

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

CHECKLIST



The COE program is *proudly sponsored by*

VALIC



COE ESSENTIALS

Thank you for applying to the Certificate of Excellence in Financial Reporting (COE) program and demonstrating the importance that you, your finance team, and the school entity place on promoting high-quality financial reporting to your community.

Your commitment to fiscal integrity shows credibility, provides your community with confidence in your financial reporting, and offers recognition among your superintendent, school board, and community.

Application Guidelines for a COE Application

1. An effective **Comprehensive Annual Financial Report (CAFR)**:
 - Includes all funds and component units of the school district.
 - Is prepared in accordance with generally accepted accounting principles.
 - Includes an independent auditor's report on the fair presentation of the financial statements.
 - Is consistent in formatting and form throughout the entire document.
2. The **Cover Letter** should specify any criteria required by the COE Criteria Checklist that is not applicable to the school district.
3. **A response to the previous year's reviewers' comments** is important. Include a copy of the previous year's comments as well as your written response to them.
4. Be sure your **application packet is complete**. If the COE application is not complete, the review process may be delayed.
5. **More Resources**:
 - **COE Webinar**, sponsored by VALIC and available on ASBO's COE Resources webpage
 - Half-day **COE Seminar** at ASBO's Annual Meeting & Expo
 - One hour **Discussion Group**, also at ASBO's Annual Meeting & Expo
 - **COE Resources webpage**, which includes articles and helpful hints



**CERTIFICATE OF EXCELLENCE
in Financial Reporting**



COE Checklist

Name of School Entity: _____

State/Province: _____ CAFR Year: _____

INSTRUCTIONS

Place a check mark in the appropriate column. If you check the “No” or “N/A” column, please explain in the cover letter why the question does not apply to the school entity.

Checklist Questions	YES	NO	N/A
I. REPORT COVER, TITLE PAGE, AND TABLE OF CONTENTS			
A. Report Cover			
1. Does the cover use the specific title “Comprehensive Annual Financial Report” (CAFR) to identify the report? (2012 GAAFR, page 591)			
2. Does the cover include the full name of the school entity and the state in which it is located? (2012 GAAFR, page 591)			
3. Does the cover include the exact date on which the fiscal year ended (e.g., for the fiscal year ended June 30, 2014)? (2012 GAAFR, page 591)			
B. Title Page			
1. Is there a title page? (2012 GAAFR, page 591)			
2. Does the title page use the specific title “Comprehensive Annual Financial Report” (CAFR) to identify the report? (2012 GAAFR, page 591)			
3. Does the title page include the full name of the school entity and the state in which it is located? (2012 GAAFR, page 591)			
4. Does the title page include the fiscal period(s) covered? (2012 GAAFR, page 591)			

Checklist Questions	YES	NO	N/A
5. Does the title page include the school entity officials/department responsible for preparing the CAFR (may also contain the list of principal officials)? (2012 GAAFR, page 591)			
C. Table of Contents			
1. Is there a table of contents that encompasses the entire report? (NCGA-S1: 139; 2012 GAAFR, page 591)			
2. Is the table of contents clearly divided into at least three basic sections: Introductory Section, Financial Section, and Statistical Section? (2012 GAAFR, page 591)			
3. Does the table of contents present the Introductory Section and the Financial Section as the first and second sections, respectively, of the report?			
4. Does the table of contents clearly distinguish the Basic Financial Statements (including the notes) from other Financial Section items and required supplementary information (RSI)? (2012 GAAFR, page 591)			
5. Does the table of contents include page numbers for each item in the CAFR? (2012 GAAFR, page 591)			
6. Do all statements, schedules, table descriptions/titles, and page numbers in the table of contents agree with or cross-reference the contents of the CAFR?			
II. INTRODUCTORY SECTION			
A. General			
1. Does the Introductory Section include a list of the principal officials of the school entity—elected, appointed, or both? (2012 GAAFR, page 594)			
2. Does the Introductory Section include an organizational chart of the school entity? (2012 GAAFR, page 594)			
3. Does the Introductory Section include a copy of the Certificate of Excellence for the immediate preceding fiscal year (if awarded)? (2012 GAAFR, page 594)			
B. Transmittal Letter			
1. Is a transmittal letter included in the Introductory Section? (NCGA-S1: 139; 2012 GAAFR, page 591)			
2. Is the transmittal letter:			
a. Presented on the letterhead stationery of the school system? (2012 GAAFR, page 592)			

