



Financial Review: Information for School Administrators

North Carolina K12 Scholarship Programs

Helpful Hints for Zoom

Slides will be posted at <https://www.ncseaa.edu/k12/school-administrators/webinars/> and a recording of this session will be posted there within a week.

- Zoom has closed captioning available

Asking Questions

- Use the Q & A to ask your questions (chat is disabled)
- Email NPS@ncseaa.edu to ask questions about an individual student

Answering Questions

- Presentation team will answer questions from the Q & A at certain points
- Only questions related to this session's content will be addressed live





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Financial Review Basics

Required of:

Schools which receive funds on behalf of 70 or more students in either semester of a school year



Prepared by:

A certified public accountant (CPA) licensed in North Carolina

Due:

Within 120 days (4 months) of the end of the nonpublic school's fiscal year

Format:

Electronic submission to MyPortal



The 70 Student Threshold

Add up the number of students from both K12 Programs combined for whom you have received funds.

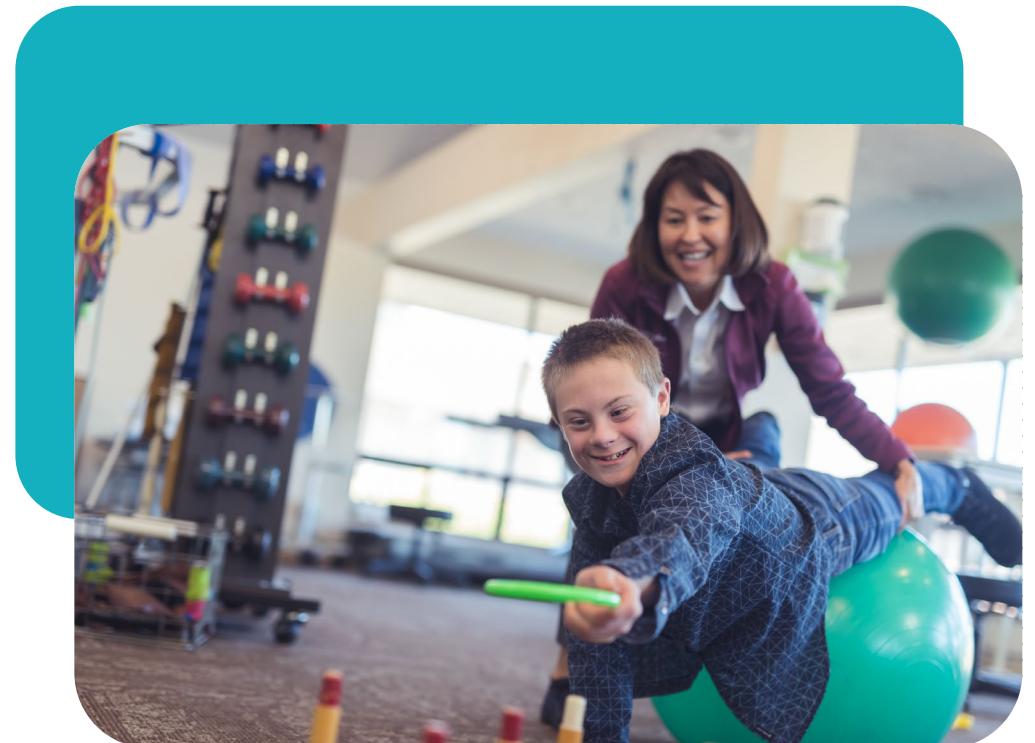
If a student is a dual recipient, the student only counts once.

Example:

50 students funded by Opportunity Scholarship

+23 students funded by ESA+

=73 enrolled students = **FINANCIAL REVIEW REQUIRED**





School Year vs Fiscal Year

Reporting requirements are triggered by the count of students enrolled in either semester of the *school* year.

The amounts reported in the financial statements are based on the school's *fiscal* year.



The Certified Public Accountant (CPA)

and: Generally Accepted Accounting Principles (GAAP)





Selecting a CPA

- The CPA must be licensed to conduct Financial Reviews in the state of North Carolina.
- ***RECOMMENDATION:*** Request a copy of the CPA's latest peer review to ensure that the CPA is qualified and in good standing with the North Carolina Board of CPAs.
- ***RECOMMENDATION:*** Provide the CPA with a copy of SEAA's Financial Review policies.
- Click [here](#) to access a lookup tool of CPAs certified by the North Carolina State Board of CPA Examiners. While SEAA cannot recommend a particular CPA, schools can use this tool to locate a board-certified CPA in their area.



GAAP

The Financial Review is required by North Carolina law to be performed “consistent with Generally Accepted Accounting Principles” and should therefore include the following:

- Statement of Assets, Liabilities and Net Assets (categorized by current vs. long term)
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows
 - A statement of cash flows is always required, even if the school operates on a cash basis for accounting purposes*
- Notes to financial statement



Program Funds Received

Provide the total amount of money your school received from SEAA in Opportunity Scholarship and ESA+ funds for the school year at issue.

- Funds received must be listed by program (Opportunity / ESA+).
- These amounts must be compatible to SEAA's records. Discrepancies must be reconcilable.
- This disclosure can be on the face of the Financial Statements or in the notes.



NCSEAA
OPPORTUNITY
SCHOLARSHIP

Deadlines





Submitting the Financial Review



The Financial Review is due to SEAA 120 days (4 months) after the school's fiscal year end.

- Submit electronically, via an upload to MyPortal.
- Notify SEAA of delays no later than 5 days prior to the Financial Review deadline.
- Schools which do not submit the Financial Review timely are out of compliance with the K12 Programs.
 - Funding may be suspended
 - Continued participation in the K12 Programs may be at risk

CONTACT US



<https://k12.ncseaa.edu/>



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Monday-Friday: 9am-3pm