

# FY 2015 – 2016 AFR Review Checklist – Charters, Lab Schools & State Agencies

6 Digit Site Code

Print LEA Name

LEADS Submission Date: \_\_\_\_\_

## Post Submission Audit Review Items:

### AFR EDITS

For each highlighted item on the AFR Edits, please make the necessary corrections and resubmit. If there was no action needed, state such next to the item. If additional pages are needed, please use the Response to AFR Review Checklist Form.

\_\_\_\_\_ **1. Revenues Violating Block Out**

If a Key Punch Code (KPC) appears on this report, then either a correction should be made to reclassify the revenue or an explanation should be provided for the amount that is not reclassified. If you also reported expenditures related to these revenues, they should be reclassified.

\_\_\_\_\_ **2. Calculated vs. Reported Excess/Deficiency (KPC 51190)**

The Excess or Deficiency of Revenues and Other Sources of Funds minus the sum of Expenditures and Other Uses of Funds should be compared to the amounts reported in KPC 51190. Total Revenues (KPC 15000) plus Other Sources of Funds (KPC 51000) minus Total Expenditures (KPC 50900) plus Other Uses of Funds (KPC 51180).

\_\_\_\_\_ **3. Calculated vs. Reported End of Year Fund Balances**

If fund balances are reported correctly, zeros will be in each column of the spreadsheet. Where numbers appear in the spreadsheet, it indicates that the district has reported something incorrectly. The beginning fund balance (KPC 51195) should always equal the prior year's ending balance. If the LEAs reported beginning fund balance (KPC 51195) is not equal to the prior years ending fund balance, LEADS will reject the incorrect beginning fund balance and insert zeros in KPC 51195. Any adjustments should be made in KPC 51194 (Prior Year Adjustment).

\_\_\_\_\_ **4. Check Internal Math of Reported Fund Balance Records**

**Compare** beginning of year fund balance (KPC 51195) plus reported excess/deficiency (KPC 51190) plus transfer in (KPC 51192) minus transfer out (KPC 51193) plus prior year adjustment (KPC 51194) **to** reported end of year balance (KPC 51196). **ERRORS CAN OCCUR IF BEGINNING FUND BALANCE DOES NOT EQUAL TO PRIOR YEARS ENDING FUND BALANCE.**

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## **AFR REVIEWS**

If there was no action needed, state such next to the item. You may provide your written responses on the report in the Notes Section. If additional pages are needed, please use the Response to AFR Review Checklist Form.

- \_\_\_\_\_ 1. **Identify Zero Balance Records**
- Review all KPCs with zero balances for accuracy and make any necessary corrections.
- \_\_\_\_\_ 2. **Identify Negative Balance Records**
- All KPCs with negative balances an explanation should be provided.
- \_\_\_\_\_ 3. **Required Data List**
- Review the report and verify that salary data has been accurately reported.
- \_\_\_\_\_ 4. **Compare Employee Benefit vs. Salaries**
- Salaries with no benefits need explanations and/or corrections if reported incorrectly.
  - Health Benefits for Retirees must be reported in the separate functional areas throughout the AFR (i.e., Regular Programs, Special Education Programs, Career and Technical Education Programs, etc.). **Not doing so will negatively affect the school's indirect cost rates.**
  - Sick Leave Severance Pay should also be accurately reported in each section of the AFR.

## **Other AFR Reviews and Comparisons**

- \_\_\_\_\_ 1. **Ad Valorem Tax Revenue Comparison**  
**Not Applicable to Charters, Lab Schools, and State Agencies**
- \_\_\_\_\_ 2. **Sales/Use Tax Revenue Comparison**  
**Not Applicable to Charters, Lab Schools, and State Agencies**
- \_\_\_\_\_ 3. **Comparison of Prior Year “Ending Balance” (KPC 51196) and Current Year “Beginning Balance” (KPC 51195)**  
These amounts must equal. Review and make corrections.
- \_\_\_\_\_ 4. **Comparison of Current Year “Ending Balance” (KPC 51196) and Balance Sheet “Total Fund Balance” (KPC 54000)**  
These amounts must equal. Review and make corrections.
- \_\_\_\_\_ 5. **Comparison of Balance Sheet “Total Assets” (KPC 51690) and Balance Sheet “Total Liabilities and Fund Balance” (KPC 55300)**  
These amounts must equal. Review and make corrections.

