

Finance and Audit Committee

JANUARY 23, 2019



CHICAGO PUBLIC SCHOOLS ANNUAL FINANCIAL AUDIT & FEDERAL SINGLE AUDIT RESULTS

FOR FISCAL YEAR ENDING JUNE 30, 2018
BOARD PRESENTATION
JANUARY 23, 2019



DEPARTMENT OF FINANCE

ANNUAL EXTERNAL AUDIT COMPONENTS

ANNUAL EXTERNAL AUDIT COMPONENTS CONT'D

Statutorily required report of the District's financial activities converted from the CAFR format to the ISBE format.

The deliverable is a separate Audit Opinion issued by the external auditors on the information contained in the AFR.

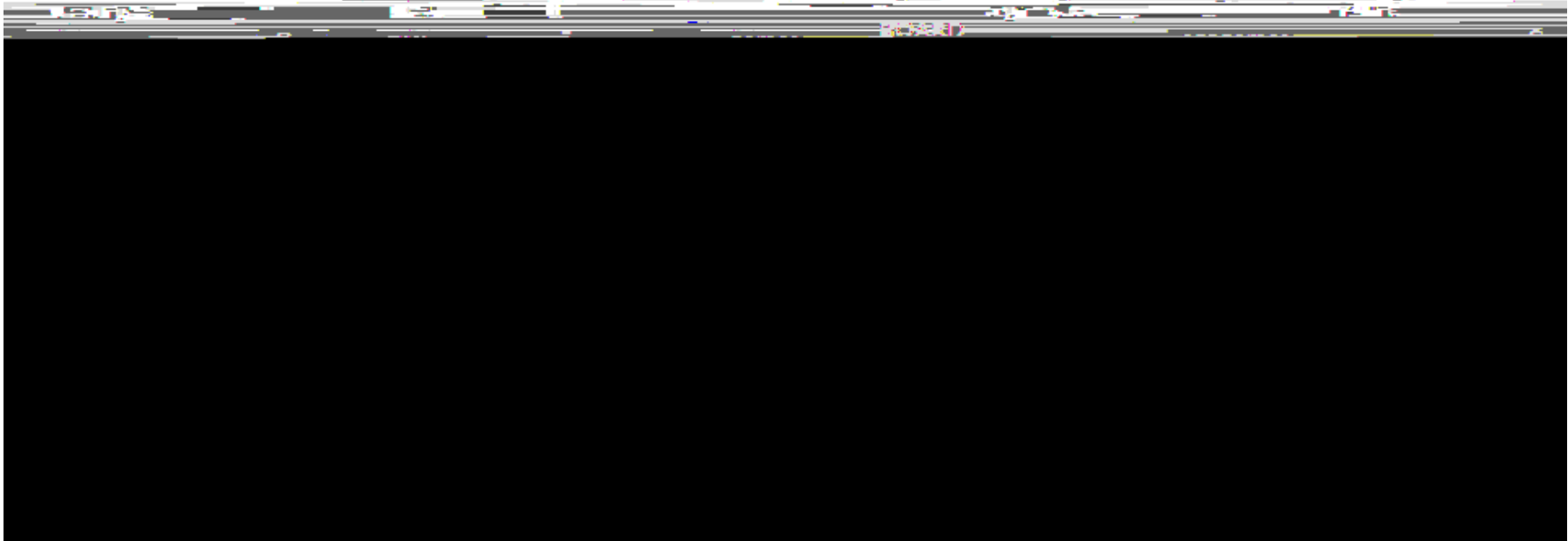
Due to the sheer size and complexity of Chicago Public Schools and the level of effort involved in the preparation of the report, the annual deadline is February 15th.

New reporting requirement for site or school/department level reporting for all school districts nationwide under the Federal Every Student Succeeds Act (ESSA).

The first required report is due no later than September 30, 2019 and will contain information that has not yet been audited.

CHICAGO PUBLIC SCHOOLS'

**Board
Pres/CEO**



ANNUAL FINANCIAL AUDIT

AUDIT FINDINGS FOR THE LAST FIVE YEARS

1. Material Weakness-An internal control deficiency(ies) which has a material effect(s) on the financial statements.
2. Significant Deficiency-Less severe than a material weakness, but important enough to communicate to those in charge of governance.



