

# San Antonio Early Childhood Education Municipal Development Corporation

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## **Audit Summary**

Year Ended June 30, 2022

**Garza/Gonzalez & Associates**  
Certified Public Accountants  
San Antonio, Texas





# Engagement Team

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- René E. Gonzalez, Senior Partner
- Eli Mendoza, Partner
- Ruben Martinez, Manager
- George Castillo, Senior
- Leonardo Romero, Staff Auditor



# Summary of Audit Results

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- **Opinion on the Financial Statements:** Unmodified (“clean opinion”)
  - Governmental Activities
  - Major Funds: Pre-K4 SA, CACFP (child and adult care feeding program) and SA: Ready to Work.
- **Report on Internal Controls over Financial Reporting and Compliance with Laws and Regulations-** no material weaknesses nor significant deficiencies identified.
- **Federal Compliance Audit**
  - **Internal Control:** Significant Deficiency/Noncompliance finding on eligibility (participant eligibility application requirements)
  - **Major Program Compliance:** unmodified report
- **Major Program:** Child and Adult Food Care Program (CACFP)/ CACFP Emergency Operational Costs Reimbursement Program



# Report on Conduct of Audit

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- **Auditors' Responsibility Under Auditing Standards Generally Accepted in the United States** (as originally communicated in our engagement letter dated April 25, 2022)
- **Planned Scope and Timing of the Audit:**
  - Single Audit compliance testing: July - August 2022
  - Fieldwork: September - December 2022
  - GASB 87 implementation and testing: February 2023
  - Report Completion: March 10, 2023
- **Significant Accounting Practices including policies, estimates and Disclosures**
  - GASB Statement No. 87, leases was implemented. The Corporation's right to use of facilities is now being recognized as assets with a corresponding liabilities for the amount due in future years.



# Report on Conduct of Audit (Continued)

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- **Corrected and Uncorrected Misstatements:**
  - We are not aware of any significant uncorrected misstatements.
  - The following misstatements were corrected as follows:
    - Increase in cash and decrease interfund receivables by \$2,413,837;
    - Increase in expenditures and accounts payable by \$609,078;
    - Increase in accrued liabilities and decrease payroll related expenditures by \$ 182,676.
  - In addition, we provided assistance with the implementation of GASB Statement # 87, *Leases* including the required financial reporting.
- **Disagreements with Management - None**



# Report on Conduct of Audit (Continued)

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- **Significant Difficulties Encountered in Performing the Audit**
  - No significant difficulties in dealing with management
  - Delays in completing the audit due to financial information not being made available for our review timely.