

Charter School Audit Guide Summary

Audit Guide Sections	General Description	Due Date	Documentation
1. All Charters receiving CSP funds			
Agreed-Upon Procedures for NYSED CSP Grant	<p>Required to be completed by NYSED CSP Grant recipients.</p> <ul style="list-style-type: none"> • Auditor will look at overall expenditures for reasonableness and test a sample of expenditures to determine if expenditures are in accordance with grant purposes, are applied to the correct budget category, and are recorded in the proper fiscal period. • Auditor will also review FS-25 form(s) submitted to NYSED and tie sample of expenditures into requests for reimbursement. 	November 1st of each fiscal year – to NYSED, only if applicable	<u>Agreed upon procedures Report on Charter School Program (CSP) Grant</u>
2. All Regents Authorized Charter Schools			
Agreed-Upon Procedures on Initial Statement of Controls	<p>Required to be completed by Regents Authorized Charter Schools.</p> <ul style="list-style-type: none"> • Initial Statement of Controls which is prepared by the charter school (not the independent auditor) and submitted to NYSED CSO.no later than 120 days from the date the charter was issued by the Board of Regents <ul style="list-style-type: none"> ○ Must address 10 controls ○ Must be reviewed and ratified by the charter school’s Board of Trustees prior to submission. • Engagement Letter with Independent Auditor for Agreed upon procedures Report on Initial Statement of Controls • The Independent Auditor: <ul style="list-style-type: none"> ○ Performs agreed-upon-procedures on the Initial Statement of Controls that the school has prepared ○ Prepares the Report on Initial Statement of Controls 	See timeline on page 6 of Audit Guide	<p>Charter School: Prepares Initial Statement of Controls– 120 days from issuance of charter – to NYSED</p> <p>Independent Auditor prepares:</p> <ul style="list-style-type: none"> • Engagement letter for Agreed upon procedures Report on Initial Statement of Controls. School submits to NYSED 120 days from issuance of charter. • <u>Report on Initial Statement of Controls</u> must commence within 60 days after date school has received and disbursed more than \$50,000 and then school submits to NYSED within 45 days from commencement
Financial statement disclosures and presentation in accordance with NYSED standards	<p>While financial statement audits are required for all NYS Charter Schools, the following are required financial statement disclosures for Regents Authorized Charter Schools:</p> <ul style="list-style-type: none"> • For contributed services provided by the local district, if a value can be determined, it should be recorded in the Charter School’s financial statements. If a value cannot be determined, that fact should be disclosed. In either case, the contributed services received should be disclosed. 	November 1st of each fiscal year – to NYSED	<u>Audited Financial Statements</u>

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	<ul style="list-style-type: none"> For space provided to the Charter School at no charge, the footnotes should describe the current facility arrangement. If a value for this space has been recorded in the financial statements, the amount should also be disclosed. To aid in comparison of charter schools, an approximate square footage of space should also be disclosed. 		
Charter compliance testing performed as part of the financial statement audit in accordance with NYSED standards	<p>While compliance testing is required for all NYS Charter Schools, the following are some of the specific compliance testing required for Regents Authorized Charter Schools includes:</p> <ul style="list-style-type: none"> Obtain and review charter Review compliance with age, grades, and number of students established by charter application Review compliance with lottery procedures Compliance with hiring procedures Certificate of occupancy and fire inspection Ensure insurance coverage is in place 	November 1st of each fiscal year – to NYSED	<u>Report on Internal Control over Financial Reporting and on Compliance with Provisions of Laws, Regulations, Contracts and Grant Agreements</u>

Note: For specific guidance please refer to the Audit Guide which is located at:
<http://www.p12.nysed.gov/psc/documents/NEWYORKSTATEEDUCATIONDEPARTMENTAUDITGUIDE-12.31.12-F.pdf>