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Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting



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GENERAL PROVISIONS

ABBREVIATIONS/DEFINITIONS

ADA: Average Daily Attendance as reported to CDE for apportionment

Annual: the fiscal year ending on June 30

CDE: California Department of Education

COE: County Office of Education

Grade span: as specified in Education Code section 42238.02(d)

LEA: Local Education Agencies serving one or more of grades K-12, i.e. school districts, county offices of education, charter schools, and certain joint power authorities

LCFF: Local Control Funding Formula

P2: the second principal period of apportionment, as defined in Education Code section 41601

SCOPE/AUDITOR JUDGEMENT

This audit guide is to be used in the performance of the audits required by Education Code section 41020. The auditor shall follow the procedures included in this audit guide, unless, in the exercise of professional judgment, the auditor determines that other or additional procedures are more appropriate.

AUDITING STANDARDS

Audits shall be conducted in accordance with the following standards:

1. Standards generally accepted in the United States of America.
2. *Government Auditing Standards*, also known as the Yellow Book, which contains standards for audits of government organizations, programs, activities, and functions. The Yellow Book is published by the United States Government Accountability Office.
3. Federal audit regulations means Part 200 of Title 2 of the Code of Federal Regulations-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (which superseded OMB Circular A-133) including standards for attaining consistency and uniformity in the audits of governments and organizations expending federal awards.
4. Sampling should be based on the guidance of the following Tables, or the report should indicate the rationale for using alternative procedures:

Table 1
Tests of Compliance Sampling Table—Population: 250 or Greater
Minimum Sample Sizes—5% Tolerable Exception Rate

Expected Number of Exceptions	Degree of Assurance Needed		
	High (90–95% Confidence Level)	Moderate (87–89% Confidence Level)	Low
0	60	40	25
1	91	71	53
2	120	98	76

Table 2
Tests of Compliance Sampling Table—Population: Less Than 250
Minimum Sample Sizes—5% Tolerable Exception Rate

Expected Number of Exceptions	Degree of Assurance Needed		
	High (90–95% Confidence Level)	Moderate (87–89% Confidence Level)	Low
0	51	37	25
1	78	63	48
2	101	85	Sampling not efficient

Note: For populations between 52 and 250 items, auditors generally test a sample size of approximately 10 percent of the population. The sample size is subject to professional judgement, which would include engagement risk assessment considerations.

Table 3
Tests of Compliance Sampling Table—Very Small Populations

Frequency and Population Size	Sample Size
Quarterly (4)	2
Monthly (12)	2–4
Semimonthly (24)	3–8
Weekly (52)	5–9

MATERIALITY LEVELS

The table below applies to sections D. Independent Study, E. Continuation Education, and Y. Independent Study-Course Based. Each program for which ADA is reported to the CDE must be audited consistent with this guide, if the number of units of ADA reported is material as shown in the following table:

<u>LEA's Total Reported ADA</u>	<u>Materiality Level/Program</u>
1 - 1,000	10 or more ADA
1,001 - 2,500	20 or more ADA
2,501 - 10,000	50 or more ADA
More than 10,000	100 or more ADA

REPORT COMPONENTS

The report of each audit performed pursuant to Education Code section 41020 shall include the following:

1. Introductory Section

- a. Table of Contents
- b. Other information as deemed appropriate by the auditee

2. Financial Section

- a. Independent Auditors Report
- b. Management's Discussion and Analysis
- c. Basic Financial Statements
- d. Notes to the Basic Financial Statements

3. Required Supplementary Information: Schedule of budgetary comparison data, by object, for the general fund and any major special revenue funds that have legally adopted annual budgets, disclosing excesses of expenditures over appropriations, if any, in individual funds presented in the budgetary comparison.

4. Supplementary Information

a. *Schedule of ADA* which displays ADA data for both the Second Period and Annual reports, by grade span and program as appropriate; and separately for each charter school, shows the total ADA and the ADA generated through classroom-based instruction by grade span, as appropriate; and if there are any ADA adjustments due to audit findings, displays additional columns for the Second Period and Annual reports reflecting the final ADA after audit finding adjustments, shown by grade span.

b. *Schedule of Instructional Time* displaying, for school districts, including basic aid districts, data that show whether the district complied with article 8 (commencing with section 46200) of chapter 2 of part 26 of the Education Code; showing by grade level:

- 1) The number(s) of instructional minutes specified in Education Code section 46207(a);
- 2) For all districts, the instructional minutes offered during the year audited showing the school with the lowest number of minutes offered at each grade level;
- 3) For all districts, the number of instructional days offered during the year audited on the traditional calendar and on any multitrack year-round calendars; and whether the district complied with the instructional minutes and day's provisions.
- 4) For charter schools, data that show whether the charter school complied with Education Code sections 47612 and 47612.5; showing by grade level the number(s) of instructional minutes specified in Education Code section 47612.5; the instructional minutes offered during the year audited showing the school location with the lowest number of minutes offered at each grade level; the number of instructional days offered during the year audited on the traditional calendar and on any multitrack calendars; and whether the charter school complied with the instructional minutes and days provisions.

5.) For school districts and charter schools that received a Form J-13A approval, list the actual minutes and days in the instructional minutes and days offered columns, add columns that list the credited minutes and days per the approved Form J-13A and the total minutes and days offered, adding the actual offering to the amount of minutes and days credited per the approved Form J-13A. Include a footnote stating that the school district or charter school received an approved J-13A identifying number or days and minutes approved.

6) For school districts and charter schools that are pending a Form J-13A approval, list the actual minutes and days in the instructional minutes and days offered columns, add columns that list the minutes and days per the submitted Form J-13A and the total minutes and days including pending Form J-13A , adding the actual offering to the amount of minutes and days that may be credited per the submitted Form J-13A. Include a footnote stating that the school district or charter school is pending a Form J-13A approval, identifying number of days and minutes that may be approved. Note: If the actual instructional minutes or days offered did not meet the instructional time requirements, the LEA is not in compliance with the instructional time requirements and a finding should be reported. Submission of a J-13A to the California Department of Education does not guarantee approval of the requested minutes and days.

c. *Schedule of Financial Trends and Analysis* displaying information regarding the auditee's financial position and going concern status, in the form of actual financial and attendance figures for at least the most recent three-year period (ending with the audit year), plus the current year's budget, for the following items: general fund financial activity, including total revenue, expenditures, and other sources and uses; general fund balance; available reserve balances (funds designated for economic uncertainty, and any other remaining undesignated fund balance) within the general fund or special reserve fund; available reserve balances expressed as a percentage of total general fund outgo (expenditures, transfers out, and other uses), including a comparison to the applicable state-recommended available reserve percentage; total long-term debt; and elementary and secondary second principal ADA; and, when the auditee's percentage of available reserves to total general fund outgo is below the state-recommended percentage, management's plans for increasing the auditee's available reserve percentage.

d. *Reconciliation of Annual Financial and Budget Report With Audited Financial Statements* displaying the differences between the ending fund balance(s) from the audited financial statements and the unaudited ending fund balance(s) from the annual financial and budget report for each fund in which a variance occurred.

e. Optionally, *Combining Statements and Individual Fund Statements and Schedules*

f. *Schedule of Charter Schools* listing all charter schools chartered by the school district or county office of education. For each charter school, include the charter school number and indicate whether or not the charter school is included in the school district or county office of education audit.

g. *Schedule of Expenditures of Federal Awards*, if required by federal audit regulations, applicable to the year being audited.

h. *Notes to Supplementary Information*, if required.

5. Other Information

a. *LEA Organization Structure*, setting forth the following information, at a minimum:

- 1) The date on which the LEA was established, and for charter schools the date and granting authority of each charter;
- 2) The date and a general description of any change during the year audited in a school district's boundaries, or a statement that there were no changes in a school district's boundaries, whichever applies;
- 3) The numbers by type of schools in the LEA;
- 4) The names, titles, terms, and term expiration dates of all members of the governing board; and
- 5) The names, with their titles, of the superintendent, chief business official, and deputy/associate/assistant superintendents.

6. Other Independent Auditor Reports

a. *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*, specifies material instances of noncompliance, if any; defines material weakness and, when relevant, significant deficiency, and describes the significant deficiencies and material weaknesses disclosed by the audit; states that the auditor's consideration of internal control over financial reporting would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and states whether the auditor believes any of the significant deficiencies noted were material weaknesses; includes a statement that additional matters were communicated to the auditee in a management letter, if that is the case; specifies all instances of fraud and illegal acts, if any, disclosed by the audit, unless clearly inconsequential; specifies material violations of provisions of contracts and grant agreements, if any; specifies material abuse, if any, disclosed by the audit; and does all this in accordance with the financial reporting requirements specified in the Codification of Statements on Auditing Standards, and in Government Auditing Standards, as applicable to the year being audited.

b. *Report on State Compliance and on Internal Control Over Compliance* which addresses each of the state compliance requirements included in this audit guide, stating that compliance with the applicable compliance requirements is the responsibility of the auditee's management, and stating whether or not the auditee is in compliance with those requirements; includes a chart that displays each compliance requirement (as indicated in the Table of Contents) and states which audit procedures were not performed, noting whether procedures were inapplicable, and what alternative, modified or substitute procedures were followed; includes an expression of opinion on whether the auditee complied, in all material respects, with applicable compliance requirements; and includes a section addressing auditor's consideration of internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the state programs.

c. *Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance* required by federal audit regulations, is the component of the Other Independent Auditor Reports that states that compliance with the applicable compliance requirements is the responsibility of the auditee's management;

includes an expression of opinion on whether the auditee complied, in all material respects, with federal laws, regulations, and the provisions of federal contracts or grant agreements; and opines whether the auditee has established and maintained effective internal control over compliance with the requirements for major federal programs.

67. Findings and Recommendations

a. *Schedule of Findings and Questioned Costs* that presents all audit year findings, and a copy of each management letter issued, if any, with each finding assigned the appropriate code: 10000 Attendance, 20000 Inventory of Equipment, 30000 Internal Control, 40000 State Compliance, 42000 Charter School Facilities Programs, 43000 Apprenticeship: Related and Supplemental Instruction, 50000 Federal Compliance, 60000 Miscellaneous, 61000 Classroom Teacher Salaries, 62000 Local Control Accountability Plan, 70000 Instructional Materials, 71000 Teacher Misassignments, 72000 School Accountability Report Card and includes the following elements:

- 1) criteria;
 - 2) condition;
 - 3) effect;
 - 4) cause;
 - 5) a statement of the number of units of ADA, by grade span, if any, that were inappropriately reported for apportionment, and an estimate of their dollar value; and a statement consistent with its basis of funding, for any other inappropriately reported claim-such as number of unduplicated LCFF pupil counts or the dollar amount of inappropriate expenditures for a restricted program;
 - 6) a note if the finding is a repeat of or related to a finding in the previous audit year, and a recommendation for the resolution of the finding;
 - 7) a corrective action plan prepared by the auditee that describes in specific terms the actions planned or taken to correct the problem, or a statement from the auditee that the corrective action recommended by the auditor is not necessary or appropriate and giving the specific reasons why, if that is the case, and a statement that the corrective action plan was not available if no corrective action plan was submitted before the audit report was prepared.
- b. *Schedule of Prior Audit Findings* that presents the status of actions taken by the auditee on each of the findings and recommendations reported in the prior year audit, and includes as current year findings and recommendations those prior year findings that have not been resolved.

LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS

A. ATTENDANCE

1. Determine whether the P2 and Annual reports of attendance submitted to the CDE reconcile to the supporting documents by verifying the LEA's ADA calculations for each reporting line item, including the informational line items subject to the materiality levels as described in the Materiality section of the General Provisions. Select the greater of 20 percent or 1 school site for each grade level based on audit risk to perform the following procedures.
2. Trace the ADA numbers from the P2 and Annual reports of attendance to the LEA's summaries.
3. Verify that the monthly site summaries used for summarizing attendance provide accurate information, by selecting a representative sample of schools and performing the following procedures (exclude the programs identified separately in subsequent sections of this audit guide):
 - a. Reconcile the monthly totals (days of apportionment attendance) on the school's attendance summary to the summary maintained by the LEA for the P2 and the Annual attendance reports.
 - b. Select at least one test month in the P2 or Annual attendance reporting period. Verify the mathematical accuracy of the monthly report and trace the totals to the school's attendance summary.
 - c. Elementary Schools: Select a representative sample of teachers (greater of 5 percent of teachers with a minimum of three teachers) and trace the monthly totals from the monthly report to the data origination documentation. Verify the mathematical accuracy of the attendance registers, scantron summaries, or other data arrays.

Middle and High Schools: Select a representative sample of teachers (greater of 5 percent of teachers for one period, with a minimum of three teachers for one period) and trace the monthly totals from the monthly report to the data origination documentation. Verify the mathematical accuracy of the attendance registers, scantron summaries, or other data arrays.
4. Select a representative sample of absences by site and compare to documentation supporting the ADA reported to the CDE to verify that absences were not included in ADA. The documentation maintained by the LEA with regard to its absences may be in the form of notes, logs, or other records, depending on the board-adopted policy concerning verification of absences.
5. Calculate any inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures. State in a finding the number(s) of units of ADA so identified and an estimate of their dollar value.

B. TEACHER CERTIFICATION AND MISASSIGNMENTS

1. For each teacher selected pursuant to 3(c) in the A section of this guide, test to determine whether the teacher possessed a valid certification document.
2. If any teacher did not possess a valid certification document, calculate the penalty or penalties pursuant to Education Code section 45037 and include the actual calculation in a finding.
3. For each teacher selected pursuant to 3(c) in the A section of this guide, test to determine whether the teacher was assigned to teach in a position:
 - a. Consistent with the authorization of his/her certification; or
 - b. Otherwise authorized by law pursuant to (1) a governing board resolution in conformance with subdivision (b) of Education Code section 44256, 44258.2, 44258.3, or 44263 or (2) the approval of a committee on assignments pursuant to subdivision (c) or (d) of Education Code section 44258.7.
4. If any teacher selected pursuant to 3(c) in the A section of this guide was assigned to teach a class in which more than 20 percent of the pupils were English learners, determine whether the teacher was authorized to instruct limited English proficient pupils pursuant to Education Code section 44253.3, 44253.4 or 44253.10.
5. If any teacher was assigned to teach in a position for which the teacher was not authorized, so state in a finding.

C. (Reserved)

D. INDEPENDENT STUDY

1. If the LEA reported ADA generated through independent study, perform the following procedures at the agency level:
 - a. Reconcile the LEA's independent study attendance records to ADA generated through full-time independent study reported to the CDE.
 - b. From the independent study attendance records, select a representative sample of pupils for whom ADA generated through independent study was claimed, including pupils on intermittent or "short term" independent study (fewer than 16 instructional days), and confirm that every pupil in the sample is identified in the written records of the district or county board by grade level, by program placement, and by the school in which the pupil is enrolled.
 - c. If, pursuant to the foregoing audit procedure, any pupils are found that were not identified in the written records of the district or county board by any one or more of grade level, program placement, and the school in which the pupil was enrolled, calculate and state in a finding the number(s) of units of ADA, by grade span, that

were inappropriately reported for apportionment and an estimate of their dollar value.

