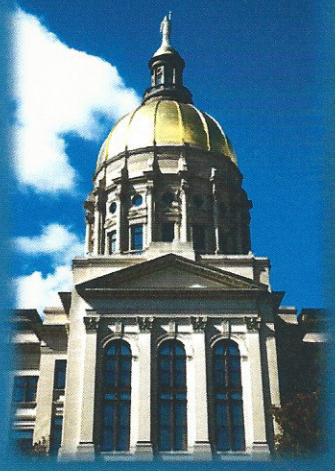


PIONEER REGIONAL EDUCATIONAL SERVICE AGENCY

CLEVELAND, GEORGIA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington Street, S.W., Suite 1-156
Atlanta, Georgia 30334-8400

GREG S. GRIFFIN
STATE AUDITOR
(404) 656-2174

Independent Accountant's Report on Applying Agreed-Upon Procedures

Mr. Justin Old, Executive Director
Pioneer Regional Educational Service Agency

We have performed the procedures enumerated below, which were agreed to by the management of the Pioneer Regional Educational Service Agency (RESA) solely to assist you in assessing the accuracy of the financial information reported to the Georgia Department of Education for the year ended June 30, 2017. Pioneer RESA's management is responsible for the financial information reported to the Georgia Department of Education. The sufficiency of these procedures is solely the responsibility of the party specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. Review the following balance sheet items reported on the annual financial statement worksheets, as applicable: cash, capital assets, accounts receivable, accounts payable, deferred revenues, lease obligations, and net position. Confirm that these items are properly reconciled to the RESA's general ledger.

   We did not note any exceptions as a result of our procedures.

2. Obtain the RESA's worksheets for the Statement of Net Position and Statement of Activities, the Governmental Fund Statements, and the Fiduciary Statements submitted for inclusion in the State's CAFR and Single Audit. Confirm that financial information presented in these statements properly supports activity reported in the RESA's accounting records.

Client processed and backdated checks during the month of July 2018 for the total amount of $80,735.52. These amounts should be recorded as payables and paid during the next fiscal year.

3. Obtain the RESA's worksheets for financial statement note information submitted for inclusion in the State's CAFR and Single Audit. Confirm that note disclosures related to Cash, Investments, Accounts Receivables, Capital Assets, Long Term Debt, and Lease Obligations have been properly reported.

   We did not note any exceptions as a result of our procedures.

4. Confirm that State & Federal Revenue received from the Georgia Department of Education has been properly recorded in the RESA's accounting records.

   We did not note any exceptions as a result of our procedures.

5. Verify that the listing of salaries and travel reported to the Department of Audits and Accounts is in accordance with O.C.G.A. 50-6-27 and reconciles to amounts recorded in the RESA's accounting records.

   Travel expense was understated by $10.11 on the DOAA portal relating to expenses not reconciled for the Cooperative Purchasing Agency.

6. Review the Schedule of Expenditures of Federal Awards. Confirm that the information is properly presented and supported by the RESA's accounting records.

   We did not note any exceptions as a result of our procedures.

7. Review the capital asset records to ensure that (1) subsidiary ledgers are appropriately reconciled to the ledgers, (2) capitalization thresholds are being properly followed, and (3) a complete physical equipment inventory is being conducted in accordance with the Georgia Department of Education's *Financial Management for Georgia Local Units of Administration (FMGLUA)* and that issues noted during the physical inventory are being properly addressed by management.

   Pioneer RESA does not have a formal physical inventory of equipment policy. They do maintain inventory lists for both capital and non-capital assets that are updated annually and biannually, respectively.

8. Review bank reconciliations during the year under review to ensure that management is preparing them in accordance with the Georgia Department of Education's *Financial Management for Georgia Local Units of Administration (FMGLUA)* and that reconciling items are being addressed by management.

The June Bank Reconciliation for one of Pioneer RESA's bank accounts included adjustments in the amount of $585.61 that were not posted to the general ledger.

9. Review employee compensation records to ensure the following:

    a. all employees reported as the Executive Director and Chief Financial Officer were paid according to approved salary schedules and/or contracts;
    b. the highest paid five (5) employees, in addition to those identified in (a), have approved documentation to support the salary amount paid during the fiscal year; and
    c. all individual salary increases between the prior and current fiscal years that are greater than 10% are supported with approved documentation of the increase.

    We did not note any exceptions as a result of our procedures.

10. Select the ten (10) highest individually significant vendor payments expensed during the fiscal year at each RESA and ensure that the expense was properly recorded on the accounting records, the total amounts paid to the vendor were appropriate, and sufficient supporting documentation was available.

    We did not note any exceptions as a result of our procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on the financial statements of Pioneer RESA for the year ended June 30, 2017. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the Pioneer RESA and is not intended to be, and should not be, used by anyone other than the specified party.

Respectfully,



Greg S. Griffin
State Auditor

July 16, 2018