



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

Table of Contents

<u>Topic</u>	<u>Page</u>
INSTRUCTIONS.....	2
BUDGETS	3
ACCOUNTING RECORDS.....	3
CASH.....	3
SUPPLIES INVENTORY	4
CAPITAL ASSETS	5
RECEIPTS	6
CLASSROOM SITE FUND.....	6
PAYROLL	7
TRAVEL.....	8
FINANCIAL REPORTING.....	8
AUDIT REQUIREMENTS	9
FOOD SERVICE	9
AUXILIARY OPERATIONS.....	10
STUDENT ACTIVITIES	11
STUDENT ATTENDANCE REPORTING	12
RECORDS MANAGEMENT	17
OPEN MEETING LAW	17
PERSONNEL	17
SPECIAL EDUCATION	18
INSURANCE.....	18
TUITION	18 19

INSTRUCTIONS

NOTE: This questionnaire should only be used for charters that are subject to the Uniform System of Financial Records for Arizona Charter Schools (USFRCS) (charters that do NOT have an exception). If a charter 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) which is available on the Arizona State Board for Charter Schools' website <https://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 State Board of Education, or the Arizona State Board for Charter Schools to inform any charter 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 charter has attained an acceptable degree of compliance with the requirements of the USFRCS, the audit firm must complete this USFRCS Compliance Questionnaire in accordance with both the agreed upon procedures (instructions contained herein) and the attestation standards established by the American Institute of Certified Public Accountants. A copy of the questionnaire completed in accordance with the attestation standards established by the American Institute of Certified Public Accountants must be submitted with the audit reporting package to the State Board for Charter Schools.

The following prescribed minimum agreed upon procedures, as well as those identified throughout the questionnaire, must be used for completing the USFRCS Compliance Questionnaire in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The State Board for Charter Schools may reject questionnaires not meeting these standards.

- ◆ Sufficient, appropriate evidence must be obtained annually for each question to satisfactorily determine whether the charter complies with the USFRCS, and the evidence must be included in the 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 charter complies with the USFRCS and/or legal requirements 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 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 charter complies with the USFRCS and/or legal requirements on that question, and a “No” answer indicates the charter does not comply. However, the final determination of compliance on each question, as well as overall compliance with the USFRCS, is made by the State Board for Charter Schools based on the evidence presented in the questionnaire, audit reports, resulting documentation, and any other sources.

The resulting 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 documentation a copy of the questionnaire with references to the procedures performed for each question.

USFRCS Compliance Questionnaire¹

	<u>YES/NO</u>	<u>COMMENTS</u>
<u>BUDGETS</u>		
1. Were the proposed budget and a notice of public hearing and Governing Board meeting to adopt a budget uploaded for posting on ADE’s website no later than 10 days prior to the meeting, and if the school maintains a website, were the proposed budget or budget summary and hearing notification posted on the school’s website? A.R.S. §15-185(M)	_____	_____
2. Was the adopted budget submitted electronically to the Superintendent of Public Instruction no later than July 18? A.R.S. §15-905 (E) and §15-183(E)(6)	_____	_____
3. Was the adopted budget mathematically accurate, and did it include all school expenses?	_____	_____
4. Was a copy of the budget maintained on file at the school?	_____	_____
5. 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		
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		

¹ For the purposes of this questionnaire, please note that “Governing Body” means the group of persons required by A.R.S. §15-183(E)(8) that is responsible for policy decisions of the charter school. The term “Governing Board” means the group of persons that the charter holder has assigned the responsibility addressed by the question. The applicable group of persons may be the Governing Body or the officers, directors, members or partners of the charter holder. The applicable group of persons may vary depending on the issue addressed by the question.

YES/NO

COMMENTS

- 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?

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 \$5,000 or more and useful lives of 1 year or more, and all land, buildings, and related improvements with a cost of \$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 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 – A.R.S. §15-977 and USFRCS Memorandum No. 44

- 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%)? _____
- 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 Fund monies to supplement rather than supplant, existing funding from all other sources? (See USFRCS Memorandum No. 44 for guidance on the Classroom Site Fund.) _____
- 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? _____
- 7. Did the school have sufficient cash at year-end to cover the carry over _____

monies, and what was the Classroom Site Fund cash carryover balance at year-end?

