



Date: August 9, 2023
To: Independent Charter School Auditors
From: DPI Parental Education Options Team
Subject: Information for 2022-2023 Independent Charter School Audits

This letter summarizes information on new and updated requirements for fiscal year 2022-2023 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 2023, the State Special Education and School Age Parents program changed from a Designated Major program to a Designated Type A program. The program is no longer a two-part program but is now all one part. This is due to the No Valid License (NVL) testing, which was the majority of part 1 of the program, being removed from the program. The NVL report will now be completed by the independent charter schools.

The 2023 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 Main Document is available at:

<https://doa.wi.gov/budget/SCO/2015%20SSAG%20Main%20Document%20Revised%206-2016.pdf>

Office of Management and Budget (OMB) Compliance Supplement

The 2023 OMB Compliance Supplement was released on May 22, 2023 and can be found at the following link:

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

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 2022 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.

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>

The left side of the page has general and auditor-specific technical assistance.

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 will 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 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.

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 2021-2022 findings reported as of June 30, 2022, please incorporate that information into any

findings that reoccur in 2022-2023.

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 as soon as possible.

Important Dates/Timeline

The timeline for 2022-2023 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 | 9/15/2023 |
| Audited Financial Statement Report Package | Auditor | 12/15/2023 |

Audited financial statement report packages are submitted to 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.