Shoemake Ave Modesto, CA 95358
Phone:	(209) 523-9996

Organization Name:	Livermore Valley Joint Unified School District
Contact Person:	Teresa Fiscus Assistant Superintendent, Business Services
Email:	tfiscus@lvjUSD.org
Address:	685 East Jack London Blvd. Livermore, CA 94551
Phone:	(925) 606-3253

REFERENCES (CONTINUED)

In addition to the valued clients listed on the previous reference page, we work with many more clients, as shown below. Our client retention history has been excellent and several of the clients have been clients for nearly ten years.



APPROACH TO THE AUDIT

Specific Audit Approach


We will audit the basic financial statements of the County Office and the District for the year ending June 30, 2024, in accordance with the following standards:

- Auditing Standards Generally Accepted in the United States of America
- *Government Auditing Standards*, issued by the Comptroller General of the United States
- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, if applicable
- *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*

Our audit will be for the purpose of expressing an opinion on the basic financial statements and will include such auditing procedures as considered necessary to accomplish this purpose. We will also provide an "in-relation-to" opinion on any other supplemental information. We anticipate issuing the following reports:

- Independent Auditors' Report on the basic financial statements.
- Independent Auditors' 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*.
- Independent Auditors' Report On Compliance For Each Major Federal Program And Report On Internal Control, if applicable
- Independent Auditors' Report on State Compliance pursuant to the Education Audits Appeals Panel's "Audits of California K-12 Local Educational Agencies".

In addition, we will provide the County and District with a management letter that will give written appraisals of their accounting and related systems. This letter will identify any control deficiencies, significant control deficiencies or material weaknesses that are identified during the audit. We will work with management before audit fieldwork and during the course of the audit to assess internal controls and review mitigating controls in place in an effort to reduce the control deficiencies, significant control deficiencies and material weaknesses that need to be reported to management in writing, assuming there are mitigating controls in place. The letter will also offer recommendations for the elimination of weaknesses that we identify, and we will suggest any methods we discover to help improve efficiency and effectiveness. As mentioned earlier, the value in hiring our Firm comes from not only the audit, but from our experience and the education we can provide. We hope that as questions or concerns arise throughout the year, the staff will contact us and draw on our knowledge and experience.



The value in hiring our Firm comes from not only the audit, but from our experience and the education we can provide.

Non-significant deficiencies discovered during the audit process will be reported in a separate letter to management and the Board of Trustees. This separate letter also informs the Board of the following:

- 1) The auditor's responsibility under auditing standards generally accepted in the United States of America.
- 2) Significant accounting policies.
- 3) Management judgments and accounting estimates.
- 4) Significant audit adjustments.
- 5) Other information in documents containing audited financial statements.
- 6) Disagreements with management.
- 7) Management consultation with other accountants.
- 8) Major issues discussed with management prior to retention.
- 9) Difficulties encountered in performing the audit.

APPROACH TO THE AUDIT (CONTINUED)

Specific Audit Approach (continued)

The Firm has been paperless since 2008. In addition, we have trial balance and financial reporting software for producing financial statements that are directly linked to your trial balance, which we will download from your system at the start of the audit. Likewise, we expect to extract various other information from your accounting system and other various electronic spreadsheets that your staff have prepared.

All working papers and reports will be retained at the Firm's expense for a minimum of seven (7) years, unless the Firm is notified in writing by you of the need to extend the retention period. The auditor will make working papers available, upon request, whether or not the auditor is engaged by the County and District, to the following parties or their designee:

- 1) Sierra -Plumas Joint Unified School District
- 2) Sierra County Office of Education
- 3) State Controller's Office
- 4) California Department of Education, School Fiscal Services Division
- 5) Federal Audit Clearing House, Bureau of the Census, if necessary
- 6) U.S. General Accounting Office (GAO)
- 7) Parties designated by the federal or State governments or by the District as part of an audit quality review process.

Segmentation of the Engagement

STEP 1: Planning

Our goal in preliminary fieldwork is to gain a thorough understanding of your internal controls, processes and procedures. Our goal is to accomplish as much interim fieldwork as possible so that our stay during final fieldwork is kept to a minimum. Our preliminary work focuses on planning and internal control documentation.



Meetings

We will conduct a pre-audit meeting with the Business Office to understand any particular issues the County and District are currently undergoing and to communicate our preliminary fieldwork.

Site Testing

Our interim testing at the school site covers the following important areas:

- 1) Attendance testing at a sample of school sites
- 2) Internal control testing over ASB accounts
- 3) Internal control testing over cash receipts, including food service funds

APPROACH TO THE AUDIT (CONTINUED)

Segmentation of the Engagement (continued)

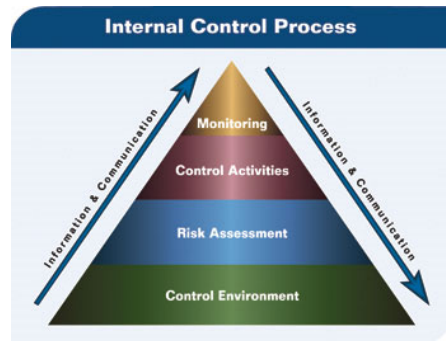
STEP 1: Planning (continued)

Planning

We envision the following process during preliminary fieldwork:

- 1) Establish understanding of services to be performed.
- 2) Complete our client continuance procedures and address any independence issues.
- 3) Document our understanding of your entity and compile risks identified.
- 4) Document significant processes and activities.
- 5) Perform required fraud "brainstorming" with audit team.
- 6) Conduct interviews with management and others within the County and District regarding their knowledge of fraud and the risks of fraud.
- 7) Assess risk of material misstatement arising from errors or fraud at entity level.
- 8) Agree on timing and deliverables through an entrance meeting.
- 9) Develop overall audit strategy.

STEP 2: Interim Field Work – On-Site



Internal Control Documentation

Our internal control documentation usually occurs during interim fieldwork. Our documentation process will be as follows:

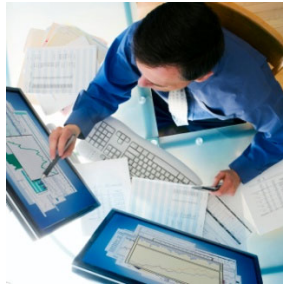
- 1) Gather or update documentation for significant processes defined in our preliminary fieldwork.
 - a) Payroll
 - b) Accounts payable
 - c) Information technology
 - d) Cash receipts
 - e) Capital assets
- 2) Perform a "walk-through" of these significant processes.
- 3) Ask "what can go wrong" questions.
- 4) Identify controls in place. This will include both preventative and detective controls.
- 5) Evaluate the design of internal controls.
- 6) Decide whether to test and rely on controls.
- 7) Summarize preliminary fieldwork and submit management letter of all areas of concern.

APPROACH TO THE AUDIT (CONTINUED)

Segmentation of the Engagement (continued)

STEP 3: Final Fieldwork - Remote

We assess risks, design procedures and obtain evidence to support financial statement amounts and disclosures during final fieldwork. Our Firm utilizes a methodology designed specifically for school districts and county offices. Our process emphasizes continuous communication with our staff.



Assess Risks and Design Procedures

As outlined in the risk based suite of audit standards (AU-C 318), our Firm uses a risk-based approach to the audit. Our procedures to assess risks and design procedures are as follows:

- 1) Assess risk of material misstatement from errors or fraud based on internal controls combined with inherent risk of significant accounts.
- 2) Design procedures to test controls if considered necessary.
- 3) Design procedures to test details of account balances and classes of transactions based on risk.