<u>YES/NO</u>	<u>COMMENTS</u>
_____	_____

PAYROLL

1. Were payroll processing responsibilities (payroll preparation, payroll authorization, and payroll check distribution) adequately separated among employees or were adequate alternative procedures in place?	_____	_____
2. Were written personnel and payroll policies established by the Governing Board and available to employees?	_____	_____
3. Did the school establish a delayed payroll system to help ensure that employees were paid only the amount actually earned?	_____	_____
4. Did individual personnel files include appropriate supporting documentation?	_____	_____
5. Did the school maintain a system to account for the accrual and use of vacation, sick leave, and compensatory time for all employees on an ongoing basis?	_____	_____
6. Did the school's policies governing leave time include prescribed accrual rates for specified years of service, maximum amounts to be accrued, and disposition of accrued time upon termination of employment?	_____	_____
7. Were individual time sheets, clock cards, or other work attendance records prepared for each hourly employee for each pay period, signed by the employee, and approved by the employee's supervisor?	_____	_____
8. Was all overtime pay paid no later than 16 days after the end of the most recent pay period? A.R.S. §23-351(C)(3)	_____	_____
9. Were payroll registers supported by properly authorized notifications of employment, terminations, pay rate changes, withholding and voluntary deduction authorization forms, and work attendance records?	_____	_____
10. Were completed payroll registers or prepayroll registers reviewed and approved by a school administrator?	_____	_____
11. Were payroll checks compared to the payroll register on a test basis prior to distribution to employees?	_____	_____
12. Were procedures established to record payroll expenses in the correct fiscal year?	_____	_____

YES/NO

COMMENTS

TRAVEL

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)~~ Internal Revenue Service (IRS)? ~~(See latest USFRCS Memorandum regarding per diem travel expenses for approved amounts.)~~ (Current limits are available at www.gsa.gov/perdiem.)
2. Did the school reimburse mileage at the standard rate established by ~~ADOA~~ the IRS?
3. If amounts exceeded the limits set by ~~ADOA~~ IRS, 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?

FINANCIAL REPORTING

1. Was the annual financial report (AFR) sent to the Superintendent of Public Instruction by October 15?
2. Was the AFR signed by the Governing Board?
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 or most recently revised adopted budget?
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 *Single Audit Act Amendments of 1996* met?
10. Is the school in good standing with the following regulatory bodies:
 - a. Internal Revenue Service **U.S.C. Title 26**
 - i. For payroll taxes, 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.a.i, 10.a.ii, or both is "no", does the school have a payment plan in place with the Internal Revenue Service?
 - 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

	<u>YES/NO</u>	<u>COMMENTS</u>
fiscal year end (June 30 th)?		
b. Arizona Department of Revenue 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 30 th) 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 30 th)?		
c. 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 30 th) 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 30 th)?		
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 daily, if practicable, or at least weekly?		
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
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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 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
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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? | | |
| 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 3-16, and 19** of this section discloses a net overstatement or understatement of membership and/or absence days, based on A.R.S. and ADE's membership and attendance guidelines, report the net overstatement or understatement in the "Comments" column next to each applicable question.

1. Was school in session for at least 180 days 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? **A.R.S. §15-341.01**

2. Did the school ensure that **[A.R.S. §§15-808(H)(J)(1) and 15-901(A)(1)]**:

(Note: Instructional hours do not include periods of the day in which an instructional program or course of study is not being offered, including, but not limited to, lunch-breaks, recesses, home_room periods, study hall periods, and early release or late start hours.) **ADE's External Guidelines GE-17 and GE-18**

 - a. Preschool children with disabilities were enrolled in a program that met at least 360 minutes a week that meets at least 216 hours over the

- minimum number of days? _____
- b. Kindergarten was in session for at least 356 hours or 346 hours for Arizona Online Instruction (AOI) Programs? _____
- c. Grades 1 through 3 were in session for at least 712 hours? _____
- d. Grades 4 through 6 were in session for at least 890 hours? _____
- e. Grades 7 and 8 were in session for at least 1,000 hours or 1,068 hours for AOI Programs? _____
- f. Grades 9 through 12, other than AOI Programs, were in session at least 720 hours? _____
- g. Grades 9 through 12, other than AOI Programs, include 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? _____
- h. Grades 9 through 12 of AOI Programs include at least four courses throughout the year that meet at least 900 hours during the school year? _____

For Student Attendance Reporting questions 3-16, 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. These samples 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 questions 3-10 and 16 should be selected from the 100th day reporting period.

In the parentheses provided within the questions 3-16, write 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 membership/absence information for this program for students with disabilities? **A.R.S. §15-901(A)(1)(a)(i) and USFRCS Memorandum No. 33** _____
4. Based upon review of (____) students’ attendance records in kindergarten programs, if the instructional time for the year was between 356 and 692 hours, were students not in attendance for at least three-quarters of the day counted as being absent or, if the instructional time for the year was 692 hours or more, were students not in attendance at least one-half of the day counted as being absent? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(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 membership/absence information for this program as it would for kindergarten? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i), and USFRCS Memorandum No. 33** _____

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

SCHOOLWIDE

Student Attendance Records

ADM	
<1,000	5
1,000-5,000	10
>5,000	15

6. Based upon 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; and were students in attendance for at least three-quarters of a day counted in attendance for a day? **A.R.S. §15-901(A)(5)(b)(ii)**
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 and 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)(5)(b)(i)**

