

2019/20 Annual Financial Report & Audit Time Lines & Instructions

November 2, 2020 – AFR Filing Deadline

- AFRs not submitted by November 2 will be considered not meeting the AFR Deadline.
 - Since November 1 falls on a Sunday in 2020, districts have an additional day to submit their AFR.
 - *NDE will initiate the process to withhold all local funds and State Aid Payments for districts submitted after November 2.*
- Submission of the 2019/20 AFR is considered complete when:
 - The AFR csv flat file has been uploaded into the AFR Online System.
 - All verifications and error/warning messages have been addressed or approved.
 - Clicking the “Approve AFR” button officially submits the data to NDE.

IMPORTANT SUBMISSION STEP:

Use the “AFR Summary” document provided in the “Review AFR” step on the AFR Home Page in the AFR Online System to compare this information to your district audit *before* submitting your AFR.

- Confirm that this information matches your audit *before* submitting your AFR to NDE.
- During the NDE Audit Review, this report will be compared to district audits.
- Districts will be notified to make a correction if inconsistencies identified between the AFR submission and the district audit. Corrections must be made to their financial software to match the audit and a new csv file must be uploaded.
- *Districts must go through the upload process to submit their corrected information within 48 hours.*

November 5, 2020 - Audit Filing Deadline

- Upload audit as a pdf document through the “Annual Financial Report 2019/20” link in Data Collections within the NDE Portal (AFR Upload): <https://portal.education.ne.gov/>
- District audits must include documentation from their auditor that district ADM and ADA has been verified.
 - NDE Rule 1 - 003.03
- File names of audits **must** include the six digit county district number and school name in this format:
 - 99-0001 School Name
- 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 and will be returned.*
- Upload audit as a pdf document through Auditors of Public Accounts Website at:
<https://www.nebraska.gov/auditor/FileUpload/index.cgi?audit=1>

January 31, 2021– 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.

- 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.

AFR csv Flat File

- AFR csv file must be uploaded through the NDE Online System.
 - AFR Online Submission Instructions are available at <https://www.education.ne.gov/fos/annual-financial-report-school-district/>

Additional Resources

- Since the AFR Test Upload site is now closed, districts can upload to test their account code list through the AFR Online System. Invalid codes will be identified in a similar fashion as the AFR Test Upload Site and must be corrected before continuing to the AFR Submission Steps.
- Use the following sources to complete the AFR:
 - NDE Audit Confirmation webpage to verify payment account available at: <http://www.education.ne.gov/FOS/ADSS/AuditConfirmation/AuditConfirmation.aspx>
 - 2019 NDE Users' Manual (See Summary of Changes for new coding changes)
 - 2019/20 Master Account Code list available at: <https://www.education.ne.gov/fos/annual-financial-report-school-district/>
 - District financial records
 - 2019/20 district audit

Specific Coding Reminders

- Balance Outstanding in the Bond Fund and the Qualified Capital Purpose Undertaking Fund are no longer reported on the AFR.
- Property Tax Credit 3131 and Personal Property Tax Credit 3132
 - Each district must report the amounts received as Property Tax Credit and Personal Property Tax Credit.
 - Contact your county treasurer(s) if the Property Tax Credit and Personal Property Tax Credit aren't specifically identified on payments from the county.
- Personal Property Tax Credit – Railroads and Public Service Entities 3134
- No negative Federal Program transactions will be accepted in the AFR Online System. Federal reimbursement regulations do not allow negative amounts.
- Object Codes for Two Categories of Sub-Awards /Sub-Contracts:
 - This Object Code only applies to Federal Program disbursements.
 - *395 Sub-Awards/ Sub-Contracts - \$25,000 or less:* Amounts paid for a contract to perform programmatic work for federal program grant awards. Report amounts **up to \$25,000** in Object Code 395.
 - The first \$25,000 paid out goes in object code 395 - amounts over the initial \$25,000 are reported into object code 396.
 - *396 Sub-Awards/ Sub-Contracts – In excess of \$25,000:*
 - Amounts paid for a contract to perform programmatic work for federal program grant **that exceeds \$25,000.**
 - ✓ *For example: District contracts out programmatic work for a Title I Grant in the amount of \$35,000. \$25,000 is coded to object code 395; \$10,000 is coded to object code 396.*

Nebraska Department of Education
School Finance & Organizational Services

- Flex-Funding School Age Support Services - 01-1-03166-000
 - Reduce School Age Special Education reimbursements (01-1-03210-000) received in 2018/19 by the amount identified as Flex-Funding School Age Support Services (01-1-03166-000)
 - A complete listing of district specific amounts (“*Flex-Funding School Age Support Services*”) 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 are accounted for in the function code 01-2-02330-000
 - Contracted Legal Services is only coded in function code 2330
 - Lobbyist Fees (Object Code 314) must be reported in one of the following disbursement functions:
 - Executive Administration Services 01-2-02320-000
 - Legal Services 01-2-02330-000
- Voluntary Termination Agreements
 - If your district received an expenditure exclusion for voluntary terminations, those expenditures must be coded to Object Code 238.
- Increased retirement contributions. ***Report these amounts whether or not the district did not access the Increased Retribution Contributions Expenditure Exclusion for 2018/19.***
 - Record these costs between two object codes:
 - 23x – the amount equal to the 7.35% of salaries subject to retirement
 - 237 – the difference between 7.35% and 9.88% of the salaries subject to retirement
 - 237 now appears in Federal Program disbursements
- If necessary, show negative amounts or balances in parentheses. Negative amounts in Federal Programs are not permitted.

For more information, please contact:

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