Interim and Year End Testing

- 1) Perform tests of controls if considered necessary.
- 2) Perform tests of details of account balances and classes of transactions.
- 3) Perform tests of compliance in accordance with Uniform Guidance and the K-12 State audit guide.
- 4) Evaluate quality and sufficiency of audit evidence.
- 5) Evaluate misstatements.

STEP 4: Audit Completion



Preparation of Audit Report and Management Letter

After reviewing the financial statements, notes and required supplementary schedules, we will agree the data to our working papers and provide a thorough review of all information by using written Firm standards and checklists. We will also review and incorporate any statistical data. This will verify appropriate presentation and disclosure. We will also at this time prepare our management letter that identifies financial trends and recommendations for improvement, reports required communications to the Board of Trustees and discusses change in the environment in which the County and District operate.

APPROACH TO THE AUDIT (CONTINUED)

Segmentation of the Engagement (continued)

Audit Completion

After the previous segments mentioned are complete, we will be ready to finalize our audit. During this stage we will complete the following procedures:

- 1) Complete subsequent events review procedures and review legal and representation letters.
- 2) Complete final overall analytical review procedures.
- 3) Conduct exit conference to communicate and clarify any potential significant deficiencies and material weaknesses.
- 4) Draft findings.
- 5) Issue audit opinion.
- 6) Assemble audit documentation.

At no additional cost, we will assist the District with completion of the GASB 34 conversion entries in the SACS software and will assist with completion of the MD&A for the audit report.

Level of Support Required

We understand that the audit can seem invasive at times, but we work hard to keep the lines of communication open between the LEAs and ourselves. We are skilled at acquiring electronic documentation, which cuts down on items to be prepared by your staff. We also prepare an "Items to Prepare" checklist prior to each phase of the audit to eliminate frustrations during our audits.

Use of Technology/Remote Proficiency

In order to facilitate the exchange of data between us and our clients in a secured manner throughout the course of the audit, we employ the use of an online secured portal. Our clients have appreciated this unique and forward-thinking platform which helps minimize duplicate requests and unnecessary email and phone exchanges to request and receive audit documentation. The software is very user-friendly and easy to understand. This also allows us to perform much of the audit remotely without being onsite to reduce our carbon footprint.

ASSURANCES

License to Practice in California

The Firm and its entire CPA staff hold licenses to practice in the State of California. The Firm's CPA's are all members in good standing with the California Society of CPA's and the AICPA.

Statement of Independence

Our standards require that we be without bias with respect to your operations. The Firm is independent of the District, as defined by auditing standards generally accepted in the United States of America and the U.S. General Accounting Office's "Government Auditing Standards". In addition, the Firm shall give the agency written notice of any relevant professional relationships entered into during the period of this agreement.

COST OF SERVICES

AUDIT PROPOSAL COST SHEET

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

STAFF LEVEL

	Audit Hours	Hourly Rates	Total
Partner	50	\$ 225	\$ 11,250
Manager	50	\$ 190	\$ 9,500
Supervisor	50	\$ 175	\$ 8,750
Senior	50	\$ 140	\$ 7,000
Staff	40	\$ 110	\$ 4,400
Clerical	10	\$ 80	\$ 800
TOTALS	250		\$ 41,700
DISCOUNT			\$ (9,700)
TOTAL PROPOSED FEES			\$ 32,000

SIERRA COUNTY OFFICE OF EDUCATION

STAFF LEVEL

	Audit Hours	Hourly Rates	Total
Partner	45	\$ 225	\$ 10,125
Manager	40	\$ 190	\$ 7,600
Supervisor	40	\$ 175	\$ 7,000
Senior	40	\$ 140	\$ 5,600
Staff	40	\$ 110	\$ 4,400
Clerical	10	\$ 80	\$ 800
TOTALS	215		\$ 35,525
DISCOUNT			\$ (8,525)
TOTAL PROPOSED FEES			\$ 27,000

Other Costs

In addition to the audit fees noted above, the Firm will bill the County Office and District for all out-of-pocket travel expenses, such as mileage, air fare, car rental, lodging, and meals.



SingletonAuman, PC

Certified Public Accountants and Consultants

Sierra County Office of Education & Sierra-Plumas Joint Unified School District

Proposal to Provide Auditing Services for the years ending June 30, 2024 , 2025, and 2026

**1740 Main Street
Susanville, CA 96130
(530) 257-1040
Fax (530)257-8876**

Contact:

Clay Singleton, CPA

csingleton@sa-cpas.com

Shareholder in Charge of

Audits

Submitted April 16, 2024

**Sierra County Office of Education &
Sierra-Plumas Joint Unified School District
JUNE 30, 2024 , 2025, and 2026
AUDIT PROPOSAL**

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Transmittal Letter

April 16, 2024

The Board of Trustees & Management of:
Sierra County Office of Education &
Sierra-Plumas Joint Unified School District
109 Beckwith Road
Loyalton, CA 96118

Dear Board of Trustees and Management:

We appreciate this opportunity to highlight our qualifications and introduce you to our firm. In response to your request, we submit the following proposal to Sierra County Office of Education & Sierra-Plumas Joint Unified School District for the periods ending June 30, 2024, 2025, and 2026.

We believe the selection of a Certified Public Accounting firm is a very important decision. We know that the experience and qualifications of our firm can meet the needs of your County Office and District for the following reasons:

- ❖ We specialize in auditing governmental and non-profit organizations, including School Districts, County Offices of Education, and Charter Schols, as well as Single Audits. Because we are experienced in these areas, we have the expertise in dealing with governmental and non-profit organization's unique accounting and auditing situations.
- ❖ We have performed numerous governmental and non-profit audits involving both financial and compliance work meeting the requirements of:
 - Governmental Auditing Standards issued by the U.S. General Accounting Office.
 - Office of Management and Budget Uniform Guidance for Single Audits
- ❖ We have over 40 years of experience with School Districts and County Offices of Education. Our average audit client remains with our Firm for more than 20 years.
- ❖ We perform our audit fieldwork at your site. We believe that audit fieldwork is not efficient or effective when performed remotely or virtually, And without adequate communication.

- ❖ Due to the size and nature of our firm, the majority of the work is performed by Certified Public Accountants and auditors with many years of experience. We do not rely excessively on new auditors.
- ❖ We rotate shareholders in charge of audits to ensure the quality of our work, and meet State rotation requirements.
- ❖ ***SingletonAuman PC's*** firm philosophy is to provide the highest quality personalized service available. We welcome questions from our clients and are available to provide assistance at any time. We like to maintain a close working relationship throughout the year and resolve problems as they occur in order to save our clients time when we perform the audit.

To make the audit process better for our clients; we have listed below some of the extra benefits of working with our firm.

- ❖ We have prior experience with Sierra County LEA's, having worked mostly with Stan Hardeman and Rose Asquith.
- ❖ We provide an open, honest work atmosphere for our clients that centers on the absolute respect for our relationship.
- ❖ We encourage flexible fieldwork scheduling so that our clients can concentrate on important tasks.
- ❖ We communicate clearly with our clients regarding any matters or findings in the course of the audit immediately. We also make recommendations for any areas of improvement.
- ❖ **As we are a CPA firm that is based in a rural area, we understand rural LEA's. We are available throughout the year to assist in researching new accounting and compliance issues that affect our clients.**
- ❖ Our skilled workforce doesn't need to inquire on subjects that are common to governments and governmental accounting. Our firm brings a team of experienced professionals having specialized skills you need and want. We are familiar with a variety of systems and can focus our auditing on issues specific to you. Our approach is a cohesive one and we will work with you and your personnel to reduce disruptions and distractions.
- ❖ We are available to present the audit report to the Board, if requested.

