

April 20, 2023

#227820
2-CSAR22-R 11/18/2022

Ms. Sehba Ali, Superintendent
KIPP Texas Public Schools
10711 Kipp Way
Houston, TX 77099

Dear Ms. Ali:

The Financial Compliance Division at the Texas Education Agency (TEA) has reviewed the Annual Financial and Compliance Report (AFR) for the year ended June 30, 2022, in accordance with Texas Education Code §44.008(e) for KIPP TEXAS, INC. (FEIN: 010639602), the charter holder, and KIPP Texas Public Schools (CDN: 227820), its open-enrollment charter school. We have prepared the following comments for you and your school's board of trustees to review.

Financial Compliance Division Comments

1. The Schedule of Assets (PDF AFR, page 32) and the interconnected B11 worksheet data feed submission did not include the amounts for Cash (Data Code 1110) and Investments (Data Code 1120). as required by the Financial Accountability System Resource Guide, Module 2 Special Supplement—Charter Schools. Please ensure that future AFR PDF submissions meet these file format requirements.
2. The following issue was also noted in the data feed submission:
 - Within the Identification of Major Programs section of the B15a data feed schedule, the major programs listed on the Schedule of Findings and Questioned Costs (PDF AFR, page 57) should be listed individually by major program number, name (maximum of 32 characters including spaces), and program expenditure amount as reported in the Schedule of Expenditures of Federal Awards (PDF AFR, pages 48-50).
 - The B20 worksheet data feed submission reported the information from the Schedule of Related Party Compensation and Benefits (PDF AFR, page 34), which should be reported on the B21 worksheet data feed submission.

The consistency of the data feed with the annual financial report is essential. Each data feed schedule should be reviewed by school personnel and any incorrect or missing data should be entered before finalizing the data feed submission (Financial Accountability System Resource Guide 1.5.1.2). Since the data feed has been finalized, no further actions are required at this time.

To view a copy of the district's AFR submitted to TEA, go to <https://tealprod.tea.state.tx.us/Audit/Public/PDFViewer.asp>

KIPP Texas Public Schools

RE: 2021–2022 AFR

April 20, 2023

Although your school's AFR and working papers of the auditor remain subject to review by appropriate state and federal agency officials, we consider the AFR review closed.

We thank you and your auditor for your diligence and cooperation in completing the AFR. Please contact Ying Chen at ying.chen@tea.texas.gov or (512) 475-2372 for questions.

Sincerely,

Paul Moreno
Financial Desk Reviews Manager
Financial Compliance Division

PM/ yc.

cc: Mr. Gene Austin, Board President, KIPP Texas Public Schools
Mr. Son Nam Han, Chief Financial Officer, , KIPP Texas Public Schools
Blazek & Vetterling, CPAs
Marian L. Schutte, Director, Charter School Authorizing and Administration