



CHARTER SCHOOL
Arizona State Board for Charter Schools
Uniform System of Financial Records for Charter Schools
Compliance Questionnaire
Fiscal Year Ended _____

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USFRCS COMPLIANCE QUESTIONNAIRE

INSTRUCTIONS

NOTE: This questionnaire should only be used for schools that are subject to the Uniform System of Financial Records for Arizona Charter Schools (USFRCS) (schools that do NOT have an exception). If a school is subject to procurement requirements pursuant to A.R.S §15-189.02 and 41-2535(A), this questionnaire should be used in conjunction with the Procurement Compliance Questionnaire (see audit guidelines memo dated 6/10 _____) which is available on the Arizona State Board for Charter School's website <http://asbcs.az.gov>.

Arizona Revised Statutes (A.R.S.) §15-183(E)(6) and 15-271, and Laws 1999, 1st Special Session, Chapter 4, sec.15, require the Office of the Auditor General, the ~~Arizona~~ State Board of Education (~~ASBE~~), or the Arizona State Board for Charter Schools (~~ASBCS~~) to inform any charter school failing to establish and maintain the requirements prescribed by the *Uniform System of Financial Records for Arizona Charter Schools* (USFRCS) that it has 90 days to correct the cited deficiencies. To assist the State Board for Charter Schools in determining whether a school has attained an acceptable degree of compliance with the requirements of the USFRCS, the audit firm must complete this USFRCS Compliance Questionnaire. A copy of the completed questionnaire must be submitted with the audit reporting package to the State Board for Charter Schools.

The following prescribed minimum audit standards for completing the USFRCS Compliance Questionnaire must be used in all audits. ~~Audits not meeting these standards may be rejected by the~~The State Board for Charter Schools may reject audits not meeting these standards.

- ◆ Sufficient, appropriate evidence must be obtained annually for each question to satisfactorily determine whether the School complies with the USFRCS, and the evidence must be ~~documented~~ included in the audit ~~working papers~~ documentation.
- ◆ Evidence may be obtained through test work, observation, examination, and client assertion. However, client assertion alone is not adequate evidence to support “Yes” answers to the questionnaire.
- ◆ Population size should be considered in determining the number of items to test, and the items selected should be representative of the population.
- ◆ The number of items tested must be sufficient to determine whether a deficiency was the result of an isolated incident or a recurring problem. Therefore, testing one transaction, record, or item is not sufficient.
- ◆ The sample size should be expanded if the audit firm cannot clearly determine whether the School complies with the USFRCS on that question.
- ◆ If sufficient evidence has been obtained and documented during the current audit, that evidence may be referenced to answer questions.
- ◆ All “No” and “N/A” answers must be adequately explained in the comments column or in an attachment. Deficiencies must be described in sufficient detail to enable the ~~ASBCS~~ State Board for Charter Schools to describe the deficiency in a letter. The description should include the number of items tested and the number of exceptions noted. Comments such as “See LOR” are not adequate.
- ◆ A “Yes” answer indicates that the audit firm has determined that the School complies with the USFRCS on that question, and a “No” answer indicates the School does not comply. However, the final determination of compliance on each question, as well as overall compliance with the USFRCS, is made by the ~~ASBCS~~ State Board for Charter Schools based on the evidence presented in the questionnaire, audit reports, the ~~audit firm's working papers~~ audit documentation, and any other sources.

The resulting audit ~~working papers~~ documentation supporting the audit firm's answers on the questionnaire must be made available on request for review by the State Board for Charter Schools. To facilitate this review, the audit firm may wish to include in the audit ~~working papers~~ documentation a copy of the questionnaire with references to the audit procedures performed for each question.