- d. Verify the LEA's independent study ratio calculations, made pursuant to subdivision (a) of Education Code section 51745.6, of ineligible ADA, if any, generated through independent study by pupils 18 years of age or less. For the purpose of calculating the independent study ratio, exclude:
 - (1) Short-term ADA as defined by section 51747(i); and
 - (2) Independent study ADA generated by students who are subject to section 51747(d)-(f), but participated in independent study intermittently during the school year.
- e. Interview LEA administrative personnel and school counselors to determine if the LEA had policies and procedures to ensure that any pupil terminating an independent study agreement was permitted to expeditiously recommence classroom study, within five instructional days of the request to return to the classroom.
- f. Interview LEA administrative personnel as well as a sample of independent study teachers and review written agreements to determine whether it was the LEA's policy or practice to provide independent study pupils or their parents/guardians with monetary funding or any other things of value such as equipment (unless made pursuant to subdivision (b) of Education Code section 51747.3) or paid private instruction. If so, determine whether classroom pupils or their parents/guardians had the same access to funding or things of value. Read program materials provided to all parents/guardians to determine that opportunities were equal and that pupils engaged in independent study were neither offered nor given incentives or special benefits.
- g. Verify that the LEA has adopted board policies, and has implemented those policies, pursuant to rules and regulations adopted by the Superintendent, that include, but are not limited to, all of the following:
 - (1) The maximum length of time, by grade level and type of program, that may elapse between the time an independent study assignment is made and the date by which the pupil must complete the assigned work.
 - (2) The level of satisfactory educational progress and the number of missed assignments that will be allowed before an evaluation is conducted to determine whether it is in the best interests of the pupil to remain in independent study, or whether the pupil should return to the regular school program. A written record of the findings of any evaluation made pursuant to this subdivision shall be treated as a mandatory interim pupil record. The record shall be maintained for a period of three years from the date of the evaluation and, if the pupil transfers to another California public school, the record shall be forwarded to that school.
 - (3) Satisfactory educational progress shall be determined based on all of the following indicators:

- (A) The pupil's achievement and engagement in the independent study program, as indicated by the pupil's performance on applicable pupil level measures of pupil achievement and pupil engagement set forth in paragraphs (4) and (5) of subdivision (d) of Education Code section 52060.
 - (B) The completion of assignments, assessments, or other indicators that evidence that the pupil is working on assignments.
 - (C) Learning required concepts, as determined by the supervising teacher.
 - (D) Progressing toward successful completion of the course of study or individual course, as determined by the supervising teacher.
- (4) The provision of content aligned to grade level standards that is substantially equivalent to in-person instruction.
 - (5) Procedures for tiered reengagement strategies for all pupils who are not generating attendance for more than 10 percent of required minimum instructional time over four continuous weeks of a local educational agency's approved instructional calendar, pupils found not participatory in synchronous instruction offerings pursuant to Education Code section 51747.5 for more than 50 percent of the scheduled times of synchronous instruction in a school month as applicable by grade span, or pupils who are in violation of the written agreement pursuant to subdivision (g). These procedures shall include, but are not necessarily limited to, all of the following:
 - (A) Verification of current contact information for each enrolled pupil.
 - (B) Notification to parents or guardians of lack of participation within one school day of the recording of a non-attendance day.
 - (C) A plan for outreach from the school to determine pupil needs, including connection with health and social services as necessary.
 - (D) A clear standard for requiring a pupil-parent-educator conference to review a pupil's written agreement, and reconsider the independent study program's impact on the pupil's achievement.
 - (6) For pupils in transitional kindergarten and grades 1 to 3, inclusive, a plan to provide opportunities for daily synchronous instruction for all pupils throughout the school year.
 - (7) For pupils in grades 4 to 8, inclusive, a plan to provide opportunities for both daily live interaction and at least weekly synchronous instruction for all pupils throughout the school year.
 - (8) For pupils in grades 9 to 12, inclusive, a plan to provide opportunities for at least weekly synchronous instruction for all pupils throughout the school year.
 - (9) A plan to transition pupils whose families wish to return to in-person instruction from independent study expeditiously, and, in no case, later than five instructional days.
 - (10) A requirement that a current written agreement for each independent study pupil shall be maintained on file.

2. Select a sample of schools that is representative of the LEA and sufficient in size to allow the auditor to draw a reasonable conclusion with respect to the LEA's compliance with independent study requirements. Verify that the monthly site summaries used for summarizing attendance provide accurate information by performing the following procedures:
 - a. At each sampled school, examine the attendance accounting records to verify that the attendance of pupils while engaged in independent study was maintained on separate registers or the LEA had another mechanism in place to track ADA generated through independent study separately from other ADA.
 - b. Determine the total number of days of attendance reported for each sampled school that resulted from attendance by pupils while engaged in independent study. Reconcile the monthly totals (days of apportionment attendance) on the site's attendance summary to the summary maintained by the LEA for the P2 and Annual attendance reports.
 - c. Select a test month in the P2 or Annual attendance reporting period. Verify the mathematical accuracy of the monthly report and trace the totals to the school's attendance summary.
 - d. Verify that a certificated employee of the LEA coordinated, evaluated, and provided general supervision (as that term is defined in title 5, California Code of Regulations, section 11700(b)), of each pupil's independent study, as required by subdivision (a) of Education Code section 51747.5.
 - e. Select a representative sample of teachers. Verify the mathematical accuracy of the teachers' attendance records of pupil attendance. Trace the monthly totals from the monthly report to the attendance records.
 - f. If 100 percent apportionment attendance was recorded for all independent study pupils, ensure that the teacher did not accrue more days of apportionment credit for any assignment than there were school days in that assignment ("banking"); or accrue days of attendance for work submitted subsequent to the specified due date for the assignment ("make-up").
 - g. For programs in which hourly attendance accounting is not required pursuant to title 5, California Code of Regulations, section 406, verify that attendance credit was recorded in whole days based on the supervising teacher's personal review, evaluation, and assignment of time value to the pupil's work product or participation in synchronous instruction pursuant to Education Code Section 51747.5(b), or the supervising teacher's review, or the supervising teacher's review of the evaluation and assignment of time value made by another certificated teacher.
3. From the attendance records, select a representative sample of pupils for whom ADA generated through independent study was claimed, including pupils on intermittent or short-term independent study, and perform the following procedures:

- a. Verify that no pupil was enrolled in the LEA pursuant to subdivision (b) of Education Code section 48204 while engaged in full-time independent study.
- b. Determine each selected pupil's county of residence at the time of commencing independent study and verify that it is the county in which the apportionment claim is reported or a contiguous county within California.
- c. Determine whether mailing addresses or other evidence of residency changed during the time the pupils were in independent study and, if so, whether each pupil remained resident of the same or a contiguous county within California.
- d. Verify that a total of not more than one day of attendance generated through independent study was recorded for each pupil, including pupils enrolled in more than one program, for any calendar day on which school was in session.
- e. Verify that a written agreement exists for each pupil selected.
- f. Verify that pupils enrolled in independent study met the applicable age requirements established pursuant to Education Code section 46300.1.
- g. Verify evidence from appropriately licensed professionals of the need for pupils to participate in independent study pursuant to Education Code Section 51747(i), as applicable.
- h. Verify that every written agreement contained all the required elements:
 - (1) The manner, time, frequency, and place for submitting a pupil's assignments for reporting progress, and for communicating with a pupil's parent or guardian regarding a pupil's academic progress.
 - (2) The objectives and methods of study (pupil activities selected by the supervising teacher as the means to reach the educational objectives set forth in the written agreement) for the pupil's work.
 - (3) The methods used to evaluate that work (any specified procedure through which a certificated teacher personally assesses the extent to which the pupils achieved the objectives set forth in the written assignment).
 - (4) The specific resources, including materials and personnel, to be made available to the pupils (resources reasonably necessary to the achievement of the objectives in the written agreement, not to exclude resources normally available to all pupils on the same terms as the terms on which they are normally available to all pupils). These resources shall include confirming or providing access to all pupils to the connectivity and devices adequate to participate in the educational program and complete assigned work.
 - (5) A statement of the policies adopted pursuant to subdivisions (a) and (b) of Education Code section 51747:
 - (A) The maximum length of time allowed between the assignment and the completion of a pupil's assigned work;
 - (B) The level of satisfactory educational progress as defined in Education Code section 51747(b)(2)(A)-(D); and

- (C) The number of assignments a pupil may miss before there must be an evaluation of whether it is in the pupil's best interests to continue in independent study.
- (6) The duration of the independent study agreement, including the beginning and ending dates for the pupil's participation in independent study under the agreement, with no agreement being for longer than one school year
- (7) A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the agreement, to be earned by the pupil upon completion
- (8) A statement detailing the academic and other supports that will be provided to address the needs of pupils who are not performing at grade level, or need support in other areas, such as English learners, individuals with exceptional needs in order to be consistent with the pupil's individualized education program or plan pursuant to Education Code section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), pupils in foster care or experiencing homelessness, and pupils requiring mental health supports.
- (9) A statement in each independent study agreement that independent study is an optional educational alternative in which no pupil may be required to participate (in the case of a pupil who is referred or assigned to any school, class or program pursuant to Education Code section 48915 or 48917, the agreement also shall include the statement that instruction may be provided to the pupil through independent study only if the pupil is offered the alternative of classroom instruction).
- (10) Signatures, affixed prior to the commencement of independent study, for a pupil that is scheduled to participate for more than 15 schooldays, or during the school year in which the independent study program takes place for a student scheduled for less than 16 schooldays, by:
 - (A) The pupil;
 - (B) The pupil's parent, legal guardian, or caregiver as that term is used in Family Code section 6550 and following, if the pupil is less than 18 years old;
 - (C) The certificated employee who has been designated as having responsibility for the general supervision of independent study; and
 - (D) The certificated employee designated as having responsibility for the special education programming of the pupil, as applicable.
- i. Verify that no days of attendance were reported without meeting the requirement of 51747(g)(9)(A).
- j. Trace each pupil's attendance from the attendance records to the teacher's register, record of the pupil's work completed, and the corresponding work assignment record. Verify that pupil work samples have been retained in the file.

- k. Verify that the pupil work product samples are related to the assignment pursuant to which the work was undertaken and reflect the curriculum adopted by the local governing board and not an alternative curriculum.
 - l. Verify that the LEA documents time recorded for student participation by online or computer-based instructional platforms when it is being counted towards instructional time and apportionment calculations (Education Code section 51747.5(b)(2)(A)(ii).
 - m. Verify that the LEA maintains documentation of hours or fraction of an hour of both pupil work products and the time that the pupil engaged in asynchronous instruction (Education Code section 51747.5(b)(2)(A)(ii).
 - n. Verify that the LEA documented each pupil's participation in live interaction and synchronous instruction and that a pupil who did not participate in scheduled live interaction or synchronous instruction was documented as nonparticipatory pursuant instruction pursuant to Education Code section 51747.5(c).
 - o. Verify that participation in synchronous instruction being counted towards instructional minute and apportionment calculations contained all the required elements:
 - (1) Synchronous instruction was offered pursuant to Education Code section 51747(e).
 - (2) Participation in synchronous instruction is applied to the schoolday on which the student participated.
 - (3) The synchronous instruction meets the definition of Education Code section 51745.5(d).
 - (4) The synchronous instruction is provided by a teacher or teachers of record.
 - (A) A teacher of record can be the supervising teacher who coordinates, evaluates and generally supervises the student and the certificated teacher(s) that evaluate student work product for time value.
 - (5) The student's participation in synchronous instruction augments the time value of student work product pursuant to Education Code section 51747.5(b)(2)(B)(ii).
 - (6) Evidence of student participation in synchronous instruction for each hour or fraction thereof was furnished and maintained.
 - p. Verify that the LEA maintained written or computer-based evidence of each pupil's engagement, that includes, but is not limited to, a grade book or summary document that, for each class, list all assignments, assessments, and associated grades.
 - q. Review records and other relevant documentation to verify that each pupil's choice to commence or to continue in independent study was entirely voluntary and uncoerced.
4. State in a finding the number(s) of inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures and an estimate of their dollar value.

E. CONTINUATION EDUCATION

Verify that the monthly site attendance summaries provide accurate information by performing the following procedures:

1. Reconcile the monthly totals (days of apportionment attendance) on the site's attendance summary to the summary maintained by the district for the P2 and the Annual attendance report.
2. Select a test month in the P2 attendance reporting period. Verify the mathematical accuracy of the monthly report and trace the totals to the site's attendance summary.
3. Select a representative sample of teachers for one period. Trace the monthly totals from the monthly report to the data origination documentation. Verify the mathematical accuracy of the attendance registers, scantron summaries, or other data arrays.
4. Select a representative sample of pupils and perform the following procedures:
 - a. Trace each pupil's attendance in the weekly attendance records to the teacher's attendance register or other approved record.
 - b. Verify that hourly attendance accounting was used.
 - c. Verify that attendance was not credited for more than the scheduled class time.
5. Review weekly attendance records to verify that the district did not claim more than 15 hours per week, or a proportionally reduced number of hours per week when there were fewer than five school days.
6. Select a representative sample of continuation pupils enrolled in work experience education and perform the following procedures:
 - a. Review the weekly attendance reports and attendance registers to verify that each pupil actually attended, as set forth in Education Code section 48400, four 60-minute hours in each week in which the pupil generated additional hours of work experience apportionment attendance credit.
 - b. Verify that the pupils earning work experience credit received at least one instructional period per week of classroom instruction or counseling as required by Education Code section 51760.3(b).
7. Verify that not more than 10 percent of each continuation high school's ADA at P2 (exclusive of ADA for a pupil who was pregnant or was a parent and the child's primary caregiver) was generated through independent study as provided in Education Code section 51745(b).
8. State in a finding the number(s) of inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures and an estimate of their dollar value.

