

MEMORANDUM

To: Public Education Commission (PEC)

From: Charter Schools Division (CSD)

Date: April 17, 2025

Re: CSD Memo re J. Paul Taylor Academy Response to FY2024 Audit

J. Paul Taylor Academy has had an internal corrective action plan in place since before the CSD annual visit in January 2024. The head administrator advised CSD at the time that the school was working with a consultant to improve fiscal processes as well as a new business manager, who was phased in over the course of two months to ensure consistency. The school has identified and corrected incorrect coding misaligned to the Uniform Chart of Accounts (UCOA) and the new business manager continues to review FY25 revenues and expenditures to ensure alignment.

Finding 1: Two issues from the finding were not addressed in the management response: the exclusion of one project from capitalization and the maintenance of the trial balance on a cash basis with accrual entries provided as part of the audit.

Finding 2: Management response did not address one issue from the finding: salary liabilities expenses being captured on the trial balance.

CSD recommends providing as documentation a process document showing how the business manager, outside consultant, head administrator, and the governing council (GC) finance committee 1) review budget vs. actuals, 2) test internal controls to identify errors in recording revenue and expenditures, including miscoding errors, and 3) review the trial balance alongside the bank reconciliation.