USFRCS COMPLIANCE QUESTIONNAIRE

	<u>YES/NO</u>	<u>COMMENTS</u>
<u>BUDGETS</u>		
1. Was a copy of the proposed budget filed with the Superintendent of Public Instruction no later than July 5 or the date of publication of the notice of the public hearing and board meeting? A.R.S. §15-905(A).	_____	_____
2. Was a notice of public hearing and Governing Board meeting to adopt a budget <u>transmitted electronically to the Arizona Department of Education</u> or published in a newspaper of general circulation no later than 10 days prior to the meeting? A.R.S. §15-905(C).	_____	_____
3. Was the publisher’s affidavit of publication of the notice of the public hearing and board meeting <u>or the affidavit including the date the notice was posted on ADE’s website</u> filed with the Superintendent of Public Instruction within 30 days after publication? A.R.S. §15-905(C).	_____	_____
<u>4. Beginning with fiscal year 2012, if the School maintains a website, did the Governing Board post on its website a copy of its proposed budget or summary of its proposed budget and a notice of public hearing? Laws 3010, Ch. 332, sec. 4</u>	_____	_____
4.5. Was the adopted budget signed by a majority of the Governing Board members and filed with the Superintendent of Public Instruction by July 18? A.R.S. §15-905(B) and (E).	_____	_____
5.6. Was the adopted budget mathematically accurate, and did it include all School expenses?	_____	_____
5.7. Was a copy of the budget maintained on file at the School?	_____	_____
7.8. If the School revised the adopted budget, was the revision completed before May 15 and filed with the Superintendent of Public Instruction by May 18?	_____	_____
<u>ACCOUNTING RECORDS</u>		
1. Did the School properly reconcile its accounting records to the bank account records and is the reconciliation properly supported?	_____	_____
2. Were accounting records maintained in accordance with the USFRCS Chart of Accounts?	_____	_____
3. Were the responsibilities of initiating, approving, and recording journal entries separated among employees, or were adequate alternative procedures in place?	_____	_____
4. Were journal entries approved by an authorized School administrator before being recorded in the accounting records?	_____	_____
5. Were prenumbered and numerically controlled journal entry forms prepared for all journal entries?	_____	_____
<u>CASH</u>		
1. Were bank accounts authorized by the Governing Board?	_____	_____
The following is a list of bank accounts allowed by the USFRCS:		
a. General account	_____	_____

USFRCS COMPLIANCE QUESTIONNAIRE

	YES/NO	COMMENTS
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- | | | |
|---|--|--|
| b. General Revolving account | | |
| c. Payroll Clearing account | | |
| d. State Income Tax Withholdings account | | |
| e. Federal Payroll Tax Withholdings account | | |
| f. Employee Insurance Programs Withholdings account | | |
| g. Federal Savings Bond Withholdings account | | |
| h. Food Service account | | |
| i. Food Service Revolving account | | |
| j. Auxiliary Operations account | | |
| k. Auxiliary Operations Revolving account | | |
| l. Student Activities account (required for schools with student activities) | | |
| m. Grants and Gifts to Teachers account | | |
| 2. Were inactive bank accounts closed? | | |
| 3. Was the School's general revolving account established by a check drawn on the general bank account, maintained on an imprest basis, and reimbursed for all disbursements for the current fiscal year by year-end? | | |
| 4. Were disbursements from the general revolving account only for items requiring immediate cash outlays such as postage, freight, fuel taxes, travel, and other minor disbursements? (Salaries and wages should not be paid from the revolving account.) | | |
| 5. Was the School's petty cash account authorized by the Governing Board, established by a check drawn on the general revolving bank account, maintained on an imprest basis, and closed to the general revolving bank account by fiscal year-end? | | |
| 6. Were disbursements from the School's petty cash account only for minor disbursements when a check was not practical or immediate cash payment was required? | | |
| 7. Was the School's petty cash account locked in a safe or a cash box to which only the custodian has access? | | |
| 8. Were bank accounts reconciled monthly to the check register by an employee not involved in handling cash receipts or disbursements? | | |

SUPPLIES INVENTORY

- | | | |
|---|--|--|
| 1. Were the responsibilities of record keeping and custody of supplies adequately separated among employees? If this was not possible due to the School's limited staff size, were adequate review procedures in place? | | |
| 2. Did the School adequately safeguard supplies inventory from unauthorized use, theft, and damage? | | |
| 3. Was a complete physical inventory taken at least annually, if periodic inventory records were maintained, or at least once every 3 years if perpetual records were maintained? | | |
| 4. Were the inventory accounting records adjusted when an actual physical inventory was taken? | | |

USFRCS COMPLIANCE QUESTIONNAIRE

	YES/NO	COMMENTS
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5. If perpetual records were maintained, were periodic verifications of selected items made between inventory dates? _____
6. Was a supplies inventory list that included item and unit descriptions, purchase document numbers, quantities, unit costs, extended costs, page totals, and a grand total prepared at the end of each fiscal year for all supplies, including food service supplies, both purchased and donated, and bookstore supplies? _____
7. Was adequate documentation maintained to support the actual cost recorded on the supplies inventory list? _____