F. INSTRUCTIONAL TIME

School Districts: perform the following procedures:

1. For the sites selected in procedure A.3, review the school attendance calendar and bell (class) schedules of the sampled schools. Ascertain whether any individual days are shorter than the usual length, by grade level, in each school in the sample. Compare the instructional minutes from each schoolsite's bell (class) schedule to total instructional minutes computed by the business office.
2. Determine, by grade level, the total number of days in each sampled school's attendance calendar that were of at least the minimum length required, pursuant to Education Code sections 46112, 46113, 46114, 46115, 46117, and 46119, for elementary schools, or sections 46141 and 46142, for junior high schools and high schools. Compare the total qualifying days by grade level for each sampled school to the standards set forth in Education Code section 41420 or 37670, as applicable.
3. If any sampled regular day schools have fewer than the applicable minimum number of days as set forth in number 2 above, determine whether the same is true for all the regular day schools of the district.
4. If all regular day schools have fewer than the applicable minimum number of days, the district is subject to the penalty provided in Education Code section 41420(a), except for school districts operating a four-day school week pursuant to Education Code section 37700. Include a finding stating that fact and calculating the amount of the penalty.
5. Except for school districts operating a four-day school week pursuant to Education Code section 37700, if the district is not subject to the penalty provided in Education Code section 41420(a) but is subject to one or more penalties as provided in Education Code section 41420(b), prepare a separate schedule for each school that was not in compliance showing the number of additional days the school would have had to maintain operations to meet the 175 day requirement, or the 163 day requirement if the school was operated on a multitrack year-round schedule. Calculate the penalty or penalties. Include the schedule(s), the calculation(s), and the amount(s) of the penalty or penalties in a finding
6. For each district, compare the amount of time offered for each grade level in each sampled school during the year being audited to the required amount of instructional time specified Education Code in section 46207.
7. Based on the schools selected under paragraph 1, determine whether the district offered optional classes to satisfy instruction time requirements. If enrollment in optional classes is low, review the district's documentation of class offerings to ensure that the district has acted effectively to comply with the law. Practices that are not consistent with effectively offering additional instructional time may include, but are not limited to, offering only a small number of optional courses that are appropriate

only for limited numbers of pupils, and scheduling optional courses such that pupils may take them only by giving up their lunch period or by attending school outside the schedule of district-provided bus service.

8. If any schools were not in compliance with the instructional minutes requirements pursuant to 6 of this section, as applicable, prepare a separate schedule for each school showing only those grade levels that were not in compliance and calculate the penalty or penalties pursuant to Education Code section 46207. Include the schedule(s), the calculation, and the amount of the penalty or penalties in a finding.
9. For any school district that had any schools that offered less than 180 days, prepare a separate schedule for each school showing only those grade levels that were not in compliance and calculate the penalty or penalties pursuant to Education Code section 46208. Include the schedule(s), the calculation, and the amount of the penalty or penalties in a finding. For school districts operating a four-day school week in accordance with Education Code section 37700, calculate the penalties pursuant to Education Code section 46208 only if the school district offered less than the minimum instructional minutes required under Education Code section 46207.

G. INSTRUCTIONAL MATERIALS

1. Determine whether the school district governing board or county board of education, prior to making a determination through a resolution as to the sufficiency of textbooks or other instructional materials, held the public hearing or hearings required by Education Code section 60119 on or before the end of the eighth week from the first day pupils attended school for that year, or, in a school district or COE having schools that operate on a multitrack, year-round calendar, on or before the end of the eighth week from the first day pupils attended school for that year on any track that began in August or September.
2. Determine whether the school district governing board or county board of education provided 10-day notice of the required public hearing or hearings.
3. Determine whether each notice included the time, place, and purpose of the hearing and whether the school district or COE posted the notice at a minimum of three public locations in the school district or county, respectively.
4. Determine whether the hearing was held at a time that encouraged the attendance of teachers and parents and guardians of pupils who attend the schools in the district and did not take place during or immediately following school hours.
5. Determine whether the resolution stated that each pupil in each school had sufficient textbooks or instructional materials aligned to the content standards adopted by the State Board of Education and consistent with the content and cycles of the curriculum framework adopted by the State Board of Education, or instead that there was an insufficiency of such textbooks or instructional materials, or both, in any one or more of mathematics, science, history-social science, and English/language arts including

the English language development component of an adopted program, as appropriate. If the resolution stated any insufficiency, verify that the school district governing board or county board of education submitted a copy of the resolution to the county superintendent of schools no later than three business days after the governing board hearing, and provided information to classroom teachers and to the public, setting forth, in the resolution, for each school in which an insufficiency existed, the percentage of pupils who lacked sufficient standards-aligned textbooks or instructional materials in each subject area and the reasons that each pupil did not have sufficient standards-aligned textbooks or instructional materials, or both, and took action to ensure that each pupil would have sufficient textbooks or instructional materials, or both, within two months of the beginning of the school year in which the determination was made.

6. Verify whether the governing board made a written determination as to whether each pupil enrolled in a world language or health course had sufficient textbooks or instructional materials that were consistent with the content and cycles of the curriculum frameworks adopted by the State Board of Education for those subjects.
7. Verify whether the governing board determined the availability of laboratory science equipment as applicable to science laboratory courses offered in grades 9 to 12, inclusive.
8. If the school district or COE was not in compliance with any of these requirements, so state in a finding. If the school district's resolution stated any insufficiency and the district did not take action to ensure that each pupil would have sufficient textbooks or instructional materials, or both, as set forth in Procedure 5, include a penalty pursuant to Education Code section 60150(b).

H. RATIO OF ADMINISTRATIVE EMPLOYEES TO TEACHERS

1. For school districts, verify that the school district is in compliance with the administrative employee-to-teacher ratio requirement for the year audited by determining that the employees were properly classified and the ratio was calculated consistent with the definitions in Education Code section 41401 and the procedures of Education Code section 41403.
2. If the number of administrative employees per hundred teachers exceeded the allowable ratio set forth in Education Code section 41402, state in a finding the number of excess administrative employees and the associated penalty, as set forth in Education Code section 41404.
3. If the school district cannot show that it was in compliance with the ratio during the year audited, include a finding that the ratio could not be confirmed and include the penalty calculation.

I. CLASSROOM TEACHER SALARIES

1. If, during the year preceding the year audited, the district had 101 units or more of ADA, and, during the year audited, the district was subject to Education Code section 41372 pursuant to Education Code section 41374, determine whether, after applicable audit adjustments, the district's expenditures on classroom teacher's salaries met the percentage requirements of Education Code section 41372.
2. If the district did not meet the applicable minimum percentage required for payment of salaries of classroom teachers, state in a finding the minimum percentage required, the district's current expense of education for the year audited after applicable audit adjustments, and the dollar amount by which the district was deficient.

J. EARLY RETIREMENT INCENTIVE

1. Obtain a copy of the certification required by Education Code sections 22714 and 44929 and verify that the school district received approval from the COE or that the COE received approval from the Superintendent of Public Instruction as appropriate.
2. Verify that the reason(s) contained in the certification are consistent with the results of the early retirement incentive program.
3. Verify the data disclosed as a result of the district's or county office's adoption of the early retirement incentive program.
4. Include a disclosure in the Notes to the Basic Financial Statements that presents the number and type of positions vacated; the age, service credit, salary, and, separately, the benefits of the retirees receiving additional service credit; a comparison of the salary and benefits of each retiree with the salary and benefits of the replacement employee, if any; the resulting retirement cost including interest, if any, and post-retirement health benefit costs, incurred by the employer.

K. GANN LIMIT CALCULATION

The following audit procedures apply to the current year appropriations limit calculation for county offices of education and school districts.

1. Verify that the data used by the district or the COE is accurate, ensuring that the prior year Gann ADA and prior year appropriations limit used by the district or the COE match the data on the prior year appropriations limit calculation previously submitted to the CDE. If the district or county office has made adjustments to the prior year data, verify that the adjustments are correct. If the data has been revised, verify that the district or COE has recalculated the prior year appropriations limit and attached a copy of the recalculation to the current year appropriations limit.
2. If the district or the COE is found out of compliance, so state in a finding.

L. SCHOOL ACCOUNTABILITY REPORT CARD

1. Obtain the School Accountability Report Cards issued in the year being audited, for each of the schools selected pursuant to Section A, Attendance, and perform the following procedures:
 - a. Identify any complaints related to teacher misassignments or vacancies included in the quarterly report of summarized complaint data compiled pursuant to Education Code section 35186(e) that are applicable to the School Accountability Report Card(s) selected in 1., as required by Education Code section 33126(b)(5). If the information in the School Accountability Report Card is inconsistent with the information in the complaint, interview management to determine the basis of the inconsistency. If the School Accountability Report Card was inaccurate, so state in a finding.
 - b. For each school in the sample of schools selected pursuant to Section A of this guide, obtain the school district's or COE's copy of its most recently completed "Facility Inspection Tool (FIT), School Facility Conditions Evaluation" developed by the Office of Public School Construction and approved by the State Allocation Board and applicable to the School Accountability Report Card(s) selected in 1, or a local evaluation instrument that meets the same criteria, pursuant to subdivision (d) of Education Code section 17002. Compare the information contained in the FIT to the information on safety, cleanliness, and adequacy of school facilities contained in the School Accountability Report Card(s) selected in 1 for that school as required by Education Code section 33126(b)(8). If the information in the School Accountability Report Card is inconsistent with the information in the FIT, interview management to determine the basis of the inconsistency. If the School Accountability Report Card was inaccurate, so state in a finding.
 - c. For each school in the sample of schools selected pursuant to Section A of this guide, compare the information on the availability of sufficient textbooks and other instructional materials included in the School Accountability Report Card(s) selected in 1 pursuant to Education Code section 33126(b)(6)(B) with the information in the resolution and the determinations pursuant to Education Code section 60119 for the year applicable to the School Accountability Report Card(s) selected in 1. If the information in the School Accountability Report Card is inconsistent with the information in the resolution or the determinations, interview management to determine the basis of the inconsistency. If the School Accountability Report Card was inaccurate, so state in a finding.

M. JUVENILE COURT SCHOOLS

If the COE claimed any ADA for juvenile court schools which are shown on the attendance reporting forms under juvenile halls, homes and camps, or county group home and institution pupils, then perform the following procedures:

1. Determine whether the Annual report of attendance submitted to the CDE reconciles to the supporting documents by verifying the COE's juvenile court schools ADA calculations.
2. In accordance with Education Code section 41601(b), verify that a divisor of 175 was used in calculating the ADA reported in the Annual attendance reporting period.
3. Trace the ADA numbers from the Annual report of attendance to the COE's summaries.
4. Verify that the monthly site attendance summaries provide accurate information by reconciling the monthly totals (days of apportionment attendance) on the site's attendance summary to the summary maintained by the county for the Annual attendance reports.
5. Select a test month in the Annual attendance reporting period. Verify the mathematical accuracy of the monthly report and trace the totals to the site's attendance summary.
6. Select a representative sample of teachers for one period. Trace the monthly totals from the monthly report to the data origination documentation. Verify the mathematical accuracy of the attendance registers, scantron summaries, or other data arrays.
7. Verify that the minimum school day included at least 180 minutes of instruction for pupils in attendance in approved vocational education programs, work programs prescribed by the probation department pursuant to Welfare and Institutions Code section 883, and work experience programs, and at least 240 minutes of instruction for all other pupils, by reviewing the bell schedule(s) or other appropriate documentation; and that the school's practice was to schedule all pupils, other than pupils with exceptional needs whose Individualized Education Programs specified otherwise, to attend for at least the minimum day pursuant to Education Code section 48645.3.
8. Select a representative sample of pupils and verify, by reviewing class assignments, that the pupils were scheduled to attend school at least a minimum day pursuant to Education Code section 48645.3.
9. State in a finding the number(s) of inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures and an estimate of their dollar value.

N. MIDDLE OR EARLY COLLEGE HIGH SCHOOLS OR PROGRAMS

1. Determine if the school district or county office of education has a school or program that meets the definition of a middle college high school as described in Education Code section 11300 or early college high school as described in Education Code section 11302.
2. Select a representative sample of pupils and determine if those pupils met the instructional time and enrollment conditions set forth in Education Code section 46146.5 or 46160(a)(2).
3. State in a finding the number(s) of inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures and an estimate of their dollar value.

O. K-3 GRADE SPAN ADJUSTMENT

1. If the school district reported ADA for the audit year for kindergarten or grades 1 to 3, and provides documentation that the bargaining unit and school district have agreed to an alternative ratio pursuant to Education Code section 42238.02(d)(3)(D) that is applicable to the audit year, then no further procedures in this section need to be performed. For additional information on K-3 grade span adjustments, see CDE's website at:

<http://www.cde.ca.gov/fg/aa/lc/lcfffaq.asp>.
2. If the school district reported ADA for the audit year for kindergarten or grades 1 to 3 and cannot provide documentation that the bargaining unit and school district have agreed to an alternative ratio pursuant to Education Code section 42238.02(d)(3)(D) that is applicable to the audit year, select a representative sample of schoolsites that have pupils in those grades for the audit year and perform the following:
 - a. Verify the mathematical accuracy of each schoolsite's audit year "average class enrollment" as defined in title 5, California Code of Regulations, section 15498.1(f).
 - b. For the sites selected in procedure A.3, select a representative sample of classes in kindergarten and grades 1, 2, and 3, inclusive of combination classes, and verify the audit year "active enrollment count" as defined in title 5, California Code of Regulations, section 15498.1(d) and trace to supporting documentation.
3. If the testing in 2. resulted in any of the schoolsites' "average class enrollment" exceeding 24 pupils, include a finding which shows the estimated amount of kindergarten and grades 1-3 grade span adjustment received as disallowed.

P. (Reserved)

Q. APPRENTICESHIP: RELATED AND SUPPLEMENTAL INSTRUCTION

Compliance Requirements

- 1) Hours of related and supplemental instruction (RSI) reported to each local educational agency by a participating apprenticeship program sponsor, pursuant to Education Code section 8152, must be eligible for reimbursement pursuant to Education Code section 8152.
- 2) Reimbursement may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations in accordance with Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code.
- 3) Reimbursement for RSI must be supported by source documents such as student sign in sheets for classes (electronic sign in sheets are acceptable). Remote students must also show proof of having received instruction to be eligible for RSI funds.

