

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

June 30, 2009

**Oroville Union High
School District**

**STATE COMPLIANCE (Nonclassroom-Based Instruction/Independent Study –
Challenge Charter High School)**

40000 (09-3)

Material Weakness

Condition

Challenge Charter High School (the Charter School) generated more than 20 percent of the Charter School's total average daily attendance (ADA) from non-classroom based instruction. The Charter School did not have a funding determination made pursuant to the provisions of subdivision (d) of the *California Education Code* Section 47612.5 and of *California Education Code* Section 47634.2.

Criteria

Charter schools that generate more than 20 percent of their total ADA from non-classroom based instruction must have an approved funding determination pursuant to the provisions of subdivision (d) of the *California Education Code* Section 47612.5 and of *California Education Code* Section 47634.2 from the California Department of Education.

Effect

The Charter School claimed ADA of 10.29 on the second period Attendance Charter Block Grant – Charter School ADA Funded Through Block Grant Report and 10.24 on the annual Attendance Charter Block Grant – Charter School ADA Funded Through Block Grant Report. The Charter School is required to return to the California Department of Education all funding received from this ADA.

Recommendation

The Charter School should file an amended second period and annual Attendance Charter Block Grant – Charter School ADA Funded Through Block Grant Reports to exclude the ADA noted above. We also recommend that the District return to the California Department of Education all funding received from this ADA. See Finding 09-2 for the total funding received.

Response

The Charter School closed as of June 30, 2009.