CAPITAL ASSETS

1. Did the School prepare a capital assets list that included all equipment with unit costs of ~~\$300~~\$5,000 or more and useful lives of 1 year or more, and all land, buildings, and related improvements with a cost of ~~\$3,000~~\$5,000 or more? (Lower threshold amounts may be used with governing board approval.) _____
2. Does the capital assets list include the following information for each item?
 - a. Location (campus, department, building, etc.) _____
 - b. Identification number for equipment (tag number, serial number, or other number that specifically identifies the item) _____
 - c. Description (model number, size, color, etc.) _____
 - d. Method of acquisition (purchase, donation, construction, trade, or lease-purchase) _____
 - e. Source of funding (the project from which the item was purchased) _____
 - f. Acquisition date (month and year of acquisition) _____
 - g. Purchase document number (purchase order, voucher, or other document number that can be used to trace to the supporting documentation) _____
 - h. Actual cost including any ancillary charges. Were donated assets recorded at fair market value at the date of donation? _____
 - i. Condition of asset (for assets with unit costs of \$5,000 or more purchased with federal monies) _____
 - j. Percentage of federal participation (for assets with unit costs of \$5,000 or more purchased with federal monies) _____
3. Did the School update the capital assets list at least annually for acquisitions and disposals? _____
4. Was proper supporting documentation retained for all items recorded on the capital assets list? _____
5. Were equipment items recorded on the capital assets list identified by a tag, marked with an identifying number, or specifically identified by some other means? _____
6. Was a physical inventory of equipment taken at least every 3 years and reconciled to the capital assets list? Was a physical inventory of _____

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	<u>YES/NO</u>	<u>COMMENTS</u>
equipment costing \$5,000 or more purchased with federal monies taken at least every 2 years?		
7. Were disposals of capital assets properly authorized and the items removed from the capital assets list?		
8. Was obsolete or damaged equipment removed from the capital assets list?		
9. Did the School reconcile changes in capital asset accounts to the capital asset additions list?		
10. Did the School reconcile the current year's capital assets list to the previous year's list?		
11. Did the School maintain adequate insurance coverage for capital assets?		

RECEIPTS

1. Were the responsibilities of receiving, depositing, and recording receipts separated among employees? If this was not possible due to the School's limited staff size, were adequate review procedures in place?		
2. Were prenumbered and numerically-controlled cash receipt forms prepared for all cash, checks, and warrants received at the School?		
3. Were daily cash receipt summaries prepared to provide a reconciliation of the amount of cash, checks, and warrants on hand to issued receipts?		
4. Were receipts adequately safeguarded prior to deposit?		
5. Were all monies received by the School deposited intact in the appropriate bank account daily, if significant, or at least weekly?		
6. Were validated bank deposit receipts agreed to applicable cash receipt summaries and copies of bank deposit slips, and maintained on file?		

CLASSROOM SITE FUND

1. Did the School properly allocate Classroom Site Project receipts among the following projects: 1011—Base Salary (20%), 1012—Performance Pay (40%), and 1013—Other (40%)? A.R.S. §15-977.		
2. For Project 1011, were expenses only for teacher base salary increases and employment-related expenses?		
3. For Project 1012, were expenses only for performance-based teacher compensation increases and employment-related expenses?		
4. For Project 1013, were expenses only for class size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums?		
5. Did the School use Classroom Site Project monies to supplement rather than supplant, existing funding from all other sources? (See USFRCS Memorandum No. 44 for guidance for Classroom Site Projects.)		
6. If the School had monies remaining at year-end, were they properly carried forward in the three Classroom Site Projects (1011, 1012, and 1013) to help ensure that the restrictions placed on the original allocation of revenues is applied in future years?		