SingletonAuman PC has recognized the need for specialization in Governmental and Non-profit auditing and has made a significant investment in continuing education, training and technology to insure our continuing ability to provide the best quality service to our clients.

Our commitment to keeping current on governmental accounting and auditing matters is demonstrated not only by the completion of the AICPA Governmental Accounting and Auditing Educational Achievement Program by several principals of the firm, but by the attendance of our staff at numerous California Society of CPA and governmental/Not-for-profit accounting and auditing classes, including the annual School District Conference. We feel that our training allows us to provide our clients with meaningful feedback on current developments, as well as preventing wasted efforts.

The single most important factor in our firm's success has been our commitment to the highest standards of quality and professionalism. Providing outstanding service to our clients is our primary objective, and we have developed review and communication procedures to ensure the highest standards of performance.

Should our firm be selected we have enclosed an engagement letter to act as our contract for the audit of Sierra County Office of Education & Sierra-Plumas Joint Unified School District for the years ending June 30, 2024-2026. If selected, our firm will send a list of information that we will need to begin our audit.

Our professional fees are based on the time spent on an engagement at our standard hourly rates. We believe that our services, approach and technique provide the capability to achieve cost savings while maintaining the highest quality standards. Our proposed fee includes all audit-related expenses including travel costs and printed copies of the audit report. **We will not charge for out-of-pocket expenses such as travel, mileage, or per diem associated with this engagement.**

The proposed fees for the audit of Sierra County Office of Education & Sierra-Plumas Joint Unified School District for the years ending June 30, 2024-2026 are listed below. **A single audit would be no additional fee.**

	<u>June 30, 2024</u>	<u>June 30, 2025</u>	<u>June 30, 2026</u>
Sierra County Office of Education	\$ 23,000	\$ 23,500	\$ 24,000
Total Fee:	<u>\$ 23,000</u>	<u>\$ 23,500</u>	<u>\$ 24,000</u>

	<u>June 30, 2024</u>	<u>June 30, 2025</u>	<u>June 30, 2026</u>
Sierra Plumas Joint Unified School District	\$ 25,000	\$ 25,500	\$ 26,000
Total Fee:	<u>\$ 25,000</u>	<u>\$ 25,500</u>	<u>\$ 26,000</u>

Schedule of Professional Fees

Our professional fees are based on the time spent on an engagement at our standard hourly rates related to the level of experience of the individual assigned to the audit. We believe that our services, approach and technique provide the capability to achieve cost savings while maintaining the highest quality standards.

These are the hourly rates for each level of staff:

<u>Level of Staff:</u>	<u>Hourly Rate:</u>
Firm Partner	\$ 290
Manager	\$ 210
Supervising Accountant	\$ 160
Staff Accountant	\$ 120

We will also provide these services at no additional cost to Sierra County Office of Education & Sierra-Plumas Joint Unified School District :

- ❖ Drafting your financial statements, including required disclosures for GASB 68 & other applicable GASB pronouncements.
- ❖ **Providing personalized assistance, year-round, to help your questions.**
- ❖ Drafting the MD&A for the District.
- ❖ Drafting your Schedule of Expenditures of Federal Awards (SEFA)

Thank you again for this opportunity. We want your business and are making a personal and professional commitment to provide you with the highest quality service available. Please call Clay E. Singleton at (530) 257-1040 or e-mail him at csingleton@sa-cpas.com if you have any questions.

Very Truly Yours,

SingletonAuman, PC

SingletonAuman PC
Certified Public Accountants

Firm Profile

Structure

SingletonAuman PC is a regional firm, has been performing audits for over 40 years and is located at 1740 Main Street, Susanville, California, with additional offices in Chester, California and Reno, Nevada. Our audit team leaders consist of four individuals:

- ❖ **Clay E. Singleton, CPA**
- ❖ **Rita Antram, CPA, EA**
- ❖ **John E. Auman, CPA**
- ❖ **Tom Bower, CPA**

Professional Associations

We are members of the American Institute of Certified Public Accountants, the AICPA Private Companies Practice Section, and California Society of Certified Public Accountants. In addition, our firm is a member of the AICPA's Governmental Audit Quality Center.

Range of Services

The firm provides a full range of services including accounting, auditing, tax and management advisory services. We are committed to excellence in all areas of service. Every engagement we undertake is under the personal direction of one of the principals. Each principal has received specific training in their particular area of expertise and regularly attends continuing education courses to maintain the highest level of quality service for our clients. We have performed numerous financial and compliance audits of governmental and non-profit entities.

Independence

SingletonAuman PC is independent of Sierra County Office of Education & Sierra-Plumas Joint Unified School District and its component units as defined by auditing standards generally accepted in the United States of America and the U.S. General Accounting Office's *Governmental Auditing Standards*.

Information Technology Capabilities

All auditors are skilled in Information Technology (IT) auditing and perform IT audit work regularly. Additionally, we are familiar with many forms of document publication technology, and accounting systems, including the ESCAPE accounting system.

Quality Review

As you are aware, firms performing audits of governmental and non-profit organizations have a "Quality Review" or an "Audit" of the quality of an audit firm's work. In March of 2018, **SingletonAuman PC** had a quality review performed by the Firm of Grant Bennett & Associates of Sacramento, California. Their report expressed an unqualified opinion on our system of quality controls. Our Firm is currently in the process of completing the Peer Review for 2021, which is expected to express an unqualified opinion. This Peer Review has been delayed due to the pandemic effects on the reviewing firm, Grant Bennett & Associates.

In accordance with auditing requirements, every 6 years our Firm rotates another partner to serve as audit partner.

We ensure that our staff are successful by providing ongoing and primary training with either the audit partner, or a managing accountant with significant experience with all facets of LEA auditing, including state compliance, attendance accounting & school district funding.

Other Requirements

Licensing

SingletonAuman PC is a properly licensed Certified Public Accounting Firm, California State Board of Accountancy License Number COR5923.

Record of Excellence

Our firm meets all qualifications and requirements imposed by the State of California and Federal Government to perform financial and compliance audits of state and federal programs and non-profit organizations.

Affirmative Action

Specifically, the firm affirms that:

We have no record of substandard work.

We have not been debarred or suspended, nor are we under review for such.

It is the policy of SingletonAuman PC to give equal opportunity to all qualified persons without regard to race, color, religion, sex, marital status, handicap, or national origin.

Workers Compensation

We are aware of the provisions of Section 3700 of the Labor Code which require every major employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and we will comply with such provisions before commencing the performance of the work of the contract.

Engagement Plan

Our audit approach is divided into four sections. Clay Singleton, our audit partner will work together with Sierra County Office of Education & Sierra-Plumas Joint Unified School District to coordinate the fieldwork to ensure that we work towards the timely delivery of all reports.

The four phases consist of:

- ❖ Audit Planning
- ❖ Assessing Risk and Designing Audit Procedures
- ❖ General Fieldwork and State Compliance
- ❖ Concluding the Audit and Reporting

Audit Planning

A thorough understanding of your organization and its operating environment is essential for the development of a responsive audit plan which produces results. We will meet with the appropriate personnel to update our understanding of your operations and at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. We will discuss the timing and scope of the work to be performed and our estimated time of completion.

We will also obtain information necessary to do a preliminary evaluation of your system of internal accounting and administrative controls in order to determine the exact nature and scope of the procedures to be performed during your audit. Our objective in evaluating internal control is to calculate the effectiveness of the design and operation of internal controls policies, procedures, and records to determine if control risk can be assessed below the maximum. The process incorporates the understanding and documentation of the five internal control components from the COSO Internal Control-Integrated Framework model.