Checklist Questions	YES	NO	N/A
b. Dated on or after the date of the independent auditor's report? (2012 GAAFR, page 592)			
c. Signed by the chief financial officer (at a minimum) and/or chief executive officer? (2012 GAAFR, page 592)			
3. Does the transmittal letter include the following:			
a. Formal transmittal of the CAFR (2012 GAAFR, pages 592 & 683)			
i. Any legal requirements the CAFR intends to fulfill			
ii. Management's responsibility for financial information			
iii. Internal control structure			
iv. Independent audit			
v. Refer readers to the MD&A			
b. Profile of the school system (2012 GAAFR, pages 593 & 683)			
i. Population, structure, and types and levels of services provided			
ii. Component unit			
iii. Budget process			
iv. Governmental funds with an annual or biennial appropriated budget			
v. Legal level of budgetary control			
vi. Scope of instructional activities			
viii. Number of students			
viii. Types of programs offered			
ix. Relationship of school entity to other governments			
x. Discussion of charter schools, indicating their relationship to the school entity and how they are funded			
c. Information useful in assessing the economic condition of the school system (2012 GAAFR, pages 593 & 683)			
i. Local economy and economic outlook			
ii. Long-term financial planning			
iii. Relevant financial policies			
iv. Major initiatives			
v. Projected enrollment			
vi. Age of school buildings			
4. Does the transmittal letter include information regarding awards and acknowledgments? (2012 GAAFR, pages 594 & 683)			
5. Has the school system refrained from duplicating information contained in the MD&A or in the notes to the financial statements? (GASBS 34: 8, footnote 7; 2012 GAAFR, pages 591-592)			
III. FINANCIAL SECTION			
A. Independent Auditor's Report			
1. Is a report of the independent auditor included? (2012 GAAFR, page 594)			
2. Does the Financial Section begin with the report of the independent auditor? (2012 GAAFR, page 594)			

Checklist Questions	YES	NO	N/A
3. Has the independent auditor conducted the audit in accordance with generally accepted auditing standards or generally accepted government auditing standards? (2012 GAAFR, pages 601 & 770)			
4. Does the independent auditor express an opinion on the fair presentation of the basic financial statements in conformity with generally accepted accounting principles? (2012 GAAFR, pages 601 & 770)			
5. Is the auditor's opinion unmodified? (2012 GAAFR, page 601)			
6. Does the independent auditor indicate, at a minimum, that the supplemental information is fairly presented "in relation to" the basic financial statements? (2012 GAAFR, page 595)			
7. Has the independent auditor refrained from indicating that required supplementary information (RSI) is either absent or otherwise potentially inadequate? (2012 GAAFR, page 595)			
8. Is the independent auditor's report signed and dated and on the auditor's letterhead?			
B. Financial Section – Management's Discussion and Analysis (MD&A)			
1. Is an MD&A presented? (GASBS 34: 6; 2012 GAAFR, page 594)			
2. Is the MD&A presented preceding the basic financial statements? (GASBS 34: 8; 2012 GAAFR, pages 567 & 594)			
3. Does the MD&A describe the basic government-wide financial statements and the basic fund financial statements, as well as the difference in the kinds of information provided by each? (Cod. Sec. 2200.109b; 2012 GAAFR, page 568)			
4. Does the MD&A provide condensed financial data extracted from the government-wide financial statements? If so, does the condensed financial data include: (Cod. Sec. 2200.109b; 2012 GAAFR, pages 568-569)			
a. Total assets (distinguishing between capital and other assets)? (Cod. Sec. 2200.109b(1); 2012 GAAFR, page 568)			
b. Total deferred outflows of resources? (Cod. Sec. 2200.109b(2))			
c. Total liabilities (distinguishing between long-term liabilities and other liabilities)? (Cod. Sec. 2200.109b(3); 2012 GAAFR, page 568)			
d. Total deferred inflows of resources? (Cod. Sec. 2200.109b(4))			
e. Total net position (distinguishing among the net investment in capital assets; restricted net position; and unrestricted net position)? (Cod. Sec. 2200.109b(5); 2012 GAAFR, page 568)			
f. Program revenues by major source? (Cod. Sec. 2200.109b(6); 2012 GAAFR, page 568)			
g. General revenues by major source? (Cod. Sec. 2200.109b(7); 2012 GAAFR, page 568)			
h. Total revenues? (Cod. Sec. 2200.109b(8); 2012 GAAFR, page 568)			
i. Program expenses, at a minimum by function?			

