

(School District Report Template)

[Note: Modify as Necessary for Special Education Cooperative- See Appendix B of the Contract for required modifications.]

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Honorable Board of Trustees
School District Number ____
____ County
Address
____, Montana 59 ____

We have performed the procedures enumerated below on the financial statements of [Name of Local Government], Montana (the Government), and the Government's compliance with specified requirements and internal control over compliance with those requirements as of and for the year ended June 30, ____, as required by Section 2-7-503, MCA. The Government's management is responsible for the financial statements, compliance with the specified requirements, and internal control over compliance with those requirements.

The State of Montana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, which is to meet the requirements of Section 2-7-503, MCA. This report may not be suitable for any other purpose. The procedures performed may only address some of the items of interest to a user of this report and may only meet the needs of some users. As such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- a. We reconciled the district's cash/investment balances as reported on the Trustees' Financial Summary (See Schedule A) with the records of the County Treasurer or bank accounts, if applicable.

We found no exceptions as a result of these reconciliation procedures.

OR

Finding number __ in Schedule D discloses findings resulting from the reconciliation procedures.

- b. We examined the July 20__ disbursements journals and expenditures made in that month to determine if payables were recorded on June 30, 20__ (See Schedule A).

We found no exceptions in the recording of payables due to these procedures.

OR

Findings resulting from these procedures are disclosed in finding number __ in Schedule D.

- c. We determined whether the District maintained records of capital assets and had documentation to support the documents, as required by Administrative Rules (ARM 10.10.407).

The District had documentation to support the capital assets records.

OR

Findings resulting from this procedure are disclosed in finding number __ in Schedule D.

- d. We compared budgeted property tax revenues to actual property tax revenues for each budgeted fund; noted any variances in excess of 5% or \$500, whichever is greater; and determined the reasons for such variances.

No variances in excess of the limits described above were noted as a result of these comparisons.

OR

Variances in excess of the limits described above that were noted as a result of these comparisons, and the reasons for such variances, are disclosed in finding number __ in Schedule D.

- e. We reconciled total District revenues and expenditures (See Schedule B) to total cash receipts and disbursements for the district as reported by the County Treasurer.

We found no exceptions as a result of these reconciliation procedures.

OR

Finding number __ in Schedule D discloses findings resulting from the reconciliation procedures.

- f. We observed whether:

- The District maintained accounting records, including a disbursement ledger.
- The expenditures, including payroll, are supported by appropriate documentation (MCA 20-9-207) and coded correctly (ARM 10.10.406).
- The District maintained minutes of School Board meetings and whether they contained detailed statements of expenditures as required by MCA 20-3-323.
- The District maintained pupil attendance records.
- The District reconciled monthly with the reports of the county treasurer (ARM 10.10.501 & 10.10.205).
- The District maintained payroll records, including a payroll register for each employee.
- The district reconciled its federal and state payroll reports to the annual wage and tax statements submitted to the Social Security Administration.
- The District reconciled the total cash in the Miscellaneous Programs fund with the individual projects within the fund.
- The district reconciled individual student activity fund accounts with the total cash in the Student Extracurricular Fund.

We found no exceptions as a result of these procedures.

OR

No exceptions were found as a result of these procedures, except as disclosed in finding number __ in Schedule D.

- g. We reconciled the enrollment as reported on the Fall and Spring enrollment reports to the school district's enrollment records. (See Schedule C)

We found no exceptions as a result of these reconciliation procedures.

OR

Finding number __ in Schedule D discloses findings resulting from the reconciliation procedures.

- h. We verified that the total expenditures for each budgeted fund were within the budgeted expenditures for the fund. (MCA 20-9-133; 20-9-209; ARM 10.10.305)

Total expenditures for each budgeted fund were within the budgeted expenditures for the fund.

OR

Total expenditures for each budgeted fund did not exceed the budgeted expenditures for the fund, except as disclosed in finding number __ in Schedule D.

Accompanying are the following schedules:

Schedule A presents the district's assets, liabilities, and fund equity, by the fund, as of June 30, 20__.

Schedule B presents the district's beginning fund equity, the total revenues, other financing sources, the total expenditures, other financing uses, prior period adjustments, and the ending fund equity for each fund for the year ended June 30, 20__.

Schedule C presents the District's enrollment as reported on the Fall and Spring pupil enrollment reports and per the District's enrollment records.

Schedule D presents findings and recommendations resulting from performing the above agreed-upon procedures.

We were engaged by [the engaging party] to perform this agreed-upon procedures engagement. We conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion on the specified accounts and transactions or compliance or effectiveness of internal control over compliance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information, and use of [Name of Local Government], Montana, and the State of Montana and is not intended to be. It should not be used by anyone other than the specified parties.

[Accountant's Signature]
[Accountant's city and state]
[Date of Accountant's report]