

## MEMORANDUM

To: Public Education Commission (PEC)

From: Charter Schools Division (CSD)

Date: April 17, 2025

Re: CSD Memo re Raíces del Saber Xinachtli Community School Response to FY2024 Audit

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Finding 1: The school is working to correct the errors that led to the journal entry issue; review FY2025 audit to see if finding is repeated. Regarding the fund 27407 expenditures \$858 in excess of revenues, CSD consultant Betty Seeley reviewed the documentation and found that expenditures were actually less than revenues. Did the school challenge this portion of the finding?

Finding 2: Many schools received findings for the same miscoding error between funds 21000 and 21100. What is the school's process for staying abreast of changes in the Uniform Chart of Accounts (UCOA)?

Finding 3: The school response indicated that the unreconciled difference of \$448 between the bank reconciliation and the trial balance could be a rounding error. That discrepancy is far in excess of what could reasonably be considered a rounding error. What is the school's process for reviewing the trial balance against the bank reconciliation?

Finding 4: CSD to review request for reimbursement (RfR) submission to confirm school is in fact submitting monthly, as proposed.

Finding 5: The following statement in the school's explanation is problematic: "If invoices are received and do not align with the purchasing policies, the vendor is contacted to remedy the situation." The issue is having a purchase order in place prior to the expenditure. However, since only one purchase out of 40 reviewed had this error, CSD considers that there must be a process in place. The finding is repeated from 2023-002 and when the FY2023 audit report was reviewed, the error in that finding was in only one purchase out of 36 reviewed. Review FY2025 audit to see if finding is repeated.

Finding 6: How does the school stay abreast of changes in GASB? CSD recommends the school submit its asset list and depreciation schedule for review.

Finding 7: Review FY2025 audit to see if finding is repeated.