



**Date:** June 21, 2024  
**To:** Independent Charter School Auditors  
**From:** DPI Parental Education Options Team  
**Subject:** Information for 2023-2024 Independent Charter School Audits

This letter summarizes information on new and updated requirements for fiscal year 2023-2024 audits of Wisconsin independent charter schools. Please make sure it is available to all individuals within your firm performing independent charter school audits.

### **Auditor Mailings**

We highly recommend subscribing to the School Financial Services auditor listserv in order to receive important communications. To subscribe, visit:

<https://dpi.wi.gov/sfs/finances/auditors/overview>

### **Audit Manual and Program Updates**

In 2024, the Department of Administration updated the State Single Audit Guidelines to prohibit state agencies from automatically designating programs as Major or Type A. Major program determination should now be determined using the risk-based approach outlined in the State Single Audit Guidelines, Section 3.1. This risk-based approach is also outlined in the Wisconsin School District Audit Manual, Section 1.4.

The 2024 Wisconsin School District Audit Manual is available at:

<https://dpi.wi.gov/sfs/finances/auditors/overview>

### **State Single Audit Guidelines**

The Wisconsin State Single Audit Guidelines information is available at:

[https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-\(SSAG\).aspx](https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-(SSAG).aspx)

The Wisconsin State Single Audit Guidelines have been updated and are effective for fiscal years beginning after June 30, 2023. The Summary of Changes can be found on Page v of the State Single Audit Guidelines.

### **Office of Management and Budget (OMB) Compliance Supplement**

The 2024 OMB Compliance Supplement was released on May 29, 2024 and can be found at the following link:

<https://www.whitehouse.gov/omb/office-federal-financial-management/current-compliance-supplement/>

### **Schedule of Expenditures of Federal Awards and State Awards**

Pass-through identifying numbers are required to be included on the Schedule of Expenditures of Federal and State Awards. A listing by entity of all federal and state awards paid by DPI with corresponding identifying numbers is available at:

<https://dpi.wi.gov/sfs/aid/grant-programs/overview>

Section 1.7.1 of the 2024 Wisconsin School District Audit Manual includes a requirement that the Schedule of Expenditures of Federal and State Awards include reconciling information on beginning and ending accrued receivables and/or unearned revenue, as well as cash received. While revenue may be reported as unearned for the financial statements due to revenue recognition timing, revenue must be recorded by the district in the same year as the expenditures.

### **WISEgrants Portal**

Budgets and claims for most federal grants administered by DPI are submitted in the WISEgrants web portal. Claims automatically populate with the last approved budget. Independent charter schools have the ability to assign auditors user credentials to WISEgrants to review budgets and claims. A WAMS ID is required for WISEgrants access. Once you have a WAMS ID, contact the independent charter school about being assigned as a WISEgrants user.

WISEgrants is located at:

<https://dpi.wi.gov/wisegrants/web-portal>

### **WISEdata Finance and WiSFiP Reporting**

For fiscal year 2022-23 forward, independent charter schools will report their annual financial information by pushing their financial data into WISEdata Finance. Auditors now submit the Auditor Aid Certification and the Auditor Fund Balance Report through WiSFiP. As with all applications hosted through WISEhome/WISEsecure, access to WISEdata and WiSFiP is granted by the independent charter school, through WISEsecure, rather than DPI. Please work with your independent charter schools to gain access for reporting.

The following link is to the WISEdata Finance and WiSFiP guidance webpage:

<https://dpi.wi.gov/sfs/wdf>

### **School Finance Reporting Portal (SAFR) Access**

If there have been changes to the independent charter schools you are auditing this year or in your firm contact information, email us at [dpifin@dpi.wi.gov](mailto:dpifin@dpi.wi.gov) so we can update auditor access to the SAFR reporting portal. While the financial data has been moved, the SAFR portal will be used for non-financial data. SAFR is accessed at:

<https://dpi.wi.gov/sfs/reporting/safr/overview>

### **Individuals with Disabilities Education Act (IDEA) Maintenance of Effort (MOE)**

The Special Education Team has information for reviewing IDEA's MOE requirement and the MOE monitoring utility in WISEgrants at:

<http://dpi.wi.gov/sped/educators/fiscal/maintenance-of-effort>

For questions related to an LEA's MOE compliance, contact Rachel Zellmer on the DPI Special Education Team at [rachel.zellmer@dpi.wi.gov](mailto:rachel.zellmer@dpi.wi.gov).

### **Corrective Action Plans**

A corrective action plan to address each audit finding is required as part of the reporting package. Plans should include the name(s) of those responsible for the corrective action, what action is planned or a detailed listing of mitigating controls, and the plan's anticipated completion date. Corrective action plans are required in order for us to review and address the findings reported. If you or the independent charter school were asked for more information during our reviews of

2022-2023 findings reported as of June 30, 2023, please incorporate that information into any findings that reoccur in 2023-2024.

### Peer Review Letters

Auditors must undergo an external peer review at least once every three years and make the report available to granting agencies upon request. DPI reviews peer review reports for all firms performing independent charter school audits. If you have not submitted your most recent peer review report to DPI, please email it to [charterschools@dpi.wi.gov](mailto:charterschools@dpi.wi.gov) as soon as possible.

### Important Dates/Timeline

The timeline for 2023-2024 reporting is as follows:

| <u>PI # / Report Title</u>                 | <u>Who Submits</u>          | <u>Due Date</u> |
|--|-----------------------------|-----------------|
| PI-1505-SE Special Education Annual Report | Independent Charter Schools | 9/15/2024       |
| Audited Financial Statement Report Package | Auditor                     | 12/15/2024      |

Audited financial statement report packages are submitted to [charterschools@dpi.wi.gov](mailto:charterschools@dpi.wi.gov). They must include the following:

- Audited Financial Statements
- Single Audit Report, if issued separately
- Corrective Action Plans, if applicable
- Communication with Those Charged with Governance when “Other Matters” are included
- Management Letter, if applicable

Do **NOT** submit Data Collection Forms to DPI. All documents should be **unencrypted, unlocked** and in a **text-searchable PDF format**.

### Conclusion

For technical assistance questions regarding audits or their requirements, contact [charterschools@dpi.wi.gov](mailto:charterschools@dpi.wi.gov).