

# SONOMA COUNTY OFFICE OF EDUCATION

## **SCOE BIZ** Business Services

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### **Bulletin No. 18-07**

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November 07, 2017

To: District/Charter Superintendents and Business Officials  
From: Shelley Stiles, Director External Fiscal Services  
Judy Thomson, Director External Fiscal Services  
Subject: 2016-17 Audit Report and Audit Findings

Audit findings and resolution of such findings are the responsibility of the school districts. The County Office of Education is responsible for reviewing audit findings related to the following areas:

- 10000 Attendance
- 20000 Inventory of Equipment
- 30000 Internal Control
- 60000 Miscellaneous
- 61000 Classroom Teacher Salaries
- 62000 Local Control and Accountability Plan
- 70000 Instructional Materials
- 71000 Teacher Misassignments
- 72000 School Accountability Report Card (SARC)

The County Office must determine whether the exceptions have been corrected or have an acceptable plan of correction. If the district response to an audit finding listed in the audit report was sufficient no further action is necessary. However, SCOE accountants may request additional information for certain findings. Please note that monetary findings listed in the audit report AND findings that are continually repeated year after year are of concern to us. Corrective action plans should be in place to ensure that an event is not repeated.

#### **PLEASE:**

##### **1. Complete the following forms:**

- a. **Audit Certification ~ attached**
- b. **Certification of Corrective Action (if audit findings) ~ attached**
- c. **Supporting documentation for Certification of Correction Action (if requested by SCOE Accountant)**

##### **2. Return above to your SCOE Accountant by the indicated due dates.**

#### Deadlines for responding to the audit are as follows:

December 1      ***A written request for an audit report filing extension is due to SCOE before November 23, 2017.*** Subsequently, SCOE will submit the extension request to the State Controller's Office (SCO) by December 1, 2017. The SCO and CDE will review the request *and accompanying justification* and provide notification as to whether the extension will be granted. The guidelines state that extensions will be granted only under extraordinary circumstances. *(Please note: The SCO does not grant extensions for charter school audits. The extension must be obtained through the chartering entity, and the chartering entity should notify the SCO, CDE and SCOE of the extension).*

December 15      2016-17 audit reports must be filed with the SCO, CDE, and SCOE. A copy of the management letter, if issued, must be submitted along with the LEA's annual report.

January 31	Review the annual audit, audit exceptions, going concerns, findings, board recommendations and corrective action plans contained in the independent audit report at a public meeting, as a regular board agenda item [E.C. 41020.3(a)].
February 15	Submit to the County Office an <b><u>Audit Certification</u></b> verifying the Board has approved the Audit.
March 15	Submit to the County Office a <b><u>Certification of Corrective Action</u></b> adopted by the Board [E.C. 41020(j)(2)].
April 1	Submit to the County Office verification that the governing board has approved a contract for audit services for the current fiscal year.
April 30	County may schedule and meet with the respective audit firms for an entrance interview for districts with financial concerns. Discussion will be focused on the manner in which findings are written; review of the changes that have occurred in the State Controller's audit guide; specific concerns about individual districts with qualified or negative interim reports or with other going concern issues. Also prior-year Certification of Corrective Actions will be reviewed with the auditors.
May 15	County shall certify to the Superintendent of Public Instruction that all district audits have been reviewed, that all exceptions required to be reviewed have been reviewed, and note any exceptions which have not been corrected or where a correction plan is not in place [E.C. 41020(k)].

**In summary, each district should follow these steps:**

***Step 1:***

- a) Request that your Board accept the 2016-17 Audit by January 31.
- b) After the Board approves the Audit, complete the attached Audit Certification form and submit to SCOE Accountant by February 15.

***Step 2:***

- a) Discuss with your Board the audit findings and corrective actions necessary (at the January 31 meeting).
- b) Complete the Certification of Corrective Action and the Audit Finding Corrective Action sheets, after resolution of all findings, and send to your SCOE Accountant by March 15.
- c) If you prefer to complete steps 1 and 2 at the same time, submit both the Certification of Corrective Action and the Audit Finding Corrective Action sheets to SCOE by February 15.
- d) Complete any and all audit adjustments by Second Interim Report, at the latest.

Review the California State Accounting Manual, Procedure 215, for more information on Audit Adjustments.

If you have questions, please call your SCOE Accountant or call the Director, External Fiscal Services at (524-2635). We appreciate your attention to this matter.



**AUDIT CERTIFICATION**

**2016-17 FINANCIAL REPORT/AUDIT**

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District/Charter Name \_\_\_\_\_ Sonoma County, California

In accordance with Education Code section 41020.3, the Governing Board must review and accept the prior year's Financial Report/Audit, at a public meeting, **on or before January 31** (or for charter schools pursuant to Education Code section 47605) and

THEREBY, as written verification of said review, the Governing Board reviewed and accepted

on \_\_\_\_\_ the **Annual Financial Report as of June 30, 2017**.

\_\_\_\_\_  
(Signature) District Superintendent/Charter School Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed name

Submit the original signature copy of the Audit Certification by **February 15, 2018** to your **SCOE Accountant** at:  
Business Services  
Sonoma County Office of Education  
5340 Skylane Boulevard  
Santa Rosa, CA 95403



## CERTIFICATION OF CORRECTIVE ACTION

### 2016-17 AUDIT FINDINGS AND RECOMMENDATIONS

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District Name \_\_\_\_\_  
Sonoma County, California

- 2016-17 Certification of Corrective Action is hereby filed by the Governing Board of the school district.

\_\_\_\_\_  
Clerk/Secretary of the Governing Board

\_\_\_\_\_  
Date of Meeting

- 2016-17 Certification of Corrective Action

The Superintendent certifies that all corrective action(s) specified in the attached page(s) have been reviewed by the district's Governing Board and assures that corrective procedures have been implemented and will be used in the ensuing years.

\_\_\_\_\_  
District Superintendent

\_\_\_\_\_  
Date

\_\_\_\_\_  
For additional information

Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Submit original of the Certification of Corrective Action together with each Audit Finding Corrective Action form and corresponding documentation by **March 15, 2018** to your **SCOE Accountant** at:

Sonoma County Office of Education  
5340 Skylane Boulevard  
Santa Rosa, CA 95403

**2016-17 AUDIT FINDING CORRECTIVE ACTION**  
*due to SCOE by March 15, 2018*

**District:** \_\_\_\_\_

**Finding Category:** \_\_\_\_\_ (see list at bottom of page)

**Finding Number:** \_\_\_\_\_ **Page Number:** \_\_\_\_\_

A. Describe below specific corrective action(s) used in resolving the audit finding.

B. Specifically address each individual item within the finding. Be certain that your responses are clear and concise. You will need to provide all documentation which supports the specific action taken toward resolving the finding; i.e., copies of amended reports, corrective action plans, etc.

C. Did this finding require a corrective report? _____ →	Yes	
	No	

If yes, attach a copy of an acceptable plan of correction.

<b>AB 3627 Finding Category Types</b>	
10000	Attendance
20000	Fixed Assets
30000	Internal Control
40000	State Compliance
50000	Federal Compliance
60000	Miscellaneous
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card