

Audit Results
June 30th, 2026
Centreville Public Schools

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Federal Compliance Supplement

- Federal government has not released this important auditing document.
- Typically this is released in May of each year.
- This prevents any CPA firm in the US from issuing 2026 single audits for school districts, cities, townships, counties, nonprofit organizations, etc. – any entity with a single audit.
- Single audits must stay in draft form, pending the final release of this document. We've conducted our audit based on draft guidance available.

Responsibilities

- **The district is responsible for the preparation and fair presentation of the financial statements** in accordance with generally accepted accounting principles (GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements.

Responsibilities



- **The auditor's responsibility is to express opinions on the financial statements based on our audit**. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

- Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Audit Procedures



- Understanding internal controls
- Review of policies and procedures
- Risk assessment
- Substantive procedures
- Analytical procedures
- Pension/OPEB Plan testing
- Unpredictability
- Government Auditing Standards
- Grant compliance testing
- Other compliance testing
- Bond audits
- Financial statement preparation
- Data collection form
- MDE, ISD, FAC submission

Audit Results

- Unmodified Opinion
- “Clean opinion”
- School's financial records and statements are fairly and appropriately presented, and in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Audit Results

- Internal Control Evaluation
  - An opinion is not expressed on internal controls
  - No material weaknesses noted
  - No significant deficiencies noted

  - Single audit
  - Compliance with Federal guidelines
  - Low risk auditee
  - Major Program = Child Nutrition Cluster
  - Unmodified opinions
  - No material weaknesses or material noncompliance noted

Governance Letter

- Other required communications
  - No disagreements with management
  - No significant difficulties
  - No material audit adjustments

- Management Comments
  - Food service fund balance
    - 3 months avg expenditures allowed
    - Currently at 5.5 months

Financial Results

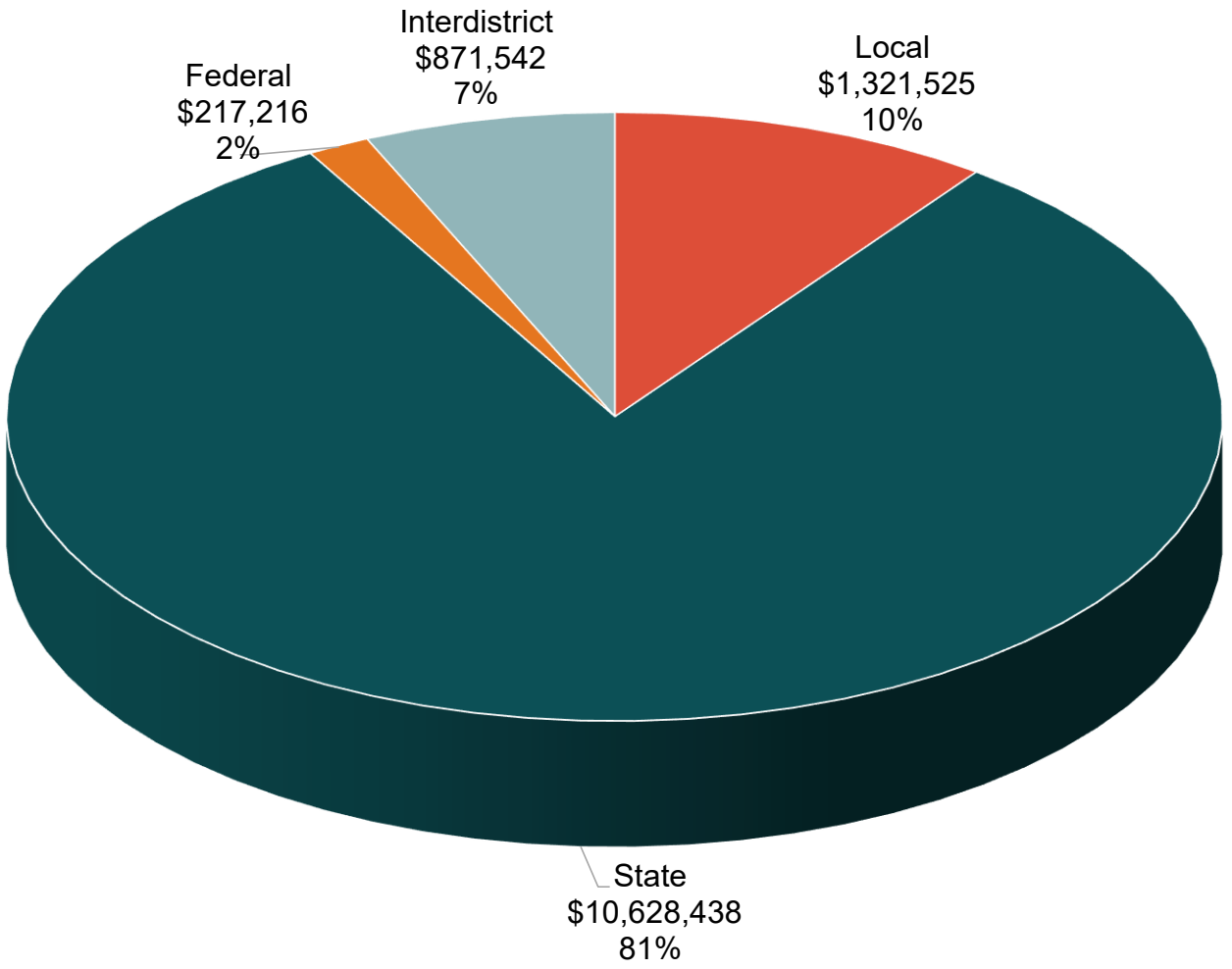
Statement of Revenues, Expenditures and Changes in Fund Balances