Checklist Questions	YES	NO	N/A
(Cod. Sec. 2200.109b(9); 2012 GAAFR, page 568)			
j. Total expenses? (Cod. Sec. 2200.109b(10); 2012 GAAFR, page 568)			
k. Excess (deficiency) before contributions to term and permanent endowments or permanent fund principal, special and extraordinary items, and transfers? (Cod. Sec. 200.109b(11); 2012 GAAFR, page 568)			
l. Contributions? (Cod. Sec. 200.109b(12); 2012 GAAFR, page 569)			
m. Special and extraordinary items? (Cod. Sec. 200.109b(13); 2012 GAAFR, page 569)			
n. Transfers? (Cod. Sec. 2200.109b(14); 2012 GAAFR, page 569)			
o. Change in net position? (Cod. Sec. 2200.109b(15); 2012 GAAFR, page 569)			
p. Ending net position? (Cod. Sec. 2200.109b(16); 2012 GAAFR, page 569)			
5. Does the MD&A present condensed financial data for both the current fiscal period and the preceding fiscal period? (GASBS 34: 11b; 2012 GAAFR, page 568)			
6. Does the MD&A provide an overall analysis of the school system's financial position and results of operations? (GASBS 34: 11c; 2012 GAAFR, page 569)			
7. Does the MD&A specifically address whether the school system's overall financial position has improved or deteriorated? (GASBS 34: 11c; 2012 GAAFR, page 569)			
8. Does the MD&A address governmental activities separately from business-type activities? (GASBS 34: 11c; 2012 GAAFR, page 568)			
9. Does the MD&A provide an analysis of significant balances and transactions of individual major funds? (GASBS 34: 11d; 2012 GAAFR, page 569)			
10. Does the MD&A address whether restrictions, commitments, or other limitations significantly affect the availability of fund resources for future use? (GASBS 34: 11d; 2012 GAAFR, page 569)			
11. Does the MD&A provide an analysis of significant budgetary variations (both original budget versus final amended budget and final amended budget versus actual) for the general fund? (GASBS 34: 11e; 2012 GAAFR, page 570)			
12. Does the MD&A describe significant capital asset and long-term debt activity during the year? (GASBS 34: 11f; 2012 GAAFR, page 570)			
13. Does the discussion of capital asset and long-term debt activity refer readers interested in more detailed information to the notes to the financial statements? (GASBS 34: 11f, footnote 8; 2012 GAAFR, page 570)			
14. Do amounts reported in the MD&A agree with related amounts in the basic financial statements?			

Checklist Questions	YES	NO	N/A
15. Has the school system refrained from addressing in the MD&A topics not specifically prescribed by SGAS 34? (GASBS 37: 4-5; 2012 GAAFR, page 568)			
C. Financial Section – Basic Financial Statements – General Considerations			
1. Is a complete set (as applicable) of basic financial statements presented, including:			
a. Government-wide statement of net position?(GASBS 34: 12; 2012 GAAFR, page 296)			
b. Government-wide statement of activities? (GASBS 34: 12; 2012 GAAFR, page 296)			
c. Balance sheet – governmental funds? (GASBS 34: 78; 2012 GAAFR, page 189)			
d. Statement of revenues, expenditures, and changes in fund balances – governmental funds? (GASBS 34: 78; 2012 GAAFR, page 194)			
e. Statement of revenues, expenditures, and changes in fund balances – budget and actual – general fund and major special revenue funds (if not presented as RSI)? (GASBS 34: 130, footnote 53; 2012 GAAFR, page 196)			
f. Statement of net position – proprietary funds? (GASBS 34: 91; 2012 GAAFR, page 229)			
g. Statement of revenues, expenses, and changes in fund net position – proprietary funds? (GASBS 34: 91; 2012 GAAFR, page 229)			
h. Statement of cash flows – proprietary funds? (GASBS 34: 91; 2012 GAAFR, page 229)			
i. Statement of fiduciary net position? (GASBS 34: 106; 2012 GAAFR, page 261)			
j. Statement of changes in fiduciary net position? (GASBS 34: 106; 2012 GAAFR, page 261)			
2. Is each basic financial statement clearly referenced to the notes to the “basic” financial statements? (2012 GAAFR, page 596)			
3. Do the government-wide Statement of Net Position and fund statements of position (Statement of Net Position or Balance Sheet, as applicable) report separate sections for assets, deferred outflows of resources, liabilities, and deferred inflows of resources, as applicable? (GASBS 63: 7; 2012 GAAFR, pages 229 and 296-297)			
4. If the statements present non pension related deferred outflows of resources and deferred inflows of resources, are they limited to those items specifically identified by GAAP for reporting in this category? (GASBS 63: 7)			

