



STANDARD OPERATING PROCEDURE 4.1

PROCEDURE TITLE: Audit Monitoring Process

Department: Legal Department

Proposed by: Special Projects Director

Effective Date: 07/01/2013

PURPOSE

The AUDIT MONITORING PROCESS supports informed oversight by ensuring that the results of the annual financial audit are reviewed and responded to by the school, including important matters such as noncompliance findings, management letters and findings for recovery that represent public funds that must be paid back by the school.

SCOPE

The AUDIT MONITORING PROCESS applies to CSS staff who attend post audit reviews (including a desk review where post audit conferences are waived).

PROCEDURE

The Auditor of State contacts the CSS President or designee upon completion of the audit and scheduling of the post audit conference. As a general matter, absent compelling circumstances, CSS staff will request and attend a post audit conference for all St. Aloysius sponsored schools.

1. CSS Legal Department staff member or designee is responsible for reviewing the audit and attending the post audit conference in person or via conference call. A representative from St. Aloysius will also be included in the post audit conference, either in person or by conference call.
2. Schools frequently waive the post audit conference. In such cases, CSS will request a post audit conference with the auditor even if the governing authority waives the conference. It is CSS policy that post audit conference participation is an important step in monitoring and oversight of the school's fiscal health and financial procedures.



3. After participation in the post audit conference, the Legal Department staff member or designee shall communicate with the General Counsel or designee to review any potential audit findings or other areas requiring follow up action.
4. When the post audit conference or the final audit indicates an area of concern, CSS will make proactive recommendations to the school governing authority regarding financial decision-making.
5. The CSS staff member who participated in the post audit conference then monitors the Auditor of State website regularly for the official release of the audit.
6. If the final audit has a finding of any nature, the staff member provides the General Counsel or designee a summary of the findings and suggested remedies. The General Counsel or designee will review the summary and recommendations with the President to determine if any additional steps need to be taken (ie CAP, suspension, etc). The steps listed in the corresponding SOP will then be followed.
7. If the final audit includes a management letter and/or recommendation to the school, or it is determined that the school has violated the contract or is financially deficient, the staff member in consultation with the General Counsel or designee will determine if an audit corrective action plan or other follow-up is necessary. The corresponding SOP will then be followed.
8. If it is determined that there was a finding for recovery against the school and sponsor fees were collected on the amount identified by the auditor, CSS in conjunction with St. Aloysius will return the appropriate fee to the Auditor of State upon notification of the finding for recovery or the terms of the charter contract. If the School owed sponsor fees to St. Aloysius that were not paid and that amount exceeds the fee on the finding for recovery, no payment shall be made to the Auditor. CSS will however notify that auditor in writing the details of why the sponsor fee is not being refunded.

DOCUMENTATION / VERIFICATION

Audits and management letters are retained on the S drive as follows as well as corrective action plans when necessary:

Location of documentation:

S:/Auditor Files

Supporting Documentation:

Audits Released (by calendar year/release date)



Post Audit Conferences (by date of post audit conference)
Management Letters (by date of management letter release)

DOCUMENT HISTORY

Orig. Date Jan. 2013
Rev. Date October 2015
Rev. Date March 2017
Rev. Date November 2018
Rev. Date April 2021
Rev. Date April 2022
Rev. Date July 2022
Rev. Date June 2023

REVIEW AND APPROVAL

Reviewer of the AUDIT MONITORING PROCESS is as follows:

Reviewed By: Management Team

Date: 06/30/2023

Approved By: President: David L. Cash, Jr.

Date: 06/30/2023

The effective date is as of the date signed above. Processes are consistently reviewed and revised as necessary throughout the term. The AUDIT MONITORING PROCESS may be implemented as currently written and will be formally evaluated and revised as necessary going forward.

