



# SAN DIEGO CITY SCHOOLS

EUGENE BRUCKER EDUCATION CENTER ♦ 4100 Normal Street, San Diego, CA 92103-2682 ♦

Office of the Superintendent

## Executive Summary Board Date: September 14, 2004

|  |   |                    |
|--|---|--------------------|
| <b>SUBJECT:</b><br><br><b>SELECTION OF DISTRICT EXTERNAL AUDITOR</b> | X | <b>OPEN/ACTION</b> |
|  |   | <b>INFORMATION</b> |
|  |   | <b>CONSENT</b>     |

### Recommendation(s):

The superintendent recommends that the Board of Education confirm the selection of Vincenti, Lloyd, and Stutzman, LLP as the district’s external auditor for fiscal years 2003/04, 2004/05, and 2005/06.

### Summary of Previous Board of Education Discussion and Action:

At the July 27 meeting, the Board of Education authorized staff to work with the Audit and Finance Committee to identify and engage an audit firm through an informal selection process during the month of August and return at the September 14, 2004 meeting for formal approval.

### Summary of Key Issue(s):

Two audit firms presented proposals during the first week of August for consideration as the district’s external auditor:

- Vavrinek, Trine, Day & Co., LLP
- Vincenti, Lloyd, & Stutzman, LLP

Both firms are active and well established in the state in the K-12 school district audit field and as such submitted proposals that were acceptable for consideration. Neither firm submitted a proposal that would complete the audit by the December 15, 2004 due date for the 03/04 audit but would in fact meet that deadline for the two subsequent years.

A selection committee comprised of the district’s Chief Financial Officer, Director of Accounting Operations, and the two person ad hoc subcommittee of the Audit and Finance Committee reviewed the proposals, checked references, and conferred together to develop a recommendation to the full committee. At the August 20 meeting, the full Audit and Finance Committee confirmed the selection.

The selected firm is expected to begin work during the month of August with an anticipated submittal date of late February 2005. Work on the 04/05 audit will begin immediately thereafter.

### Fiscal Analysis:

The agreed upon price for the fiscal year 2003/04 audit is not-to-exceed \$195,000 which amount is included in the 2004/05 budget. For fiscal years 04/05 and 05/06, the agreement stipulates not-to-exceed prices of \$205,000 and \$210,000 respectively.

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Chief Financial Officer  
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Chief of Staff