Although the risk assessment process is not complete at this stage, we will anticipate the needs of the audit by preparing a comprehensive list of schedules and documents. Every document listed is organized based on its priority to the audit process. By completing these schedules several weeks before the start of fieldwork, we will have time to review them in advance. In that way, we are well prepared, can organize our work efficiently and your staff will only be involved in areas that need additional explanation or information.

Assessing Risk and Designing Audit Procedures

Using our understanding from the information we have gathered, we will identify all potential risks of material misstatements at the Organization-wide level where the risk of material misstatement is pervasive to the financial statements as a whole and at the relevant assertion level, where the risk of material misstatement is related to a specific class of transactions, account balance or disclosure.

These risks are populated in a database integrated with our audit software. For each risk, we will:

- ❖ Identify the relevant control affecting the risk.
- ❖ Determine what errors could occur.
- ❖ Determine the magnitude of the potential misstatement that could result from the risk.
- ❖ Determine the likelihood that the risk could result in a material misstatement in Sierra County Office of Education & Sierra-Plumas Joint Unified School District financial statements.

This approach will focus our efforts in the important, high risk areas and minimize our time in the low risk areas ensuring you of a cost effective and efficient audit. Our experience is that this process requires significant professional judgment and experience auditing governmental agencies and we have trained staff that can do this without using up Sierra County Office of Education & Sierra-Plumas Joint Unified School District 's limited staffing resources. As a result of our risk assessment, we will be able to determine an overall response to address the risk of material misstatement, and design audit programs which are specific to Sierra County Office of Education & Sierra-Plumas Joint

Unified School District agencies and its components, and responsive to the risk assessment.

General Fieldwork and State Compliance

The audit process can be disruptive to the normal daily operations. To mitigate this, we bring several auditors at the same time to conduct the audit and therefore can conduct the audit in a short block of time. By including a project manager on site, project management tools and communication tools combined with experienced team of professionals, we have designed our audit methodology to eliminate the interruption caused when utilizing a team of outside consultants. Past experience has proven that this approach delivers excellent results for our clients.

Our audit team will be led by an experienced CPA auditor who is responsible with reporting to Sierra County Office of Education & Sierra-Plumas Joint Unified School District project manager, reviewing engagement working papers on-site and supervising the audit staff.

During this, we will perform substantive tests to determine if the financial statement account balances are fairly stated in all material respects. We will determine the level of materiality for planning purposes which will determine what amount would cause the statements to be materially misstated and the level of materiality for each individual significant item for testing purposes. In addition, we will perform tests of specific state legal compliance requirements.

It is important for you to understand that an audit does not entail a detailed examination of all transactions, there is a risk that material misstatements may exist and may not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violation of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Concluding the Audit and Reporting

At the conclusion of our audit we will discuss all adjustments proposed to be made to your financial statements, and go over all proposed internal control recommendations, management improvement recommendations and compliance findings in an exit interview. We will also request a written representation from you about the financial statements and related matters.

Proposed Audit Schedule

For all Fiscal Years we plan to begin our audit by May 1st and complete the interim fieldwork by August. We expect to complete our year end fieldwork by October. We expect the draft audit report to be completed by December 10th and the final audit report issued no later than December 15th .

Qualifications and Experience

Principal in Charge of Audits

Clay Singleton, CPA, MSAcc, Shareholder in Charge of Audits:
California State Board of Accountancy Number 85523. Mr. Singleton joined SingletonAuman PC in 2000 after graduating from California State University at Chico with a Master of Science degree in Accountancy and a Bachelor of Science degree in Business Administration. Mr. Singleton is a member of “American Institute of Certified Public Accountants,” the “California Society of Certified Public Accountants.”
24 years auditing experience.

Other Audit Team Leaders

Rita Antram, CPA, EA:
California State Board of Accountancy Number 138699. Mrs. Antram obtained her Bachelor of Science degree from Cal Baptist University. Mrs. Antram is a member of the “American Institute of Certified Public Accountants” and the “California Society of Certified Public Accountants”. Mrs. Antram has been an auditor with SingletonAuman PC for 13 years.

John E. Auman, CPA, Shareholder:
California State Board of Accountancy Number 30406E. Mr. Auman obtained his Bachelor of Science degree from California State University Fresno, magna cum laude. Mr. Auman is a member of “American Institute of Certified Public Accountants,” the “California Society of Certified Public Accountants” and the California Association of School Business Officials. In 1991 Mr. Auman received the American Institute of Certified Public Accounts Certificate of Educational Achievement in Governmental Accounting and Auditing.
38 years auditing experience.

Thomas R. Bower, CPA:
California State Board of Accountancy Number 59104R. Mr. Bower obtained his Bachelor of Science and Master of Business Administration degrees from Northern Illinois University. He is a member of the “California Society of Certified Public Accountants”. Besides practicing as a CPA for over 30 years, Mr. Bower has extensive experience working in the private sector and as an accounting educator. Mr. Bower joined *SingletonAuman PC* in 2005 when they acquired his public accounting practice.
16 years auditing experience.

Audit Team Members

- ❖ **Ashley Gorbet, EA**
- ❖ **Caryn Doyle, EA**
- ❖ **Tim Doyle**
- ❖ **Sadey Merryman**

Audit Experience – Feel free to contact any client below

❖ 2 County Offices of Education

- ❖ Lassen County Office of Education, Single Audit: Courtney Russell-530-257-2196
- ❖ Modoc County Office of Education, Single Audit: Leslie Corder-530-233-7101

❖ 12 School Districts in Lassen, Modoc, and Butte Counties

- ❖ Modoc Joint Unified School District, Single Audit: Niki Guzman-530-233-7201
- ❖ Surprise Valley Joint Unified School District: BillieJo Young-530-233-7101
- ❖ Tulelake Basin Joint Unified School District: Monica Thompson-530-667-2096
- ❖ Fort Sage Unified School District: Heather VonIns-530-827-2129
- ❖ Johnstonville School District: Gwen Pacheco-530-257-2119
- ❖ Ravendale School District: Michelle Brown-530-257-8200
- ❖ Janesville Unified School District : Andrea Kellogg-530-253-3660
- ❖ Shaffer School District: Dianne Parady-530-254-6577
- ❖ Westwood School District: Krissy House-530-256-3235
- ❖ Big Valley Joint Unified School District: Dianne Parady-530-254-6577
- ❖ Pioneer School District: Nicole Cardwell-530-589-1633
- ❖ Trinity Alps Unified School District: Sheree Beans-530-623-6104

❖ 2 County Children & Families Commissions

- ❖ Lassen County Children & Family Commission: Laura Roberts-530-257-9600
- ❖ Sierra County Children & Family Commission: Kelly Champion-530-993-4884

❖ 4 Utility Districts in Modoc, Lassen, and Plumas Counties

- ❖ Burney Water District: David Zevely-530-335-3582
- ❖ Lake Oroville Area Public Utility District: Scott McCutcheon-530-533-2000
- ❖ Northern Sierra Air Quality Mgmt. District: Gretchen Bennitt-530-274-9360
- ❖ Susanville Sanitary District: Steven Stump-530-257-5665

❖ 3 Community Services Districts in Lassen, Plumas, & Shasta Counties

- ❖ Fall River Valley Community Services District: Amber Beck-530-336-5263
- ❖ American Valley Community Services District: Katie Nunn-530-283-0836
- ❖ Southern Cascades Comm Services District: Karli Frye-530-299-3110