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- \_\_\_\_\_ **6. Comparison of Capital Assets, Long Term Debt and Permanent Funds (Table III)**  
 Vested Compensated Absences and Capital Assets must always be reported.
- \_\_\_\_\_ **7. Comparison of Prior Year Data to Current Year Data**  
 This report compares data reported in the prior year to data reported in the current year. Review the report for errors. Provide written comments for **all** line items listed on this report. You may use the space on the report. If additional pages are needed, be sure to reference this report on those pages.  
**NOTE: Charter Schools that opened in FY 2015-2016 will not have to provide responses.**
- \_\_\_\_\_ **8. No Child Left Behind (NCLB) - Maintenance of Effort (MOE)**  
 Annual Financial Report data is used to calculate each LEA's Maintenance of Effort for the NCLB program. It is vital that all expenditures for this program are correctly reported on the AFR. For Maintenance of Effort, the SEA must determine that either the combined fiscal effort per student or the aggregate expenditures of State and local funds with respect to the provision of free public education in the LEA for the preceding fiscal year was not less than 90 percent of the combined fiscal effort per student or the aggregate expenditures for the second preceding fiscal year.  
**Note: Federal funds are reported in columns 5 and 6.**

### **Verification of Revenues and Expenditures (Provided by Audit Staff)**

For differences noted either a correction should be made or an explanation for the difference should be provided.

- \_\_\_\_\_ (A) Local Revenue Representation Transfer From Other LEA (KPC 3350)
- \_\_\_\_\_ (B) MFP Payments (KPC 4300 + KPC 4450)
- \_\_\_\_\_ (C) MFP Payments - School Lunch Fund (KPC 4450)
- \_\_\_\_\_ (D) PIP (KPC 5650)
- \_\_\_\_\_ (E) Employer Contribution to Teachers Retirement - PIP (KPC 7600)
- \_\_\_\_\_ (F) Dues and Fees (KPC 38765)  
 (Administrative Fee paid to RSD/LDOE)
- \_\_\_\_\_ (G) Other Unrestricted Revenues (KPC 4750)
- \_\_\_\_\_ (H) Other Restricted Revenues (KPC 6250)

The total of KPC 4750 and KPC 6250 must have at least the minimum House Bill 1 Appropriation. There may be other revenues reported in these KPCs.

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## **Special Reporting (Secondary Fiscal Project Codes)**

For differences noted either a correction should be made or an explanation for the difference should be provided. The revenues and expenditures reported in the secondary fiscal project codes below must also be reported in Basic AFR – Project Code AA0 (Primary Fiscal Project Code).

NOTE: All LEAs may not submit all secondary fiscal project codes.

\_\_\_\_\_ (A) AB1 – Low Income and/or English Language Learner

\_\_\_\_\_ (B) DF1 – Flood Preparation & Recovery

\_\_\_\_\_ (C) DH1 – Hurricane Recovery

## **Special Reporting Certification Form**

\_\_\_\_\_ This form must be signed by the Business Manager/Designee verifying that all funds in the secondary fiscal project code(s) are reported in the basic AFR (AA0).

## **Balances at End of Year (KPC 51196)**

\_\_\_\_\_ Due to the Cash Management Improvement Act, there should be no fund balances in columns 5 & 6. If there are balances in these columns, the LEA should review the AFR and make any necessary corrections. Written explanations must be provided if the LEA deems that the balance is correct.

The General Fund should have a balance greater than or equal to 0.

\_\_\_\_\_  
Business Manager of Designee Signature

\_\_\_\_\_  
Date