



# 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](mailto: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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