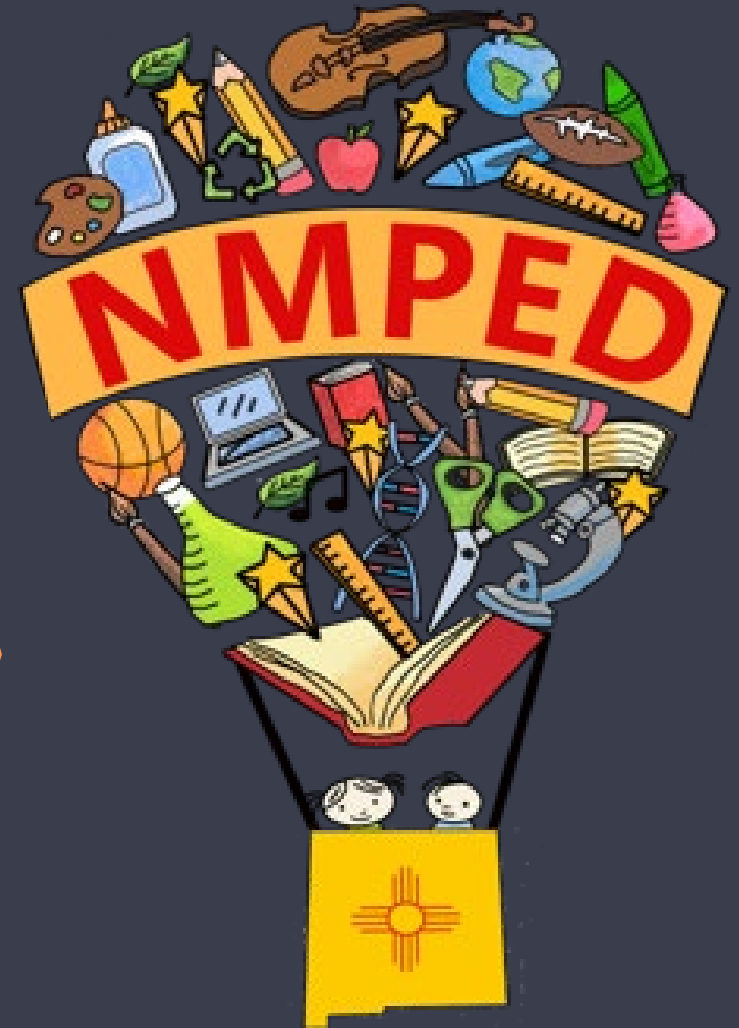
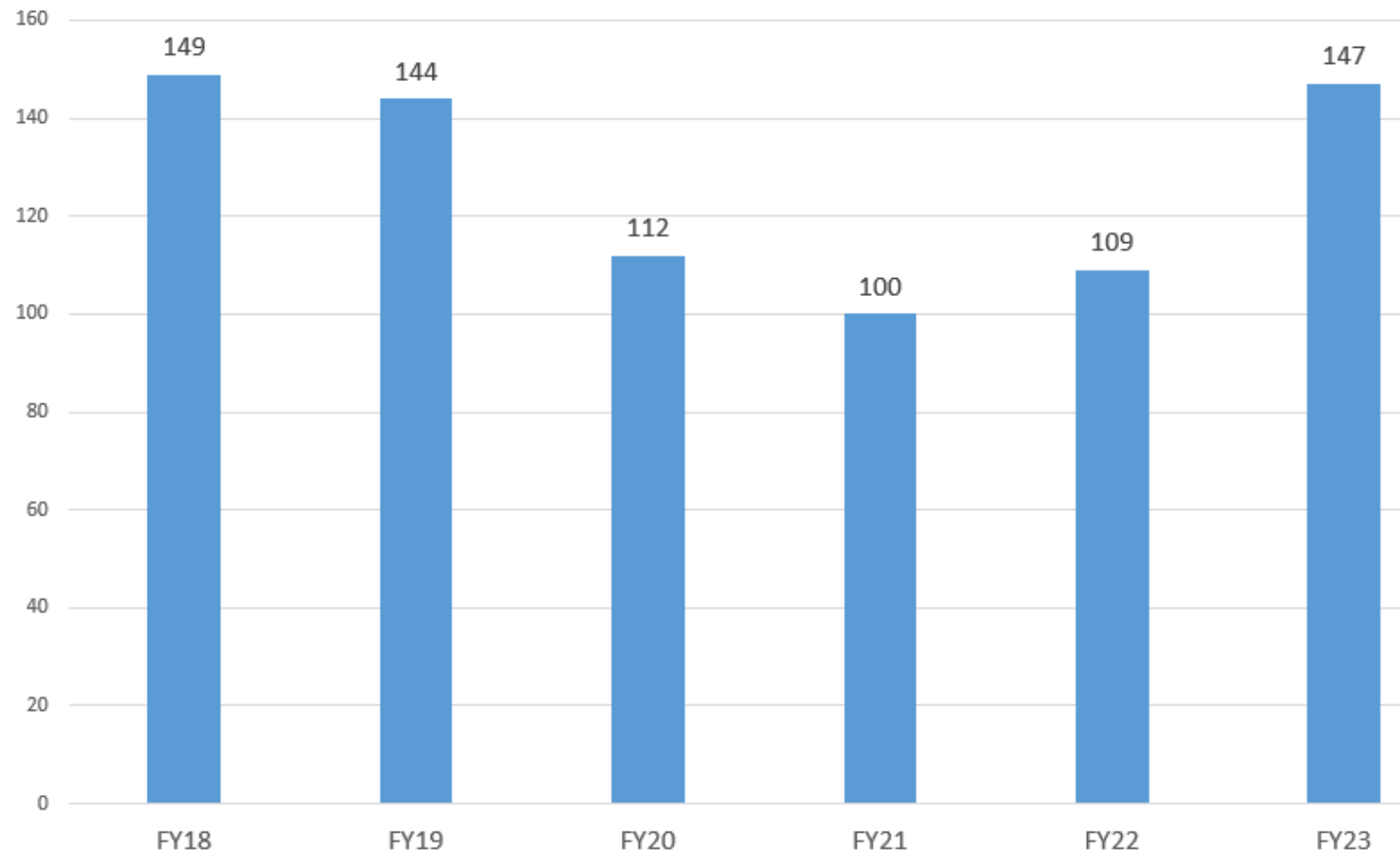


