

# USFRCS Exception Amendment Request

## Purpose

The USFRCS Exception Amendment Request is used by the Board to grant, as permitted by A.R.S. §15-183(E)(6), a charter holder an exception from the Uniform System of Financial Records for Charter Schools, or USFRCS. A charter holder granted this exception:

- Must utilize Generally Accepted Accounting Principles (GAAP);
- Is not exempt from annual auditing requirements, filing the Budget or Annual Financial Report with the Arizona Department of Education, or any financial report request from the Board, the Office of the Auditor General or the Arizona Department of Education; and
- Is responsible for any “cross-walks” necessary to complete reporting requirements.

*Before submitting this request **ensure the charter holder is in compliance per the Board's [policy](#)**. If a charter holder is not in compliance, the request may be deemed incomplete and the non-compliance may be recorded on the charter holder's operational dashboard.*

## Determining Eligibility

Any charter holder is eligible to submit a *USFRCS Exception Amendment Request*.

## Board Consideration

A substantively complete amendment request submitted by a charter holder may be considered for approval by the Executive Director, or placed on the agenda of a regular Board meeting. A finding that the Charter Holder is not in compliance in one or more areas (see The Guide) may result in a delay in consideration of the request.

## Instructions for the Request

Work through the form in ASBCS Online, completing all required uploads (denoted by "\*"). Follow the instructions for each upload field. Be sure to save your work, even if you aren't prepared to submit your form, so that you do not lose your data.

## Attachments

For further information regarding specific documentation requirements, see The Guide (*Attachment Guidelines*) and the administrative and substantive completeness requirements listed in these instructions.

### Board Minutes or Board Resolutions\*

#### Policy for Accounting\*

Upload a PDF version of the Charter Holder's Policy for Accounting. For further information regarding this attachment, see The Guide and the substantive completeness requirements following this section. Additionally, a Sample Accounting Policy can be found in The Guide or can be downloaded from the Board's website.

## Administrative Completeness Review

An administratively complete request includes:

- Board Minutes or Board Resolutions that provide evidence that the:
  - Proposed change has been approved or addressed by the charter holder (approving board);
  - Approving board aligns with what is currently on file with ASBCS; and
  - Board minutes comply with Open Meeting Law (if applicable); or
  - Board resolution if the approving board is not subject to Open Meeting Law.
- Complete Policy for Accounting

## Substantive Completeness Review

The following checklist will be used to determine substantive completeness for this request. Each criterion (if applicable) will either be deemed acceptable or not acceptable.

Review	Criteria
Board Minutes	Board Minutes that: <ul style="list-style-type: none"> <li><input type="checkbox"/> Indicate that the request has been approved and is consistent with the submitted form.</li> </ul>
Policy for Accounting	Policy for Accounting that indicates the Charter Holder/Charter School will minimally: <ul style="list-style-type: none"> <li><input type="checkbox"/> Follow accounting policies and procedures that comply with Generally Accepted Accounting Principles (GAAP);</li> <li><input type="checkbox"/> Use an accounting system that provides for the proper recording and reporting of financial data;</li> <li><input type="checkbox"/> Follow standard internal control procedures;</li> <li><input type="checkbox"/> Utilize a chart of accounts that has been developed to align with the chart of accounts found in the USFRCS for the purposes of complying with budgeting and annual financial reporting; and</li> <li><input type="checkbox"/> Make revisions periodically for changes in laws, regulations and accounting pronouncements that cover charter school accounting, financial reporting and compliance with state and federal laws.</li> </ul>