



Poudre School District

MEMO TO: PSD Board of Education

FROM: PSD Audit Committee

DATE: December 9, 2025

SUBJECT: Annual Report of the Audit Committee for the 2025 Fiscal Year

The Audit Committee's roles and responsibilities are outlined in the Audit Committee Charter approved by the Board of Education. The committee's activities provide assistance to the Board of Education in fulfilling its oversight responsibility to the stakeholders relating to a) the financial statements and the financial reporting process; b) the system of internal controls; c) the risk management; d) the performance of internal and independent external auditors; and e) the compliance with legal and regulatory matters.

In compliance with the Audit Committee Charter, we confirm that:

- 1) We held 4 public meetings during the year.
- 2) We verified the independence of the Committee's voting members;
- 3) We provided and encouraged a forum for open communication between the external auditor, Board of Education, Superintendent, the Finance Department and the general public;
- 4) We provided and encouraged a forum for open communication between the third-party internal auditor, Board of Education, Superintendent, the Finance Department and the general public;
- 5) We discussed and approved the overall scope and the respective 2025 audit plan of CliftonLarsonAllen LLP, the independent external auditors appointed by the Board of Education.
- 6) On November 20, 2025, we reviewed and discussed the draft Annual Comprehensive Financial Report (the "ACFR"), as of and for the year ended June 30, 2025, with the District's management and CliftonLarsonAllen LLP.

CliftonLarsonAllen LLP is expected to issue an unmodified audit opinion on the District's financial statements as of and for the year ended June 30, 2025. A draft of the ACFR and Schedule of Expenditures of Federal Awards, pending finalization of the auditor's reports will be presented at the Board of Education meeting on December 9, 2025. Note that these activities were performed in the following context:

- * That management has the primary responsibility for the financial statements and the reporting process; and
- * CliftonLarsonAllen LLP is responsible for expressing an opinion on the conformity of the District's financial statements with generally accepted accounting principles.



Poudre School District

In addition, to the financial statement audit, CliftonLarsonAllen LLP discussed a delay in the issuance of auditor's reports on internal control and internal control over compliance due to a delay in the release of the 2025 Compliance Supplement by the Office of Management and Budget, which was subsequently released on November 26, 2025.

We have discussed the results of their audits and their assessment of the District's internal controls to the extent they found it necessary to test such controls as well as the overall quality of the financial reporting process. We have reviewed the fees related to such services and have concluded that such services do not impair their independence.

- 7) We discussed the status of internal audit follow up actions resulting from previously performed internal audits.
- 8) We have discussed with management the internal controls surrounding the District's integrity and ethical values. The anonymous ethics and fraud hotline (whistle blower), initiated in 2009, was discussed with management and the limited activity surrounding this control was discussed. All matters appear to have been addressed to a reasonable conclusion.
- 9) We met with the Superintendent during our meeting held in August 2024 to discuss cabinet level changes and implications thereof to the system.

Based on the reviews and discussions undertaken, and subject to the limitation of our roles and responsibilities referred to above, the Audit Committee recommends to the Board of Education the inclusion of the District's financial statements and Schedule of Expenditures of Federal Awards as of and for the year ended June 30, 2025, in the District's Annual Comprehensive Financial Report and Single Audit Reporting Package, respectively, to constituencies and other agencies as prescribed by law and for filing with the Colorado Department of Education and other state regulatory agencies as required by law.

Respectively submitted,

Poudre School District Audit Committee

Mark Hartman, Brian Richmond, Lisa Kutcher, and Stacey Gumley; Community Members

Jim Brokish and Conor Duffy; Board of Education