FY2023 Charter School Audits
Charter Schools Division

Public Education Commission
Work Session
March 15, 2024

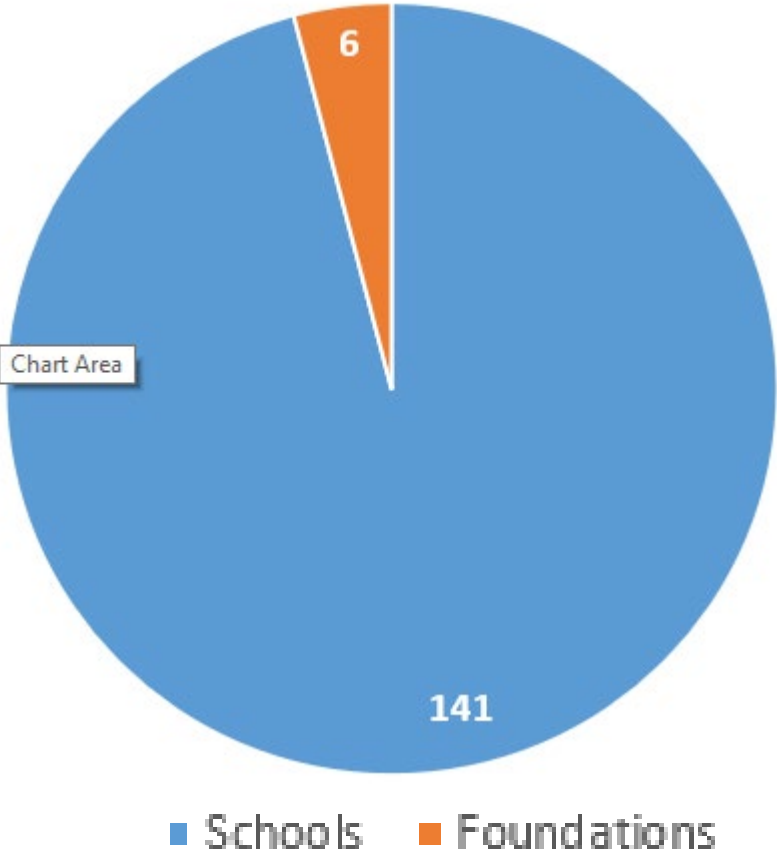


State Charter Audit Findings FY2018 – FY2023



FY2023 State Charter Schools Audit Summary

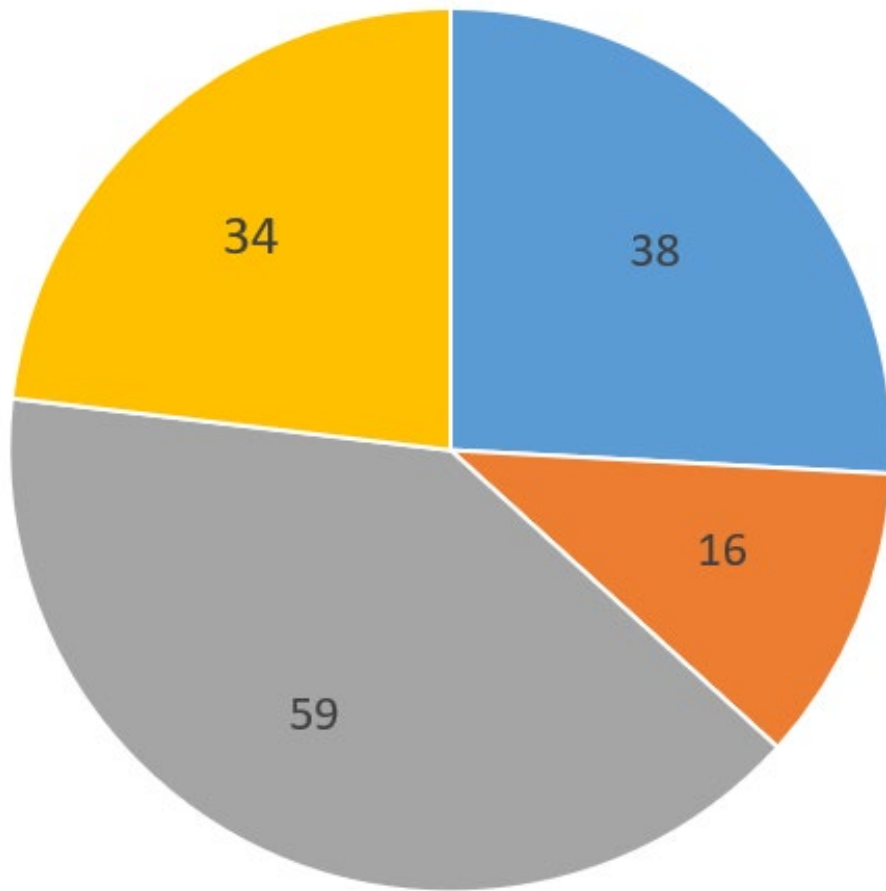
49 State Charter Schools and 6 Foundations had a total of 147 findings



Financial Statement Opinion (59 schools)

- Unmodified (clean): 56
- Disclaimed: 2 (Estancia Valley Classical Academy; La Tierra Montessori)
- Qualified: 1 (Taos International School)