Checklist Questions	YES	NO	N/A
5. Do the statements include pension related deferred outflows of resources and deferred inflows of resources?			
a. If the school system is an employer for a single-employer or agent multiple-employer defined benefit pension plan administered through a trust or equivalent arrangement that does not have a special funding situation, were the following items reported as deferred outflows of resources and deferred inflows of resources, as applicable?			
i. Differences between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of the total pension liability not recognized in pension expense. (GASBS 68: 33(a)(1))			
ii. Changes of assumptions about future economic or demographic factors or of other inputs (changes of assumptions of other inputs) not recognized in pension expense. (GASBS 68: 33(a)(2))			
iii. Differences between projected and actual pension plan investment earnings in different measurement periods not recognized in pension expense. (GASBS 68: 33(b))			
b. If the school system is an employer for a cost-sharing multiple-employer pension plan (with or without a special funding situation), an employer for a single-employer or agent multiple-employer pension plan with a special funding situation, or a governmental nonemployer contributing entity to a defined benefit pension plan that is administered through a trust or equivalent arrangement, were the following items reported as deferred outflows of resources and deferred inflows of resources, as applicable?			
i. Differences between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of the total pension liability not included in the collective pension expense. (GASBS 68: 53, 71(a)(1), 83, 85, 92, 102)			
ii. Changes of assumptions about future economic or demographic factors or of other inputs (changes of assumptions of other inputs) not included in the collective pension expense. (GASBS 68: 53, 71(a)(2), 85, 92, 102)			
iii. Differences between projected and actual pension plan investment earnings in different measurement periods not recognized in pension expense. (GASBS 68: 53, 71(b), 85, 102)			
iv. The net effect of the change in proportion if there is a change in the employer's proportion of the collective net pension liability since the prior measurement date not recognized in pension expense. (GASBS 68: 54, 86, 103)			
v. Difference during the measurement period between (a) the total amount of such contributions from the employer (and amounts associated with the employer from nonemployer contributing entities that are not in a special funding situation) and (b) the amount of the employer's proportionate share of the total of such contributions from all employers and all nonemployer contributing entities not recognized in pension expense. (GASBS 68: 55, 87, 104)			

Checklist Questions	YES	NO	N/A
c. If the school system is an employer or a governmental nonemployer contributing entity to a defined benefit pension plan administered through a trust or equivalent arrangement (regardless of the type of pension plan and whether there is a special funding situation), were contributions to the pension plan from the employer subsequent to the measurement date of the net pension liability and before the end of the reporting period reported as a deferred outflow of resources? (GASBS 68: 34, 57, 89, 106)			
6. Has the school system refrained from making direct adjustments to net position or fund balance except in those situations specifically contemplated by GAAP (prior period adjustments, cumulative effect of a change in accounting principle, and changes in inventory balances accounted for using the purchases method)? (2012 GAAFR, pages 115-116)			
7. Do financial statements within each category (i.e., government-wide, governmental funds, proprietary funds, and fiduciary funds) articulate with one another? (For example, does the amount reported for net position at the end of the period in the government-wide statement of activities tie to the corresponding amount reported for net position in the government-wide statement of net position?)			
8. If the school system has multiple major discretely presented component units, do the basic financial statements present separate information on each as one of the following? (GASBS 14:51; 2012 GAAFR, page 83-84):			
a. By including combining statements in the reporting entity's basic statements after the fund financial statements?			
b. By presenting condensed financial statements in the notes to the financial statements?			
c. By using separate columns in the government-wide financial statements?			
9. Has the school system reported derivative instruments on the statement of net position as assets or liabilities at their fair value (includes both government-wide and the proprietary fund statements of net position, and the statement of fiduciary net position)? (GASBS 53:19; 2012 GAAFR, page 489)			
D. Financial Section – Government-wide Financial Statements – General Considerations			
1. Are governmental activities and business-type activities reported as separate columns? (GASBS 34: 12d, 15; 2012 GAAFR, pages 62, 298-299)			
2. Is the total column for the primary government presented? (GASBS 34: 14; 2012 GAAFR, pages 299, 313)			
3. Is the total column for the primary government consolidated? (GASBS 34: 57-60; 2012 GAAFR, pages 299)			
4. Are any nonfiduciary discretely presented component units presented in one or more separate columns to the right of the total column for the primary government? (GASBS 34: 12c; 2012 GAAFR, pages 299-300)			

