

To: Board of Education

From: Kathy Johnson, executive director finance

Re: Proposal for District Audit for Year Ending June 30, 2018

Background:

An independent audit of school district finances is required every year as part of state statute and the Federal Government.

During this past year, June 30, 2017, our audit was performed by Mize Houser & Company P.A.

Attached you will find copies of two audit proposal letters from Mize Houser & Company P.A. in regard to the audit of USD497 for the year ending June 30, 2018.

1. Proposal letter for the audit of Kansas statutory basis financial statements
2. Proposal letter for their engagement to serve as our independent accountant in applying agreed-upon procedures for the activity funds at Free State High School, Lawrence high School, one middle school and one elementary school (to be selected later)

Proposed Audit Costs:

Statutory Audit	\$22,735
<u>Activity Accounting</u>	<u>\$ 3,490</u>
<u>Total</u>	<u>\$26,225</u>

History of past four years:

FY ending June 30, 2017	\$25,215
FY ending June 30, 2016	\$24,045
FY ending June 30, 2015	\$23,120
FY ending June 30, 2014	\$22,450

Recommendation:

The administration recommends that the Board approve the statutory and activity fund audit proposals from Mize Houser & Company P.A. for the audit period ending June 30, 2018 at a cost not to exceed \$26,225 as specified in the audit proposals.

Motion:

"I move the Board of Education approve the statutory and activity fund audit proposals from Mize Houser & Company, P.A., for the audit period ending June 30, 2018, at a cost not to exceed \$26,225 as specified in the audit proposals"