CPA AUDIT

Preparing for your audit

1) All fiscal year 2011-12 federally funded projects will be audited in fiscal year 2012-13 for financial and program compliance.
2) Audit coverage will include federal funds that you receive from KSDE and those you may receive directly from some other state agency or a federal agency.
3) During fiscal year 2012-13, KSDE auditors will audit all "exclusively state funded" projects and aid claims.
4) The current Kansas Municipal Audit Guide is circulated in compliance with K.S.A. 75-1123.
5) If your district expended **$500,000 or more in federal funds** from all sources during school year 2011-12, the audit of federal funds will be included in your regular audit conducted by an independent accounting firm (K.S.A. 75-1122) and completed in accordance with OMB Circular A-133. Remember to include Education Jobs funds when computing the $500,000 threshold.

   A-133 audits are required to be completed within nine (9) months following the end of the fiscal year.

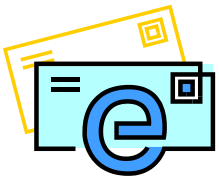
6) If your school district expended **less than $500,000 in federal funds** from all sources during school year 2011-12, the federal funds will be monitored by KSDE auditors during their annual audit.

Staff assistance will save both time and money . . .

Make sure the auditor does not have to perform clerical functions when your staff is able to assist them.

Recommended Time & Cost Savers

- Strengthen internal accounting procedures so the audit is easier. Segregate duties.
- Allow the auditor enough time to do the work without overtime and enough time before the books are closed to anticipate and resolve problems.
- Print only necessary copies of the audit report.



Electronically submit your CPA report to KSDE.

Attach a **PDF** version of the CPA report to an email addressed to: lwallis@ksde.org.

Assemble documents the auditor needs to examine

1) Copies of each tax levy and budget and any adopted amendment.
2) Copies of the minutes of each board meeting and copies of any financial statements.
3) Current organization chart: names of persons in each position.
4) Document flow chart: The auditor will want to trace the complete history of a transaction from start to finish. Also, provide the auditor with copies of all district accounting policies and procedures.
5) Monthly bank reconciliations for all bank accounts: include all canceled checks and bank statements through date of audit.
6) List of depositories and addresses: bank account numbers and authorized signatures.
7) Schedule of investment transactions for the year.
8) Insurance schedule: names of companies, types of coverage, coverage dates, etc.
9) Reconciliation of salary amounts and related items such as payroll taxes and retirement deductions.
10) A copy of prior year audit report.
11) Details of any new bond issues approved, teacher contracts, leave schedules, and lease agreements.
12) All canceled bonds and interest coupons.
13) List of fixed assets owned by district.
14) Summary of all litigation involving the district.
15) Schedule of all interfund loans or advance: list date authorized, description of transaction, amount and date repaid.
16) Access to paid invoices, purchase orders and receiving reports.
17) All activity fund reports.
18) Applications, expenditure reports, and transmittal documents for federal financial assistance received. Since information about which federal grants are received and from who (whether federal agency or pass-through organization) will be important in determining the scope of the audit examination, all award files should be consolidated.
19) Claims for state aid and related documents.
20) Schedule of federal awards, including CFDA numbers and sources, with beginning and ending balances.