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	<u>YES/NO</u>	<u>COMMENTS</u>
<u>TRAVEL</u>		
1. Did the Governing Board prescribe policies and procedures for reimbursing lodging and per diem expenses incurred for School purposes, and were the amounts within the maximums established by the Director of the Arizona Department of Administration (ADOA)? (See latest USFRCS Memorandum regarding per diem travel expenses for approved amounts.)	_____	_____
2. Did the School reimburse mileage at the standard rate established by ADOA?	_____	_____
3. If amounts exceeded the limits set by ADOA, did the School include amounts in excess of the Internal Revenue Service (IRS) limits authorized in IRS Publication 1542 in employees' income on Form W-2?	_____	_____
<u>FINANCIAL REPORTING</u>		
1. Was the annual financial report (AFR) sent to the Superintendent of Public Instruction by October 15?	_____	_____
2. Was the AFR signed by a majority of the Governing Board members ?	_____	_____
3. Was a copy of the AFR maintained on file at the School?	_____	_____
4. Did budgeted expenses as reported on the AFR agree with the School's adopted budget <u>or most recently revised adopted budget</u> ?	_____	_____
5. Did actual revenues and expenses as reported on the AFR agree with the School's accounting records?	_____	_____
6. Was all required information included in the AFR?	_____	_____
7. Was disclosure in the notes to the financial statements adequate, and were all pertinent notes incorporated as an integral part of the financial statements?	_____	_____
8. Was adequate documentation retained to support amounts in the financial statements (if the school is not the primary reporting entity – was adequate documentation retained to support revenue and expenses in the charter school)?	_____	_____
9. If applicable, were the reporting requirements of the <i>Single Audit Act Amendments of 1996</i> met?	_____	_____
10. Is the school in good standing with the following regulatory bodies:	_____	_____
a. Internal Revenue Service for payroll taxes, income taxes (if applicable) and required tax forms? <u>(26 U.S.C. §3402) U.S.C. Title 26</u>	_____	_____
<u>i. For payroll taxes, income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?</u>	_____	_____
<u>ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.</u>	_____	_____
<u>iii. If the response to 10.a.i, 10.a.ii, or both is "no", does the school have a payment plan in place with the Internal Revenue Service?</u>	_____	_____
<u>iv. If the answer to Question 10.a.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?</u>	_____	_____

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	YES/NO	COMMENTS
b. Corporation Commission (annual report)? (Charter Contract)		
e.b. Arizona Department of Revenue for payroll taxes, state income taxes (if applicable) and applicable tax forms? (A.R.S. §43-401 and §43-1111)		
i. For payroll taxes, state income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?		
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.		
iii. If the response to 10.b.i, 10.b.ii, or both is “no”, does the school have a payment plan in place with the Arizona Department of Revenue?		
iv. If the answer to Question 10.b.iii is “yes”, has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?		
d.c. State unemployment contribution requirements? (Arizona Department of Economic Security A.R.S. § 23-721 et seq.)		
i. State unemployment contribution requirements for the audited fiscal year?		
ii. The school did not have any state unemployment contributions payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.		
iii. If the response to 10.c.i, 10.c.ii, or both is “no”, does the school have a payment plan in place with the Arizona Department of Economic Security?		
iv. If the answer to Question 10.c.iii is “yes”, has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?		
d. Corporation Commission (e.g., annual report)? Charter Contract		

AUDIT REQUIREMENTS

1. If the School exceeded the threshold of federal award expenses set forth in OMB Circular No. A-133, did the School contract with an independent audit firm to obtain an annual single audit?
2. Were the appropriate procurement rules or guidelines followed in obtaining the services of the audit firm?
3. Was the most current audit contract and the USFRCS Compliance Questionnaire and Procurement Compliance Questionnaire, if applicable, used for the audit (referenced in ASBCS audit guidelines)?
4. Were the supporting documents, detailed schedules, accounting records, and other information requested by the audit firm prepared and provided to the audit firm?

FOOD SERVICE

1. Were cash receipts adequately safeguarded?
2. Was all cash received in the operation of the School’s food service program deposited either in the general bank account or food service bank account

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- | | | |
|--|-------|-------|
| <p>daily, if practicable, or at least weekly?</p> | _____ | _____ |
| 3. Were validated bank deposit receipts agreed to applicable daily cash reconciliation reports and copies of bank deposit slips, and maintained on file? | _____ | _____ |
| 4. Were food service change funds established by a check drawn on cash in the general or food service bank account? | _____ | _____ |
| 5. Did the School refrain from making disbursements from the food service change fund? | _____ | _____ |
| 6. If a food service revolving bank account was used, was it established by a check drawn on the general or food service bank account in an amount limited to \$500, maintained on an imprest basis, and reimbursed for all disbursements for the current fiscal year by year-end? | _____ | _____ |
| 7. Were disbursements from the food service revolving bank account only for payment of freight on commodities, purchases of food required in emergencies, temporary employment not to exceed 8 hours for any person, and other minor disbursements? | _____ | _____ |
| 8. Were the responsibilities of receiving, depositing, and recording food service receipts separated among employees? If this was not possible due to the School's limited staff size, were adequate review procedures in place? | _____ | _____ |
| 9. Were meal tickets prenumbered, numerically controlled, and adequately safeguarded prior to issuance? If a computerized system was used, were proper controls in place? | _____ | _____ |
| 10. Were daily reports prepared that document a reconciliation of meal sales to cash collections, and were cash overages and shortages resolved? | _____ | _____ |
| 11. Did the actual expenses as reported on the Food Service page of the AFR agree with the School's accounting records? | _____ | _____ |
| 12. Were expenses reported on the Food Service page of the AFR classified in accordance with the USFRCS Chart of Accounts? | _____ | _____ |