Checklist Questions	YES	NO	N/A
5. Has the school system refrained from including fiduciary funds in the government-wide financial statements? (GASBS 34: 12b; 2012 GAAFR, page 62)			
E. Government-wide Statement of Net Position			
1. Are assets and liabilities reported either in the relative order of their liquidity or on a classified basis? (GASBS 34: 31, footnote 23; 2012 GAAFR, pages 297-298)			
2. Are capital assets that are not being depreciated (e.g., land and construction in progress) reported separately from depreciable capital assets, if significant? (GASBS 34:20; 2012 GAAFR, page 442)			
3. If assets and liabilities are presented in the relative order of liquidity, is any amount presented for long-term liabilities divided between amounts due within one year and amounts due in more than one year?(GASBS 34: 31; 2012 GAAFR, page 298)			
4. If a classified approach is taken and restricted assets are reported, are restricted assets and liabilities payable from restricted assets reported in the same category? (2012 GAAFR, page 230)			
5. Does each column in the government-wide statement of net position include capital assets (including infrastructure assets and intangible assets) used to support those activities? (GASBS 34: 12e, 19; 2012 GAAFR, pages 96,300)			
6. Has the school system appropriately capitalized its internally generated intangible assets? (GASBS 51:7-8, 2012 GAAFR, pages 445-446)			
a. In the case of internally generated computer software, has the school system only capitalized costs incurred during the application development stage? (GASBS 51: 9-15, 2012 GAAFR, pages 445-446)			
7. Does the governmental activities column include debt and all other long-term liabilities (e.g., compensated absences, claims and judgments, net pension obligation/net other postemployment benefit obligation, net pension liability/collective net pension liability (school system's proportionate share), pollution remediation obligations) incurred in connection with those activities? (GASBS 34: 12e; GASBS 49: 9-10; 2012 GAAFR, page 96)			
a. Has the school system refrained from netting any liability amounts with a related asset, if any? (GASBS 27:17; GASBS 45: 21; GASBS 68)			
8. Does the governmental activities column include an asset for the negative net pension obligation/negative net other postemployment benefit obligation and net pension asset/collective net pension asset (school system's proportionate share), if applicable? (GASBS 27:17; GASBS 45: 21; GASBS 68; 2012 GAAFR, page 400)			
a. Has the school system refrained from netting any related liability with the asset? (GASBS 45: 21; GASBS 68: 21)			