Classification of Findings



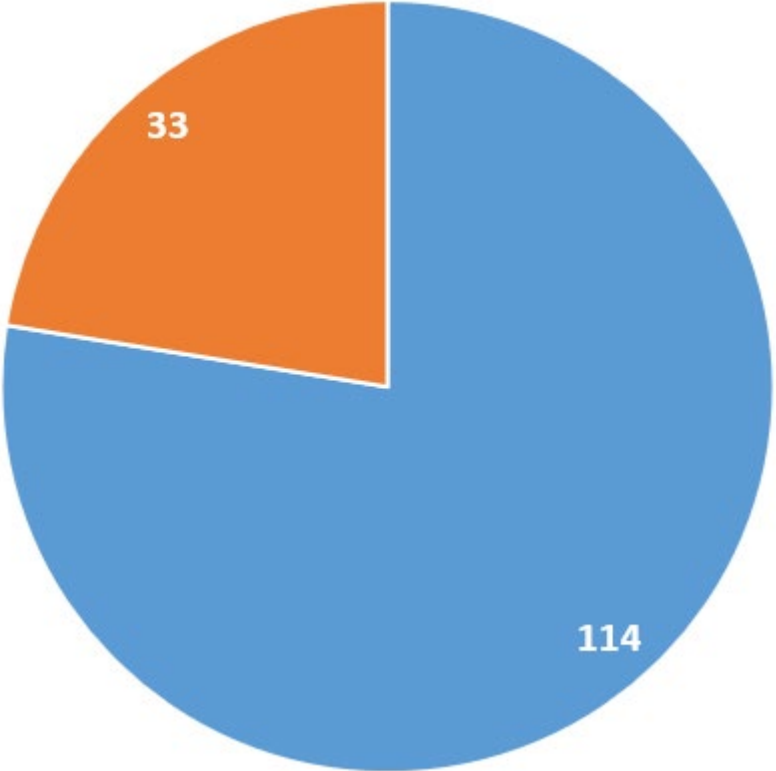
38 Material Weakness

16 Significant Deficiency

59 Other Non-compliance

34 Other Matters

Repeat Findings

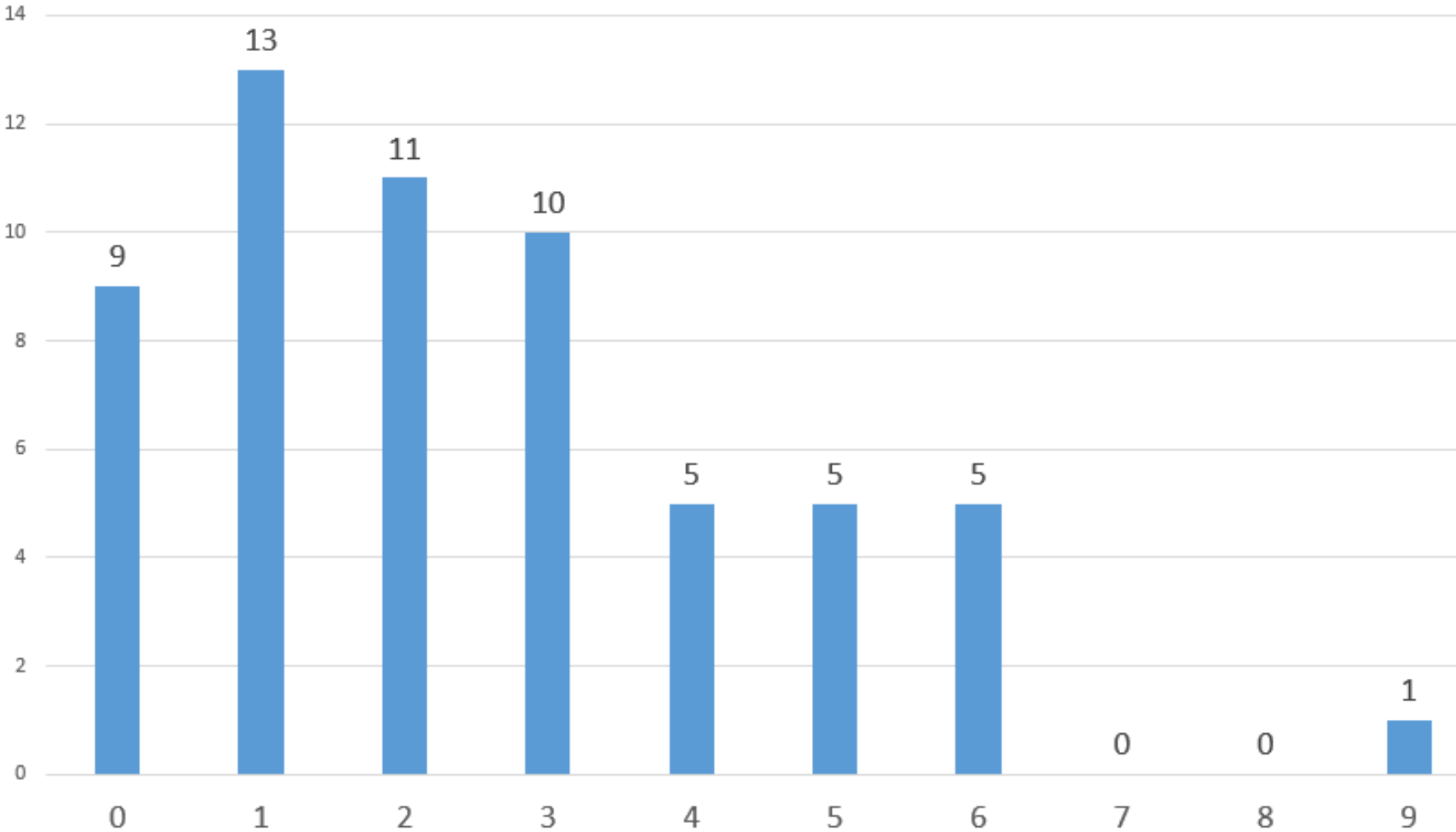


■ New ■ Repeat

33 Repeat

114 New

Number of Findings: School + Foundation



No Findings: School or Foundation

- 21st Century Public Academy
- Cesar Chavez Community School
- Cottonwood Classical Preparatory Academy
- New Mexico School for the Arts
- North Valley Academy
- Pecos Cyber Academy
- Roots and Wings Community School
- Southwest Preparatory Learning Center
- Taos Integrated School of the Arts