YES/NO

COMMENTS

AUXILIARY OPERATIONS

- | | | |
|--|-------|-------|
| 1. Did the auxiliary operations bank account include all monies raised in connection with the activities of campus bookstores and athletics? | _____ | _____ |
| 2. Was the School's auxiliary operations revolving bank account established by a check drawn on the general or auxiliary operations bank account in an amount approved by the Governing Board, maintained on an imprest basis, and reimbursed for all disbursements for the current fiscal year by year-end? | _____ | _____ |
| 3. Was the auxiliary operations petty cash account established from the general or auxiliary operations bank account in an amount approved by the Governing Board, and operated on an imprest basis? | _____ | _____ |
| 4. Were receipt forms and tickets prenumbered and numerically controlled? | _____ | _____ |
| 5. Did the School prepare daily sales summaries of bookstore operations and athletic ticket sales that provided a reconciliation between recorded sales | _____ | _____ |

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- and actual cash collected? _____
6. Were cash receipts deposited intact daily, if material, or at least weekly? _____
7. Were validated bank deposit receipts agreed to applicable daily sales summaries of bookstore operations/athletic ticket sales and copies of bank deposit slips, and maintained on file? _____
8. Was idle cash in the auxiliary operations bank account invested by the Governing Board in relatively risk-free investments such as interest-earning checking accounts, savings accounts, and certificates of deposit? Was interest earned on such investments credited to the auxiliary operations bank account? _____
9. Were disbursements from the revolving bank account and petty cash account supported by appropriate documentation and limited to postage, freight, fuel taxes, travel, and other minor disbursements? (Salaries and wages should not be paid from the revolving bank account and petty cash account. However, wages for game officials may be paid from the revolving bank account if the official is considered an independent contractor.) _____
10. Were auxiliary operations change funds established by a check drawn on cash in the auxiliary operations (revolving) bank account? _____
11. Did the School refrain from making disbursements from the auxiliary operations change fund? _____
12. Were the responsibilities of receiving, depositing, and recording auxiliary operations receipts separated among employees? If this was not possible due to the School's limited staff size, were adequate review procedures in place? _____
13. Were payroll taxes withheld from payments made to employees of the School who functioned as game officials, scorekeepers, ticket sellers, etc.? (Withholdings are not required for the game officials appointed by the Arizona Interscholastic Association.) _____

YES/NO

COMMENTS

STUDENT ACTIVITIES

1. Was the student activities treasurer and assistant student activities treasurer(s), if applicable, appointed by the Governing Board? _____
2. Did the student activities bank account include only monies of student clubs, organizations, school plays, or other student entertainment that were raised through the efforts of students with the approval of the Governing Board? (Note: Raffles, bingo, and other forms of gambling are not legal events for student clubs.) _____
3. Were student activities monies deposited in a bank account designated as the student activities bank account? _____
4. Were monies deposited intact daily, if significant, or at least weekly? _____
5. Were student activities change funds established by a check drawn on cash in the student activities bank account and returned to the bank account at the end of the school year? _____

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6. Did the School refrain from making disbursements from the student activities change fund?		
7. Were student activities tickets prenumbered, numerically controlled, and physically safeguarded?		
8. Were reports prepared that reconciled sales to cash collected at student activities events? (When applicable, sales should be documented using tickets, prenumbered cash receipts, a cash register, or count items on hand before and after a sale.)		
9. Were validated bank deposit receipts agreed to applicable daily cash collection summaries and copies of bank deposit slips, and maintained on file?		
10. Was student activities' idle cash invested by the Governing Board in relatively risk-free investments such as interest-bearing checking accounts, savings accounts, and certificates of deposit? Was interest earned on such investments allocated proportionately to the appropriate clubs?		
11. Were the responsibilities of cash handling and recordkeeping separated among employees? If this was not possible due to the District's limited staff size, were adequate review procedures in place?		
12. Were receipts adequately safeguarded prior to deposit?		
13. Was cash available in the student club accounts before disbursements were made?		
14. Were disbursements from the student activities bank account properly authorized by or on behalf of the student members of a particular club?		
15. Were checks drawn on the student activities bank account signed by the student activities treasurer or assistant treasurer and one other person authorized by the Governing Board?		
16. Were transfers of monies among student clubs properly authorized?		
17. Was a report of cash receipts, disbursements, transfers, and cash balances of the student activities bank account submitted to the Governing Board monthly?		
	YES/NO	COMMENTS

