



New Charter School Training

April 24, 2012

Presented by
Iona Martin, Financial Specialist
Financial Accounting / OCAS & Auditing

Financial Reporting
Required by Law

**Oklahoma State Statutes
Title 70 § 3-136**

**School Laws of Oklahoma
Section 42.18**

Paragraph A, Item 6

A charter school, to the extent possible, shall be subject to the same reporting requirements, financial audits, audit procedures, and audit requirements as a school district. The State Department of Education or State Auditor and Inspector may conduct financial, program, or compliance audits. A charter school shall use the Oklahoma Cost Accounting System to report financial transactions to the sponsoring school district.

Oklahoma Cost Accounting System (OCAS)

Why use OCAS?

70 O.S. § 5-135.2

OAC Title 210:25

OCAS is an accounting system unique to Oklahoma, however it is also part of the larger accounting system instituted by the United States Department of Education (USDE) / National Center for Education Statistics (NCES). Each state has developed its own system that adheres to the system instituted by the USDE/NCES.

OCAS Submission Deadline

September 1

District's final Revenue and Expenditures for preceding fiscal year must be submitted to Financial Accounting via the web-based Oklahoma Cost Accounting System (OCAS) reporting system.

Penalty for Late OCAS Submission

70 O.S. § 5-135.2, Paragraph B

Reduction in Monthly State Aid payment

First Month	1%
Second Month	2%
Third Month	3%
Fourth Month	4%
Each Subsequent Month	5%

Penalty may be waived by the State Board of Education.

Audit Timelines

March 31

Districts who are identified as having expended \$500,000 or more in federal awards must have their audit submitted to Financial Accounting.

April 30

Districts who are identified as having expended less than \$500,000 in federal awards must have their audit submitted to Financial Accounting.

Audit Timelines

70 O.S. § 22-108

Regardless of which type of audit is completed, the audit must be submitted to Financial Accounting thirty days after it has been presented to the local board of education.

Penalty for Late Audit Submission

Pursuant to OMB Circular A-133, §225

...In cases of continued inability or unwillingness to have an audit conducted in accordance with this part, Federal agencies and pass-through entities shall take appropriate action using sanctions such as:

- (a) Withholding all or a percentage of Federal awards until the audit is completed satisfactorily;
- (b) Withholding or disallowing overhead costs;
- (c) Suspending Federal awards until the audit is conducted; or
- (d) Terminating the Federal award.

Penalty for Late Audit Submission

Pursuant to 70 O.S. § 22-108, Paragraph E

...If within eleven (11) months after the end of the fiscal year of the school district a copy of the auditor's opinions and related financial statements has not been received by the State Board of Education and by the State Auditor and Inspector, an inquiry shall be made by the State Auditor and Inspector as to why such auditor's opinions and related financial statements have not been filed. Should the State Auditor and Inspector find that the district board of education has failed to cause an annual audit of the financial statements and compliance requirements of the school district to be commenced, the State Auditor and Inspector shall make a written demand on the board to complete and file such annual audit of the financial statements and compliance requirements of the school district within thirty (30) days of the date of such demand.

Penalty for Late Audit Submission

Pursuant to 70 O.S. § 22-112

State Aid withheld for failure to comply with article.

All further “payment” of state aid for each district shall be withheld until the provisions of this article have been fulfilled by said district.

Estimate of Needs School Budget

The itemized statement of the estimated needs of a school district for its current expenses for the ensuing fiscal year, as approved and fixed by the county excise board.

Estimate of Needs School Budget

October 1

District must submit one copy of either the Estimate of Needs or the Budget (for those districts on the School District Budget Act) to Financial Accounting and the County Excise Board.

Financial Accounting OCAS and Auditing

Telephone: 405-521-2517

Fax: 405-522-3217

Pam Honeysuckle, OCAS Financial Specialist

Pam.Honeysuckle@sde.ok.gov

Iona Martin, OCAS Financial Specialist

Iona.Martin@sde.ok.gov

Rachael Nalliah, Audit Financial Specialist

Rachael.Nalliah@sde.ok.gov