	General Fund	2023 Captal Projects Fund	2025 Capital Projects Funds	Student Activity & Food Service Funds	Debt Service Fund	Total Governmental Funds
Revenues and other sources	$ 13,043,221	$ 11,183	$ 217,600	$ 1,407,741	$ 1,708,731	$ 16,388,476
Expenditures and other uses	13,020,213	290,437	2,655,068	1,548,426	1,842,655	19,356,799
Change in fund balance	23,008	(279,254)	(2,437,468)	(140,685)	(133,924)	(2,968,323)
Fund balance July 1, 2025	2,031,239	284,437	6,484,502	930,676	424,273	10,155,127
Fund balance June 30, 2026	$ 2,054,247	$ 5,183	$ 4,047,034	$ 789,991	$ 290,349	$ 7,186,804

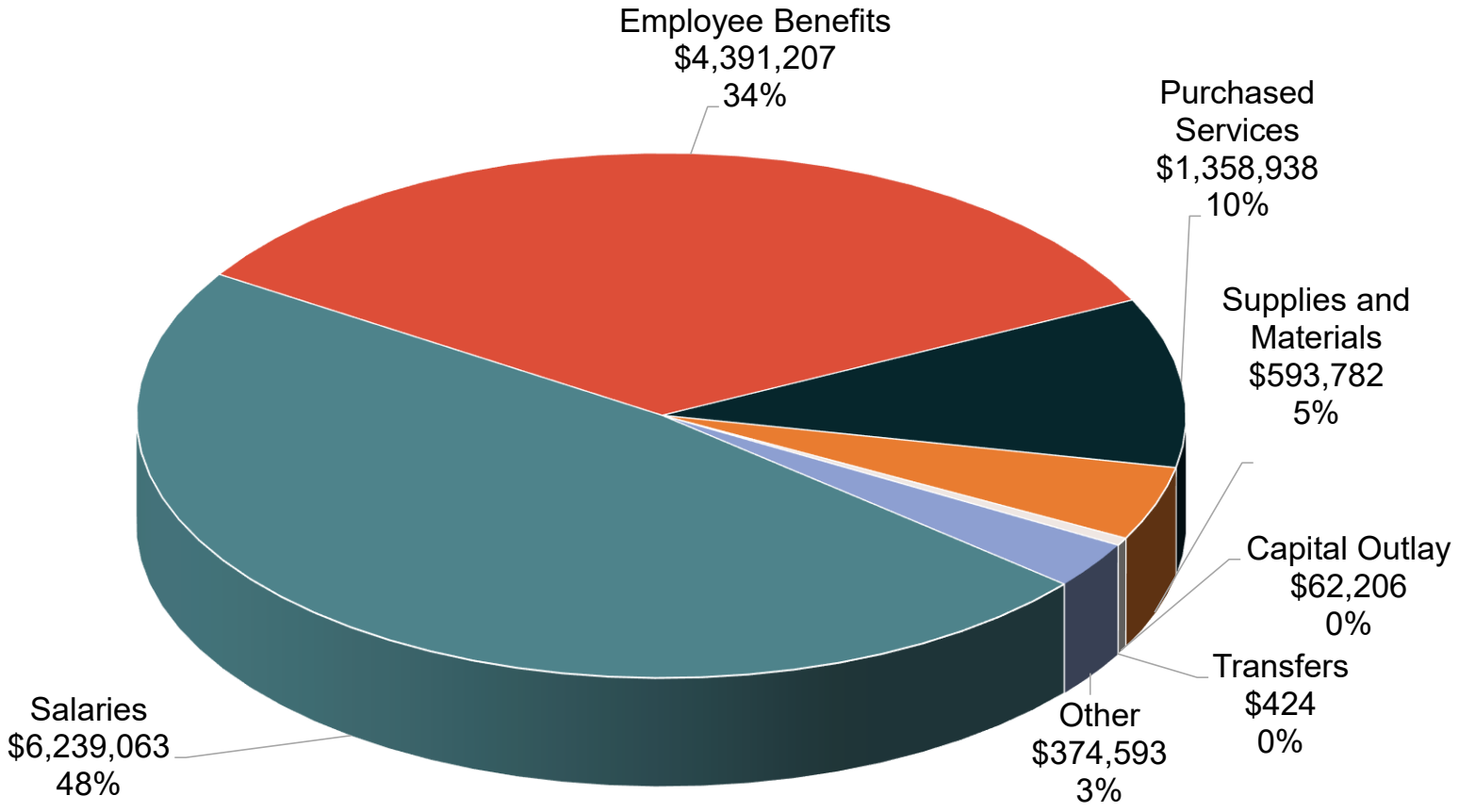
General Fund Comparison to Budget
Year Ended June 30, 2026