There were no prior year Federal Single Audit findings or questioned costs to resolve as of June 30, 2018.

Major programs audited this year:

- Child Nutrition Cluster & Child/ Adult Care Food Program ("Nutrition")
- Twenty-First Century Community Learning Centers ("21st Century")
- Student Support and Academic Enrichment Program ("SSAE")

FINANCIAL HIGHLIGHTS (UNAUDITED) YEAR OVER YEAR COMPARISON

Chicago Public Schools is required to issue two sets of financial statements. The first set is similar to financials issued by the private sector and the second set is preferred by government officials and our citizenry and ties directly to our annual budgets.

1. Revenues increased in the General Operating Fund due to increased State Aid as a result of the new EBF formula,

FINANCIAL HIGHLIGHTS (UNAUDITED)
YEAR OVER YEAR COMPARISON CONT'D

BUDGETARY HIGHLIGHTS (UNAUDITED) GENERAL OPERATING FUND

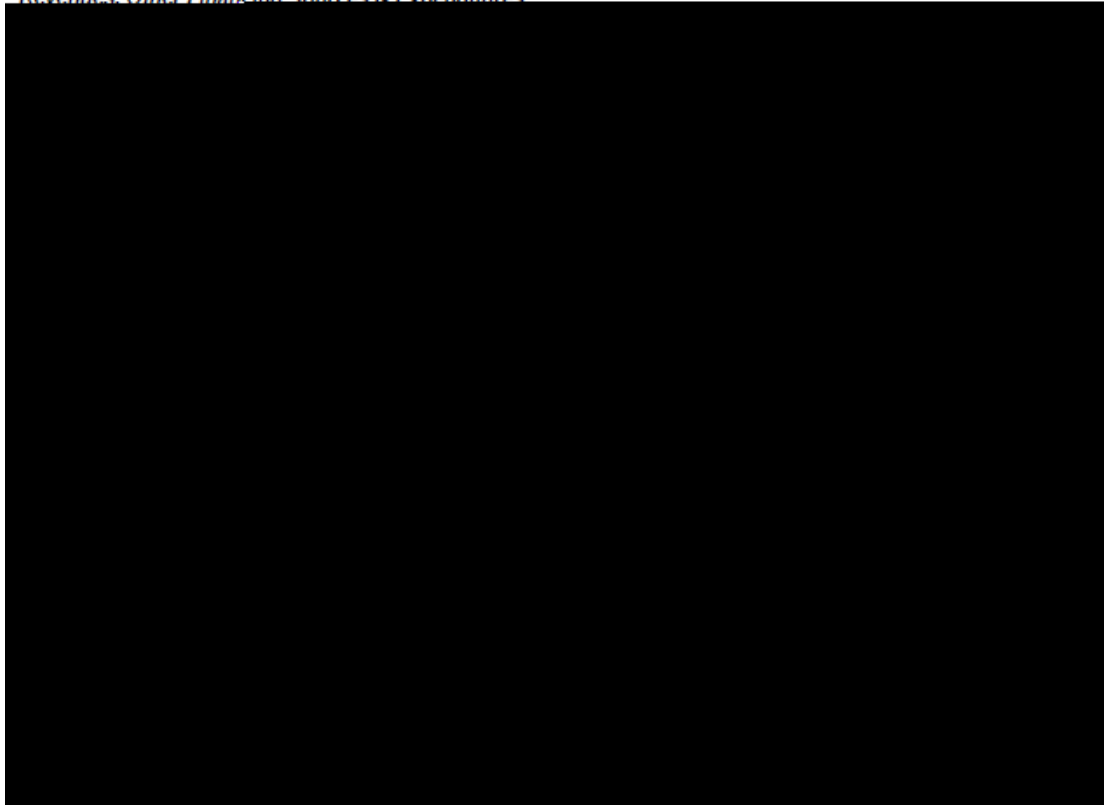
Revenues, Other Financing Sources & Expenditures

Total Budgeted
Revenues:
\$5.64B

Total Budgeted
Expenses:
\$5.70B

Total Actual
Revenues:
\$6.11B

Total Actual
Expenses:
\$5.51B



Questions?