❖ 2 Fire Districts in Lassen and Plumas Counties

- ❖ Peninsula Fire Protection District: Andrew Courtright-530-259-2306
- ❖ Hamilton Branch Fire Protection District: Andrew Courtright-530-259-2306

❖ 10 Nonprofit Organizations and Charter Schools

- ❖ River Oak Charter School: Kristi McCullough-707-467-1855
- ❖ Shasta View Academy: Laura Blachman-530-233-3861
- ❖ Mt. Lassen Charter School: Hillary Magarrell-530-252-4313
- ❖ Tri-County Community Network: Ashley Nelson-530-335-4600
- ❖ California FFA, Single Audit: Maria Freitas-209-744-1600
- ❖ California FCCLA: Maria Freitas-209-744-1600
- ❖ California Cattlemen's Association: Lisa Brendlen-916-444-0845
- ❖ Sierra Cascade Family Opportunities: Cindy Hogg-530-257-1206
- ❖ Plumas Corporation: James Wilcox-530-283-3739
- ❖ Feather River Land Trust: Patti Transue-Nordt-530-283-5758
- ❖ Sierra Institute for Community & Environment: Jonathan Kusel-530-284-1022

❖ 1 Park & Recreation District

- ❖ Enterprise Rancheria, Single Audit: Shari Ghalayini-530-532-9214
- ❖ Kwahn Corporation: Catherine Harris-530-335-2244
- ❖ Hard Rock Hotel & Casino, Sacramento: Glenda Nelson-530-532-9214
- ❖ Cedarville Rancheria: Arthur Taylor-530-233-3969
- ❖ Modoc County Transportation Commission & Agency: Debbie Pederson-530-233-6410
- ❖ Central Plumas Rec. & Parks District: James Shipp-530-283-3278

References for selected audits completed in 2022:

- ❖ **Courtney Russell**, Asst. Superintendent, Business Services
Lassen County Office of Education
Susanville, CA
Phone Number: (530) 257-2544
- ❖ **Leslie Corder**, Asst. Superintendent, Business Services
Modoc County Office of Education
Alturas, CA
Phone Number: (530) 233-7105
- ❖ **Elizabeth Guzman**, CBO
Modoc Joint Unified School District
Alturas, CA
Phone Number: (530) 233-7201
- ❖ **Monica Thompson**, CBO
Tulelake Basin Joint Unified School District
Tulelake, CA
Phone Number: (530) 667-2096
- ❖ **Maria Freitas**, Finance Director
California Association, Future Farmers of America (State-wide audit)
Galt, CA
Phone Number: (209) 744-1600

Engagement Letter

April 12, 2024

The Board of Directors of:
Sierra County Office of Education & Sierra-Plumas Joint Unified School District
109 Beckwith Road
Loyalton, CA 96118

Dear Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for the year ended June 30, 2024-2026 for Sierra County Office of Education & Sierra-Plumas Joint Unified School District.

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Sierra County Office of Education & Sierra-Plumas Joint Unified School District as of and for the years ended June 30, 2024, 2025, and 2026. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Sierra County Office of Education & Sierra-Plumas Joint Unified School District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Sierra County Office of Education & Sierra-Plumas Joint Unified School District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Required Supplementary information under GASB 34 and GASB 68.
- 3) Other supplementary information

We have also been engaged to report on supplementary information other than RSI that accompanies Sierra County Office of Education & Sierra-Plumas Joint Unified School District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and

other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

- 1) Schedule of expenditures of federal awards.
- 2) Schedules required by the California K-12 Audit Guide.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or

employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

Lack of segregation of duties.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls

may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sierra County Office of Education & Sierra-Plumas Joint Unified School District's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Sierra County Office of Education & Sierra-Plumas Joint Unified School District's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Sierra County Office of Education & Sierra-Plumas Joint Unified School District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Sierra County Office of Education & Sierra-Plumas Joint Unified School District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your

responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available by the date we complete our first audit draft.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of SingletonAuman, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of SingletonAuman, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Clay Singleton is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately June 1st.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$48,000 for 2024, \$49,000 for 2025, and \$50,000 for 2026. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Trustees of Sierra County Office of Education & Sierra-Plumas Joint Unified School District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to Sierra County Office of Education & Sierra-Plumas Joint Unified School District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

SingletonAuman, PC

RESPONSE:

This letter correctly sets forth the understanding of Sierra County Office of Education & Sierra-Plumas Joint Unified School District.

Management or Governance signature: _____

Title: _____

Date: _____

**AUDIT PROPOSAL FOR THE
SIERRA-PLUMAS JUSD/SIERRA COE**

**12223 Highland Ave 106-625
Rancho Cucamonga, CA 91739**

Phone: 909.689.8219

Email: rtdennis@dennis-cpa.com

Contact: Rob Dennis

Date: April 19, 2024



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TRANSMITTAL LETTER

We are pleased to provide our audit proposal to Sierra-Plumas JUSD/Sierra COE for the year ending June 30, 2024, with an optional renewal of June 30, 2025 through 2026.

Our Firm specializes in Governmental Audits and we are committed to bringing our clients a professional experience with knowledgeable and approachable staff. We strive to be experts in our field as standards in the governmental audit industry have changed with new GASBs and tougher peer reviews. We are fully committed to all deadlines, meeting all deadlines required by both the District and the State. Additionally, we have administrative support for drafting of the financial statements, etc. Our commitment to technology has afforded us the capability of have the most up to date audit tools for a less intrusive audit experience, while at the same time, providing a quality engagement.

As stated in the request, we understand the services to be provided are the following:

1. Compile the Sierra-Plumas JUSD/Sierra COE's financial statements based off the SACS Unaudited Actuals.
2. An opinion on the Sierra-Plumas JUSD/Sierra COE's financial statements in accordance with auditing standards generally accepted in the United States of America.
3. An opinion on the Sierra-Plumas JUSD/Sierra COE's 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*, issued by the Comptroller General of the United States of America.
4. An opinion on the Sierra-Plumas JUSD/Sierra COE's federal expenditures over Financial Reporting and on Compliance with Requirements Applicable to each major Program and on and on Internal Control over Compliance performed in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), issued by the Comptroller General of the United States of America, as applicable.
5. An opinion on the Sierra-Plumas JUSD/Sierra COE's Compliance with Requirements Applicable to programs in accordance with *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the Education Audit Appeals Panel, as applicable.

The sections that follow, as required by the RFP, demonstrate our experience and ability to complete the requirements for this audit, as well as our audit approach. This is an irrevocable offer not to exceed sixty (60) days. For purposes of this proposal Robert T. Dennis is authorized to make representations for RT Dennis Accountancy. If you have any questions or concerns please feel free to contact us.

A handwritten signature in black ink, appearing to read 'Robert T. Dennis', is written over a horizontal line.

Robert T. Dennis, CPA
Proprietor

INTRODUCTION

The beginnings of RT Dennis Accountancy started in December of 2008 when Rob Dennis formed the partnership Dennis & Hart Accountancy. The emergence of RT Dennis Accountancy was solidified subsequent to a merger and spinoff as a firm licensed by the California Board of Accountancy as FNP 2508.

Rob Dennis was introduced to the governmental audit industry at the largest school district audit firm in California in April 2000. Mr. Dennis has remained committed to the governmental industry with over thirteen years of experience in the governmental/nonprofit arena. This includes working in the business office of a large school district (about 30,000 ADA) in San Bernardino County and a waste water agency in Chino.

