

Background on Crowe LLP

- Crowe LLP is an international accounting and advisory firm
- Currently the 9th largest accounting firm in the United States
- Crowe LLP has served California K-12 school districts for over 30 years:
 - Currently audit:
 - 3 of the 5 largest districts in California
 - 7 of the 20 largest districts in California
- Crowe LLP is independent of Sacramento City Unified School District

Corrected and Uncorrected Misstatements

- Corrected Misstatements:

- One corrected misstatement related to premiums from the issuance of debt booked incorrectly by the Sacramento County Treasurer. The result of the correcting adjustment increased fund balance in the Bond Interest and Redemption Fund by \$10,988,306.

- Uncorrected Misstatements:

- No uncorrected misstatements

Other Required Communications

- There were no difficulties encountered with management
- There were no disagreements with management
- No consultation with other accountants
- No significant or adverse events require your attention in connection with the completion of the audit

Audit Findings & Recommendations

- Internal Control Comments/Recommendations – two comments:
 - Cash in County Treasury reconciliations were not prepared, reviewed and approved on a monthly basis throughout the fiscal year. Reconciliations were performed by the Sacramento County Office of Education but also should be prepared and reviewed by District staff.
 - Three individuals in the Accounting Services department have the ability to prepare and post journal entries into the financial system. The District should create a process to log journal entries to ensure the same individual who posts the journal entry is independent of the individual responsible for the review of the journal entry.
- State Compliance Findings – one comment:
 - Comprehensive School Safety Plans:
 - 8 out of 16 comprehensive school safety plans were not reviewed and approved by the March 1, 2020, required deadline.
 - Fiscal impact: No fiscal impact to the District

Conclusion

- The District's financial statements are presented fairly in all material respects
- No federal compliance findings
- Management and staff at the District office and other departments were prepared for our audit and responded timely to our requests
- The District's audit report was filed with the State Controller's Office before the March 31, 2021 reporting deadline

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. Crowe may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this document. © 2021 Crowe LLP.