



February 6, 2023

**TO:** YPI Charter Schools  
Board of Directors

**FROM:** Yvette King-Berg  
Executive Director/ President

**SUBJECT: Recommendation to approve Selection of independent auditor for Year Ending June 31, 2023**

## **BACKGROUND**

Assembly Bill 1345 added section 12410.6.(b) to Government Code regarding auditor rotation requirements of public accounting firms providing audit services to local agencies.

Government Code section 12410.6.(b) indicates that commencing with the 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to the 2013-14 fiscal year. The Controller may waive this requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

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## **ANALYSIS**

CLA's Principal, Marlen Gomez, has just completed her third year over overseeing the YPICS Audit. Additionally, CLA has come to understand the myriads of additional grants and regulations and accounting standards for each in which YPICS participates. The accounting firm would be allowed to audit YPICS for two additional years. However, the final two years must be conducted by another CLA Principal.

The quote for CLA's Audit Services for Year Ending June 2023 is listed below:

<b>YPI Charter Schools</b>	<b>2023</b>
Audit services (includes procedures for 1 major program required under Uniform Guidance, if additional programs are required to be tested this will be higher)	\$ 29,500.00
DCF - FAC Preparation and Submission	\$ 1,050.00
Tax Returns (IRS Form 990 and FTB Form 199)	\$ 2,600.00
Subtotal	\$ 33,150.00
Tech fee (5% of amounts billed)	\$ 1,658.00
Total	\$ 34,808.00

**RECOMMENDATION**

It is recommended that the Board of Directors approve the selection of CLA for an additional year and request that Ms. Gomez remain the principal for the audit ending June 31, 2023.