Schools of Concern

Estancia Valley Classical Academy

- Disclaimed audit
- 9 findings, 5 repeat
- 5 material weakness, 2 significant deficiency

Schools with 5 or 6 findings

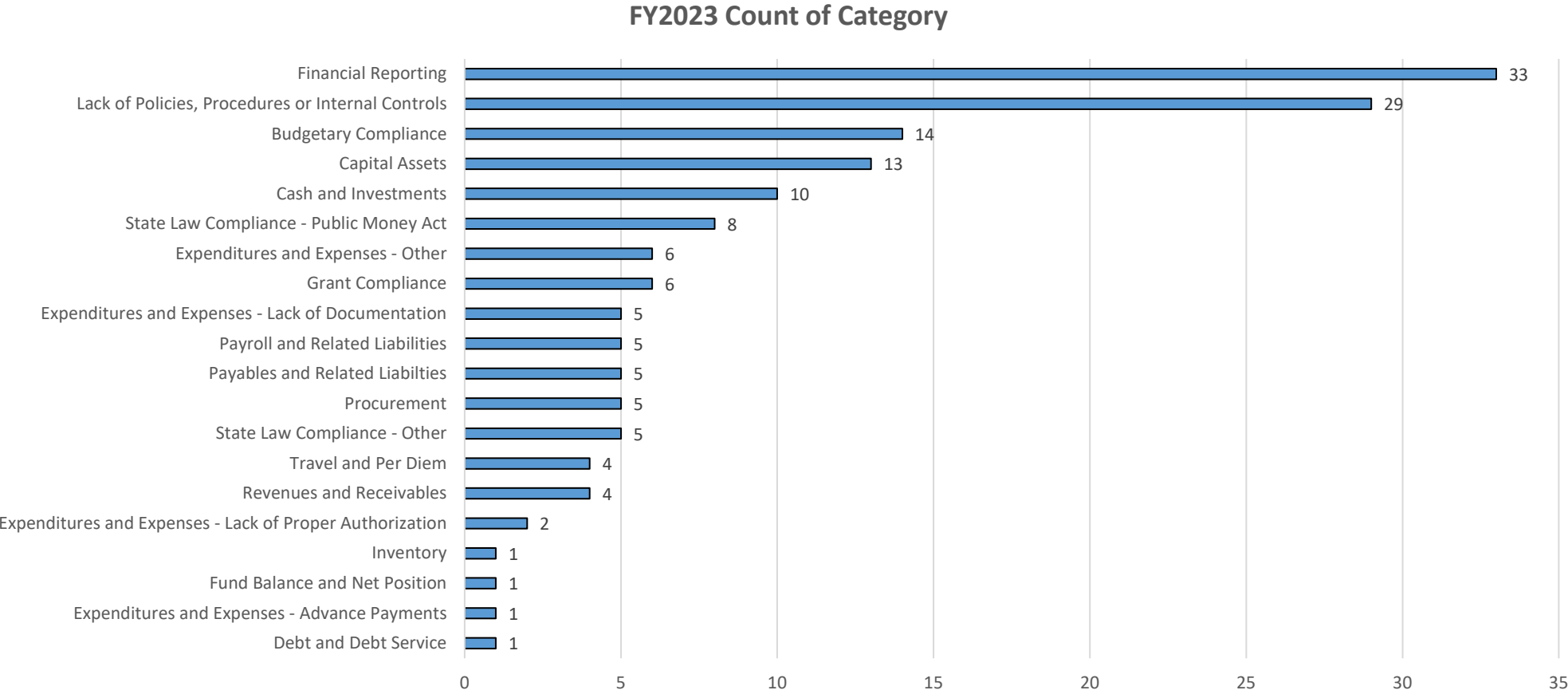
FY2023 State Charter Schools Audit Summary

- 49 State Charter Schools and 6 Foundations had a total of 147 findings
 - 38 Material Weakness
 - 16 Significant Deficiency
 - 59 Other Non-compliance
 - 34 Other Matters
 - 33 Repeat
- Financial Statement Opinion
- Unmodified: 56 schools
- Disclaimed: 2 schools (Estancia Valley Classical Academy; La Tierra Montessori)
- Qualified: 1 school (Taos International School)

