

SCOE BIZ

Business Services Bulletin No. 21-09



5340 Skylane Boulevard
Santa Rosa, CA 95403-8246
(707) 524-2600 ■ www.scoe.org

November 19, 2020

To: District and Charter Business Services
From: Shelley Stiles, Director External Fiscal Services
Subject: 2019-20 Audit Report and Audit Findings

Audit findings and resolution of such findings are the responsibility of the school districts and charters. The County Office of Education is responsible for reviewing school district 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 District Fiscal Management Advisors 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:

- Audit Certification ~ attached**
- Certification of Corrective Action (if audit findings) ~ attached**
- Supporting documentation for Certification of Correction Action (if requested by SCOE District Fiscal Management Advisor)**

2. Return above to your SCOE District Fiscal Management Advisor by the indicated due dates.

Deadlines for responding to the audit are as follows:

Extensions – **Inoperable for 2019-20 Audit reports:**

~~December 1 A written request for an audit report filing extension is due to SCOE before November 30~~

~~Districts: Please include the reason for the extension request and the expected date of audit submission on District letterhead or via email. Subsequently, SCOE will submit the extension request to the State Controller's Office (SCO) by December 15, 2020. The SCO and CDE will review the request and accompanying justification and provide notification as to whether the extension will be granted. SCOE will notify you when approved. The guidelines state that extensions will be granted only under extraordinary circumstances.~~

~~Independent Charters: There is no provision in the law for an extension of a charter school audit (E.C. 47605(m)). For extraordinary circumstances, please notify your Sponsoring District and SCOE of a potential delay. Please include the reason for the extension request and the expected date of audit submission on Charter letterhead or via email.~~

New due date: **ON OR BEFORE MARCH 30, 2021!** SCOE recommends working with your auditor NOW to set up timelines and dates that work for the LEA and the Auditor.

2019-20 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.

The following dates are in statute. Please comply if at all possible. If your audit is not complete by the statutory date, please submit at the next available board date and to SCOE immediately following.

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 Audit Certification verifying the Board has approved the Audit.
March 15	Submit to the County Office a Certification of Corrective Action adopted by the Board [E.C. 41020(j)(2)].

No changes or extensions to the following dates!

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 LEA 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 2019-20 Audit by January 31, [or at the next meeting immediately following completion by your Auditor.](#)
- b) After the Board approves the Audit, complete the attached Audit Certification form and submit to SCOE Advisor by February 15, [or immediately following board approval.](#)

Step 2:

- a) Discuss with your Board any audit findings and corrective actions necessary (at a meeting on or before January 31 [or at the next meeting immediately following completion by your auditor.](#))
- b) Complete the Certification of Corrective Action and the Audit Finding Corrective Action sheets, after resolution of all findings, and send to your SCOE Advisor by March 15, [or as soon as board approved.](#)
- 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, [or at the next meeting immediately following completion by your Auditor.](#)
- d) Complete any and all audit adjustments by Second Interim Report, [at the latest, or immediately following board approval.](#)

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

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



AUDIT CERTIFICATION

2019-20 FINANCIAL REPORT/AUDIT

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 at the next Board meeting immediately following completion by your Auditor (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, 2020.

(Signature) District Superintendent/Charter School Official

Date

Printed name

Submit the original signature copy of the Audit Certification by **February 15, 2021, or immediately following board approval** to your **SCOE Advisor** at:

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

SCOE Use only: reviewed by: _____ date reviewed: _____



CERTIFICATION OF CORRECTIVE ACTION

2019-20 AUDIT FINDINGS AND RECOMMENDATIONS

District Name _____
Sonoma County, California

- 2019-20 Certification of Corrective Action is hereby filed by the Governing Board of the school district.

Clerk/Secretary of the Governing Board

Date of Meeting

- 2019-20 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, 2021, or immediately following board approval** to your **SCOE Advisor** at:

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

SCOE Use only: reviewed by: _____ date reviewed: _____

2019-20 AUDIT FINDING CORRECTIVE ACTION

due to SCOE by March 15, 2021 or immediately following board approval

District: _____

Finding Category: _____ (see list at bottom of page)

Finding Number: _____ **Page Number:** _____

<p>A. Describe below specific corrective action(s) used in resolving the audit finding.</p> <p>B. Specifically address each individual item within the finding. Be certain that your responses are clear and concise. You will need to provide <u>all</u> documentation which supports the specific action taken toward resolving the finding; i.e., copies of amended reports, corrective action plans, etc.</p>	
<p>C. Did this finding require a corrective report? _____ →</p> <p style="text-align: right;">Yes</p> <p style="text-align: right;">No</p>	
<p>If yes, attach a copy of an acceptable plan of correction.</p>	

AB 3627 Finding Category Types	
10000	Attendance
20000	Fixed Assets
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Program
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

SCOE Use only: reviewed by: _____ date reviewed: _____