

STATE COMMITTEE FOR SCHOOL DISTRICT AUDITS

MINUTES OF THE April 9th, 2026, MEETING

Members present: Auditor of Public Accounts Designee, Valerie Hamilton, Office of Education Accountability Designee, Sabrina Smith, Commissioner of Education Designee, Marshall Smith, and Office of the Attorney General Designee, Stacy Woodrum

Members not present: Office of the Governor Designee, John Hicks

Also in attendance: APA Attendees: Ella Morton, Alex Evans, and Savannah Baker; Kentucky Department of Education Attendees: Jackie Chism

I. Call to Order:

With a quorum present, Valerie Hamilton called the virtual meeting to order at 9:00 am. Valerie informed all present that this meeting is subject to the Kentucky Open Meetings Act. The agenda and meeting were made available to the public on April 8th via a Media Advisory provided by Ella Morton. It was also noted that all members of a public agency attending via video teleconference must remain on camera at all times. A roll call was performed.

II. Approval of Minutes of the March 19th, 2026 Meeting:

Stacy Woodrum made a motion to approve the March 19th, 2026 meeting minutes. Sabrina Smith seconded this motion, and the Committee unanimously approved the motion.

III. Old Business:

Nothing to report.

IV. New Business:

Valerie opened the topic of new business and then turned it over to Marshall to cover the Final Draft Audit Contract Requirements for FY2025-2026. Marshall noted all updates would be highlighted in yellow.

- Under the Auditor Alert Section, he pointed out the budgetary limits were buffed up pursuant to KRS §160.290 as it pertains to school districts. The second bullet point pertains to the Single Audit threshold from \$750,000 to \$1,000,000 in federal expenditures as updated from 2 CFR Part 200.501.
- On pg. 4, a sentence was added on findings clarifications pertaining to expenditures exceeding the approved budget
- On pg. 11, under Audit Extension Request, a sentence was added covering the awareness of audit difficulties to hold the CPA to a higher level of responsibility.
- On pg. 16, under District Responsibilities, a bullet was added explaining every District's responsibility to provide timely financial information for accurate reporting
- On pg. 18, a bullet point was added that every school district must complete and submit Appendix I with the audit contract to KDE, which takes the place of the former Audit Acceptance Statement.

With no more highlights, Marshall opened the floor to the Committee. No further concerns were noted.

Sabrina Smith made a motion to approve the Final Draft Audit Contract Requirements for FY2025-2026. Stacy Woodrum seconded. The Board unanimously approved.

The Committee moved to the DRAFT SCSDA FY2026 Independent Auditor Contract, turning it back over to Marshall. He noted all changes were in relation to updated dates.

Sabrina Smith made a motion to approve the DRAFT SCSDA FY2026 Independent Auditor Contract. Marshall Smith seconded. The Board unanimously approved.

Next, the Committee moved to the Boyd County Public Schools Letter. Marshall noted that the FY25 Audit had yet to be turned in as of the meeting. The primary issue is derived from the financial officer not keeping their reconciliations up-to-date until only a couple weeks ago. The CPA has confirmed to Marshall the completion, but has not verified it personally. This letter stresses the importance of complete financial records, along with the importance of complete and accurate reporting. Marshall recommends that the letter be sent as is. Sabrina inquired if the reconciliation has truly been completed. Marshall reiterated he has not verified and only knows this information via a phone call with the county. For added context, the CPA can resume the audit of Boyd County on or around April 15th.

The Committee turned to the Allen & Associates letter. For their Fiscal Year 2025 audits, Allen & Associates engaged with 19 districts. Marshall and Jackie noted the following after an inquiry for proper reflection in the letter:

- a. Repeated difficulties getting these audits done and on time.
- b. Of their 19 audits: 7 were turned in by the original deadline, 10 were late when submitted and 2 remain outstanding as of April 9th, being Jenkins Independent and Estill School District

Deliberation commenced over holding the CPA to a new hard deadline or mold language to intensify the stress of completing what they are contractually obligated to do. Several edits were recommended that KDE will complete and return to the Committee. They will go out no later than close of business April 9th.

Sabrina Smith made a motion to approve both the Boyd County Public Schools and Allen & Associates Letters with all discussed revisions. Marshall Smith seconded. The Board unanimously approved.

Nothing further was discussed.

V. Miscellaneous:

Nothing was discussed.

VI. Future Meeting Date:

The next SCSDA meeting will be in-person at 209 St. Clair St. on June 11th, 2026 at 9a.m.

VII. Adjournment:

Stacy Woodrum made a motion for adjournment. Sabrina Smith seconded the motion. Without objection, the meeting was adjourned at 9:26 am.

Respectfully submitted,

Michael Evans

Full Video of the YouTube Livestream for April 9th, 2026:

- [April 9, 2026 - State Committee for School District Audits Meeting](#)

Discussion Points for Future Meetings

- SCSDA's future role in the eyes of the General Assembly
- Committee Member Attendance