Most Common Findings among Charters

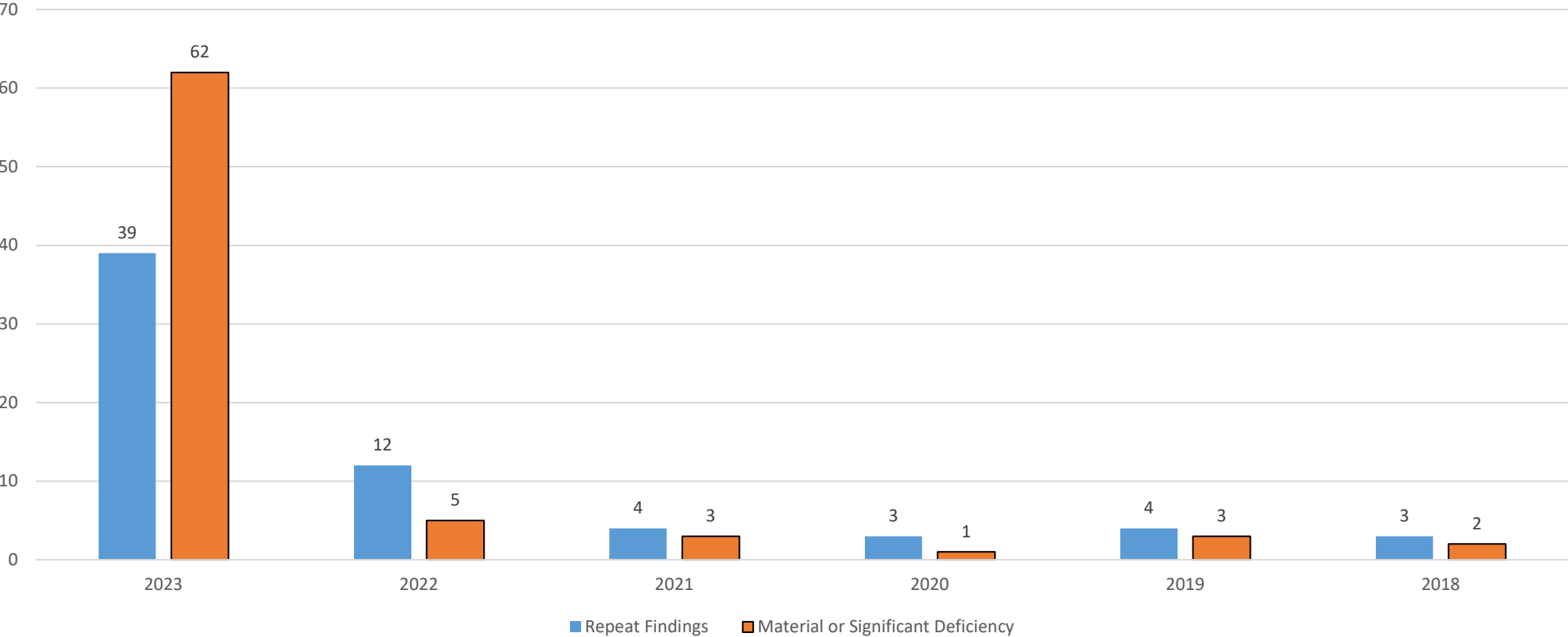
- Capital Asset recording issues (20 schools)
- UCOA Coding errors (12 schools)
- Accounts Payable Accruals Financial Reporting (11 schools)
- Bank Reconciliation issues (11 schools)
- BARs not completed (11 schools)
- Deposits not made on time or issues with deposit backup (10 schools)
- OBMS/Cash Reports do not balance to general ledger (10 schools)
- Accounts receivable accruals (9 schools)
- Fund Balance issues (8 schools)
- Employee paperwork issues (7 schools)
- ERB reports, Retiree Healthcare reports & IRS 941 reports (7 schools)
- RFRs not being submitted at end of year (6 schools)

Classification of Findings



Repeat Findings Trend

Multi-year Repeat Findings & Material Weakness or Significant Deficiency



FY23 State Charter Schools Audit Summary

- FY23 consists of 141 total findings within 59 state funded charter schools
- 9 of 59 State Charters have Zero findings in 2023
- 50 of 59 State Charters have findings in 2023
- 6 of 59 State Charter Schools Foundations have audit findings
- The number of State Charter Schools receiving an audit finding have increased
- FY23 Two (2) State Charters have Disclaimer Opinion, and one (1) state charter has a Qualified Opinion