



Santa Clara County Office of Education

Jon R. Gundry
County Superintendent of Schools

Informational Bulletin

For Santa Clara County Districts

District Business & Advisory Services

Kolvira Chheng: Director- DBAS: 408-453-6599

Bulletin: 15-026

Date: February 10, 2015

To: District Chief Business Officers and Fiscal Directors
Charter School Administrators

From: Jenina Salcedo, Sr. District Business Advisor

Re: Auditor Selection for the Fiscal Year 2014-15 Financial Audit

In accordance with Education Code (EC) Section 41020, the governing board of each school district shall provide for an audit of the books and accounts of the school districts. In the event the governing board of a school district has not provided for an audit by April 1, the County Office of Education, having jurisdiction over the district, shall provide for the audit.

When contracting for an audit, please note the following:

- The audit contract must contain a ten percent withholding clause per EC 14505 and, if applicable, a provision to withhold 50% of the audit fee for any subsequent year of a multi-year contract if the prior year's audit report was not certified as conforming to reporting provisions of the audit guide.
- Per EC 41020(f)(2), there is a limit of six consecutive years for any firm where the partner in charge of the audit and the reviewing partner have been the same in each of those years. The law does allow the six-year limitation to be waived by the Education Audits Appeals Panel if it finds that no other eligible auditor is available to perform the audit.
- Please communicate to your selected auditor that they must submit copies of the audit report to the Santa Clara County Office of Education by December 15, 2015. One electronic file (pdf) to DBAS will suffice.
- Fiscally accountable or independent school districts must have their selected auditor include a statement in the NOTES section of the audit stating that sufficient controls are still in place to allow the district to remain independent. Failure to provide this statement may result in the County Office of Education requiring a special independent audit at the expense of the district.

Please complete the attached form and submit by March 31, 2015. If no response is received by April 1, 2015, we will assume that your district wishes to be part of the contract under the County Office of Education.

A list of Certified Public Accountants in California is located on the State Controller's Office Web Site: <http://cpads.sco.ca.gov/CPAList.aspx>.

If you have any questions, please contact your District Advisor:

Debbie Jones (408) 453-4327
Yen Lam (408) 453-6510
Ann Redd (408) 453-6593
Jenina Salcedo (408) 453-6594

Please distribute this information within your District as deemed appropriate.

County Board of Education: Leon F. Beauchman, Michael Chang, Joseph Di Salvo, Darcie Green, Grace H. Mah, Claudia Rossi, Anna Song
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