



*The Legislative Audit Bureau makes 22 recommendations
to the Department of Public Instruction*

School District Financial Information (p. 7)

We recommend the Department of Public Instruction:

1. establish written policies that require it to contact within one month of the December 15 deadline all school districts whose audited financial statements and related audit findings were not submitted by December 15 (p. 11);
2. establish written policies that require it to regularly contact all such school districts until the audited financial statements and related audit findings are submitted (p. 11);

We recommend the Department of Public Instruction:

3. establish written policies that specify a deadline for starting its review of audited financial statements and related audit findings submitted by December 15 for school districts (p. 13);
4. establish written policies that specify a deadline for completing its reviews of audited financial statements and related audit findings for school districts (p. 13);

We recommend the Department of Public Instruction:

5. modify its written policies to specify when it will contact school districts whose audits of financial statements indicate certain types of findings, including repeat findings (p. 22);
6. modify its written policies to specify deadlines by which it will contact such school districts after audits of financial statements are submitted (p. 22);
7. modify its written policies to specify the types of information that it will convey to or request from school districts whose audits of financial statements indicate findings (p. 22);

Independent Charter School Financial Information (p. 25)

We recommend the Department of Public Instruction:

8. establish written policies that require it to contact within one month of the missed deadline all independent charter schools whose audited financial statements and related audit findings were not submitted by December 15 (p. 28);
9. establish written policies that require it to regularly contact all independent charter schools until the audited financial statements and related audit findings are submitted (p. 28);

We recommend the Department of Public Instruction:

10. establish written policies that specify a deadline for starting its review of the audited financial statements and related audit findings submitted for independent charter schools by December 15 (*p. 30*);
11. establish written policies that specify a deadline for completing its reviews of audited financial statements and related audit findings for independent charter schools (*p. 30*);

We recommend the Department of Public Instruction:

12. establish written policies that specify when it will contact the authorizers of independent charter schools if the audits indicate certain types of findings, including repeat findings (*p. 35*);
13. establish written policies that specify deadlines by which it will contact the authorizers of independent charter schools after audits of financial statements are submitted (*p. 35*);
14. establish written policies that specify the types of information that it will convey to authorizers of independent charter schools (*p. 35*);

Parental Choice Programs and Special Needs Scholarship Program School Financial Information (*p. 37*)

We recommend the Department of Public Instruction:

15. establish written policies that require it to promptly contact all Parental Choice program schools and Special Needs Scholarship Program schools whose audited financial statements and related audit findings were not submitted by the statutory October 15 deadline, and are therefore statutorily noncompliant (*p. 40*);
16. establish written policies that require it to regularly contact all statutorily noncompliant Parental Choice program schools and Special Needs Scholarship Program schools until the audited financial statements and related audit findings are submitted (*p. 40*);

We recommend the Department of Public Instruction:

17. establish written policies that require DPI to track the dates when it begins to review the submitted audited financial statements and related audit findings for Parental Choice program schools and Special Needs Scholarship Program schools (*p. 41*);

We recommend the Department of Public Instruction:

18. modify written policies that consistently specify when to contact a Parental Choice program school and a Special Needs Scholarship Program school if certain types of findings are indicated in a school's audited financial statements or related information, such as a management letter, including if a CPA firm identified concerns with a school's financial viability or certain higher-risk issues (*p. 47*);
19. establish written policies that consistently specify the types of information that it should convey to and request from Parental Choice program schools and Special Needs Scholarship Program schools (*p. 47*);

Training and Compliance

We recommend the Department of Public Instruction:

20. provide its staff with training on these modified policies (p. 22) and newly established policies (p. 11), (p. 13), (p. 28), (p. 30), (p. 35), (p. 40), (p. 41), and (p. 47);
21. regularly monitor staff compliance with these modified policies (p. 22) and newly established policies (p. 11), (p. 13), (p. 28), (p. 30), (p. 35), (p. 40), (p. 41), and p. 47);

Audit Follow-Up Reporting

22. report to the Joint Legislative Audit Committee by December 15, 2025, on the status of its efforts to implement these recommendations.