For questions 8 through **1315**, use the following sample sizes:

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

8. 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?
9. Based upon review of (____) high school students' attendance records, whose attendance was reported in terms of absences, for all absence days reported in a 1 month period, did the school report absences in accordance with the method(s) provided by ADE?
10. Based upon review of (____) high school students' attendance records, did the school prorate the membership of the students enrolled in less than four subjects?
- 11. For students enrolled in a program provided by a JTED in a facility owned and operated by a school:**
- a. For schools-Based on a review of (____) students' attendance records, did the school report the actual enrollment and attendance data for only the school classes the student was enrolled in at that school (excluding JTED program classes) under the school's CTDS number?
- b. For schools-Based on the review of (____) students' attendance records for all absence days reported in a 1 month period, did the school calculate absences in accordance with the method(s) provided by ADE

and based on the number of school classes the student was enrolled in and attended (excluding JTED programs classes)?

[Note: Total membership claimed for the school and the JTED satellite locations for each student should not exceed 1.25. A.R.S. §15-393(P)]

12. For schools offering an AOI Program, based upon review of (____) AOI students' attendance records for 4 weeks: (ADE's Policies and Procedures Manual, [SF-0003](#))

- 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 students who participated in an AOI Program, residents of this state? **A.R.S. §15-808(B)**
- d. Was the student's Intended Full Time Equivalency Enrollment Statement maintained?

13. Based on review of the student's attendance records in question ~~14~~12, did the school follow its procedures, to re-determine the actual FTE for each student enrolled in an AOI Program, following a student's withdrawal or after the end of the school year?

14. Based upon review of (____) students' attendance records (all grades) for students withdrawn for having ten consecutive unexcused absences, was the student only counted in membership through the last day of actual attendance or excused absence? **A.R.S. §15-901(A)(1)**

15. Based upon review of (____) students' attendance records, does the student's name entered in the student management system match the name on the legal document on file? A.R.S. §15-828(D)

For questions ~~14~~16 and ~~15~~17, use the following sample sizes:

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

16. 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's² attendance registers, if used, and other

documentation support the entry date in the computerized attendance system?

- d. Did membership begin on the first day of actual attendance or, for continuing/pre-enrolled students, the first day that classroom instruction was offered, provided that the students actually attend within the first 10 days of school?
- e. Did the school obtain and maintain verifiable documentation of Arizona residency upon enrollment? **A.R.S. §15-802(B)(1) and ADE’s Arizona Residency Documentation Guidelines**
- f. If a student was ~~not an Arizona~~ nonresident of Arizona, was the student excluded from the school’s student count and state aid calculations? **A.R.S. §15-823(J)(K)**
- g. If the school admitted students who were nonresidents of Arizona, was tuition charged, as applicable? **A.R.S. §15-823**

17. Based upon review of (____) withdrawals:

- a. Were the withdrawal dates entered into the school’s computerized attendance system within 5 working days after the actual day of withdrawal and was documentation maintained to support the date of data entry? (**Note:** “Day of withdrawal” for determining timely data entry 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 unexcused absence for students withdrawn for having ten consecutive unexcused absences.)
- b. Did the withdrawal date in the computerized attendance system agree to the withdrawal form? (**Note:** If the computerized attendance system requires the school to input the day following the withdrawal date for a student to be counted in membership through the last day of actual attendance or excused absence, 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 agree to 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 question 1618, use the following sample sizes:

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

18. 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?

19. 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?

20. Was the school's membership/absence information submitted to ADE electronically at least once every 20 school days for membership and 60 days for absence information through the last day of instruction (with the first 20 and 60 day periods beginning on the first day of school or the opening of SAIS or AzEDS, for current fiscal year data submission, whichever is later)? **A.R.S. §§15-901(A)(1) and 15-1042(H)(G)**

21. Based upon review of the school's 40th and 100th day information uploaded to ADE (ADMS 75-1 or equivalent report in AzEDS), did the membership and absences agree to the school's computerized attendance system records? (**Note:** For an AOI programProgram, review year-end attendance information.)

RECORDS MANAGEMENT

Did the school retain records in accordance with the *General Retention Schedules for Education K-12* published by the Arizona State Library, Archives and Public Records (based on the testing conducted during the course of the audit)? www.azlibrary.gov/records/general.aspx
www.azlibrary.gov/arm/retention-schedules

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

1. 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?
2. Did the school post all public meeting notices on its website?
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?
4. Were notices and agendas of public meetings posted at least 24 hours before the meeting?
5. Were written minutes prepared or a recording made of Governing Body 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)(5) and A.R.S. §15-512(H)**

TUITION A.R.S. §15-185 (B)(6) (See also Attorney General Opinion I98-007)

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]?

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

Audit Firm

Date

Preparer's Signature (Audit Firm Representative)

Title