Suggested Audit Procedures

1. Select a representative sample of ~~apprentices~~ students and verify the hours claimed for RSI for the year under audit, as ~~enrolled in a program for which related and supplemental instruction hours were reported by any~~ participating apprenticeship program sponsor, pursuant to Education Code sections 8150.5, 8152, and 79149.3, are eligible for reimbursement by tracing the hours reported for reimbursement to source documents (i.e., student sign in sheets). For example, when auditing the 2021-22 financial statement, the auditor should test the RSI data reported for 2021-22. ~~Verify the hours reported and claimed are eligible, by tracing the hours reported to source documents (e.g. pupil sign in sheets, timesheets, apprenticeship rosters).~~
2. For isolated apprentices, as defined by Labor Code section 3074, select a representative sample of ~~pupils~~ students, and obtain evidence that supports attendance during instructional events.
3. ~~Report any noncompliance and the estimated dollar value in a finding. State in a finding the resulting hours inappropriately reported for reimbursement and estimate their dollar value.~~

R. (Reserved)

S. DISTRICT OF CHOICE

1. If the governing board of a school district elected to operate as a school district of choice, perform the following:
 - a. Verify the school district of choice registered as a school district of choice with the California Department of Education and the county board of education where the school district of choice is located.
 - b. Verify the school district of choice adopted by resolution the number of transfers it is willing to accept and that the school district accepted all pupils who apply to transfer until the school district is at maximum capacity.
 - c. Review the school district's selection process and inquire into whether the process avoided inquiry into student characteristics as defined in Education Code section 48301(a), except for determining priority for pupils eligible for free or reduced-price meals, siblings of current students, or children of military personnel pursuant to Education Code section 48306.
 - d. If the number of transfer applications exceeded the number of transfers the governing board of a school district of choice elected to accept, verify a public drawing was held by reviewing the board minutes of which the determination was made at a regularly scheduled meeting of the governing board.
 - e. If the school district received a letter or notification from a district of residence that the limits identified in Education Codes section 48307(a) or (b) were reached, determine if the school district accepted pupils from the impacted school district of residence in excess of the limits identified in Education Code sections 48307(a) or (b) after receipt of the letter or notification, excluding pupils accepted who are children of parents in active military duty pursuant to Education Code section 48307(g).
 - f. If the school district accepted pupils from the impacted school district of residence after receipt of the letter or notification that the limits identified in Education Code sections 48307(a) or (b) were reached, perform the following:
 - (1) Determine the ADA generated by each pupil accepted by the school district subsequent to the notice and in excess of the applicable cap, excluding pupils accepted who are children of parent in active military duty pursuant to Education Code section 48307(g), by grade span.
 - (2) Calculate the portion of the school district's LCFF apportionment attributable to the ADA determined in (1) above and include the penalty calculation in the finding.
 - g. Verify the school district of choice collected the required data in Education Code section 48313(a).
2. Report any noncompliance in a finding.

TT. HOME TO SCHOOL TRANSPORTATION REIMBURSEMENT

If the LEA receives a Home-to-School Transportation Reimbursement (HTS), as shown on the most recent Principal Apportionment Summary (to be found at <https://www.cde.ca.gov/fg/aa/pa/>), perform the following:

1. Determine whether the LEA developed, adopted, and/or updated, a plan by April 1st, pursuant to Education Code section 39800.1(a), describing the transportation services it will offer to its pupils, and how it will prioritize planned transportation services for pupils in transitional kindergarten, kindergarten, and any of grades 1 to 6, inclusive, and pupils who are low income.
2. If the LEA was not in compliance with the requirements set forth in procedure 1, report a finding and disallow the amount of Home-to School Transportation Reimbursement received pursuant to Education Code Section 41850.1(a).
3. Select a representative sample of HTS Transportation expenditures (Function 3600) for the audit year and verify they were consistent with the definition in the California School Accounting Manual (CSAM). Exclude from the review and verification any capital outlay (SACS Object codes 6000-6999) and nonagency expenditures (SACS Goal codes 7100-7199), as these expenditures are not used for determination of HTS Transportation Reimbursement, see Procedure 325 in the CSAM which can be found at <https://www.cde.ca.gov/fg/ac/sa/>.

Note that HTS Transportation expenditures for the audit year are used to determine funding for the subsequent fiscal year. Typically, at the time of audit, the funding exhibit for the subsequent fiscal year is not yet available. The auditors may refer to the funding exhibit available from the Apportionments tab of the Principal Apportionment webpage <https://www.cde.ca.gov/fg/aa/pa/> for the year of audit only to determine if the LEA is receiving funding for HTS Transportation Reimbursement. The HTS Transportation expenditures identified on the exhibit by the line-item caption "Prior Year HTS Transportation Expenditures (SACS Unaudited Actuals: Function 3600, Excluding Goal Codes 7100-7199 and Object Codes 6000-6999)" are for the prior fiscal year, not the year of the audit, and should not be used to determine the estimated impact of any audit findings.

4. If any expenditures are found to have been recorded to Function 3600 for nonqualifying purposes, report a finding identifying the total unallowable expenditures, the total adjusted HTS Transportation expenditures, and the estimated dollar impact. Include in the finding a schedule calculating the estimated dollar impact that includes the following information:

- Total Unadjusted HTS Transportation Expenditures, excluding capital outlay and nonagency expenditures. To determine the Total Unadjusted HTS Transportation Expenditures, the auditor should refer to the LEA's SACS unaudited actuals for Funds 01, 09 and 62, Function 3600, excluding Goal codes 7100-7199 and Object codes 6000-6999.
- Unadjusted Expenditure Amount for Reimbursement Calculation equal to 60% of the Total Unadjusted HTS Transportation Expenditures,
- Total Unallowable HTS Transportation Expenditures,
- Total Adjusted HTS Transportation Expenditures,
- Adjusted Expenditure Amount for Reimbursement Calculation equal to 60% of the Total Adjusted HTS Transportation Expenditures,
- Estimated Dollar Impact calculated based on the difference of Unadjusted and Adjusted HTS Transportation Expenditure Amounts for Reimbursement Calculation.

Example:

	Total Unadjusted HTS Transportation Expenditures	Total Unallowable HTS Transportation Expenditures	Total Adjusted HTS Transportation Expenditures	
HTS Transportation Expenditures	\$100,000	\$20,000	\$80,000	
Reimbursement percentage pursuant to Education Code section 41850.1(a)(1)	60%		60%	
Expenditure Amount for Reimbursement Calculation	\$60,000		\$48,000	
Estimated Dollar Impact				\$12,000

5. Determine whether the LEA reported Transportation Data through the California Basic Educational Data System (CBEDS) Home-to-School Transportation Reimbursement Supplemental worksheet.

6. If the LEA was not in compliance with the requirements set forth in procedure 5, report a finding of noncompliance.

SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS

T. PROPOSITION 28 ARTS AND MUSIC IN SCHOOLS

If the LEA received a Proposition 28 Arts and Music in Schools apportionment pursuant to Education Code section 8820, perform the following procedures:

1. Verify the LEA made a certification in compliance with Education Code section 8820(g)(1) or that it has a waiver of the requirement issued by the CDE pursuant to Education Code section 8820(h).
2. Verify the LEA made a certification in compliance with Education Code sections 8820(g)(2) and (3).
3. Verify that the LEA posted to its website a board- or governing body-adopted report for the audit year and that it submitted the report to the CDE for posting to its website pursuant to Education Code section 8820(g)(4).
4. Select a representative sample of expenditures (Resource 6770) for the audit year and verify the expenditures were for providing arts education programs as defined by Education Code section 8821(a).
5. Verify that Proposition 28 Arts and Music in Schools funds (Resource 6770) were used to supplement and not supplant existing funds available for arts education programs, as required by Education Code section 8820(g)(2), by securing documentation from the LEA of the following calculation:
 - a. Identify the total expenditures for arts education programs in the prior fiscal year.
 - b. Subtract the total expenditures identified in (a) that were from Resource 6770.
 - c. Subtract the total expenditures identified in (a) that were from funding sources, excluding Resource 6770, not available in the audit year.
 - d. Add revenue from resources newly available in the audit year for arts education programs, excluding Resource 6770.
 - e. Determine the amount of audit year expenditures on arts education programs, excluding expenditures from Resource 6770.
 - f. Verify the amount expended on arts education programs in the audit year as determined in (e) is equal to or greater than the amount of existing funds as determined in (a) through (d).
6. In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, if the LEA has an enrollment of 500 or more pupils used for the allocation year and does not have a waiver issued by the CDE pursuant to Education Code section 8820(h), verify that no more than 20

percent of the expenditures (Resource 6770) for the allocation year were used for allowable purposes other than certificated or classified salaries and benefits for arts education program instruction (instructional costs), as specified in Education Code section 8220(g)(1).

Enrollment and allocation amounts are available by fiscal year on CDE's website at:

<http://www.cde.ca.gov/fg/aa/pa/index.asp#fiscalyear>.

- Select the audit year.
 - Under the heading titled Second Principal (P-2) Apportionment, select Funding Exhibits-Second Principal Apportionment.
 - From the dropdown menus select:
 - o Period: P-2
 - o Fiscal Year: Select the allocation year
 - o Entity: LEA type being audited
 - o Program: Select "Proposition 28: Arts and Music in Schools"
 - o Other LEA information, as applicable
 - o Select Preview Report.
7. In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, verify that no more than 1 percent of the total funding received in the allocation year (Resource 6770) was used for administrative expenses, including indirect costs, pursuant to Education Code section 8820(g)(3).
8. If the LEA was not in compliance with any of the requirements in the foregoing audit procedures, report a finding of noncompliance as follows:
- a. If the LEA is not in compliance with requirements of Procedures 1, 2 or 3, report the finding recommending the LEA return the amount allocated to the LEA pursuant to Education Code section 8820(c) in the audit year.
 - b. If any expenditures are found to have been recorded for Resource 6770 for nonqualifying purposes (Procedure 4), report the finding identifying the total unallowable expenditures.
 - c. If the LEA is not in compliance with the requirements of Procedures 5, 6, or 7, report the finding identifying the total unallowable expenditures.

U. AFTER/BEFORE SCHOOL EDUCATION AND SAFETY PROGRAM

1. If the LEA operated an after school program component:
 - a. Determine whether the LEA had a policy regarding reasonable early daily release of pupils from the program.
 - b. Select a representative sample of schools for which data was reported to the CDE for the after school base grant program.
 - c. For each school in the sample, determine whether the after school program commenced every day immediately upon the conclusion of the regular schoolday, operated a minimum of 15 hours per week, and operated until at least 6:00 p.m. every regular schoolday, except that a school site located in an area with a population density of less than 11 persons per square mile may end operating hours not earlier than 5 p.m. Report noncompliance in a finding.
 - d. For each school in the sample, select a representative sample of attendance days to determine whether the reported number of pupils served is supported by written records, by tracing the reported daily attendance numbers through any documentation used to summarize the number of pupils served, to originating data. If the LEA misreported the attendance of the number of students served in any school in the sample, include the misreporting in a finding.
 - e. For each school in the sample, determine whether the LEA has a process or procedure that gives first priority for enrollment to pupils who are identified by the program as homeless youth in foster care, or who are eligible for free or reduced-price meals at the time they apply for enrollment; and for each middle or junior high school in the sample, second priority for enrollment to pupils who attend daily. Report noncompliance in a finding.
 - f. If a pupil in any sample attended less than the full day, verify the reason for early release was consistent with the established early release policy. Report noncompliance in a finding.
2. If the LEA operated a before school program component:
 - a. Determine whether the LEA had a policy regarding reasonable late daily arrival of pupils to the program.
 - b. Select a representative sample of schools for which data was reported to the CDE for the before school base grant program.
 - c. For each school in the sample, determine whether the LEA operated the before school program for not less than one and one-half hours per regular schoolday. Report noncompliance in a finding.
 - d. Select a sample of attendance days to determine whether the reported number of pupils served is supported by written records, by tracing the reported numbers through any documentation used to summarize the numbers of pupils served, to originating data. If the LEA misreported the attendance of the number of students served in any school in the sample, include the misreporting in a finding.

- e. For each school in the sample, determine whether the LEA has a process or procedure that gives first priority for enrollment to pupils who are identified by the program as homeless youth in foster care, or who are eligible for free or reduced-price meals at the time they apply for enrollment; and for each middle or junior high school in the sample, second priority for enrollment to pupils who attend daily. Report noncompliance in a finding.
 - f. If any pupils reported on the report of pupils served attended for one-half day or more but less than the full day, determine whether the attendance was consistent with the established late arrival policy. Report noncompliance in a finding.
3. General requirements:
- a. Verify that the LEA contributed cash or in-kind local funds, equal to not less than one-third of the total state grant, from the school district, other governmental agencies, community organizations, or the private sector. Facilities or space usage may not fulfill more than 25 percent of the required local contribution.
 - b. Review ASES program expenditures by performing the following procedures:
 - (1) Verify that expenditures of state funds for indirect costs were the lesser of the LEA's indirect cost rate as approved by the CDE for the year audited, or 5 percent of the state funding received.
 - (2) Verify that not more than 15 percent of the state funding was expended for administrative costs, including indirect costs charged to the program.
 - (3) Verify that not less than 85 percent of the state funding was allocated to schoolsites for direct services to pupils.
 - c. Review ASES programs that charged family fees by performing the following procedures:
 - (1) Verify programs that charged family fees waived the cost of these fees for pupils who are eligible for free or reduced-price meals, for a child that is a homeless youth, or is in a foster care.
 - (2) Verify programs that charged family fees scheduled fees on a sliding scale that considers family income and ability to pay.
 - d. Report any noncompliance of these general requirements in a finding.

V. PROPER EXPENDITURE OF EDUCATION PROTECTION ACCOUNT FUNDS

- 1. Verify that funds provided from the Education Protection Account have been properly expended as required by Article XIII, Section 36, Subdivision (e), Paragraph (6) of the California Constitution.
- 2. Report noncompliance in a finding.

W. UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS

1. For every school tested for attendance in A or AA of this audit guide, excluding juvenile court schools, obtain a copy of the school's CALPADS snapshot report, "1.18 – LCFF Unduplicated Pupil Student List" report with Status filter set to "SELPA Approved" ("SELPA Approved" filter option is only available if both the LEA and SELPA approved their data, which indicates certified data). The certified report will not have a "Not Certified" watermark on the report in the Snapshot View. For additional information on Unduplicated Local Control Funding Formula Pupil Counts, see California Department of Education website at:

<http://www.cde.ca.gov/fg/aa/lc/lcfffaq.asp>

For each student list obtained:

- a. Select a representative sample, to achieve a high level of assurance, from the students indicated as only free or reduced priced meal eligible (FRPM) identified under the "NSLP Program" column (which means students are indicated as a "No" under the "Direct Certification" column, a "No" under foster column, a "No" under the "Homeless" column, blank under the "Migrant Ed Program" column, and "181-Free" or "182-Reduced" under the "NSLP Program" column) and verify there is supporting documentation such as a FRPM eligibility application under a federal nutrition program, a federal Summer Electronic Benefit Transfer for Children (Summer EBT) – compliant Universal Benefit Application, an alternative household income data collection form that indicates the student was eligible for the designation, or a direct certification list obtained from the county welfare department, or COE, that matches enrolled students against those children/households receiving CalFresh (or CALWORKs) benefits. If a student in the sample transferred to another LEA, the LEA may obtain the documentation from the LEA the student transferred to, or another student may be selected for the sample. For schools designated as Provision 2 or 3 or the Community Eligibility Provision under the NSLP, confirm the LEA followed data collection procedures pursuant to Education Code section 42238.01 (a) by ensuring that supporting documentation for the school was either 1) collected in the current year, or 2) collected in the school's designated LCFF base year.
- b. Select a representative sample, to achieve a high level of assurance, from the students that are only English Learner (EL) or Adult English Learner (ADEL) eligible (which means students are indicated as a "No" under the "Direct Certification" column, a "No" under "Foster" column, a "No" under the "Homeless" column, blank under the "Migrant Ed Program" column, a blank under the "NSLP Program" column, and "Y" under the "EL Funding Eligible" column) and verify there is supporting documentation that indicates the student was eligible for the EL designation, such as (a) a copy of the parent/guardian notification letter that states the pupil is initially

- designated as an EL or is a continuing EL, and a copy of the Initial English Language Proficiency Assessments for California (ELPAC) Student Score Report that indicates the student's initial ELPAC overall scale score and performance level do not meet the ELPAC criterion for English language proficiency, (b) if the student is designated as EL, results on the Summative ELPAC Student Score Report indicate that the student has not met the ELPAC criterion for English language proficiency, and the LEA's Policy/Procedures for Reclassification and documentation that was used to determine the student's EL status is consistent with the LEA policy , or (c) if the students is designated as ADEL, documentation that states the student is an adult English learner based on a combination of the Home Language Survey and local assessments. If a student in the sample received his or her EL or ADEL designation while enrolled at a prior LEA or transferred to another LEA, the LEA may obtain the documentation from the LEA the student transferred from or to, or another student may be selected for the sample.
- c. Select a representative sample, to achieve a high level of assurance, from the students that are both included in the "NSLP Program" column and the "EL Funding Eligible" column (which means students are indicated as a "181-Free" or "182-Reduced" under the "NSLP Program" column, and "Y" under the "EL-Funding Eligible" column) and verify that there is supporting documentation for at least one of the designations as required by steps 1(a) or 1(b). If a student in the sample transferred to another LEA, the LEA may obtain the documentation from the LEA the student transferred to, or another student may be selected for the sample. If a student in the sample received his or her EL or ADEL designation while enrolled at a prior LEA, the LEA may obtain the documentation from the LEA the student transferred from, or another student may be selected for the sample.
 2. For any errors noted in testing procedures described in 1, determine the total impact of that error on the specific section tested and the individual schoolsite. This determination should be made either by an extrapolation of the impact of the error, further audit procedures, or testing of 100 percent of the population where the error was discovered.
 3. Based on the results of the procedures described in 1 and 2, select additional schools as deemed necessary, e.g., if similar errors of inaccuracy or miscalculation would be likely to produce material results in those schools, and perform those procedures on each additional school.
 4. If any of the unduplicated pupil counts were inappropriately reported, report in a finding the method for determining the total impact of the finding on the LEA, and include a schedule of unduplicated pupil counts summarizing the results of the procedures ~~and displaying any calculating inappropriately reported unduplicated pupil counts and the estimated dollar impact.~~ The schedule should include the LEA's certified total unduplicated pupil count and enrollment count as funded under the Local Control Funding Formula, show increases or decreases to the unduplicated pupil count based on

any audit adjustments by including the following: enrollment adjustments, unduplicated pupil count adjustment based on eligibility for FRPM; unduplicated pupil count adjustment based on eligibility for EL funding; unduplicated pupil count adjustment based on eligibility for both FRPM and EL; **and the adjusted total unduplicated pupil count and enrollment counts of the LEA, and display the calculation of the potential fiscal impact to the supplemental and concentration grant funding.**

Enrollment and Unduplicated Pupil counts as funded under the Local Control Funding Formula can be found by selecting the applicable audit year on the CDE website at: <http://www.cde.ca.gov/fg/aa/pa/>

To find the counts for a specific LEA first select the fiscal year under review. On the next page, select Funding Exhibits-Second Principal Apportionment. On the next page, Second Principal Apportionment (P2) for the appropriate fiscal year, select audit year P-2 from the drop down menu, and select the type of entity (County Office of Education, School District, or Charter School). Next, select County Unduplicated Pupil Percentage, School District Unduplicated Pupil Percentage, or Charter School District Unduplicated Pupil Percentage depending on the entity type. Next, select the appropriate county and LEA.

5. Charter schools should be presented separately and should not be combined with district or COE data on this schedule. For COEs and charter schools that operate COE programs, separately report pupils funded pursuant to Education Code section 2574(c)(4)(A), juvenile court pupils funded pursuant to Education Code section 2574(c)(4)(B), and all other pupils. For COEs, the district of residence needs to be identified for pupils in the “all other pupils” category.

Note: Penalty calculators for audit penalty estimations are available at:
<https://www.cde.ca.gov/fg/au/ag/penaltycalc.asp>

X. LOCAL CONTROL AND ACCOUNTABILITY PLAN

1. Obtain a copy of the LEA’s approved Local Control and Accountability Plan (LCAP) for the audit year.
2. Select a sample of actions within one or more LCAP goals for the audit year for which expenditures have been included.
3. Within the annual update table, select a sample of estimated actual expenditures for actions identified pursuant to 2 and examine supporting documentation to determine whether the expenditures associated with the actions selected in step 2 were made consistent with the relevant actions. Supporting documentation may include the Goal Analysis included in the LCAP developed for the year succeeding the audit year.
4. If the expenditures selected pursuant to 3 were not made consistent with the identified actions, so state in a finding.
5. For county offices of education and school districts only, verify the LEA:

- a. Presented the LCAP for the audit year to the parent advisory committee in accordance with Education Code section 52062(a)(1) or 52068(a)(1), as appropriate.
 - b. If applicable, presented the LCAP for the audit year to the English learner parent advisory committee, in accordance with Education Code section 52062(a)(2) or 52068(a)(2), as appropriate.
 - c. Notified members of the public of the opportunity to submit comments regarding specific actions and expenditures proposed to be included in the LCAP for the audit year in accordance with Education Code section 52062(a)(3) or 52068(a)(3), as appropriate.
 - d. Provided an annual update report in accordance with Education Code section 52062(a)(6) or 52068(a)(6), as applicable.
6. If the county office or school district was not in compliance with any of the requirements listed in 5, so state in a finding.
 7. For the county offices of education, school districts, and charter schools, verify the LEA:
 - a. Held at least one public hearing in accordance with Education Code sections 52062(b)(1) or 52068(b)(1) for COEs and school districts, or 47606.5(f) for charter schools;
 - b. Adopted the LCAP for the audit year in a public meeting in accordance with Education Code section 52062(b)(2) or 52068(b)(2) for COEs and school districts, or 47606.5(a) for charter schools;
 - c. Verify that the LCAP was adopted on or before July 1 of the audit year.
 8. If the LEA is not in compliance with the requirements of 7 and Education Code section 1631(c) or 42128(c), as applicable, are not in effect, so state in a finding and include an estimate of the amount of the financial penalty calculated pursuant to Education Code section 52065.1.

Y. INDEPENDENT STUDY COURSE BASED

NOTE: An LEA must be audited for two consecutive years when operating an independent study – course based program. Thereafter, the program must be audited if the number of units of ADA reported is material as shown in the materiality level table.

1. If an LEA reported ADA pursuant to Education Code section 51749.5, then verify the following:
 - a. The governing board or body of the participating school district, county office of education, or charter school (“LEA”) adopted policies, at a public meeting, that comply with the requirements of Education Code section 51749.5 and any applicable regulations adopted by the state board
 - b. There is a signed learning agreement, which may be a physical or electronic copy, on file for each pupil participating that contains all the following information:
 - (1) A summary of the policies and procedures adopted by the governing board or body of the LEA pursuant to Education Code section 51749.5, as applicable;
 - (2) The duration of the enrolled course or courses, the duration of the learning agreement, and the number of course credits for each enrolled course consistent

with certifications adopted by the governing board or body of the school district or county office of education pursuant to Education Code section 51749.5. The duration of the learning agreement shall not exceed a school year or span multiple school years;

- (3) The learning objectives and expectations for each course, including, but not limited to, a description of how satisfactory educational progress is measured and when a pupil evaluation is required to determine whether the pupil should remain in the course or be referred to an alternative program, which may include, but is not limited to, a regular school program;
- (4) The specific resources, including materials and personnel that will be made available to the pupil. These resources shall include confirming or providing access to all pupils to the connectivity and devices adequate to participate in the educational program and complete assigned work.
- (5) A statement detailing the academic and other supports that will be provided to address the needs of pupils not performing at grade level, or who need support in other areas, such as English learners, individuals with exceptional needs, pupils in foster care or experiencing homelessness, and pupils requiring mental health supports;
- (6) A statement that enrollment in courses authorized pursuant to Education Code section 51749.5 is an optional educational alternative in which no pupil may be required to participate. If a pupil is referred or assigned to any school, class, or program pursuant to Education Code section 48915 or 48917, the agreement shall include a statement that instruction may be provided through course-based independent study only if the pupil is offered the alternative of classroom instruction;
- (7) The manner, time, frequency, and place for submitting a pupil's assignments, for reporting the pupil's academic progress, and for communicating with a pupil's parent or guardian regarding a pupil's academic progress
- (8) The objectives and methods of study for the pupil's work, and the methods used to evaluate that work.
- (9) A statement of the adopted policies regarding
 - (A) the maximum length of time allowed between the assignment and the completion of a pupil's assigned work,
 - (B) the level of satisfactory educational progress, and
 - (C) the number of missed assignments allowed before an evaluation of whether or not the pupil should be allowed to continue in course-based independent study.
- (10) A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the learning agreement, to be earned by the pupil upon completion; and
- (11) Signatures, affixed prior to the commencement of independent study for a pupil that is scheduled to participate for more than 15 schooldays, or during the school year in which the independent study program takes place for a student scheduled for less than 16 schooldays, by:

- (A) The pupil;
 - (B) The pupil's parent, legal guardian, or caregiver as that term is used in Family Code section 6550 and following, if the pupil is less than 18 years old;
 - (C) The certificated employee who has been designated as having responsibility for the general supervision of independent study; and
 - (D) The certificated employee designated as having responsibility for the special education programming of the pupil, as applicable.
- c. Courses are taught under the general supervision of a certificated employee who is employed by the LEA at which the pupil is enrolled, or by an LEA that has a memorandum of understanding to provide the instruction in coordination with the LEA at which the pupil is enrolled pursuant to Education Code section 51749.5(a)(3).
 - d. Courses are annually certified by the local educational agency governing board or body resolution, to be of the same rigor, educational quality, and intellectual challenge substantially equivalent to in-person instruction and equivalent classroom-based courses, and shall be aligned to all relevant local and state content standards. For high schools, this shall include access to all courses offered by the local educational agency for graduation and approved by the University of California or the California State University as creditable under the A-G admissions criteria.
 - e. The course certification shall, at the minimum, include the duration, number of equivalent daily instructional minutes for each schoolday that a pupil is enrolled, number of equivalent total instructional minutes and the number of course credits for each course, and a plan for live interaction and synchronous instruction, pursuant to Education Code section 51749.5(a)(4)(C), as applicable.
 - f. It was the LEA's policy or practice to ensure that pupils were not assessed a fee prohibited by section 49011 (ascertain, e.g., by interviewing LEA administrative personnel).
 - g. It was the LEA's policy or practice to ensure no pupil was prohibited from participating in independent study solely on the basis that he or she does not have the materials, equipment or internet access that are necessary to participate in the independent study course (ascertain, e.g., by interviewing LEA administrative personnel).
 - h. Statewide testing results for pupils were reported and assigned to the school at which the pupil was enrolled and to any LEA within which that school's testing results were aggregated.
 - i. Pupils enrolled in courses were offered the minimum annual instructional minutes pursuant to Education Code sections 46200 to 46208 inclusive, or, for charter schools, Education Code section 47612.5:
- 2. From the course-based independent study attendance records, select a representative sample of pupils and perform the following procedures:
 - a. Verify that pupils enrolled in courses met the applicable age requirements established pursuant to Education Code sections 46300.1, 46300.4, 47612 and 47612.1.
 - b. Verify that pupils enrolled in courses met the applicable residency and enrollment requirements of Education Code sections 46300.2, 47612, 48204, and 51747.3.

- c. Verify that students with exceptional needs, as defined in Education Code section 56026, participating in course-based independent study, have an individualized education program developed pursuant to Article 3 (commencing with section 56340) of Chapter 4 of Part 30 that specifically provides for that participation.
- d. Verify evidence from appropriately licensed professionals of the need for pupils to participate in independent study pursuant to Education Code Section 51749.5(b), as applicable.
- e. Verify that temporarily disabled pupils did not receive individual instruction pursuant to Education Code section 48206.3 through course-based independent study.
- f. Verify that no days of attendance were reported without meeting the requirements of Education Code Section 51749.6(b)(1).
- g. Verify that certificated employees communicated with each pupil pursuant to the pupil's learning agreement and pursuant to Education Code section 51749.5(a)(4)(C), as applicable, to assess whether each pupil is making satisfactory educational progress.
- h. Verify that written or computer-based evidence of satisfactory educational progress was retained for each course and pupil. At a minimum, this evidence shall include a grade book or summary document that, for each course, lists all assignments, examinations, and associated grades.
- i. If satisfactory educational progress was not being made in one or more courses, verify that certificated employees providing instruction notified the pupil and, if the pupil was less than 18 years of age, the pupil's parent or legal guardian, and conducted an evaluation to determine whether it was in the best interest of the pupil to remain in the course or whether the pupil should be referred to an alternative program, which may include, but is not limited to, a regular school program.
- j. Satisfactory educational progress shall be determined based on all of the following:
 - (1) The pupil's achievement and engagement in the independent study program, as indicated by the pupil's performance on applicable pupil-level measures of pupil achievement and pupil engagement set forth in paragraphs (4) and (5) of subdivision (d) of Education Code section 52060.
 - (2) The completion of assignments, assessments, or other indicators that evidence that the pupil is working on assignments.
 - (3) Learning required concepts, as determined by the supervising teacher.
 - (4) Progressing toward successful completion of the course of study or individual course, as determined by the supervising teacher.
- k. Verify that procedures for tiered reengagement strategies for all pupils who are not making satisfactory educational progress in one or more courses, or who are in violation of the written learning agreement pursuant to Education Code section 51749.6. These procedures shall include, but are not necessarily limited to, all of the following:
 - (1) Verification of current contact information for each enrolled pupil.

- (2) A plan for outreach from the school to determine pupil needs, including connection with health and social services as necessary.
- (3) A clear standard for requiring a pupil-parent-educator conference to review a pupil's written learning agreement, and reconsider the independent study course's impact on the pupil's achievement and wellbeing.
- l. Verify there is a plan to transition pupils whose families wish to return to in-person instruction from course-based independent study expeditiously, and, in no case, later than five instructional days.
- m. For pupils tested, verify that the combined equivalent daily instructional minutes for enrolled courses authorized by all other laws and regulations met the minimum instructional day requirements applicable to the LEA.
- 3. For each pupil enrolled in one or more courses authorized pursuant to Education Code section 51749.5, verify that attendance was separately computed and recorded as average daily attendance earned pursuant to Education Code section 51749.5(c).
- 4. If more than 10 percent of total average daily attendance of a LEA is claimed pursuant to Education Code section 51749.5, verify that the amount exceeding the 10 percent of the overall average daily attendance that the LEA reported from course-based independent study was reduced by either: (a) the statewide average rate of absence for elementary school districts for kindergarten and grades 1 to 8 inclusive, or (b) the statewide average rate of absence for high school districts for grades 9 to 12, inclusive, as applicable, as calculated by the department for the prior fiscal year.
- 5. Verify that the LEA calculated its independent study ratio consistent with Education Code section 51745.6. For directions on how to calculate the independent study ratio, including which ADA to exclude, please refer to <https://www.cde.ca.gov/sp/eo/is/calculations.asp>.
- 6. State in a finding the number(s) of inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures, and an estimate of the dollar value.

