

## FISCAL AUDITS

***“The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.” – Ed. Code § 47605(c)(5)(I)***

In compliance with Education Code section 47605(b)(5)(I), ) and 47605(m), the Lighthouse Community Public School’s Board of Directors will oversee the selection of an independent auditor and the preparation and completion of an annual audit of the Charter School’s financial affairs. The audit will check the accuracy of the Charter School’s financial statements, revenue-related data collection and reporting practices, and review the Charter School’s internal controls. The audit will follow generally accepted accounting principles and be conducted in accordance with applicable provisions within the California Code of Regulations governing audits of the charter school as published in the State Controller’s K-12 Audit Guide. To the extent required under applicable federal law, the audit scope will be expanded to include items and processes specified in any applicable Office of Management and Budget Circulars.

The LCPS Board of Directors will select the auditors after conducting a formal request for proposals from qualified auditors with experience in educational finance. The independent auditor will have, at a minimum, a CPA and educational institution audit experience and will be approved by the State Controller on its published list as an educational audit provider. The LCPS Board of Directors will then oversee and accept the independent audit. It is anticipated that the annual audit will be completed by December 15 following the close of the fiscal year, and a copy of the auditor’s report will be sent to the Charter Schools Office of the Oakland Unified School District, the Superintendent of Alameda County, the State Controller, and to the CDE by certified mail by the 15th of December of each year.

The Audit committee of the LCPS Board of Directors and staff leadership will then review any audit exceptions or deficiencies and issue an acceptance of the audit to the Board of Directors along with recommendations on how these will be resolved. Finally, the Director of Finance will create a formal report that addresses any exceptions or deficiencies and submit this report to the District including a description of how the exceptions or deficiencies have or will be resolved to the satisfaction of the District, along with an anticipated timeline for the same. Any disputes regarding the resolution of audit exceptions and deficiencies will be referred to the dispute resolution process contained in Element 14. Audit appeals or requests for summary review shall be submitted to the Education Audit Appeals Panel (“EAAP”) in accordance with applicable law.

The independent fiscal audit of Lighthouse K-8 is public record and will be provided to the public upon request. Money is allocated in the annual and five-year budget to cover the cost of audits.