



Monterey County Office of Education

Dr. Nancy Kotowski
County Superintendent of Schools

Finance and Business Services

Bulletin No. 17-008

To: Assistant Superintendents and Chief Business Officials
From: ^{KH} Karen Hennessy, Senior Director, District Advisory Services
Date: February 1, 2017
Re: **Auditor Selection for Fiscal Year 2016-17 Financial Audit**

California Education Code Section 41020 requires that the governing board of each school district either provide for an audit of the books and accounts of the district by April 1 or make arrangements with the County Superintendent of Schools to provide for such an audit. In addition, the Education Code states: "In the event the governing board of a school district has not provided for an audit of the books and accounts of the district by April 1, 2017, the County Superintendent of Schools having jurisdiction over the district shall provide for the audit."

When contracting for an audit, please note the following:

- The audit contract must contain a ten percent withholding clause per EC 14505 and, if applicable, a provision to withhold fifty percent of the audit fee for any subsequent year of a multi-year contract if the prior year's audit report was not certified as conforming to reporting provisions of the audit guide.
- Per EC 41020(f)(2), there is a limit of six consecutive years for any firm where the partner in charge of the audit and the reviewing partner have been the same in each of those years.
- Please communicate to your selected auditor that they must submit copies of the audit report to the Monterey County Office of Education by December 15, 2017. One electronic file (pdf) to kdeller@montereycoe.org will suffice.

Please complete the enclosed Audit Selection Certification and return to my attention no later than Friday, March 31, 2017.

Should you have any question, please contact me at 831-755-0376.

Monterey County Office of Education
Finance and Business Services
District Advisory Services

Independent Audit Selection Certification

This serves as notice that pursuant to Education Code Section 41020, the Board of Trustees of the _____ School District awarded a contract of the annual audit of the books and accounts of the district for fiscal year 2016-17 at its regularly scheduled meeting held on _____.

The contract was awarded to:

Audit Firm: _____

Address: _____

Phone: _____

If a multi-year contract, state the fiscal years covered: _____

2016-17 Fiscal Year Audit Fee: \$ _____

Our district is currently not a member and wishes to participate in a county-wide consortium for the auditing of our books and accounts for the 2016-17 fiscal year.

Authorized District Representative (Print Name)

Print Title

Authorized Signature

Date

FORWARD THIS CERTIFICATION BY MARCH 31, 2017 TO:

kdeller@montereycoe.org or mail to:
Monterey County Office of Education
PO Box 80851
Salinas, Ca 93912-0851
Attn: Karen Deller Hennessy