



**WASHINGTON STATE UNIVERSITY
2023 AUDIT RESULTS DISCUSSION**

AUDIT PROCESS

- Began planning process in June 2023
- Interim testing was performed in October 2023
- Year end fieldwork started in November 2023 and finalized in beginning January 2024
- Risk-based audit approach
- Testing
 - Involves confirmations, sampling, analytics, inquiry and substantiation
- Assessment of testing and reporting

SCOPE OF PROCEDURES

- Engaged to perform the following procedures
 - Financial statement audit of:
 - Washington State University
 - Washington State University Housing and Dining System
 - Students Book Corporation
 - Northwest Public Radio/Northwest Public Television
 - Other Procedures
 - Agreed Upon Procedures – Washington State University Intercollegiate Athletic Department
 - Examination procedures over the Corporation for Public Broadcasting Schedule of Non-Federal Financial Support for Northwest Public Radio and Northwest Public Television

FINDINGS

- Findings from prior year were corrected in the current year
 - 2022-001 Year-End Closing and Review
 - Material Weakness in Internal Control over Financial Reporting
 - 2022-002 Bank Reconciliations
 - Material Weakness in Internal Control over Financial Reporting
- No new findings in the current year as a result of audit procedures

REQUIRED AUDITOR'S COMMUNICATION

- Auditor's Report
 - Unmodified opinion on the financial statements
 - ✓ In our opinion, the financial statements present fairly the financial position of WSU, as of and for the year June 30, 2023, in accordance with GAAP
 - No opinion or assurance on the required supplementary information
 - ✓ MD&A
 - ✓ Schedules on Pension
 - ✓ Schedules on OPEB
 - ✓ Inquiries of management only

REQUIRED AUDITOR'S COMMUNICATION

- Audit performed in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards
 - Management is responsible for the financial statements
 - Audit provides reasonable, but not absolute, assurance that the financial statements are not materially misstated
 - Audit does not provide any assurances regarding regulatory compliance
 - Audit is not designed to provide assurances regarding internal control over financial reporting
- Financial statements prepared in accordance with accounting principles generally accepted in the United States of America

REQUIRED AUDITOR'S COMMUNICATION

- AU260 Governance Letter
 - Significant Risks Identified
 - Management override of controls
 - Revenue recognition
 - Allowance for doubtful accounts
 - GASB 96 implementation
 - Cash reconciliation
 - Significant Estimates
 - ✓ Allowance for doubtful accounts
 - ✓ State OPEB liability and associated deferred inflows/outflow
 - ✓ State net pension liability (asset) and associated deferred inflows/outflows
 - ✓ University's Supplemental Retirement Plan net pension liability and associated deferred inflows/outflows
 - ✓ Asset retirement obligation
 - Corrected and Uncorrected Misstatements
 - Disagreements with Management
 - ✓ None
 - Management Consultations with Other Independent Accountants
 - ✓ None noted
 - Other Significant Matters
 - ✓ Report modifications



CPAs & BUSINESS ADVISORS

QUESTIONS?

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THANK YOU!

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FINANCIAL SERVICES