



Governing Board
Fowler Elementary School District No. 45
Phoenix, Arizona

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fowler Elementary School District No. 45 (District) for the year ended June 30, 2025, and have issued our report thereon dated December 12, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 27, 2025, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Fowler Elementary School District No. 45 solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you. We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, material noncompliance, and other matters noted during our audit in a separate letter to you dated December 12, 2025. We did not identify or report any material weaknesses or significant deficiencies.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team and our firm have complied with all relevant ethical requirements regarding independence.



Significant Risks Identified

We have identified the following significant risks: 1) Risk of revenue being recognized and recorded in the proper period as well as for fraud risk concerns, 2) Risk is the accounting estimate related to useful lives of capital assets and related depreciation methods, 3) Risk of improperly recorded year-end activity, including those transactions within the encumbrance period, and 4) Risk of improperly reconciled cash balances with the county treasurer. 5) Risk of the compensated absences being improperly recorded in accordance with GASB Statement No. 101, *Compensated Absences*.

These significant risks have been identified and related test work was performed over these areas on a risk-based audit approach.

Qualitative Aspects of the Entity's Significant Accounting Practices

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Fowler Elementary School District No. 45 are described in Note 1 to the financial statements. During the current fiscal year, the District implemented the effects of GASB Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*. The effects of the implementation GASB Statement No. 101, *Compensated Absences*, can be found within the footnotes of the basic financial statements. The effects of GASB Statement No. 102, *Certain Risk Disclosures*, did not have an effect on the District's financial statements.

We noted no transactions entered into by Fowler Elementary School District No. 45 during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of capital assets is based on an analysis of the assets' condition and the District's previous experience. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the percentage of accumulated sick/personal leave that will be used in future periods as opposed to the percentage of accumulated sick/personal leave that will be paid out upon separation from the District. We evaluated the key factors and assumptions used to develop the percentages in determining that they are reasonable in relation to the compensated absences balance and the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most significant disclosure presented within the financial statements was related to the restatement of fund balances and net position due to the implementation of GASB Statement No. 101, *Compensated Absences*, as well as the correction of an error within the prior year financial statements. The effects of these restatements can be found in Note 12. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

We noted no uncorrected misstatements during the current fiscal year.

Corrected Misstatements

In addition, professional standards require us to communicate to you all material and corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material audit adjustments were brought to management's attention, and management agreed with them:

- Material audit adjustments were necessary to convert the District's accounting records from the cash basis of accounting to the modified accrual basis of accounting for governmental funds. Additionally, conversion entries were recorded by the auditors to convert the modified accrual basis of accounting governmental funds to the government-wide financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We will request certain representations from management that are to be included in the management representation letter dated the date of the finalized audit report.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principle to Fowler Elementary School District No. 45's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Fowler Elementary School District No. 45's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

Restriction on Use

This information is intended solely for the information and use of the governing board and management of Fowler Elementary School District No. 45 and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Advisent Assurance, LLP

December 12, 2025
Mesa, Arizona