Z. IMMUNIZATIONS

1. **Kindergarten:** Determine if any schools within the LEA are subject to audit of immunizations.
 - a. Identify schools within the LEA that did not submit immunization assessment reports to the California Department of Public Health (CDPH) as listed on the Excel spreadsheet at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/School/reporting-audit.aspx>. The non-reporting schools are listed on the "K-Nonreported" worksheet of that spreadsheet.
 - b. Identify schools that reported combined conditional admission and overdue rates greater than 10 percent in kindergarten, as listed on the Excel spreadsheet at <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/School/reporting-audit.aspx>. These schools are listed on the 'K-ConditionalGr10%' worksheet of that spreadsheet.

- c. If the school offered transitional kindergarten (TK) and/or kindergarten (K) in the year audited, proceed to Step 2. If the school did not offer TK nor K in the year audited, proceed to Step 3 for 7th Grade audit procedures.
2. For each school noted in Step 1.a. and 1.b. that offered TK and/or K, obtain a list of pupils enrolled in K, or TK for the year audited, excluding pupils in independent study, pupils with an individualized education program that includes special education and related services, and pupils who were three years old on the first day of TK attendance. Select a representative sample of pupils and verify that each pupil has a California Pre-Kindergarten and School Immunization Record, CDPH Form 286 (January 2019) on file (prior version of form or equivalent electronic or hard copy record are acceptable).
 - a. Verify that each pupil had two doses of a varicella vaccine and two doses of a measles vaccine as required by Title 17, California Code of Regulations section 6025 prior to admission, or has a current medical exemption issued through the California Immunization Registry – Medical Exemption website (form IMM-1288) from varicella and measles immunization on file.
 - b. If the pupil had only one dose of either vaccine prior to admission, verify the second dose was received within four calendar months after the first dose.
 - c. If the pupil had only one dose of either vaccine prior to admission and did not have a second dose within four calendar months, verify the pupil was excluded from attendance. If the pupil was included in attendance, report a finding and disallow the average daily attendance (ADA) claimed for any day after four calendar months and 10 school days from the first dose until the date of the second dose.
 - d. If the pupil transferred to the school from a school campus within California or from a school in another state and was unable to present a mandatory permanent pupil record or other immunization record for the varicella and measles vaccines at the time of entry to the new school, verify that an immunization record was given to the LEA within 30 school days.
 - (1) If after 30 school days the record is not presented and the pupil was included in attendance, report a finding and disallow the ADA claimed for any day after the later of (1) the 30th school day, or (2) 10 school days after notice to the parent or guardian, until the date that record of at least one dose has been received. If so, return to Step 2.b.
 - (2) If the immunization record of the transferring pupil from a school in California or another state arrives and is found not to include a record of two doses each of varicella and measles vaccines, follow steps A and B as follows:
 - (A) If a record of one dose of varicella or measles vaccine was received, verify the second dose is given within four calendar months and 10 school days after the first dose OR within 10 school days of notifying the parent or guardian of the need for immunization if the first dose was given four months or more prior to admission.

- (B) If there is no record of any varicella or measles vaccine received, verify that the first dose is given within 10 school days of parent or guardian notification, and the second dose is given within four calendar months after the first dose.
- e. If the pupil did not receive any doses of a varicella or measles vaccine or does not have a California Pre-Kindergarten and School Immunization Record, CDPH Form 286 (January 2019) on file (prior version of form or equivalent electronic or hard copy record are acceptable), verify the pupil was excluded from attendance. Except as provided in Health and Safety Code section 120341 for a foster child, if the pupil was included in attendance, report a finding and disallow the ADA claimed from the first day of attendance until the date that at least one dose has been received. If so, return to Step 2.b.
3. **7th Grade:** Identify any schools within the LEA that did not submit immunization assessment reports to CDPH as listed on the Excel spreadsheet found at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/School/reporting-audit.aspx> and verify if the school offered 7th Grade. If the school did not offer 7th grade, no further procedures under this section are necessary. The non-reporting schools are listed on the '7thNonReport' worksheet of that spreadsheet.
4. For any school noted in Step 3 that offered 7th Grade, obtain a list of pupils enrolled in 7th Grade for the year audited, excluding pupils in independent study and pupils with an individualized education program that includes special education and related services. Select a representative sample of pupils and verify each pupil has a California School Immunization Record, Form PM 286 (January 2002) or CDPH Form 286 (January 2014) on file (a later version or equivalent electronic or hard copy record is acceptable.)
- a. Verify each pupil has one Tdap dose as required by Title 17, California Code of Regulations Section 6025 prior to admission into 7th Grade, or has a current medical exemption issued through the California Immunization Registry – Medical Exemption website (form IMM-1288) from Tdap on file.
- b. If the pupil did not receive a Tdap dose and does not have a current medical exemption from Tdap on file, or does not have a California School Immunization Record, PM 286 (January 2002) or CDPH Form 286 (January 2014) on file (a later version or equivalent electronic or hard copy record is acceptable), verify the pupil was excluded from attendance. Except as provided in Health and Safety Code section 120341 for a foster child, if the pupil was included in attendance, report a finding and disallow the ADA claimed from the first day of attendance until the date the school documented receiving a record of the Tdap dose.
- c. After the first day of school, if the pupil transferred into the 7th Grade from a school campus within California or from a school in another state and was unable to present a mandatory permanent pupil record or other immunization record of a dose of Tdap vaccine at the time of entry to the new school, verify that a written immunization record was given to the LEA within 30 school days. If after 30 school days the record is not presented and the pupil was included in attendance, report a finding and disallow the ADA claimed for any day after the latter of (1) the 30th

school day, or (2) 10 school days after notice to the parent or guardian, until the date when the Tdap dose was documented as received.

5. Identify schools that reported an overdue rate greater than 10 percent for Tdap in 7th Grade, as listed on the Excel spreadsheet found at:

<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/School/reporting-audit.aspx>.

These schools are listed on the '7thOverdueGr10%' worksheet of that spreadsheet.

- a. Select a representative sample of pupils and verify that each pupil has had one dose of Tdap, as required by Title 17, California Code of Regulations section 6025, prior to admission into 7th Grade, or has a current medical exemption from Tdap on file.
- b. If the pupil does not have one dose of Tdap, follow steps 4b through 4c specific to varicella vaccine.

AZ. EDUCATOR EFFECTIVENESS (Reserved)

If the local educational agency (LEA) received Educator Effectiveness Block Grant funds pursuant to Education Code section 41480 perform the following:

1. Interview LEA staff to determine if employees were charged fees for services allowable under this section, including, but not limited to, beginning teacher induction program costs, during the grant period pursuant to this section. If LEA staff confirmed fees were charged, trace to supporting documentation.
2. If the LEA charged fees to employees in Procedure 1, report a finding for noncompliance and identify the Educator Effectiveness funding received by the LEA and recommend the LEA return the funds for Educator Effectiveness.

BZ. (Reserved)

CZ. CAREER TECHNICAL EDUCATION INCENTIVE GRANT

Review the Career Technical Education Incentive Grant (CTEIG) allocation for the audit year located at <https://www.cde.ca.gov/ci/ct/ig/> and determine if the LEA received a CTEIG allocation. If the LEA received a CTEIG allocation, perform the following procedures:

1. Verify the LEA included in the LEA's budget the full matching requirement (two dollars (\$2) for every one dollar (\$1) received from this program) pursuant to Education Code section 53071(a).
2. If the LEA is not in compliance with Procedure 1, report a finding and identify the dollar amount for the unbudgeted matching funds.

DZ. EXPANDED LEARNING OPPORTUNITIES PROGRAM

If the Local Educational Agency (LEA) received Expanded Learning Opportunities Program funds, pursuant to Education Code section 46120, perform the following procedures:

1. Determine if the LEA had an Entitlement Calculation based on Rate 1 or Rate 2, by reviewing the P-2 funding exhibits on the CDE website at <https://www.cde.ca.gov/fg/aa/pa/>. Note: LEAs funded at Rate 1 in the audit year, but previously funded at Rate 2 in the prior year, will be subject to Rate 2 compliance requirements during their first year of Rate 1 funding pursuant to Education Code Section 46120(c)(1)(B).
 - a. If the LEA had an Entitlement Calculation based on Rate 1, and it is the LEA's first year of program participation, or the LEA had an Entitlement Calculation based on Rate 1 in both the audit year and the year prior, select a representative sample of schools offering classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6 and perform audit procedures 2–3, and 6–11.
 - b. If the LEA had an Entitlement Calculation based on Rate 2, or the LEA had an Entitlement Calculation based on Rate 1 in the audit year and Rate 2 in the year prior, select a representative sample of schools offering classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6 and perform audit procedures 4–11.
2. If Procedure 1.a. is applicable, review supporting documents such as LEA communication sent to all families about the available Expanded Learning Opportunity Programs, and verify the LEA offered to all pupils in classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6, inclusive, Expanded Learning Opportunity Programs, and provided the opportunity to enroll, pursuant to Education Code section 46120(g)(5). For purposes of this verification, eligible students are those in classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6 on Census Day.
3. If Procedure 1.a. is applicable, verify the LEA provided access to all enrolled classroom-based pupils in kindergarten (including TK programs) and grades 1 to 6 whose parent or guardian requested their placement in an Expanded Learning Opportunity Program. For purposes of this verification, eligible students are those in classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6 on Census Day. A pupil has been “provided access” if the conditions in Procedures 3.a. and 3.b. are met, pursuant to Education Code section 46120(g)(6):
 - a. Select a representative sample of students enrolled in the expanded learning opportunity program and verify:

- i. ~~A that a~~ registration form is on file, ~~and~~
- i. ~~the registration form is~~ signed by a parent/guardian.
- ii. Alternate documentation demonstrating access may include:
 - Evidence of outreach attempts to secure the signature,
 - Documentation of the parent's refusal to sign the enrollment form (e.g., email, signed acknowledgment or contemporaneous staff notes),
 - Records of the student's regular attendance.

- b. If the school is not operating an Expanded Learning Opportunity Program on the school site, verify the LEA provided transportation to and from an Expanded Learning Opportunities Program site for all eligible pupils, by providing a bus schedule or other appropriate evidence.
4. If Procedure 1.b. is applicable, review supporting documents such as LEA communication sent to all families of unduplicated students about the available Expanded Learning Opportunity Programs, and verify the LEA offered to all unduplicated pupils in classroom-based instructional programs in kindergarten (including TK programs) and grades 1 to 6, inclusive, Expanded Learning Opportunity Programs, and provided the opportunity to enroll, pursuant to Education Code section 46120(g)(5). For purposes of this verification, eligible students are those identified as unduplicated pupils on Census Day and are included in the school's CALPADS snapshot report, "1.18 – LCFF Unduplicated Pupil Student List".
 5. If Procedure 1.b. is applicable, verify the LEA provided access to all enrolled classroom-based unduplicated pupils in kindergarten (including TK programs) and grades 1 to 6 whose parent or guardian requested their placement in an Expanded Learning Opportunity Program. For purposes of this verification, eligible students are those identified as unduplicated pupils on Census Day and are included in the school's CALPADS snapshot report, "1.18 – LCFF Unduplicated Pupil Student List". A pupil has been "provided access" if the conditions in Procedures 5.a. and 5.b. are met, pursuant to Education Code section 46120(g)(6):
 - a. Select a representative sample of students enrolled in the expanded learning opportunity program and verify:
 - i. ~~A that a~~ registration form is on file, ~~and~~
 - i. ~~the registration form is~~ signed by a parent/guardian.
 - ii. Alternate documentation demonstrating access may include:
 - Evidence of outreach attempts to secure the signature,

- Documentation of the parent's refusal to sign the enrollment form (e.g., email, signed acknowledgment or contemporaneous staff notes).
- Records of the student's regular attendance.

- b. If the school is not operating an Expanded Learning Opportunity Program on the school site, verify the LEA provided transportation to and from an Expanded Learning Opportunities Program site for all eligible pupils, by providing a bus schedule or other appropriate evidence.

***The ELO-P Penalty Calculator can be found at:

<https://www.cde.ca.gov/fg/au/ag/documents/elopauditpenaltycalc23.xlsx>

6. Verify in-person before or after school expanded learning opportunities were offered on every school day and, when added to the school day, were no less than nine hours, pursuant to Education Code section 46120(b)(4)(A).
 - a. Review the school attendance calendar and bell (class) schedules of the sampled schools, in conjunction with the schedules for Expanded Learning Opportunities Programs. If applicable, review any board resolution that documented an emergency closure to satisfy the condition of Education Code section 46120(b)(12).
 - b. Verify that Expanded Learning Opportunity Programs were offered on all individual school days.
 - c. Verify that combined instructional time, recess, lunch, and expanded learning opportunities time were no less than nine hours on all individual school days.
 - d. For Expanded Learning Opportunity Programs located in a frontier designated geographical location, program requirements are no less than eight hours of combined instructional time, recess, meals, and in-person before or after school expanded learning opportunities per instructional day, pursuant to Education Code sections 46120(b)(4)(C) and (g)(2).
7. Verify the LEA provided for at least 30 nonschooldays, no less than nine hours of in-person expanded learning opportunities per day pursuant to Education Code section 46120(b)(4)(B).
 - a. Review the Expanded Learning Opportunities Programs nonschooldays schedules of the sampled schools. If applicable, review any board resolution that documented an emergency closure to satisfy the condition of Education Code section 46120(b)(12).
 - b. Verify that expanded learning opportunities were offered on at least 30 nonschooldays.

- c. Verify that expanded learning opportunities time was no less than nine hours on all individual nonschooldays. Instructional minutes for extended school year days may be included to meet the nine-hour requirement.
- d. For Expanded Learning Opportunity Programs located in a frontier designated geographical location, program requirements are no less than eight hours of in-person expanded learning opportunities on at least 30 nonschooldays, pursuant to Education Code sections 46120(b)(4)(C) and (g)(2).

*** Pursuant to Education Code section 46120(b)(11) LEAs may provide up to three days of staff development during regular expanded learning opportunities program hours. Student attendance and participation in expanded learning opportunities are not required during the three days of staff development. For purposes of verifying the LEA provided the Expanded Learning Opportunities Program on every school day and 30 nonschooldays in Procedures 6 and 7, up to three staff development days may be excluded from these requirements combined.