	Original Budget	Final Budget	Actual	Difference
Revenues and other sources	$ 12,211,997	$ 13,151,676	$ 13,043,221	-0.82%
Expenditures and other uses	12,338,944	13,263,492	13,020,213	-1.83%
	$ (126,947)	$ (111,816)	$ 23,008	

General Fund Revenue
Year Ended June 30, 2026



General Fund Expenditures (including transfers)
Year Ended June 30, 2026

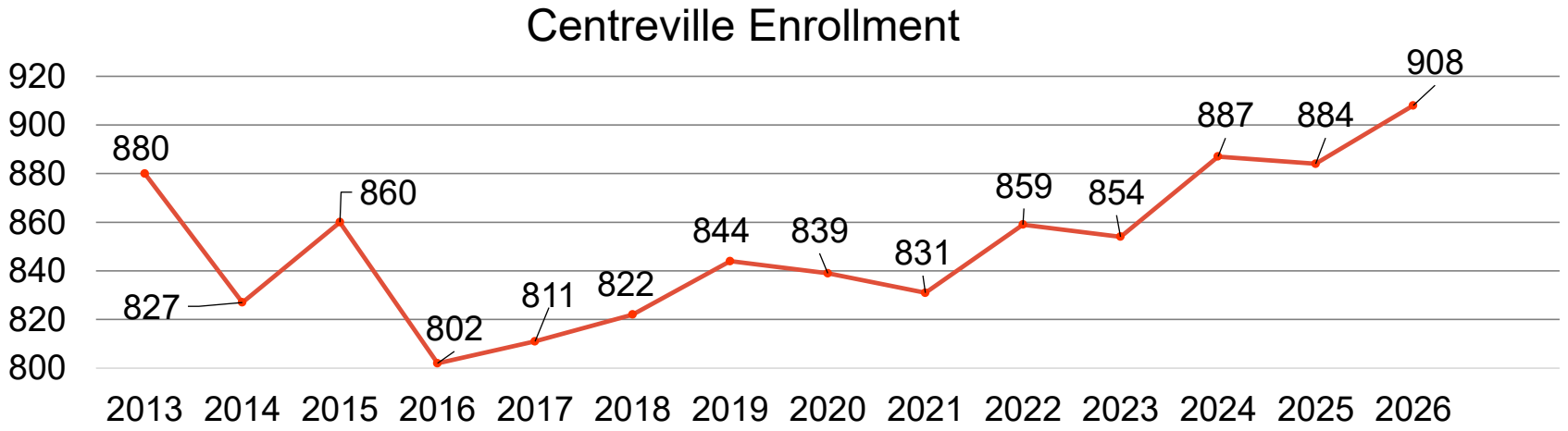


General Fund Balance

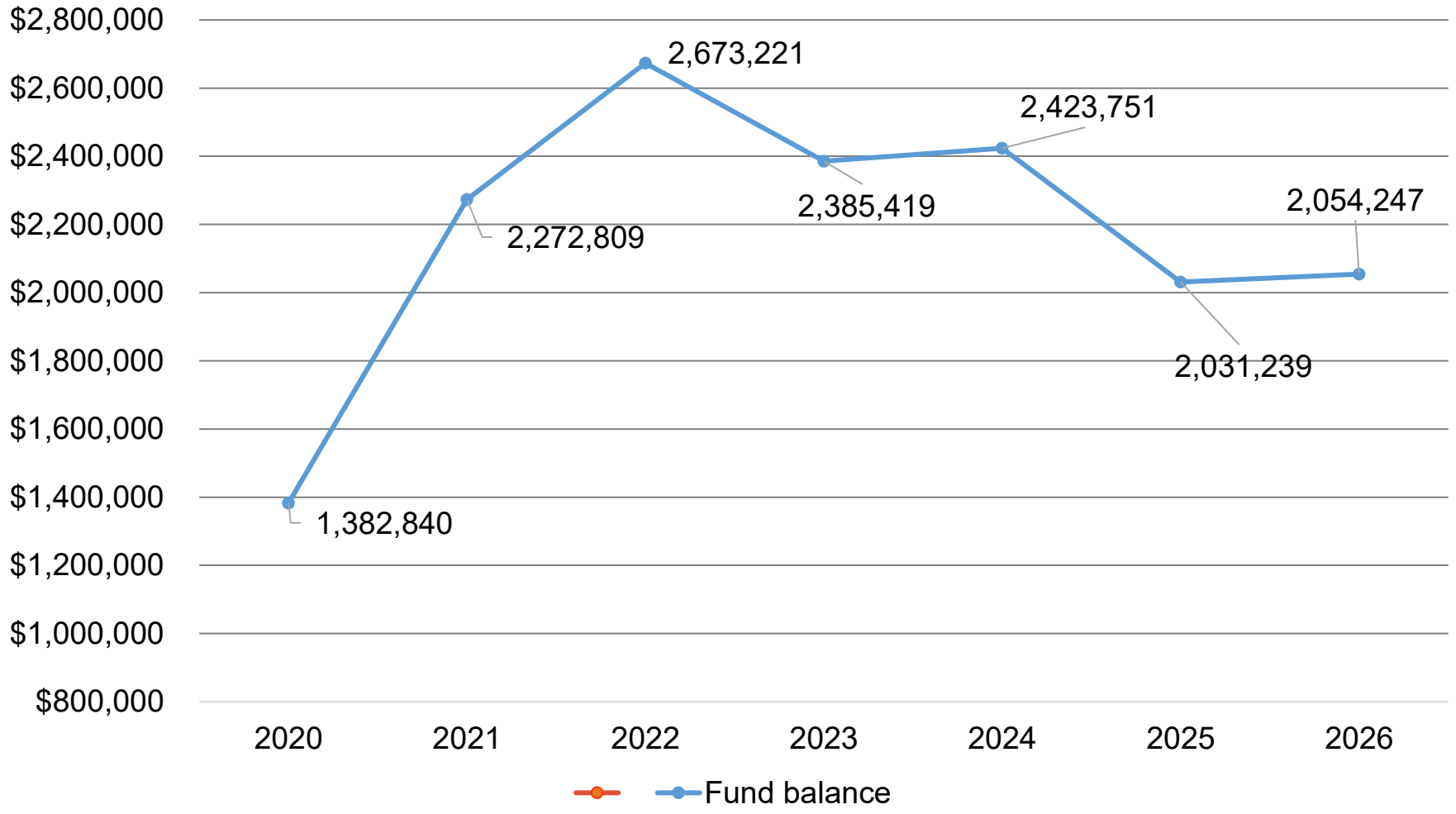
	2026	2025
Fund Balance/Expenditures	15.78%	16.13%