Checklist Questions	YES	NO	N/A
9. Is the school system's assets plus deferred outflows of resources less liabilities, less deferred inflows of resources reported as net position? (GASBS 34: 30; GASBS 63:8; 2012 GAAFR, pages 296-297)			
10. Is the balance reported as net position subdivided into the following categories, as appropriate? (GASBS 34: 32)			
a. Net investment in capital assets (2012 GAAFR, pages 300-303)			
i. Is the net investment in capital assets correctly calculated? (GASBS 34: 33; 2012 GAAFR, pages 300-303)			
ii. Has the school system included only capital-related deferred outflows of resources and capital-related borrowings and deferred inflows of resources (including bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvements of capital assets)? (2012 GAAFR, pages 300-303)			
iii. Has the school system refrained from including unspent proceeds of debt issued for capital purposes in the calculation? (2012 GAAFR, pages 300-303)			
b. Net position-restricted (2012 GAAFR, pages 303-305)			
i. Are only amounts with externally imposed restrictions (creditors, rantors, contributors, laws/regulations of other governments, constitutional provisions, and normally from enabling legislation) reported as restricted? (2012 GAAFR, pages 303-305)			
c. Net position-unrestricted? (2012 GAAFR, page 305)			
F. Government-wide Statement of Activities			
1. Does the format of the statement present expenses before revenues? (GASBS 34: 38; 2012 GAAFR, page 305)			
2. Is information on expenses for governmental activities presented at least at the functional level of detail? (GASBS 34: 39; 2012 GAAFR, page 306)			
3. Is the information on expenses for business-type activities presented by different identifiable activities? (GASBS 37: 10; 2012 GAAFR, page 306)			
4. If a portion of depreciation expense is reported as a separate line item, is it labeled unallocated depreciation expense? (GASBS 34: 44; 2012 GAAFR, page 307)			
5. Is interest expense reported as a separate line item for governmental activities? (GASBS 34: 46; 2012 GAAFR, pages 307-308)			
6. Are debt issuance costs, except any portion related to prepaid insurance costs, recognized as an expense in the period incurred? (GASBS 65: 15)			
7. Does the format of the statement present program revenues associated with individual functions and activities? (GASBS 34: 38, 48; 2012 GAAFR, pages 308-311)			
8. Are program revenues presented for both governmental activities and business-type activities? (GASBS 34: 15; 2012 GAAFR, page 311)			

Checklist Questions	YES	NO	N/A
9. Are program revenues segregated into the following categories, as appropriate? (GASBS 34: 48; GASBS 37: 12; 2012 GAAFR, pages 309-311)			
a. Charges for services			
b. Operating grants and contributions			
c. Capital grants and contributions			
10. Has the school system refrained from including taxes that it has levied as program revenues? (GASBS 34: 52; 2012 GAAFR, page 309)			
11. Has the school system combined the expenses of individual functions and activities with related program revenues to calculate the net expense/revenue of each function and activity? (GASBS 34: 38; 2012 GAAFR, page 310)			
12. Has the school system reported each major source of tax revenue (sales, property, franchise, income) separately within the general revenues? (GASBS 34: 52; 2012 GAAFR, pages 169, 313)			
13. Has the school system reported the following items separately, both from each other and the general revenues: contributions; special items; extraordinary items; and transfers? (GASBS 34: 53-56; 2012 GAAFR, pages 313-315)			
14. Has the school system refrained from reporting extraordinary gains and losses in connection with refunding resulting in the defeasance or redemption of debt? (GASBS 23 :4; GASBS 34: 17, 146; 2005 GAAFR, pages 106-107)			
15. Has the school system refrained from reporting the loss from impairment of capital assets as general revenue? (GASBS 42: 17; 2012 GAAFR, page 457)			
G. Financial Section – Fund Financial Statements – General Considerations			
1. Has the school system refrained from reporting discretely presented component units as one or more separate columns in the fund financial statements? (GASBS 34: 63; 2012 GAAFR, page 55)			
2. Does interfund activity net to zero (unless there is a difference in fiscal year between the primary government and its blended component units)? Are any differences explained in the notes to the basic financial statements? (2012 GAAFR, page 55)			
3. Does nonreciprocal transfers activity between funds equal (unless there is a difference in fiscal year between the primary government and its blended components units)? (2012 GAAFR, page 55)			
4. Has the school system refrained from reporting overdrafts of pooled cash and investments as a negative asset balance, i.e., negative cash? (AAG-SLV: 5.27; 2012 GAAFR, pages 49-50)			