*** Pursuant to Education Code section 46120(b)(12), an local educational agency LEA that is temporarily prevented from operating its expanded learning opportunity program because of a school or program site closure due to emergency conditions listed in section 41422 or subdivision (d) of section 8482.8, and is not able to meet all of the requirements pursuant to paragraph (1), which is in fact shown by a resolution adopted by the governing board or body of the local educational agency LEA, in addition to documentation substantiating the need for closure, the local educational agency LEA shall not be subject to the penalty required pursuant to paragraphs (1) to (3), inclusive, of subdivision (c) as a result of the emergency, as referenced in Procedures 6 and 7.

- 8. Verify that if the program served transitional kindergarten or kindergarten pupils, it maintained a pupil-to-staff member ratio of no more than 10 to 1 and all other grades maintained a pupil-to-staff member ratio of no more than 20 to 1, pursuant to Education Code section 46120(b)(5)(D).
- 9. Verify the LEA operated a before school component of a program, an after school component of a program, or both the before and after school components of a program, on one or multiple schoolsites.
 - a. Verify each component the LEA provided consisted of an educational and literacy element in which tutoring or homework assistance was provided and an educational enrichment element pursuant to Education Code section 8482.3(c).
 - b. Verify the LEA developed a program plan pursuant to Education Code section 46120(b)(5) based on the department's guidance and the following After School Education and Safety grant program requirements pursuant to Education Code sections: 8482.6, 8483.3 (c) (1-9) (12), and 8483.4.

- c. Verify the LEA had procedures in place to ensure that program staff and volunteers were subject to the health screening and fingerprinting clearance requirements in current law and district policy for school personnel and volunteers in the school district pursuant to Education Code section 8483.4(a).
10. If the LEA contracted with a third-party to operate a program, verify the LEA complied with the following:
- a. The contract required the third-party to notify the LEA by the next working day following, and to submit a written report within seven days of, the occurrence of any health- or safety- related issues, including, but not limited to, issues involving criminal background clearances for employees, building safety, and any event specified in subdivision (c) pursuant to Education Code section 8483.4(b).
 - b. The LEA required the third party to request from parents or guardians pupil health information, such as whether a pupil has allergies or asthma, before pupil enrollment pursuant to Education Code section 8483.4(d).
11. Review Expanded Learning Opportunities Programs that charge family fees by performing the following procedures:
- a. Verify programs that charged family fees, waived the cost of these fees for pupils who are eligible for free or reduced-priced meals, for a child that is a homeless youth, or in foster care pursuant to Education Code section 8482.6.
 - b. Verify programs that charged family fees, scheduled fees on a sliding scale that considers family income and ability to pay pursuant to Education Code section 8482.6.
12. If the LEA was not in compliance with the requirements in the foregoing audit procedures, report a finding of noncompliance.
- a. If the LEA was not in compliance with any of Procedures 2–5, report a finding, calculate the penalty based on funding apportioned for the current year under audit, pursuant to Education Code section 46120(c)(2), and include the penalty calculation in the finding. Identify in the finding the total number of pupils eligible for Expanded Learning Opportunity Programs, and the total number of eligible pupils the LEA either failed to offer or provide access to Expanded Learning Opportunity Programs. The penalty shall be based on the total number of eligible pupils the LEA either failed to offer or provide access to Expanded Learning Opportunity Programs, i.e. the LEA shall not be penalized twice for the same pupil on Procedure 2 and 3 or Procedure 4 and 5.
 - b. If the LEA was not in compliance with any of Procedures 6–7, report a finding, calculate the penalty based on funding apportioned for the current year under audit pursuant to Education Code section 46120(c)(3)(A)-(B), as applicable, and include the penalty calculation in the finding.
 - c. If the LEA was not in compliance with Procedures 8-11, report a finding of noncompliance.

EZ. TRANSITIONAL KINDERGARTEN

1. If the school district or charter school reported ADA for the audit year for transitional kindergarten, select a representative sample of schoolsites that had transitional kindergarten pupils.
 - a. Verify the mathematical accuracy of each schoolsite's "average transitional kindergarten class enrollment" as defined in Education Code section 48000(g)(1).
 - b. For the schoolsites selected, select a representative sample of classes with transitional kindergarten students, inclusive of combination classes, and verify the "active enrollment count" as defined in Education Code Section 48000(g)(1)(B) and trace to supporting documentation.
2. If the testing in 1. resulted in any of the schoolsites' "average class enrollment" exceeding 24 pupils, report a finding and include the amount of the penalty and the penalty calculation pursuant to Education Code Section 48000.1(b)(1)(C)(ii). Include a schedule displaying the calculation of the penalty amount for each schoolsite exceeding "average class enrollment" of 24 pupils. The schedule should include the following penalty calculation components for each schoolsite: the sum of average pupils enrolled per TK class, the number of TK classes, the reported P-2 TK ADA for the applicable audit year, and the TK/K-3 GSA add-on rate used to calculate the penalty.
3. For the schoolsites selected in procedure 1, verify the schoolsites maintained an adult to pupil ratio average for classes with transitional kindergarten students pursuant to Education Code section 48000(g)(3)(A).
 - a. Verify the mathematical accuracy of each of the schoolsites' adult to pupil ratio calculation.
 - b. For the sampled classes with transitional kindergarten students selected in procedure 1.b., verify the number of adults assigned to each class and trace to supporting documentation, such as teacher's aide daily/weekly schedule, class rosters, teacher assignment matrices, or other locally determined documentation.
 - c. Verify that adult(s) being counted for the purpose of meeting the adult to pupil ratio is dedicated and available to all TK pupils for the entire schoolday based on locally determined documentation.
4. If the school district or charter did not meet the adult-to-pupil ratio requirements of Education Code Section 48000(g)(3)(A), report a finding and include the amount of the penalty and penalty calculation pursuant to Education Code Section 48000.1(b)(1)(A)(ii). Include a schedule displaying the calculation of the penalty amount for each schoolsite not meeting the adult-to-pupil ratio requirements. The schedule should include the following penalty calculation components for each schoolsite: the sum of average TK class size, the sum of the average adults for TK classrooms, the average statewide absence rate for the applicable audit year as calculated by CDE, and the TK-add-on rate.

5. For the schoolsites selected in procedure 1, verify that any credentialed teacher assigned to a TK classroom meets the requirements of Education Code section 48000(g)(4).
6. If the school district or charter assigned a teacher to a TK classroom that does not meet the requirements of Education Code section 48000(g)(4), report a finding and include the amount of the penalty calculation pursuant to Education Code section 48000.1(b)(1)(B). Include a schedule displaying the calculation of the penalty amount. The schedule should include the following penalty calculation components: number of credential teachers that did not meet the requirements of EC 48000(g)(4), the average statewide absence rate for the applicable audit year as calculated by CDE the number of school days that all teachers identified did not meet requirements, the total days of instruction for teachers identified, and the fiscal year TK base grant.

Note: Penalty calculators for audit penalty estimation are available at:
<https://www.cde.ca.gov/fg/au/ag/penaltycalc.asp>

FZ. KINDERGARTEN CONTINUANCE

1. Obtain a list of pupils who turned six years old by September 1 and were enrolled in kindergarten for the year audited; select a representative sample of kindergarten pupils identified. Perform the following procedures.
 - a. Review the record of each pupil to determine whether the pupil continued in kindergarten after completing one school year of kindergarten or transitional kindergarten. For a pupil who begins kindergarten mid-year, one school year of kindergarten is completed on the last school day prior to the anniversary of the pupil's first day of kindergarten.
 - b. Except for pupils enrolled in transitional kindergarten in the prior year in accordance with Education Code section 48000(c), verify that the LEA has for each such pupil a signed Kindergarten Continuance Form (a sample of an approved form can be found on the CDE's website) or a signed alternative kindergarten continuance parental agreement, approved in form and content by the CDE.
2. State in a finding the resulting units of ADA inappropriately reported for apportionment and an estimate of their dollar value.

GZ. COMPREHENSIVE SCHOOL SAFETY PLAN

1. For school districts or county offices of education (COEs), verify they have a process in place to ensure their schools have a comprehensive school safety plan that is adopted by the school and forwarded for approval to the school district or (COE) per the requirements in Education Code sections 32280 through 32282, 32286 and 32288.
2. Verify the LEA adopted an instructional continuity plan per the requirements in Education Code section 32282(a)(3)(A).
3. Select a representative sample of schools of the LEA and verify each school had its comprehensive school safety plan reviewed, updated, and adopted by March 1 as described in Education Code sections 32286, 47605(c)(5)(F) and 47605.6(b)(5)(G), as applicable.
4. Verify the school-adopted comprehensive school safety plan was submitted for approval to the school district or county office of education as described in Education Code section 32288(a), or that a timeline for submission is in place.
5. Report a finding identified through the foregoing audit procedures.

HZ. ATTENDANCE RECOVERY

If the LEA reported ADA generated through an Attendance Recovery (AR) program, perform the following procedures:

1. Select a representative sample of pupils for whom ADA generated through AR was claimed, and obtain reports of their absences and AR attendance. For each pupil sampled, perform the following procedures:
 - a. If the LEA is a charter school, perform the following procedures:
 - i. Verify that the pupil is enrolled in a classroom-based program, pursuant to Education Code section 47612.5(e).
 - ii. Verify that the pupil is not enrolled in a school that serves pupils through a partnership pursuant to Education Code section 47612.1.
 - b. Verify that the pupil was not continually enrolled in an Independent Study agreement(s) for longer than 15 days on the dates of their participation in an AR program.
 - c. Examine the attendance accounting record to verify that the pupil's AR attendance was maintained on a separate register, or that the LEA had another mechanism in place to track ADA generated through AR separately from other ADA.
 - d. Verify that AR attendance is only claimed in whole days of ADA.
 - e. Verify that the pupil's total AR attendance for the school year is no greater than ten days, or the total number of absences the pupil accrued in that school year, whichever is fewer.

f. For each day of ADA claimed through AR, verify that the pupil's participation time met the applicable minimum daily minute requirement pursuant to Education Code section 46211(e)(2).

i. If hourly accounting of participation time was used, trace to supporting documentation by the AR teacher.

ii. If the student has an individualized educational plan (IEP) that lists an alternative minimum daily minute requirement, verify that the requirement in the IEP was used in the calculation of ADA.

g. For all participation times that contributed to generating a day of ADA through AR, perform the following procedures:

i. Verify that the pupil was under the supervision of an employee of the LEA possessing a valid teaching certificate pursuant to Sections 46300 and 47612.5.

ii. Verify that the classroom(s) where the pupil participated in AR maintained a pupil-to-certificated teacher ratio of no more than 10 to 1 when the classroom contained transitional kindergarten or kindergarten pupils, and maintained a pupil-to-certificated teacher ratio of no more than 20 to 1 for all other grades, pursuant to Education Code section 46211(f).

iii. Determine that the LEA has documentation demonstrating that the pupil was provided with content aligned to grade level standards that is substantially equivalent to in-person instruction.

h. Verify that no pupil generated more than one day of attendance per calendar day of participation in AR. Then perform one of the following procedures:

i. For school districts and COEs: Verify that the pupil did not generate more than 5 days of attendance per school week.

ii. For charter schools: Verify that the pupil was not credited with more than a day of ADA per calendar day when school was actually taught, pursuant to Education Code section 47612 and Section 11960 of Title 5 of the California Code of Regulations.

2. Calculate any inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures. State in a finding the number(s) of units of ADA so identified and an estimate of their dollar value.

CHARTER SCHOOLS

AA. ATTENDANCE

1. Determine whether the P2 and Annual reports of attendance submitted to the CDE are supported by written contemporaneous records that document all pupil attendance included in the charter school's ADA calculations, by tracing the ADA numbers from the P2 and Annual reports of attendance through any documentation used by the charter school to summarize attendance, to written contemporaneous data origination documents.
2. Determine whether the charter school calculated ADA in accordance with Education Code section 47612 and title 5, California Code of Regulations, section 11960.
 - a. Verify that the ADA as reported on the P2 and Annual reports of attendance were computed by dividing the charter school's total number of pupil-days of attendance by the number of calendar days on which school was taught in the charter school through the P2 and Annual apportionment periods.
 - b. Verify that for purposes of determining the charter school's total number of pupil-days of attendance, no pupil generated more than one day of attendance in a calendar day.
 - c. Verify that the number of calendar days of attendance used in the divisor corresponds to the school calendar.
 - d. If the charter school operates a multi-track calendar, verify compliance with Education Code section 47612, by the following steps:
 - (1) Verify that ADA was calculated separately for each track. The divisor in the calculation shall be the calendar days in which school was taught for pupils in each track.
 - (2) Verify that the charter school operated no more than five tracks.
 - (3) Verify that the charter school operated each track for a minimum of 175 days. If the charter school is a conversion school that had operated a multi-track year-round schedule, the charter school was authorized to continue its previous schedule as long as it provided no fewer than 163 days of instruction in each track.
 - (4) For each track, verify that the charter school provided the total number of instructional minutes, as specified in Education Code section 47612.5.
 - (5) Verify that no track had less than 55 percent of its schooldays before April 15.
 - (6) Unless otherwise authorized by statute, verify that no pupil generated more than one unit of ADA in a fiscal year.
 - e. For any pupil over the age of 19 years that generated attendance for apportionment purposes in the charter school, verify the pupil met both of the following conditions, unless the charter school program is as specified in Education Code section 47612.1:
 - (1) The pupil was enrolled in a public school in pursuit of a high school diploma (for a pupil in special education, an Individualized Education Program (IEP)) while 19 years of age and, without a break in public school enrollment since that time, is enrolled in the charter school and is making satisfactory progress towards award

of a high school diploma (for a pupil in special education, satisfactory progress in keeping with an IEP) consistent with the definition of satisfactory progress set forth in title 5, California Code of Regulations, section 11965(h).

(2) The pupil is not older than 22.

3. Verify that the number of school days reported on the Annual attendance report, which should not include any emergency closure days, corresponds to the number of school days on the school calendar.
 - a. If the charter school operates a multi-track calendar, verify that the number of school days for each track reported on the Annual attendance report, which should not include any emergency closure days, corresponds to the number of school days on each track's school calendar.
 - b. If there is a difference in the number of school days reported on the Annual attendance report and school calendar(s), verify if the charter school has received a Form J-13A approval letter with an approved number of emergency closure days that reconciles the difference in number of school days reported on the Annual attendance report and school calendar.
4. Calculate any inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures. State in a finding the number(s) of units of ADA that were inappropriately reported for apportionment and an estimate of their dollar value.
5. If the number of school days reported on the Annual attendance report is incorrectly reported as determined in 3 above, report a finding which includes the correct number of school days taught in the fiscal year. If the charter school operates multiple tracks, report the finding by individual tracks.