Ten Year Enrollment Trend Analysis

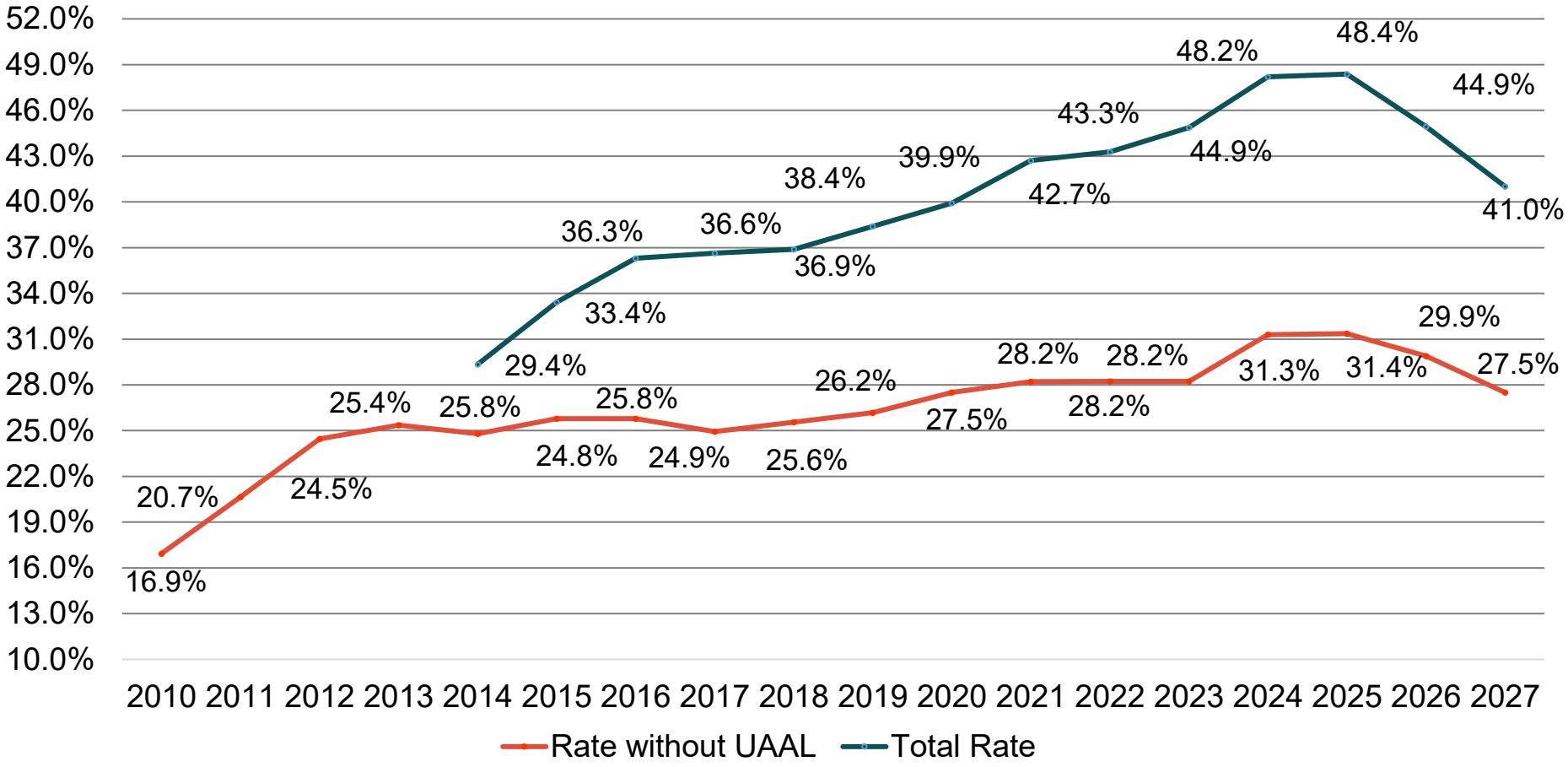




General Fund Balance



MPSERS Rate History



Significant Accounting Pronouncements



GASB Statement No. 103, *Financial Reporting Model Improvements*

- Requires various changes to presentation of the financial statements
- Main changes for typical school district:
  - MD&A – Encourages graphs and charts and clarifies the need for narrative explanations and describing why changes are occurring – not just how much or percentage differences
  - Budgetary Comparison Schedules –
    - Must add variance of original to final budget
    - Must explain variances from original to final budget in the notes (not the MD&A)
    - Must explain variances from actual to final budget in the notes (not the MD&A)
  - Other changes required by this standard are not expected to have a material effect on your financial statements

Thank you.

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