



A Report on

The Audit of the Permanent School Fund's Fiscal Year 2021 Financial Statements

December 28, 2021

Members of the Legislative Audit Committee:

In our audit report dated December 20, 2021, we concluded that the Permanent School Fund's (the Fund) basic financial statements for fiscal year 2021 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 it intends to post on its website at <https://tea.texas.gov/finance-and-grants/texas-permanent-school-fund>.

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 an issue that was 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. 22-014

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
State Auditor

cc: The Honorable Greg Abbott, Governor
Members of the State Board of Education
Dr. Keven Ellis, Chair
Ms. Pam Little, Vice Chair
Ms. Georgina C. Pérez, Secretary
Mr. Lawrence A. Allen, Jr.
Dr. Rebecca Bell-Metereau
Mr. Ruben Cortez, Jr.
Ms. Aicha Davis
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Mr. Will Hickman
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Mr. Tom Maynard
Ms. Sue Melton-Malone
Ms. Marisa B. Perez-Diaz
Dr. Matt Robinson
Dr. Audrey Young
Mr. Mike Morath, Commissioner of Education, Texas Education Agency
Mr. Holland Timmins, Executive Administrator and Chief Investment Officer, Permanent School Fund
The Honorable George P. Bush, Land Commissioner and Chairman of the School Land Board
Members of the School Land Board
Mr. Gilbert Burciaga
Mr. Michael A. Neill
Mr. Scott Rohrman
Mr. Todd A. Williams
Mr. Mark Havens, Chief Clerk, General Land Office



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