

February 18, 2025

Bulletin No. 25-026

TO: **Chief Business Officials and Fiscal Directors (K-12, and ROPs)  
San Bernardino County School Districts**

SUBJECT: **2024-25 Annual Audit – Information due to COE no later than April 1, 2025**

The Governing Board of each school district is required, per EC 41020(b), to either provide for an annual audit or arrange with the county superintendent of schools to provide for the annual audit. Districts that elect to make their own audit arrangements must do so no later than the first day in April of each fiscal year. In the event the governing board of a district has not provided for an annual audit by April 1, the county superintendent of schools shall do so by May 1 of that fiscal year.

Attached are the "Notice of Governing Board's Intention to Provide for Audit" form and a sample of an "Agreement for Audit." The "Agreement for Audit" sample is intended to be used as a guide and is not a mandatory format. In this sample, we have indicated with an asterisk (\*) the sections which are required per EC sections 41020(g)(1) and 14505. Please review all new contracts and existing contracts for compliance with these laws. **Please note that the Notice of Intention to Provide for Audit form does not need to be board approved each year. The "Date of Board Action" is asking for the date the contract was approved.** Board action is only necessary for changing auditors or extending the contract with the district's existing auditor.

The Notice of Governing Board's Intention to Provide for Audit form and a copy of any new Agreement(s) for Audit must be completed and returned to us on or before Tuesday, April 1, 2025.

AB2834 (Chapter 1128/2002) established 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. Therefore, your current audit firm is eligible to perform your audit for six consecutive years with the same partner in charge and reviewing partner. At the end of the sixth year, the firm could rotate partners with these responsibilities, but the two partners cannot just switch roles. The law does allow the six-year limitation to be waived by the Education Audit Appeals Panel (EAAP) if it finds that no other eligible auditor is available to perform the audit.

You are required to list the Partner-in Charge and the Reviewing Partner names on the attached Notice of Governing Board's Intention to Provide for Audit form.

The following are additional Education Code sections regarding the annual audit report process for districts:

- **Education Code Section 41020(h)** requires K-12 districts to file their prior year annual audit report with appropriate local (including the COE) and state agencies **no later than December 15th**.
- **Education Code Section 41020.3** requires K-12 governing boards to review the annual audit including audit adjustments, findings and recommendations, management letters, and descriptions of corrective

actions for the prior fiscal year **no later than January 31st**. It also requires that the annual audit be reviewed at a public meeting and be placed on the agenda of the meeting.

- *Education Code Section 41020(i)-(k)* requires that the county superintendent review the audit findings/exceptions to determine that an acceptable plan of action is developed to address these findings and certify to the state **by May 15th** that action is being taken.

If you have any questions, please contact your Business Services Advisor or me at (909) 386-9676.

Sincerely,

Ted Alejandre  
County Superintendent of Schools

*Thomas G. Cassida, Jr., MBA*  
Director, Business Advisory Services

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Attachment: "Notice of Governing Board's Intention to Provide for Audit" form  
"Agreement for Audit" sample form

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