



A Report on

# The Audit of the Permanent School Fund's Fiscal Year 2019 Financial Statements

December 31, 2019

Members of the Legislative Audit Committee:

In our audit report dated December 20, 2019, we concluded that the Permanent School Fund's (the Fund) basic financial statements for fiscal year 2019 were materially correct and presented in accordance with accounting principles generally accepted in the United States of America. The Fund published our audit report as part of its basic financial statements, which will be posted on its Web site at [www.tea.texas.gov](http://www.tea.texas.gov).

We also issued a report on internal control over financial reporting and on compliance and other matters as required by auditing standards. Our procedures did not identify any material weaknesses in internal control over financial reporting or any noncompliance with laws or regulations that materially affected the financial statements. In addition, the major internal controls that we tested for the purpose of forming our opinions on the financial statements were operating effectively.

Our procedures were not intended to provide an opinion on internal control over financial reporting or to provide an opinion on compliance with laws and regulations. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance with laws and regulations.

Auditors communicated certain issues that were not material or significant to the audit objectives in writing to the Fund's management.

As required by auditing standards, we will also communicate to the State Board of Education and the School Land Board certain matters related to the conduct of a financial statement audit.

SAO Report No. 20-018

We appreciate the Fund's cooperation during this audit. If you have any questions, please contact Michael Clayton, Audit Manager, or me at (512) 936-9500.

Sincerely,

Lisa R. Collier, CPA, CFE, CIDA  
First Assistant State Auditor

cc: The Honorable Greg Abbott, Governor  
Members of the State Board of Education

Dr. Keven Ellis, Chair  
Mr. Marty Rowley, Vice Chair  
Ms. Georgina C. Pérez, Secretary  
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Mr. Ken Mercer  
Ms. Marisa B. Perez-Diaz  
Dr. Matt Robinson

Texas Education Agency

Mr. Mike Morath, Commissioner of Education  
Mr. Holland Timmins, Executive Administrator and Chief Investment Officer,  
Permanent School Fund

General Land Office and School Land Board

The Honorable George P. Bush, Land Commissioner and Chairman of the School Land Board  
Mr. Gilbert Burciaga, School Land Board Member  
Mr. Scott Rohrman, School Land Board Member  
Mr. Mark Havens, Chief Clerk



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