BB. MODE OF INSTRUCTION

1. If ADA was reported to the CDE by the charter school as generated through classroom-based instruction, determine whether that attendance was generated in compliance with all of the following conditions:
 - a. The charter school's pupils were engaged in educational activities required of those pupils and the pupils were under the immediate supervision and control of an employee of the charter school who possessed a valid teaching certification in accordance with Education Code section 47605(l).
 - b. At least 80 percent of the instructional time offered at the charter school was at the schoolsite, as defined in title 5, California Code of Regulations, section 11963(b).
 - c. The charter school's schoolsite was a facility that was used principally for classroom instruction as that term is defined in title 5, California Code of Regulations, section 11963(b)(1).
 - d. The charter school required its pupils to be in attendance at the schoolsite at least 80 percent of the minimum instructional time required pursuant to Education Code section 47612.5(a)(1). If a charter high school did not require its pupils to be in attendance at least 80 percent of the instructional time required, determine if the school is a middle or early college high school, or has a middle or early college high school program, and meets the conditions in Education Code section 46146.5 or if

the school has a College and Career Access Pathway partnership agreement and meets the conditions in Education Code section 76004(t)(2), which includes an alternative instructional time requirement.

- e. Select a representative sample of pupils, including pupils that were concurrently enrolled in another program, and verify the pupils met 1.d.
2. If any ADA reported to the CDE as classroom-based instruction was not generated in compliance with all of the preceding conditions, but was generated in full compliance with the requirements set forth in Audit Guide Section CC, state in a finding the number of units of ADA that were misreported as classroom-based instruction but eligible for nonclassroom-based ADA. If it was not generated in full compliance with the requirements set forth in Audit Guide Section CC, state in a finding the number of units of ADA that were inappropriately reported for apportionment and an estimate of their dollar value.

CC. NONCLASSROOM-BASED INSTRUCTION/INDEPENDENT STUDY

If ADA was reported by the charter school to the CDE as generated through nonclassroom-based instruction (independent study), or was reported as generated through classroom-based instruction but was not generated in compliance with all of the conditions set forth in Section BB, perform the following procedures:

1. Determine whether the governing body of the charter school had adopted and implemented written policies for independent study as required by Education Code section 51747. If it had not, any reported ADA generated through independent study is not eligible for apportionment. If the required policies were in place, determine whether any reported ADA was generated before the written policies were adopted. Any reported ADA generated through independent study before the written policies were adopted is not eligible for apportionment.
2. Verify the charter school's independent study ratio calculation, made pursuant to Title 5, California Code of Regulations, section 11704, of ineligible ADA, if any, generated through independent study. For directions on how to calculate the independent study ratio including which ADA to exclude, please refer to <https://www.cde.ca.gov/sp/eo/is/calculations.asp>.
3. Interview LEA administrative personnel as well as a sample of independent study teachers and review written agreements to determine whether it was the LEA's policy or practice to provide independent study pupils or their parents/guardians with direct monetary funding or ownership of any other things of value, such as equipment. If the LEA provides other things of value, verify that the LEA retains ownership of any things of value, such as equipment, (pursuant to subdivision (b) of Education Code section 51747.3). Review program materials provided to all parents/guardians to determine that pupils engaged in independent study were neither offered direct monetary funding nor given incentives or special benefits, such as ownership of any other things of value, such as equipment.
4. Verify that the documentation used by the charter school to summarize monthly attendance provides accurate information. If the charter school had multiple sites

providing independent study, select a sample of schoolsites that is representative of the charter school's grade spans (elementary, middle, and high schools) and sufficient in size to allow the auditor to draw a reasonable conclusion with respect to the charter school's compliance with independent study requirements. Perform the following procedures:

- a. Determine the total number of days of attendance reported for each site in the sample that resulted from attendance by pupils while engaged in independent study. Reconcile the monthly totals (days of apportionment attendance) on the site's attendance summary to the summary maintained by the charter school for the P2 attendance report.
 - b. Select a test month in the P2 attendance reporting period. Verify the mathematical accuracy of the monthly report, or its nearest equivalent if no monthly report is prepared, and trace the totals to the site's attendance summary.
 - c. Verify that a certificated employee of the charter school, as defined by title 5, California Code of Regulations, section 11700.1, coordinated, evaluated, and provided general supervision (as that term is defined in title 5, California Code of Regulations, section 11700(b)), of each pupil's independent study, as required by Education Code section 51747.5(a).
 - d. Select a representative sample of teachers. Verify the mathematical accuracy of the teachers' attendance records of pupil attendance. Trace the monthly totals from the monthly report to the attendance records.
5. From the attendance records, select a representative sample of the pupils for whom ADA generated through independent study was claimed, including pupils on intermittent or "short-term" independent study, if the charter school offered that option, and perform the following procedures:
- a. Determine each pupil's county of residence at the time of commencing independent study and verify that it is the county in which the apportionment claim is reported or a contiguous county within California.
 - b. Determine whether mailing addresses or other evidence of residency changed during the time the pupils were in independent study and, if so, whether each pupil remained a resident of the same or a contiguous county within California.
 - c. Verify that, on each day for which a pupil's attendance was reported, the pupil engaged in an educational activity or activities required of him or her by the charter school.
 - d. Verify that each day of each pupil's attendance included in calculations of ADA took place on one of the charter school's schooldays.
 - e. Verify that a total of not more than one day of attendance was recorded for each pupil for any calendar day on which school was in session.
 - f. Verify that a written agreement exists for each pupil.
 - g. Verify that every written agreement contained all the elements required by Education Code section 51747(g):
 - (1) The manner, time, frequency, and place for submitting a pupil's assignments and for reporting his or her progress, and for communicating with a pupil's parent or guardian regarding a pupil's academic progress.

- (2) The objectives and methods of study (pupil activities selected by the supervising teacher as the means to reach the educational objectives set forth in the written agreement) for the pupil's work
- (3) The methods used to evaluate that work (any specified procedure through which a certificated teacher personally assesses the extent to which achievement of the pupils meets the objectives set forth in the written assignment)
- (4) The specific resources, including materials and personnel, to be made available to the pupils (resources reasonably necessary to the achievement of the objectives in the written agreement, not to exclude resources normally available to all pupils on the same terms as the terms on which they are normally available to all pupils). These resources shall include confirming or providing access to all pupils to the connectivity and devices adequate to participate in the educational program and complete assigned work.
- (5) A statement of the policies adopted pursuant to subdivisions (a) and (b) of Education Code section 51747:
 - (A) The maximum length of time allowed between the assignment and the completion of a pupil's assigned work;
 - (B) The level of satisfactory educational progress as defined in Education Code section 51747(b)(2)(A); and
 - (C) The number of assignments a pupil may miss before there must be an evaluation of whether it is in the pupil's best interests to continue in independent study
- (6) The duration of the independent study agreement, including the beginning and ending dates for the pupil's participation in independent study under the agreement, with no agreement being longer than one school year
- (7) A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the agreement, to be earned by the pupil upon completion
- (8) A statement detailing the academic and other supports that will be provided to address the needs of pupils who are not performing at grade level, or need support in other areas, such as English learners, individuals with exceptional needs in order to be consistent with the pupil's individualized education program or plan pursuant to Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), pupils in foster care or experiencing homelessness, and pupils requiring mental health supports.
- (9) A statement in each independent study agreement that independent study is an optional educational alternative in which no pupil may be required to participate
- (10) Signatures, affixed prior to the commencement of independent study for a pupil that is scheduled to participate for more than 15 schooldays, or during the school year in which the independent study program takes place for a student scheduled for less than 16 schooldays, by:
 - (A) The pupil;
 - (B) The pupil's parent, legal guardian, or caregiver as that term is used in Family Code section 6550 and following, if the pupil was less than 18 years of age;

- (C) The certificated employee who was designated as having responsibility for the general supervision of the pupil's independent study; and
 - (D) The certificated employee designated as having responsibility for the special education programming of the pupil, as applicable
- h. Verify that no days of attendance were reported without meeting the requirements of *Education Code section 51747(g)(9)(A)*.
- i. Verify evidence from appropriately licensed professionals of the need for pupils to participate in independent study pursuant to Education Code Section 51747(i), as applicable.
- j. Verify that pupil work samples have been retained in the file.
- k. Verify that the LEA documents the daily time value spent by a pupil in asynchronous instruction, including time recorded for student participation by online or computer-based instructional platforms when it is being counted towards instructional time and apportionment calculations (Education Code section 51747.5(b)(2)(A)(ii)).
- l. Verify that the LEA maintains documentation of hours or fraction of an hour of both pupil work products and the time that the pupil engaged in asynchronous instruction (Education Code section 51747.5(b)(2)(A)(ii)).
- m. Verify that the LEA documents time recorded for student participation by online or computer-based instructional platforms when it is being counted towards instructional time and apportionment calculations (Education Code section 51747.5(b)(2)(A)(ii)).
- n. Verify that the LEA maintains documentation of hours or fraction of an hour of both pupil work products and the time that the pupil engaged in asynchronous instruction (Education Code section 51747.5(b)(2)(A)(ii)).
- o. Verify that the LEA documented each pupil's participation in live interaction and synchronous instruction and that a pupil who did not participate in scheduled live interaction or synchronous instruction was documented as nonparticipatory pursuant to Education Code section 51747.5(c).
- p. Verify that participation in synchronous instruction being counted towards instructional minute and apportionment calculations contained all the required elements:
 - (1) Synchronous instruction was offered pursuant to Education Code section 51747(e).
 - (2) Participation in synchronous instruction is applied to the schoolday on which the student participated.
 - (3) The synchronous instruction meets the definition of Education Code section 51745.5(d).
 - (4) The student's participation in synchronous instruction augments the time value of student work product pursuant to Education Code section 51747.5(b)(2)(B)(ii).
 - (5) Evidence of student participation in synchronous instruction for each hour or fraction thereof was furnished and maintained.

6. If any inappropriately reported units of ADA were identified through the foregoing audit procedures, state in a finding such number(s) of units of ADA by grade span and estimate their dollar value.

DD. DETERMINATION OF FUNDING FOR NONCLASSROOM-BASED INSTRUCTION

If more than 20 percent of the charter school's total ADA was generated through nonclassroom-based instruction (independent study) as set forth in Section AA, perform the following procedures:

1. Determine whether the charter school has:
 - a. A multi-year funding determination, made pursuant to Education Code sections 47612.5(d) and 47634.2(d), that applies to the year being audited and that was granted in a year prior to the year being audited; or
 - b. A funding determination otherwise applicable to the year audited.
2. If the charter school does not have either type of funding determination specified in subdivision 1 of this section, the charter school was not eligible for funding for any ADA generated through nonclassroom-based instruction. State in a finding the number of units of ADA, by grade span, that were inappropriately reported for apportionment and an estimate of their dollar value.
3. If the charter school has a funding determination as specified in 1(b), and the charter school was in operation in the fiscal year prior to the year being audited, verify the accuracy of the following data submitted by the charter school to the CDE on the nonclassroom-based funding determination form applicable to the year being audited:
 - a. The charter school's federal revenues, including start-up, implementation, and dissemination grant(s); state revenues; local revenues, including in lieu of property taxes; and other financing sources;
 - b. The charter school's total expenditures for instruction and related services;
 - c. The charter school's total expenditures for salaries and benefits for all certificated employees as defined in title 5, California Code of Regulations, section 11963.3(c)(1);
 - d. The charter school's pupil-teacher ratio calculated pursuant to title 5, California Code of Regulations, section 11704, and, if submitted, the pupil-teacher ratio of the largest unified school district in the county or counties in which the charter school operates; and
 - e. The listing of entities that received, in the previous fiscal year, or received in the current fiscal year, \$50,000 or more or ten percent or more of the charter school's total expenditures identified pursuant to title 5, California Code of Regulations, section 11963.3(a)(5), subparagraphs (B), (C), (D) and (E); the amount received by each entity; whether each of any such contract payments was based upon specific services rendered or upon an amount per unit of ADA or some other percentage; and an identification of which entities, if any, had contracts that included provision for payments based on a per unit of ADA amount or some other percentage.

4. If any inaccurate data is identified through the foregoing audit procedures, include in a finding a schedule displaying the inaccurate data and the corresponding correct data.
5. If a funding determination applicable to the year audited was made for the charter school by the State Board of Education, pursuant to Education Code section 47634.2, confirm that the governing board of the charter school has adopted and implemented conflict of interest policies as required by title 5, California Code of Regulations, section 11963.3(b)(1)(C). If the governing board of the charter school has not adopted, or has adopted but has not implemented, conflict of interest policies as required, include a finding that states the policies were not adopted, if that is the case; or that the policies were not implemented, if that is the case, and describes the relevant facts.

EE. ANNUAL INSTRUCTIONAL MINUTES - CLASSROOM BASED

1. Review the charter school's attendance calendar and bell (class) schedules or other available comparable documentation. If the charter school has multiple sites, select a sample of schoolsites that is representative of the charter school's grade spans (elementary, middle and high schools).
2. For each sampled site, compare the amount of instructional minutes offered for each grade level during the year being audited to the amount of instructional minutes required pursuant Education Code section 47612.5(a)(1).
3. Determine whether the charter school offered optional classes to satisfy instructional minutes requirements. If enrollment in optional classes was low, review the charter school's documentation of class offerings to ensure that the charter school acted effectively to comply with the law. Practices that are not consistent with effectively offering instructional time may include, but are not limited to, offering only a small number of courses that are appropriate only for limited numbers of pupils, and courses scheduled such that pupils may take them only by giving up their lunch period.
4. Prepare the "Schedule of Instructional Time" that must be presented in the Supplementary Information section of the audit report, showing by grade span the minimum instructional minutes requirements specified in Education Code section 47612.5(a)(1), the instructional minutes offered during the year being audited showing the sampled site with the lowest number of minutes offered at each grade span, and whether the charter school complied with the instructional minutes provisions.
5. If the charter school did not offer the required number(s) of instructional minutes, prepare a separate schedule for each site, showing only the grade level(s) that were not in compliance, and calculate a proportional reduction in apportionment consistent with subdivision (c) of Education Code section 47612.5. In a finding, include both the schedule(s) and the calculated reduction in apportionment.

FF. CHARTER SCHOOL FACILITY GRANT PROGRAM

If the charter school received Charter School Facility Grant Program funding, pursuant to Education Code section 47614.5, for the year audited, perform the following procedures:

1. Verify that grant funds have been used for (1) costs associated with facilities rents and leases, for charter school facilities used principally for classroom instruction, (2) costs for remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, and improving sites, or (3) common area maintenance charges limited to maintaining the facility and its common areas.
2. If the charter school was not in compliance with the requirements recited in 1 of this section, include a finding listing by category the amount(s) of grant funds that were inappropriately spent.