

## 2015/16 Annual Financial Report & Audit Time Lines & Instructions

### November 1, 2016 – AFR Filing Deadline

- AFRs not submitted before November 2 will be considered late.
  - **On November 2, NDE will initiate the process to withhold all local funds and State Aid Payments for those districts submitted late.**
- Submission of the 2015/16 AFR is considered complete when:
  - The AFR Spreadsheet has been uploaded into the AFR Online System.
  - All verifications and error/warning messages have been addressed or approved.
  - LEP and Poverty Narratives have been completed (if required).
  - The “Approve AFR” button has been clicked which officially submits the data to NDE.

### November 5, 2016 - Audit Filing Deadline

- District audits must include documentation that district ADM and ADA has been verified. (NDE Rule 1 - 003.03)
- Files Names of audits must include the six digit county district number (i.e. 99-0001)
- Submit district audit by uploading to **both** NDE and the Auditor of Public Accounts (APA)...Submitting through mail and/or e-mailing will not be accepted.
  - **NDE:** Upload audit as a pdf document through the “Annual Financial Report 2015/16” link in Data Collections within the NDE Portal (AFR Upload) <https://portal.education.ne.gov/>
  - **APA:** Upload audit as a pdf document through APA Website at <https://www.nebraska.gov/auditor/FileUpload/index.cgi?audit=1>

### January 31, 2017 – Auditor’s Letter to Management & District Response Due

- Districts are required to respond to any compliance issue addressed in the district audit or in the Auditor’s Letter to Management (NDE Rule 1 – 003.05)
- The district response must include an explanation of how the district administration has corrected the issues or the plans put in place to resolve those concerns for the future.
- *PLEASE NOTE: The district audit can include a schedule that lists out the compliance issues along with the district response. If **all** compliance issues are addressed with a district response within the audit, this requirement is considered met and no other action is required. You will need to contact your auditor to include a schedule for this information in your audit.*

### Completion of the AFR Spreadsheet

- Download the AFR Spreadsheet and the narrative questions from the AFR Website <http://www.education.ne.gov/FOS/SchoolFinance/AFR/Index.html>
- The AFR spreadsheet was designed for use on a PC. Schools have experienced difficulties saving, printing and opening the AFR spreadsheet with working on a Mac. (i.e. Receipts and disbursements moved to a different line which might impact State Aid.)
- Use the following sources to complete the AFR:
  - NDE Audit Confirmation webpage to verify payment accounts
    - <http://www.education.ne.gov/FOS/ADSS/AuditConfirmation/AuditConfirmation.aspx>
  - 2015/16 ADA/ADM Look-up System
    - <http://www.education.ne.gov/FOS/ASPX/Search.aspx?id=12>
  - 2016 NDE Users’ Manual (See Summary of Changes for new coding changes)
  - District financial records

- 2015/16 district audit

## Specific Coding Reminders

- Apportionment 01-1-03200-000
  - Report the net receipt of Apportionment funds. Since a recapture was necessary this year, be sure to verify your district total at <https://www.education.ne.gov/FOS/SchoolFinance/Apportionment.html>
- Property Tax Credit 01-1-03131-000
  - Each district must report the amount received as Property Tax Credit.
  - Contact your county treasurer(s) if the Property Tax Credit isn't specifically identified on payments from the county.
- Flex-Funding School Age Support Services 01-1-03166-000
  - Reduce School Age Special Education reimbursements (01-1-03210-000) received in 2015/16 by the amount identified as Flex-Funding School Age Support Services (01-1-03166-000)
  - A complete listing of district specific amounts can be found on the Finance & Organization Services Website at <http://www.education.ne.gov/FOS/SchoolFinance/AFR/Index.html>
  - Not all districts are impacted so verify whether your district is included on the list.
- District Legal Services Function Code – 01-2-02330-000
  - All legal expenses – *except Lobbyist Fees* – are accounted for in the new function code 01-2-02330-000 Lobbyist Fees (Object Code 314) must be recorded in one of the following disbursement functions:
    - Board of Education 01-2-02310-000
    - Executive Administration Services 01-2-02320-000
    - General Administration – Business Services 01-2-02510-000
- Increased retirement contributions
  - Record these costs between two object codes:
    - 220 – the amount equal to the 7.35% of salaries subject to retirement
    - 221 – the difference between 7.35% and 9.88% of the salaries subject to retirement
- Indirect cost rate in the school lunch fund
  - Schools are not required to charge indirect cost rates to the School Lunch Fund.
  - 06-2-95000-000 Non-Restricted Indirect Cost Rate Collects the Non-Restricted Indirect Cost rate used to calculate indirect cost rate on the school lunch/food program. The rate reported must not exceed the non-restricted indirect cost rate certified by NDE.
  - 06-2-02100-695 Indirect Costs reports the total of Indirect Costs expensed to the General Fund. This figure is calculated by adding the following School Lunch Fund object codes (listed below) and multiplying by the Non-Restricted Indirect Cost Rate recorded on line 06-2-95000-000.

110 Salary – Professional	140 Salary – Clerical & Cooks
200 Employee Benefits	600 Other Expenses
400 Supplies and Materials (excluding food)	
- Show negative amounts or balances in parentheses.
- Report Bonds Outstanding at End of Year, Line 99200 in the Bond Fund and in the Qualified Capital Purpose Undertaking Fund.
- Report *Total Staff Development Disbursements* on Page 6, Line 99500.
  - This is not a subtotal of any function. It is an estimated amount and may include expenditures related to staff development, substitute pay, mileage, workshop fees, etc.

**For more information, please contact:**

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