As far as audits are concerned, the firm's background experience includes audits of school districts, Proposition 39 bonds, Uniform Guidance (formerly OMB A-133) Single Audits, water districts, and a variety of special districts. The diversity of clients has been from 50,000 ADA school districts down to single school districts; and the location of these districts has been all points within the state of California. Although school districts were the starting point, Mr. Dennis has gone on to audit other governmental entities such water districts and various other special districts. The size of all the entities audited range in size from \$300,000 to \$450 million in general fund revenue.

Currently we audit governmental and not-for-profit entities, which allow us to focus on governmental accounting and auditing standards. Since we specialize in governmental entities all of our practice aids, audit manuals, accounting manuals, and research materials are the most up-to-date to current standards.

Through varied experience the firm has developed a profound understanding of the interworking of governmental entities. With that said, our goal is to work with clients through scheduling and timely communications to provide the audit objectives for the client by the mandated deadlines.

Our mission is to provide high quality audits at a reasonable fee. Please refer to "Specific Experience" for a partial list of the entities audited.

GENERAL INFORMATION

We have read the specific information requested within the request for proposal and believe all areas have been addressed within this proposal. This proposal is not a joint venture nor is it a consortium.

SERVICES PROVIDED

In addition to auditing, we are a full service firm and we are available to provide the following services to school districts, associated student bodies ("ASB"), municipalities, and other not-for-profit entities:

- ❖ Bookkeeping services accounting services
- ❖ Budget development
- ❖ Annual comprehensive financial report ("ACFR") preparation, analysis, and other assistance
- ❖ Internal control design and consulting services
- ❖ Not-for-profit tax preparation
- ❖ GASB 34 maintenance and analysis
- ❖ GASBs 43, 45, 57, 75 Other Postemployment Benefits ("OPEB") accounting, reporting and analysis
- ❖ GASB 63 and 65 implementation for deferred inflows and deferred outflows
- ❖ GASB 82 (67 and 68 amended by 82) implementation for pension reporting such as California Public Employee Retirement System ("CalPERS") and California State Teachers' Retirement System ("CalSTRS")

MEMBERSHIPS

The firm has membership of the following organizations:

- ❖ American Institute of Certified Public Accountants (“AICPA”) – The AICPA is the world’s largest member association representing the accounting profession, with nearly 386,000 members in 128 countries and a 125-year heritage of serving the public interest. AICPA members represent many areas of practice, including business and industry, public practice, government, education and consulting. The AICPA sets ethical standards for the profession and U.S. auditing standards for audits of private companies, nonprofit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination and offers specialty credentials for CPAs who concentrate on personal financial planning; fraud and forensics; business valuation; and information technology. Through a joint venture with the Chartered Institute of Management Accountants, it has established the Chartered Global Management Accountant designation to elevate management accounting globally.
- ❖ AICPA’s Chartered Global Management Accountant (“CGMA”) designation – The CGMA is a relatively new designation created by the AICPA and the Chartered Institute of Management Accountants. The CGMA mission is to promote the science of management accounting on the global stage. The designation champions management accountants and the value they add to an organization.
- ❖ AICPA’s Government Audit Quality Center (“GAQC”) – GAQC promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits.
- ❖ AICPA’s Firm Practice Management (“PCPS”) – The PCPS Firm Practice Center provides a venue for CPA firms to harness business opportunities and overcome challenges in their firms. PCPS - the AICPA Private Companies Practice Section—provides a rich array of valuable information and resources for firms of all sizes in the area of practice management.

MEMBERSHIPS, CONTINUED

- ❖ California Society of Certified Public Accountants (“CalCPA”) – CalCPA’s vision is to cause CalCPA members to be viewed as leaders in professional competency and integrity by clients, employers, the public and government officials. Their mission is to increase the value and promote the integrity of the CPA profession, contribute to the success of our members, and strengthen client, employer, public and government trust in CalCPA member advice, work products and opinions
- ❖ AICPA’s Peer Review Program – CalCPA administers the [AICPA Peer Review Program](#) for enrolled firms with their main office in California, Arizona and Alaska. The AICPA administers this program through the National Peer Review Committee (“NPRC”) for firms required to be registered with and inspected by the Public Company Accounting Oversight Board (“PCAOB”). A peer review is a periodic outside review of a firm’s accounting and auditing practice aimed at helping the firm maintain and improve the quality of its services.

FIRM OFFICE

The firm has one office located in Rancho Cucamonga. Rancho Cucamonga serves as our home office location, but our close proximity to a major airport ensures our ability to reach Sierra-Plumas JUSD/Sierra COE’s location.

INDEPENDENCE

All auditors of the firm are independent of the Sierra-Plumas JUSD/Sierra COE as defined by audit standards generally accepted in the United States of America and Government Accountability Office’s *Government Auditing Standards*.

PEER REVIEW

We are currently a member of the AICPA's peer review program (Firm #900006140576), as administered by the CalCPA, and as such we are required to undergo a peer review every three years.

Our most recent peer review was performed in August 2022. Firms can receive a rating of *pass*, *pass with deficiencies*, or *fail*. We received a rating of **Pass**. The report is available at the following web address: https://peerreview.aicpa.org/public_file_search.html enter the firm number (mentioned above), and the peer review report as well as acceptance letter are available for viewing and/or download.

We have also included a copy of the report in the back of the proposal.

LICENSE TO PRACTICE

Rob Dennis is licensed by the California Board of Accountancy as Certified Public Accountant, #90213. As previously mentioned, the firm is also licensed by the Board of Accountancy as FNP #2508.

LEGAL OR REGULATORY ACTION

The firm is not currently, nor has been in the past, involved with any legal or regulatory actions.

STAFF ASSIGNED TO THE AUDIT

The staff assigned to the job would be Rob Dennis. Mr. Dennis has worked on all facets of an audit, from staff level to manager. For specific information, please see the Staffing section. Other staff would be assigned as needed and as scheduling permits.

CONTINUING PROFESSIONAL EDUCATION (“CPE”)

Auditors performing work in accordance with Generally Accepted Government Auditing Standards (“GAGAS”), including planning, directing, performing audit procedures, or reporting on an audit conducted in accordance with GAGAS, should maintain their professional competence through continuing professional education (CPE). Therefore, each auditor performing work in accordance with GAGAS should complete, every 2 years, at least 24 hours of CPE that directly relates to government auditing, the government environment, or the specific or unique environment in which the audited entity operates. Auditors who are involved in any amount of planning, directing, or reporting on GAGAS audits and auditors who are not involved in those activities but charge 20 percent or more of their time annually to GAGAS audits should also obtain at least an additional 56 hours of CPE (for a total of 80 hours of CPE in every 2-year period) that enhances the auditor’s professional proficiency to perform audits. Auditors required to take the total 80 hours of CPE should complete at least 20 hours of CPE in each year of the 2-year periods. Auditors hired or initially assigned to GAGAS audits after the beginning of an audit organization’s 2-year CPE period should complete a prorated number of CPE hours.

As described above, we are required to obtain a minimum amount of CPE; we achieve this from various organizations. Most of our CPE is provided by the AICPA, as well as the California Education Foundation, which is in cooperation with the California Society of Certified Public Accountants. Some examples of CPE titles are as follows:

- ❖ Accountancy Laws, Ethics, Taxes, and Financial Reporting Review – Ethics
- ❖ Annual School District Accounting/Auditing Update (class developed with the California Department of Education and California State Controller’s Office)
- ❖ Fraud – Governmental and Not-For-Profits
- ❖ Governmental Accounting and Auditing Update

INSURANCE/INDEMNITY

The firm has professional liability insurance policy in aggregate of \$1,000,000 with CAMICO Mutual Insurance Company, and will indemnify and hold harmless the District from and against all losses and claims in the execution of our work or the consequences of any negligence or carelessness on our part. We are aware of the provisions of Sections 3700 et seq. of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake insurance in accordance with the provisions of that code before commencing the performance of the work of the contract.