STUDENT ATTENDANCE REPORTING

If test work performed in questions 3-1615, and 19-18 of this section discloses a net overstatement or understatement of membership and/or absence days, report the net overstatement or understatement in the "Comments" column.

1. Was school in session for at least 180 days or 144 days for schools operating on a 4-day week, or did the governing board adopt a calendar with an equivalent number of minutes of instruction per school year based on a different number of days of instruction, and were membership and attendance recorded for each day school was in session?

A.R.S. §§15-902(H), (I), and (J) and §15-341.01.

2. Did the School ensure that:

(Note: Instruction hours do not include periods of the day in which an

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instructional program or course of study is not being offered, including, but not limited to, lunch breaks, recesses, homeroom periods, study hall periods, and early release or late start hours. ADE's [School Finance Procedures Manual](#)

- a. Kindergarten was in session for at least 356 hours? **A.R.S. §15-901(A)(2)**
- b. Grades 1 through 3 were in session for at least 712 hours? **A.R.S. §15-901(A)(2)**
- c. Grades 4 through 6 were in session for at least 890 hours? **A.R.S. §15-901(A)(2)**
- d. Grades 7 and 8 were in session for at least ~~1,068~~1,000 hours ~~for fiscal year 2010 (1,000 hours for FY 2011 and thereafter)~~? **A.R.S. §15-901(A)(2)**
- e. For high school, a full-time instructional program meets at least 720 hours during the minimum number of days required? **A.R.S. §15-901(A)(2)**
- f. For high school, a full-time instructional program includes at least four subjects, each of which if taught each school day for the minimum number of days required in a school year, would meet a minimum of 123 hours a year; or any number of subjects totaling at least 20 hours per week, prorated for any week with fewer than 5 school days? **A.R.S. §15-901(A)(2)**

For Student Attendance Reporting questions 3-~~16~~15, the audit firm must select and test the specified number of transactions (records, entries, withdrawals, or days) as shown in the sample size instructions before each section. That sample should include 3 or more grade levels and 3 or more campuses, where applicable. The listed sample sizes represent the minimum level of required test work. The audit firm should use its judgment in determining whether a larger sample is needed. All student attendance records tested in steps 3-10 and ~~16-15~~ should be selected from the 100th day reporting period.

In the parentheses provided in questions 3-~~16~~15, indicate the actual number of transactions tested. If all transactions were tested, indicate such in the "Comments" column.

For questions 3-5 select at least 3 student attendance records.

- 3. If the School had an early (pre-)kindergarten program, based upon review of (___) early (pre-) kindergarten students' attendance records, did the School only calculate and submit ADM data to ADE for this program if the program was designed to advance students to the first grade at the end of the of the school year? **A.R.S. §15-901(A)(2)(a)(i) and USFRCS Memorandum No. 33**
- 4. Based upon review of (___) students' attendance records in kindergarten programs with instructional time between 356 and 692 hours a year, were students not in attendance for at least three-quarters of the day counted as being absent? If the instructional time for the year was 692 hours or more,

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were students not in attendance at least one-half of the day counted as being absent? **A.R.S. §§15-901(A)(2)(a)(i) and 15-901(A)(6)(a)(i)-**

5. If the School had an early first grade program, based upon review of (____) early first grade students' attendance records, did the School calculate and submit ADM for this program as it would for kindergarten in accordance with ADE's [School Finance Procedures Manual](#)? **A.R.S. §15-901(A)(2)(b)(i) and USFRCS Memorandum No. 33-**

For questions 6 and 7, use the following sample sizes:

SCHOOLWIDE ADM	Student Attendance Records
<1,000	5
1,000-5,000	10
>5,000	15

6. Based on review of (____) students' attendance records at elementary and junior high schools, in which attendance was based on half days, were students in attendance for less than one-half the day counted as being absent for one full day? Were students in attendance for at least one-half day, but less than three-quarters of a day, counted as being absent for one-half day? Were students in attendance for at least three-quarters of a day counted in attendance for a day? **A.R.S. §15-901(A)(6)-**

