

OHIO AUDITOR OF STATE KEITH FABER



From: Auditor of State's Center for Audit Excellence

To: All IPA Firms

Subject: Community School Guidance:
1. OCS 1-27 (Community School Funding) 'Modified' ODE FTE Review - Fy 20 Guidance
2. Audit Report Recipient Spreadsheet

Date: June 4, 2020

Two topics related to community schools are being addressed in this memo.

1. This is the annual guidance for Fy 20 OCS 1-27 (Community School Funding) regarding modified ODE FTE reviews and whether such modified reviews can be relied on for step 8/9 (see footnotes 105/113/121).

If the schools ODE FTE review letter states a 'modified' review was performed, ODE confirmed this means:

- All schools on the list attached had a full FTE review in Fy 19, except:
 - Alternative Education Academy – modified for Fy 18 & Fy 19 – last full review was over Fy 17
 - Fairborn Digital Academy – modified for Fy 19– last full review was over Fy 18
 - Townsend Community School – modified for Fy 18 & Fy 19 – last full review was over Fy 17
- While in prior years the modified reviews were focused on time claimed for funding, the focus of the Fy 2020 modified reviews varied from school to school, and concentrated on various areas of non-compliance noted in the schools prior review.
- ODE's listing attached details the modified reviews – there are basically 2 groups:
 - E-schools/Blended – ODE pulled a normal sample to test durational time; and 5 new students from the normal sample were tested for all other items – this is consistent with the number of students that auditors test. Therefore, if the FTE

letter indicates a ‘modified’ sample was used, ODE’s review can be relied on *for the specific items the attachment mentions were tested* at the particular school for 1-27B step 8 / 1-27C step 9, unless there was increased risk.

- Brick & Mortar - ODE pulled a normal sample to test various areas of non-compliance noted in the schools prior review (see specific items on listing attached); and 5 new students from the normal sample were tested for all other items – this is consistent with the number of students auditors test. Therefore, if the FTE letter indicates a ‘modified’ sample was used, ODE’s review can be relied on *for the specific items the attachment mentions were tested* at the particular school for 1-27A step 9, unless there was increased risk.

2. It has been noticed recently that many Audit Report Recipient Spreadsheets for community schools whose Sponsor is St. Aloysius Orphanage do not have St. Aloysius listed to receive a copy of the report; instead, Charter School Specialists/Dave Cash is listed as the Sponsor.

St. Aloysius Orphanage is a sponsor of many community schools in Ohio, and they contract with Charter School Specialists to perform many of their functions. Since St. Aloysius Orphanage is the legal sponsor, auditors communication must be made to them; Charter School Specialists may be included as well, but we must include an employee of St. Aloysius Orphanage. This also holds true for any other significant audit communications (pre-audit, LOA, significant meetings, post audit, etc.).

In addition, please be sure to confirm any e-mail addresses used for St. Aloysius employees, as we recently received several undeliverable e-mails back. It appears their domain has changed to @stalschildren.org.

If you have any questions please contact CommunitySchoolQuestions@ohioauditor.gov.