METHOD OF OPERATION

The firm uses Pro Systems fx for our trial balance and audit documentation. This allows us to use Excel, Word, and Outlook for our audit schedules and back-up. As far as any documentation from the client is concerned, we are paperless, and, therefore, do not require the client to prepare any copies for us. We would appreciate electronic files either through email or presented to us upon arrival.

We come to audit fieldwork with laptops and scanners; this allows us to exploit the most current technology as a tool for expediting the audit with the least amount of negative impact to the client's staff.

Prior to the audit we will provide the client with a detailed list of items and reports needed for completion of that particular phase of the audit. Availability of accounting staff during the time we are at the client's facilities is of the utmost importance; however, if we know in advance any availability issues we can work around them and reschedule testing of controls and accounts.

RESUME

Robert T. Dennis, CPA, CGMA

Proprietor

Experience:

With fifteen years of public accounting and internal audit experience which includes work on over 100 governmental entity and non-profit audits which were located in various location all throughout California. This experience includes but is not limited to:

- ❖ Preparation of numerous School District Annual Financial Reports (including Single Audit Reports)
- ❖ Preparation of numerous County Office of Education and Community College Annual Financial Reports (including Single Audit Reports)
- ❖ Preparation of Special District Annual Financial Reports
- ❖ State Controller's Financial Transaction Reports

Education:

Graduated from Cal State Fullerton, BA in Business Administration with concentrations in both Accounting and Finance

Professional Organizations:

- ❖ American Institute of Certified Public Accountants ("AICPA")
- ❖ California Society of Certified Public Accountants
 - Chair of the School District Conference Committee
 - Member of the Accounting Principles and Assurance Services Committee

Other:

Rancho Cucamonga Kiwanis, Treasurer, 2009 – 2010

Mr. Dennis has participated in the past audits as the audit in charge/manager/partner for the following agencies:

School Districts:

Bella Vista Elementary
Bassett Unified
Beverly Hills Unified
Colusa Unified
Del Norte County Unified
Duarte Unified
Gold Trail Union
Hawthorne Elementary
La Honda-Pescadero Unified
Lancaster Elementary
Lawndale Elementary
Maxwell Unified
Montebello Unified
Muroc Joint Unified

Orchard Elementary
Parlier Unified
Pierce-Joint Unified
Plumas Unified
Riverside Unified
Santa Ana Unified
Santa Barbara Unified
Santa Cruz City
Simi Valley Unified
South Pasadena Unified
South San Francisco Unified
Walnut Valley Unified
William S. Hart Union High
Williams Unified

County Offices of Education:

Colusa County Office of Education
Del Norte County Office of Education

Plumas County Office of Education

Community Colleges:

Antelope Valley Community College
Southwestern Community College

Victor Valley Community College

Special Districts:

40th District Agricultural Association
Apple Valley Heights Water District
Arvin Community Service District
Elsinore Valley Cemetery District
Hesperia Park and Recreation District
Joshua Basin Water District
Le Grand Community Services District
Kern River Valley Cemetery District
Mojave Water Agency

North County Cemetery District
Planada Community Services District
Pomerado Cemetery District
Saratoga Cemetery District
San Jacinto Resource Conservation District
San Jacinto Valley Cemetery District
South Kern Cemetery District
San Jacinto Resource Conservation District
Thunderbird Water District

Not-for-profit Organizations & Charter Schools:

Academy for Career Education Charter
Blindness Support Services
Care-a-Van
El Dorado County Fair Association
Klamath River Early College of the Redwoods
Options for Youth

Watts Learning Center
Wheatland Charter Academy
Yuba County Career Preparatory Charter

Local Education Agency (“LEA”) Audits	Uniform Guidance / Single Audit	2023 Entity- Wide Expense
Bayshore Elementary SD	No	\$ 8,025,000
Biggs Unified SD	No	\$ 9,365,000
Brisbane Elementary SD	No	\$ 14,499,000
Camptonville Union Elementary SD	No	\$ 1,277,000
Coalinga-Huron Joint Unified SD	Yes	\$ 91,180,000
Fieldbrook Elementary SD	No	\$ 1,701,00
Indian Diggings Elementary SD	No	\$ 542,000
Maple Creek Elementary SD	No	\$ 440,000
Mojave Unified SD	Yes	\$ 54,587,000
Mountain Union Elementary SD	No	\$ 1,848,000
Nuestro Elementary SD	No	\$ 2,570,000
Oak Run Elementary SD	No	\$ 866,000
Plumas Lake Elementary SD	Yes	\$ 25,730,000
Rio Dell	Yes	\$ 5,620,000
Scotia Unified SD	No	\$ 2,996,000
Wheatland Elementary SD	Yes	\$ 21,173,000
Wheatland Union High SD	No	\$ 24,403,000
Whitmore Union Elementary SD	No	\$ 923,000
Yuba COE	Yes	\$ 49,714,000

Cemetery District Audits	Uniform Guidance / Single Audit	2023 Entity- Wide Expense
Arroyo Grande CD	No	\$ 586,000
Palm Springs CD	No	\$ 1,976,000

Special District Audits	Uniform Guidance / Single Audit	2023 Entity- Wide Expense
Burney Fire Protection District	No	\$ 839,000
Chester Public Utility District	No	\$ 8,799,000
Soledad-Mission Recreation District	No	\$ 561,000
Three Arch Bay Community Services District	No	\$ 2,179,000

Not-for-Profit Audit	Uniform Guidance / Single Audit	2023 Expense
California Association of Public Cemeteries	No	\$ 171,000
Western Science Center	No	\$ 1,706,000

Ajit Kang, Director of Business Services
Plumas Lake School District
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530.743.4428

Craig Guensler, Superintendent
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530.633.3130

Dr. Nicole Newman, Ed.D., Superintendent
Wheatland Union High School District
nnewman@wheatlandhigh.org
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530.633.3100 ext. 101

Aaron Thornsberry, Director of Business Services
Yuba County Office of Education
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Once awarded the contract we will coordinate with the client the actual dates to start the audit and fieldwork. The audit is broken up in following phases:

- ❖ Planning/Pre-audit preparation
- ❖ Fieldwork, Interim (generally prior to general ledger closing)
- ❖ Fieldwork, Final (generally a couple of weeks or month subsequent to general ledger closing)
- ❖ Post fieldwork procedures.

Typically the Interim phase of the audit is performed between March and June depending on the clients' circumstances and scheduling logistics. If the client so desires or the firm has some scheduling considerations, with client approval, we will perform a second interim, which would take place in the summer time; generally this time would be used to complete all compliance work. The final phase of the audit will generally be between September and November, with issuance of the report by the December deadline.

I. Planning/Pre-audit preparation

- A. Initially we will speak with the District/COE, to coordinate the following:
 - 1. Establish points of contact for scheduling, data gathering/audit responsibilities, and other logistical details.
 - 2. Dates and specific timelines for the various phases of the audit.
- B. Review and document the following:
 - 1. Pertinent state and federal statutes (compliance) that apply to the Sierra-Plumas JUSD/Sierra COE, regulations, charters and any other appropriate documentation available concerning the District/COE.
 - 2. Prior year audit work-papers, with client's approval, as well as the financial report and any other reports issued. Additionally, we would want to speak to the prior auditor to determine if there were any issues we would need to be aware of.
 - 3. Board minutes, starting with the date under audit, typically July 1.
 - 4. Determine we are still, in fact, independent of the client.

