

## **Audits/Financial Monitoring**

In accordance with state law, all funds and accounts of the **charter school** shall be audited annually, following the close of the fiscal year.

The **District Board** shall appoint an independent auditor licensed to practice in Colorado and knowledgeable in government accounting to conduct **an audit of the District and the Charter School accounts**. The independent auditor also shall audit the activities accounts of the **charter school** for report to the Board of Education.

The audit report shall contain among other information:

1. Financial statements prepared insofar as possible in conformity with generally accepted governmental accounting principles. (The financial statements are the representation of the **charter school** whether prepared by the **charter school** or by the auditor.)
2. Disclosures in accordance with the Financial Policies and Procedures Handbook. The supplemental schedules of receipts and expenditures for each fund shall be in the format prescribed by the State Board of Education and shall be in agreement with the audited financial statements of the **charter school**.
3. All funds and activities of the **charter school**.
4. A budget to actual comparison for each fund and activity.
5. The auditor's opinion on the financial statements. If the opinion is anything other than unqualified, the reason must be explained. The opinion shall include general fixed assets.
6. Disclosure of all instances of noncompliance with state law, including the Public School Finance Act of 1994, irrespective of materiality.
7. A supplemental listing of all investments held by the **charter school** at the date of the financial statement.
8. A calculation of the **charter school's** fiscal year spending in accordance with the state constitution.

The auditor also shall make recommendations to the Charter Board concerning its accounting records, procedures and related activities as may appear necessary or desirable and shall perform such other related services as may be requested by the Charter Board.

The audit report must be completed and submitted by the auditor to the school district within five months after the close of the fiscal year unless a request for an extension of time is granted by the state auditor. **The school district will send a copy of the charter schools portion of the audit to the charter school as soon as possible.** Within 30 days after receiving the audit, the district shall submit one copy each to the state auditor and the state commissioner of education.

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The District Board or the Charter Board reserve the right to request an audit at more frequent intervals if desired.

LEGAL REFS: C.R.S. 22-32-109(1)(k)  
C.R.S. 24-75-601.3  
C.R.S. 29-1-601 et seq.

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Lake George Charter School