7. Based upon review of (____) students' attendance records at elementary and junior high schools where attendance was based on quarter days, were students in attendance for more than three-quarters of the day counted in attendance for a day? Were students in attendance for three-quarters of the day or less counted in attendance for each quarter of the day in attendance? **A.R.S. §15-901(A)(6)-**

For questions 8 through 12, use the following sample sizes:

SCHOOLWIDE ADM	Student Attendance Records
<1,000	3
1,000-5,000	5
>5,000	7

8. ~~Based~~ For schools approved to report minutes of attendance, based upon review of the attendance records for a 1 month period for (____) students whose attendance was reported in minutes, did the School report minutes of attendance only for actual classroom instruction attended by the students in accordance with ADE's [School Finance Procedures Manual](#)?
9. Based upon review of (____) high school students' records whose attendance was reported in terms of absences, for all absence days reported in a 1 month period, did the School report the absences of high school students in accordance with the method(s) provided in ADE's [School Finance Procedures Manual](#)?

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10. Based upon review of (____) high school students' attendance records, did the School prorate the membership of the high school students enrolled in less than four subjects as provided in ADE's [School Finance Procedures Manual](#)?

11. For schools offering an Arizona Online Instruction (AOI) Program, based upon review of (____) AOI students' attendance records for 4 weeks:

a. Was the guardian-approved or School computer-generated daily log describing the amount of time spent by the student on academic tasks maintained by the participating AOI School?
A.R.S. §15-808(E)

b. Did the hours reported to ADE agree to the guardian-approved or School computer-generated daily log?

c. Were all pupils who participated in an AOI Program residents of this state? A.R.S. 15-808

12. Based upon review of (____) students' attendance records (all grades) for students withdrawn for having 10 consecutive unexcused absences, was the student only counted in membership through the last day of actual attendance? **A.R.S. §15-901(A)(2)**

For questions 13 through 15 and 14, use the following sample sizes:

SCHOOLWIDE ADM	Entries/Withdrawals
<1,000	5
1,000-5,000	10
>5,000	15

13. Based upon review of (____) entries: (**Note:** Enrollment forms are not required for continuing students at the same school.)

a. Were ~~the~~ entry dates entered into the School's computerized attendance system within 5 working days after the actual date of entry and was documentation maintained to support the date of data entry?

b. Did the entry date in the computerized attendance system agree to the entry form?

c. Did the teacher's attendance registers, if used, and other documentation support the entry date in the computerized attendance system?

d. Did membership for continuing/pre-enrolled students begin with either the first day of actual attendance or the first day that classroom instruction was offered, provided that the students actually attended within the first 10 days of school? For all other students, did membership begins with the first day of actual attendance? ~~ADE's~~ [School Finance Procedures Manual](#).

14. Based upon review of (____) withdrawals:

a. Were the withdrawal dates entered into the School's computerized

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attendance system within 5 working days after the actual date of withdrawal and was documentation maintained to support the date of data entry? (**Note:** “Day of withdrawal” means: a.) the later of the student’s withdrawal date or the day the school is notified the student will not be returning; or b.) the 10th day of non-attendance for students withdrawn for having ten consecutive unexcused absences.)

- b. Did the withdrawal date in the attendance system agree to the withdrawal form? (**Note:** If the computerized attendance system requires the school to input the first day of non-attendance for a student to be counted in membership through the last day of actual attendance, the withdrawal date on the system should be the school day following the withdrawal date on the form.)
- c. Did the teachers’ attendance registers, if used, and other supporting documentation support the withdrawal date in the computerized attendance system?
- d. Was an Official Notice of Pupil Withdrawal form prepared and retained for each withdrawal and signed by a school administrator?
A.R.S. §15-827-

~~For schools offering an AOI program, based on a review of (____) student records were all pupils who participated in AOI residents of this State?
A.R.S. §15-808(B)-~~

For question 1615, use the following sample sizes:

SCHOOLWIDE ADM	Days
<1,000	3
1,000-5,000	5
>5,000	7

- 15. Based upon review of (____) days for various campuses, grades, and classes in the computerized attendance system, did the student absences from each day agree to the teachers’ attendance registers, absence slips, or other supporting documentation, if used?
- 16. Did the School have adequate electronic or manual controls in place to ensure that any changes to the original record of student attendance data were properly authorized and documented, including the names or identification numbers of the persons making and authorizing the changes?
- 17. Was the School’s membership/absence information submitted to ADE electronically at least once every 20 school days through the last day of instruction (with the first 20 day period beginning the first ~~session~~-day of school or the opening of SAIS for current fiscal year data submission, whichever is later)? **A.R.S. §15-1042(H)-**
- 18. Based upon review of the School’s 40th and 100th day information uploaded to ADE, did the membership and absences agree with the School’s computerized attendance system records? (**Note:** For an AOI program, review year-end attendance information.)

