

Bring a paper or use the online copy of your District's most recent annual financial statements and learn what sections of the report mean (accounting lingo explained), what questions to ask, and what is important to check before approving them. Know Central Office's and your responsibilities as an Audit Committee or Board Member for this report and what it contains.



KNOW WHAT YOU ARE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS



WOMEN
OWNED™



SPEAKER BIO²

Audrey J. Jaramillo, CPA, CFE has been serving federal, state, and local Governments, non-profits, and commercial entities for 20 years throughout NM and is Managing Partner of Jaramillo Accounting Group, LLC (**JAG**). Audrey specializes in providing audit, fraud, and consulting services.

Audrey is passionate about public service and served eight years as a Board Member in the Moriarty-Edgewood School District and represented NM state-wide and Nationally as President & Master Board Member of NMSBA. This year, she has turned her focus to JAG in order to serve more clients, expanding the firm's fraud and consulting services.

Professionally, she leads in the AICPA's Taskforces on training Young CPAs and Scholarships, has spoken on various topics for the AICPA, NM AGA, NM ASBO, NM GFOA, NMSBA, NM State Auditor, and other organizations.

SPEAKER BIO



Scott Eliason, CPA has been serving NM Governments for almost 25 years and joined Jaramillo Accounting Group LLC (JAG) as Partner in 2014. Formerly as Partner at a regional firm and throughout his career in public accounting, Scott has specialized in the audits of Governments across the Southwestern United States. Scott delivers high quality, timely, friendly audit and consulting services to a variety of governmental entities throughout NM. He is an expert in analysis of financial data and fraud discovery.

Scott has trained on various governmental, accounting and auditing topics throughout the Southwest such as: GASB requirements, Leadership training, AICPA Clarity standards, Resolution of findings, A-133/UGG and State Compliance testing, Preparation of Financial Statements, and State Law, Grants, and Budgetary Compliance.

Disclaimer



4

This presentation is intended solely to provide general information and does not constitute legal advice. Attendance at the presentation or later review of these printed materials does not create an attorney-client relationship with **Jaramillo Accounting Group LLC (JAG).**

You should not take any action based upon any information in this presentation without first consulting legal counsel familiar with your particular circumstances.

GOOD GOVERNMENT 51

KNOW WHAT YOU'RE APPROVING: ANNUAL AUDITED FINANCIAL STATEMENTS

CONTENT

- 1. QUESTIONS ON YOUR MIND**
- 2. PROCESS REQUIRED**
- 3. AUDIT PROCESS & OPINIONS**
- 4. FINANCIAL STATEMENTS**

FINANCIAL STATEMENTS (FS)

1. COVER, ROSTER, TOC
2. AUDITOR'S OPINION
3. MD&A
4. GOVERNMENT-WIDE FS
5. FUND LEVEL FS

KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS

7

GOVERNMENT (DISTRICT)-WIDE FS

1. FULL ACCRUAL BASIS OF ACCOUNTING
2. INCLUDES YOUR DEBT AND CAPITAL ASSETS
3. ELIMINATES INTERNAL TRANSACTIONS

BIG PICTURE



FUND FS

1. MODIFIED ACCRUAL BASIS OF ACCOUNTING
2. INCLUDES YOUR PAYABLES AND RECEIVABLES
3. SHOWS INTERNAL TRANSACTIONS
4. POOLED CASH
5. CAPITAL OUTLAY EXPENSE
6. PRINCIPAL EXPENSE

MAJOR FUNDS – “IN-FRONT”

1. ALWAYS THE GENERAL (OPERATING) FUND

2. SOMETIMES:

SPECIAL REVENUE FUNDS

CAPITAL PROJECT FUNDS

DEBT SERVICE FUNDS

PERMANENT FUNDS

KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 10

NON-MAJOR FUNDS – “IN-BACK; COMBINING”

SPECIAL REVENUE FUNDS

CAPITAL PROJECT FUNDS

DEBT SERVICE FUNDS

PERMANENT FUNDS

BOTH MAJOR/NON-MAJOR PRESENT BALANCE SHEETS
AND INCOME STATEMENTS FOR EACH AND EVERY FUND
YOUR DISTRICT USES



KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS ¹¹

FIDUCIARY FUNDS (FISCAL AGENT)

TRUST FUNDS

AGENCY FUNDS – THESE ARE YOUR ACTIVITY FUNDS

SUMMARY IS “IN-FRONT”

DETAIL IS “IN-BACK”

$PY\ BB + CY\ ADDITIONS - CY\ DELETIONS = EB$

KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 12

BUDGET-TO-ACTUAL SCHEDULES
PRESENTED "IN-FRONT"
FOR ONLY GENERAL & MAJOR SPECIAL REVENUE FUNDS

**SEE HOW EACH OF YOUR FUNDS IS DOING;
THIS IS WHY YOU APPROVE "BARS"
IF GO OVER EXP = BUDGET FINDING**



KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 13

FOOTNOTES THE STORY IN WORDS



KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 14

REQUIRED SUPPLEMENTARY INFO

SUPPLEMENTARY INFO

OTHER SUPPLEMENTARY INFO

KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 15

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

GAGAS REPORT ON CONTROLS

UGG OPINION ON FEDERAL FUNDING



KNOW WHAT YOU'RE APPROVING, ANNUAL AUDITED FINANCIAL STATEMENTS 16

SUMMARY OF PRIOR YEAR FINDINGS

30-SECOND VIEW

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

EXIT CONFERENCE

