

Audit Requirements

**Presentation for
New Superintendents**

October 2013



- **Statutory requirement for audits found in Section 165.121, RSMo.**
- **DESE's administrative rule governing audits is 5 CSR 30-4.030.**
- **Full text of the rule can be found on the Secretary of State website at**

<http://www.sos.mo.gov/adrules/csr/current/5csr/5c30-4.pdf>

- **Audit required for all districts and charters annually.**
- **Must be an independent audit contracted by the Board of Education.**
- **Services should be bid in accordance with Board policy. No statewide procurement requirement.**

- **Firm selected to perform audit must hold current permit to practice in Missouri and meet all requirements for CPE and peer review, including any subcontractors.**
- **Local Board is responsible for accuracy of financial statement and note disclosures, and assertions related to compliance with federal and state laws and regulations.**

- **Funds/entities that must be included in audit:**

General, Special Revenue, Debt Service, Capital Projects

Fiduciary funds

Proprietary funds

Component units

- **Financial statements may be prepared on accrual basis or OCBOA.**

- **Every audit should have at least three reports from the auditor:**
 - **Independent Auditor's Report on the financial statements**
 - **Report On Internal Control Over Financial Reporting and On Compliance and Other Matters**
 - **Report on Compliance with Missouri Laws and Regulations**

- **Other information that should be included:**
 - **Management's Discussion and Analysis**
 - **Schedule of Selected Statistics**

- **A Single Audit may be required if expenditures of federal funds exceed \$500,000.**
- **Firm selected to perform Single Audit cannot be suspended or debarred by federal government.**
 - **<https://www.epls.gov/>**

- **Additional information included in Single Audit:**
 - **SEFA Schedule**
 - **Independent Auditor's Report on Compliance with Federal Requirements**
 - **Summary of Auditor's Results**

- **DESE is required to follow up on any audit findings related to a federal program.**
- **DESE may request additional documentation during the resolution process.**

- **Complete audit must be submitted to DESE by December 31.**
- **Failure to do so could result in state aid payments being held until audit is received.**
- **Audit needs to be submitted to DESE as a .PDF file.**

- **Board minutes approving the audit and any management letter received must also be submitted as a .PDF document.**
- **These may be submitted after the December 31 deadline.**
- **Before submitting, review guidelines in September 2013 Finance memo to ensure audit is complete.**

Contact Us

www.dese.mo.gov

Email: Toni.Wade@dese.mo.gov

Phone: 573-751-9437



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