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RECORDS MANAGEMENT

Did the School retain records in accordance with the *Records Retention and Disposition for Arizona School Districts* manual published by the Arizona State Library, Archives and Public Records (based on the testing conducted during the course of the audit)?

OPEN MEETING LAW A.R.S. § 38-431.01 and § 38-431.02 (See also Attorney General Opinion I00-009)

1. ~~Did Beginning July 29, 2010, did~~ the School conspicuously post a statement on its website stating where all public notices of its meetings will be posted, including the physical and electronic locations? Laws 2010, Chapter 88 file a disclosure statement, identifying where public notices of its meetings will be posted, with the Secretary of State?
2. Beginning July 29, 2010, did the school post all public meeting notices on its website? Laws 2010, Chapter 88
- ~~3.~~ 3. Did the School maintain a record of notices given that includes a copy of each notice that was posted and information regarding the date, time, and place of posting?
- ~~3.~~ 4. Were notices and agendas of public meetings posted at least 24 hours before the meeting?
- ~~4.~~ 5. Were written minutes prepared or a recording made of Governing Board meetings?

PERSONNEL

1. Did the school have valid fingerprint clearance cards for 100% of the required personnel as of the testing date? A.R.S. §15-183 (C)(4)(5) and A.R.S. §15-512(H)

(QUESTIONS #2a THROUGH 2c ONLY APPLY TO NEW HIRES REQUIRED PURSUANT TO A.R.S. 15-183(C)(5) TO HAVE VALID FCCS AND DO NOT APPLY IF AN INDIVIDUAL'S FCC HAS EXPIRED.)

2. For each individual referenced in #1 that did not have a FCC, please provide the following information (provide supplemental pages, if necessary) (See agency guidance available on the Board's website prior to completing these questions) A.R.S. §15-185(C)(5):
 - a. Was an application for a FCC on file with the Department of Public Safety (DPS) as of the testing date?
 - b. Did DPS receive the application prior to the hire date?
 - c. Prior to placement, did the school do all of the following?
 - i) Document the necessity for hiring/placing the individual prior

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to receiving a FCC?

ii) Obtain statewide criminal history information on the individual as required by Laws 2005, Chapter 21?

iii) Obtain references from the applicant's current and previous employers as required by Laws 2005, Chapter 21?

3. Did the charter school maintain up- to-date fingerprints of all governing board members as of the testing date? **Charter Contract¹**
4. Were all other personnel fingerprint checked as of the testing date? **A.R.S. §15-183 (C)(4); (5) and A.R.S. 15-512**
5. Did the charter school inform the parents and guardians of pupils enrolled in the school of the availability of resume information for all employees who provide instruction to pupils? **A.R.S. §15-183 (F)**

SPECIAL EDUCATION

1. Is the staff the school uses to provide special education services (internal or contracted) certified in special education?
2. Does the school conduct 45 day screenings on all new students? **AAC R7-2-401**
3. Are evaluations and IEP's on file for special education students? 34 CFR 300.341-350 and 300.531-536

INSURANCE REQUIREMENTS A.R.S. §15-183(M)

Does the school have the required insurance for liability and property loss?

TUITION A.R.S. §15-185 (B)(7)-(6) (See also Attorney General Opinion 198-007) and Laws 2010, 7th S.S., Ch. 8, Sec. 16

Did the school refrain from charging fees that may be considered tuition other than as provided for in A.R.S. §15-185(B)(6) [nonresidents] and Laws 2010, 7th S.S., Ch. 8, Sec. 16 [full-day kindergarten for fiscal year 2011 only]?

This Questionnaire was completed in accordance with the minimum audit standards as set forth in the instructions on page 2.

Audit Firm

Date

Preparer's Signature (Audit Firm Representative)

Title

¹ Specific contract cites could not be provided as term references vary per contract year.