



## K-12 LEAs Audit Report Requirements

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1. The requirements specified in Education Code section 41020 are applicable to all LEAs, including joint power entities and charter schools. As a result, audits shall be conducted in accordance with auditing standards generally accepted in the United States of America, the standards set forth in Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of California Code of Regulations (CCR), Title 5, Education, Section 19810, et seq.
2. The report shall be presented as prescribed in the Guide for Annual Auditor of K-12 Local Education Agencies and State Compliance Reporting published by the Education Audit Appeals Panel (EAAP) at [www.eaap.ca.gov](http://www.eaap.ca.gov). For additional guidance, refer to the American Institute of Certified Public Accountants' (AICPA) Audit and Accounting Guide: State and Local Governments and the AICPA Audit Guide, Government Auditing Standards and Single Audits with conforming changes to the most updated version.
3. Charter schools that are included in the sponsoring entity's financial statement audit are not required to submit a separate report to the State Controller's Office (SCO), the California Department of Education (CDE), or the local County Office of Education. For audits in which charter schools are included in the district's financial statement audit, the auditor is expected to stratify the sample so that a representative number of charter schools (classroom and non-classroom based) are tested annually for state compliance and federal compliance, if applicable. In cases where a district has only one charter school, the auditor must apply state compliance audit procedures annually.
4. For audits in which charter schools are included in the district's financial statement audit, the auditor is expected to stratify the sample so that a representative number of charter schools (classroom and non-classroom based) are tested annually for state compliance and federal compliance, if applicable. In cases where a district has only one charter school, the auditor must apply state compliance audit procedures annually.