



CHARTER SCHOOL TRAINING

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Title 70 § 3-136 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.

Financial Officers Must Have Surety Bonds

Superintendent

Treasurer

Deputy Treasurer (not required)

Encumbrance Clerk

Board Minute Clerk

Deputy Minute Clerk (not required)

Financial Accounting

Encumbrance Clerks and Treasurers are to receive training on the school finance laws of Oklahoma, accounting, ethics, and the duties and responsibilities of their positions.

Requirement: Newly employed encumbrance clerk and treasurer, twelve (12) hours of the above training must be completed within nine (9) months of employment. Also the same individuals, twelve (12) hours of continuing education must be completed every three years.

[70 O.S. § 5-190]

Financial Accounting

Temporary Appropriations – Title 68-3020

Authority to spend money on July 1.

Estimate of Needs – Title 68-3002

Appropriating money for the current fiscal year.

Budget – Title 70-5-155

Public Budget Hearing and Approve Annual
Budget

OCAS VENDORS

- There are 8 Oklahoma Cost Accounting Vendors approved by the Oklahoma State Board of Education.
- No other Software Vendors can be used for your financial accounting system.
- The approved vendor list is on the Financial Accounting Website

Financial Reporting Is Required by LAW

Oklahoma State Statutes

Title 70 § 5-135.2

Charter School must report financial Transactions to the State Department of Education through the single sign on system.

Oklahoma Cost Accounting System (OCAS)

- What is OCAS?

OCAS is an accounting system unique to Oklahoma however 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 national standards.

- Why use OCAS?

IT'S THE LAW!!!!

- Oklahoma State Statute 70 §5-135.2
- Oklahoma Administrative Code Title 210:25

Oklahoma Cost Accounting System (OCAS)

- Each year the Financial Accounting office receives the financial transactions for the preceding fiscal from over 540 Oklahoma school districts, charter schools, and interlocals. The data received becomes part of an information network accessed daily by any party interested in the use of public education funds.
- OCAS data is used to meet federal program compliance for Maintenance of Effort for Special Education and NCLB, Indirect Cost, and Excess Cost.

Oklahoma Cost Accounting System Defined

Permits local education agencies (LEAs) to accumulate expenditures and revenue to meet a variety of specialized management and reporting requirements, regardless of whether they are district, state, or federal with the following categories:

EXPENDITURES

<u>FY</u>	<u>Fund</u>	<u>Project Reporting</u>	<u>Function</u>	<u>Object</u>	<u>Program</u>	<u>Subject</u>	<u>Job Class</u>	<u>Oper'1. Unit</u>
XX	XX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX

REVENUE

<u>FY</u>	<u>Fund</u>	<u>Project Reporting</u>	<u>Source of Revenue</u>	<u>Program</u>	<u>Oper'1. Unit</u>
XX	XX	XXX	XXXX	XXX	XXX

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.

AUDITS

Districts who have expended \$500,000 or more in federal money are what is referred to as an “A” audit. These audits must be completed, presented to the local board of education and submitted to Financial Accounting no later than March 30.

Districts who have expended less than \$500,000 in federal money are what is referred to as an “B” audit. These audits must be completed, presented to the local board of education and submitted to Financial Accounting no later than April 30.

AUDITS

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

70 O.S. § 22-108

“Thirty (30) days after the audit presentation to the local board of education, forward one copy of the audit report to the SDE”

AUDITS

Findings – District must submit a Corrective Action Plan (CAP). The CAP should include why the finding occurred, what is being done to prevent it from recurring, name(s) of contact person(s) responsible for the CAP, and anticipated date of completion for the CAP.

Exceptions and/or recommendations – District must give a response.

Penalty for Late Audit Submission

Pursuant to 70 O.S. § 22-108

The statute provides in part:

D. The State Board of Education may make inquiries it deems necessary to determine that each district board of education is properly complying with the Oklahoma Public School Audit Law. 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, pursuant to the provisions of Section 212A of Title 74 of the Oklahoma Statutes. 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.”

FINANCIAL REPORTING TIMELINES

- **August 1** – All claims for reimbursement against any federal program section for preceding fiscal year must be received. Unclaimed funds will become carryover in the new fiscal year.
- **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.
- **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 REPORTING TIMELINES

- **March 30** – 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.
- **June 30** – Audit contract between the district and the independent auditor must be submitted to Financial Accounting.

Publications Available

Accountability at a Glance

Coding Obstacles Districts Encounter Daily
(CODED)

OCAS Manual

School Laws of Oklahoma

SDE Permanent Rules (Chapter 25 Finance)

Technical Assistance Document

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