
AGENDA ITEM: Compliance Matters – Annual Financial Single Audits**Issue**

The charter holders listed below have failed to submit their fiscal year 2015 single audit reporting packages, which were due to the Board on or before March 31st.

- Bradley Academy of Excellence, Inc.
- StarShine Academy

Annual Financial Single Audit Background

[A.R.S. §15-183\(E\)\(6\)](#) and [A.R.S. §15-914](#) require charter schools to annually submit a financial statement audit and compliance questionnaire. Schools that expend over \$500,000 in federal funds are required to submit a single audit to meet this requirement. The single audit reporting packages for the fiscal year ending June 30, 2015 were due on or before March 31, 2016.

Board Options

Option 1: The Board may approve withholding 10% of the charter holders' monthly state aid apportionment. Staff recommends the following language for consideration: I move to find Bradley Academy of Excellence, Inc. and StarShine Academy are in noncompliance with state law and their charter contracts for their failure to timely submit their annual single audit reporting packages and approve withholding 10% of each charter holder's monthly State aid apportionment until a complete fiscal year 2015 single audit reporting package is submitted.

Option 2: The Board may decide to take no action at this time.