
AGENDA ITEM: Fiscal Year 2014 Audit Documents

Background

Arizona Administrative Code R7-5-501 requires that by July 1st of each year, the Board make available to the public written audit guidelines that provide general guidance on charter school audit requirements, including the deadline for submitting the completed audit to the Board and information that must be included for the audit to be deemed complete. Pursuant to Board rule, the fiscal year 2014 audit documents must be released by July 1, 2014. The audit documents include the audit guidelines, Legal Compliance Questionnaire, Uniform System of Financial Records for Charter Schools (USFRCS) Compliance Questionnaire, and Procurement Compliance Questionnaire.

Proposed Changes to Audit Documents

Audit Guidelines

The proposed changes to the [audit guidelines](#) are technical in nature and include updating dates and an email address.

Legal and USFRCS Compliance Questionnaires

[A.R.S. §15-914\(G\)](#) gives the Office of the Auditor General (OAG) the responsibility to establish a method to audit average daily membership. For fiscal year 2014, the revisions made by the OAG and the Arizona Department of Education (ADE) to the Student Attendance Reporting section of these two questionnaires are technical in nature and primarily involve eliminating references to ADE's *School Finance Procedures Manual*. ADE has removed the manual from its website due to the manual being out of date. Since it may be a while before the manual is revised and reposted, the OAG and ADE revised certain questions in the Student Attendance Reporting section. The Board has historically incorporated OAG changes into its [Legal Compliance Questionnaire](#) and [USFRCS Compliance Questionnaire](#).

Procurement Compliance Questionnaire

[A.R.S. §15-215\(F\)](#) gives the OAG the responsibility to establish a method to audit schools' compliance with procurement practices. The recommended fiscal year 2014 revisions to the [Procurement Compliance Questionnaire](#) are technical in nature and include clarifying changes. The Board has historically incorporated OAG changes into its questionnaire.

Board Options

Option 1: I move to approve the fiscal year 2014 audit guidelines, Legal Compliance Questionnaire, USFRCS Compliance Questionnaire, and Procurement Compliance Questionnaire as presented.

Option 2: I move to approve the fiscal year 2014 audit guidelines, Legal Compliance Questionnaire, USFRCS Compliance Questionnaire, and Procurement Compliance Questionnaire as presented with the inclusion of the modifications discussed (may require specific reference depending upon whether clarification of discussion is needed).