C. Interview and make inquiries of:

1. The District/COE's chief financial officer, legal counsel and other appropriate personnel to determine if there are specific laws, regulations or policies that are in place on which we may need additional information and address problems or areas of concern that they may have at that time.
2. Appropriate people about the political climate to determine if there are initiatives that are pending that may affect operations.

II. Field work, Interim (Prior to G/L closing)

- A. Perform analytical review procedures on the District/COE's financial statements to obtain a better understanding of the operation and to identify areas that may need increased attention.
 - B. Schedule and perform site testing at 1/3rd of the District/COE's sites. Site testing includes:
 1. Testing of site attendance procedures.
 2. Testing of site internal controls for receipting.
 3. Testing of site Associated Student Body (ASB) account internal controls.
 - C. Assess the internal control structure of the District/COE's for the 1.) revenue cycle, from revenue collection to deposit; 2.) purchasing cycle, from ordering goods and services to paying for them; and 3.) payroll cycle, from hiring to payment of employees.
- we would review and test the following:
 1. Control environment: Review the organizational structure, management's philosophy and operating style, assignment of authority and responsibilities, human resources policies and procedures, management oversight and experience levels of personnel.
 2. Risk assessment: Review the processes used to identify potential risk that can affect the District/COE and the steps it takes to counter these risks.
 3. Control activities: Review the policies and procedures that help ensure management's directives are carried out.
 4. Information and communication: Review and test the methods and records established to identify, assemble, analyze, classify, record and report the District/COE's transactions, events and conditions; determine how the District/COE maintains accountability over related assets and liabilities; review written policies and procedures to determine their completeness and effectiveness in addressing reporting controls.
-

5. Monitoring: Review management's oversight of the internal control process.
6. Sampling of the various transaction cycles will depend on the sizes of the populations as well as logistical concerns for obtaining the sample and requisite back-up. The following are some examples of sampling methods:
 - ❖ Systematic, whereby we will select one of every “nth” transactions of the entire population to reach our determined sample amount.
 - ❖ Haphazard, where we approximate randomization, without the statistical modeling.
 - ❖ Judgmental, where we are looking for something specific in the transactions we are sampling.
- D. Perform fraud analysis through interviews of the staff and roundtable discussion amongst the audit team.
- E. Determine applicable state programs as required by the *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, and test required programs.
- F. Meet with management, and as necessary the board/audit committee, to provide an update on the audit and discuss any issues with respect to the audit.

III. Field work, Final (Subsequent to G/L closing)

- A. Obtain electronic version trial balance, DAT file, for import into audit software as well as SACS software.
 - B. Obtain total federal expenditures for the fiscal year, and perform Single Audit, to determine whether or not federal testing is necessary, and if so the major programs to be tested. Once major programs are determined, per the Single Audit calculation, the following steps are performed for each major program, per the Uniform Guidance Compliance Supplement:
 1. Interview the director and/or staff managing the program for how it operates.
 2. Obtain expenditure detail for the program.
 3. Test internal controls as well as compliance for the program.
 - C. Finish all required state compliance started in the Interim portion of the audit.
-

- D. Test account balances based on results of risk assessments performed at Interim. Such tests could include the following:
1. Vouching cash in county balances to the county treasury confirmation.
 2. Categorical program testing based on the Form CAT or equivalent, this would involve the related categorical revenues, expenditures, accounts receivable, unearned revenue.
 3. Analysis and substantiation of revenue, such as billings, sales, and other “exchange revenue” and the related accounts receivable balances.
 4. Accounts payable testing, including subsequent disbursements.
 5. Agreeing beginning fund balance to prior year audit report.
 6. Apportionment testing, Local Control Funding Formula.
- E. Obtain pertinent information for required GASB 34 conversion entries to assist compilation of adjustments necessary for entity-wide financial statements. Such information can include the following:
- ❖ Capital asset listing as well as capital outlay expenditures and/or any information on any other additions or dispositions of fixed/capital assets.
 - ❖ Debt schedules, official statements, trustee statements, and any other statements relevant to payment of long-term debt, including any new issuances, refunding, or refinancing.
 - ❖ Obtain Cal STRS and PERS actuarial studies for pension liabilities
 - ❖ OPEB actuarial.
 - ❖ Any other pertinent information regarding revenue or expenses not recognized for modified accrual but would be for full accrual.
- F. Perform final analytical review of various account balances being reported.
- G. Management inquiries, review methods of preparation, and other procedures regarding Required Supplementary Information (RSI) for thing such as the following:
- ❖ Management Discussion and Analysis
 - ❖ Budget to actual comparisons for the General Fund and any major special revenue fund.
 - ❖ PERS funding progress
 - ❖ OPEB funding progress
-

- H. Hold exit conference with management, and as necessary board and audit committee, and review:
 - 1. Any findings/issues noted for possible inclusion into management letter.
 - 2. Any proposed adjustments/reclassification entries to determine whether or not to post to trial balance.
 - 3. Obtain a management representation letter.

IV. Post field work procedures

- A. Prepare draft report and submit to the District/COE's management for review.
- B. Review:
 - 1. District/COE's Management's Discussion and Analysis and provide assistance to the District/COE concerning tables and any other graphically represented financial data.
 - 2. District/COE's responses to findings and recommendations, if applicable.
- C. Issue:
 - 1. CAFR.
 - 2. Management letter, if necessary.
 - 3. Submit audit reports to all required agencies, such as State Controller's Office, California Department of Education, county office of education.
 - 4. Submit SF-SAC Form to the Federal Clearinghouse.
- D. Make board presentation of the Annual Financial Report and present the following:
 - 1. Provide brief overview of what is included in the Annual Financial Report
 - 2. Explain the audit opinions and what they mean
 - 3. Highlight the ending General Fund balance, along with the financial trends and analysis schedule

The following is an hourly breakdown of the previously described audit phases and components:

	Hours		Hours
I. Planning/Pre-audit preparation		III. Field work, Final	
A. Coordination	2	A. Trial balance	3
B. Review and Documentatior	2	B. Federal compliance	12
C. Interviews and inquiries	2	C. Account balance testing	8
II. Field work, Interim		D. Conversion entry testing (C	7
A. General procedures	6	E. Final account analysis	6
B. Site testing	20	F. RSI procedures	2
B. Internal control testing		G. Exit conference and review	2
1. Revenue cycle	4	IV. Post field work procedures	
2. Disbursement cycle	4	A. Financial statement prep.	8
3. Payroll cycle	6	B. Review	2
C. Fraud analysis	2		
D. State compliance	6		
E. Exit conference and review	1		
		Total hours, estimated	105

	<u>Est. Hours</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2023/24</u>
Financial audit	142	\$ 21,400	\$ 22,500	\$ 23,600

	<u>Est. Hours</u>	<u>Billing Rates</u>	<u>2023/24 Fees</u>
Staff level			
Proprietor	95	\$ 220.00	\$ 20,900
Clerical	10	50.00	500
Total hours	105	Total (not to exceed)	\$ 21,400

Additionally we will require full reimbursement on travel related expenses, plane tickets, hotel, car rental, etc.

Report on the Firm's System of Quality Control

August 29, 2022

To RT Dennis Accountancy and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of RT Dennis Accountancy (the firm) in effect for the year ended March 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.



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Together as One. Grant Bennett Associates is a Member of the Alliott Global Alliance of independent professional firms.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of RT Dennis Accountancy in effect for the year ended March 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. RT Dennis Accountancy has received a peer review rating of *pass*.



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