Checklist Questions	YES	NO	N/A
5. Has the school system refrained from blending component units that do not either 1) share a governing body with the primary government and there is either a financial benefit or burden relationship between the primary government and component unit OR management of the primary government has operational responsibility for the component unit or 2) exclusively or almost exclusively benefit the primary government? (GASBS 61: 8a-c; 2012 GAAFR, pages 80-81)			
6. Has the school system refrained from blending legally separate tax-exempt organizations that are classified as component units only because of the nature and significance of their relationship with the primary government? (GASBS 39: 5; 2012 GAAFR, pages 80-81)			
H. Governmental Fund Financial Statements – General Considerations			
1. Has the school system included only governmental fund types (i.e., general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds)? (GASBS 34: 63-64; 2012 GAAFR, page 40)			
2. Are funds reported appropriately in accordance with the governmental fund type definitions?			
a. Are special revenue funds used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects? (GASBS 54: 30; 2012 GAAFR, pages 40-42)			
b. Are capital projects funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets? (GASBS 54: 33; 2012 GAAFR, page 42)			
c. Are debt service funds used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest? (GASBS 54: 34; 2012 GAAFR, page 42-43)			
d. Are permanent funds used exclusively to report resources available to support the school system’s programs, but are legally restricted so that only earnings and not principal may be used? (GASBS 54: 35; 2012 GAAFR, page 43)			
3. Is each major governmental fund reported in a separate column? (GASBS 34: 75-76; 2012 GAAFR, pages 183, 188)			
4. Are all non-major governmental funds reported in a single column, regardless of fund type? (GASBS 34: 75; 2012 GAAFR, pages 183, 188)			
5. Is a total column presented? (GASBS 34: 83, 86; 2012 GAAFR, pages 193, 195-196)			
6. Is a summary reconciliation provided that ties this total column and the related amount reported for governmental activities in the government-wide financial statements? (GASBS 34: 77, 85, 90; 2012 GAAFR, pages 193-194, 196)			

Checklist Questions	YES	NO	N/A
7. If aggregation in the summary reconciliation obscures the nature of the individual elements of a particular reconciling item, has the school system provided a more detailed explanation in the notes to the financial statements? (GASBS 34: 77; 2012 GAAFR, pages 193-194, 196, 346-347)			
I. Balance Sheet – Governmental Funds			
1. Has the school system refrained from reporting nonfinancial assets (e.g., capital assets used in operations rather than held for resale, intangibles, a negative net pension obligation, a negative net other postemployment benefit obligation, a net pension asset)? (GASBS 34: 80, 83; GASBS 68; 2012 GAAFR, pages 170)			
2. Has the school system refrained from reporting unmatured debt and accrued interest payable as liabilities (except in debt service funds employing the “early recognition” option for debt service payments due early in the subsequent year)? (GASBS 34: 82, 83; 2012 GAAFR, page 144-147)			
3. Is the school system’s assets plus deferred outflows of resources equal to liabilities plus deferred inflows of resources plus fund balance? (GASBS 34: 83, 84; GASBS 63:12; 2012 GAAFR, page 189)			
4. Is the use of the term deferred limited to items reported as deferred outflows of resources or deferred inflows of resources? (GASBS 65: 31)			
5. Is fund balance segregated into the following categories, as appropriate? (GASBS 54: 5-17; 2012 GAAFR, pages 189-192)			
a. Nonspendable			
i. Are nonspendable amounts limited to items either in nonspendable form or legally or contractually required to be maintained intact? (GASBS 54: 6)			
b. Restricted			
i. Are restricted amounts limited to items externally imposed by creditors, grantors, contributors, or laws and regulations of other school districts or imposed by law through constitutional provisions or enabling legislation? (GASBS 54: 8a&b)			
c. Committed			
i. Are committed amounts used only for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority? (GASBS 54:10)			
d. Assigned			
i. Are assigned amounts constrained only by the government’s intent to be used for specific purposes? (GASBS 54:13)			
e. Unassigned			
6. Has the school system reported unassigned fund balance in the General Fund only (unless reported as a deficit in other funds based on positive restricted, committed and assigned fund balances)? (GASBS 54: 17; 2012 GAAFR, page 192)			

Checklist Questions	YES	NO	N/A
7. Has the school system refrained from reporting negative amounts in restricted, committed, or assigned fund balance? (GASBS 54: 19; 2012 GAAFR, page 192)			
8. Are stabilization amounts reported in the general fund as restricted, committed, or unassigned as appropriate? (GASBS 54: 21; 2012 GAAFR, pages 190-192)			
J. Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds			
1. Does the format of this statement present items in the following order? (GASBS 34: 86; 2012 GAAFR, page 194)			
a. Revenues			
b. Expenditures			
c. Excess (deficiency) of revenues over (under) expenditures			
d. Other financing sources and uses, including transfers			
e. Special items			
f. Extraordinary items			
g. Net change in fund balances			
h. Fund balances, beginning of period			
i. Fund balances, end of period			
2. Are revenues classified by source? (GASBS 34: 87; 2012 GAAFR, page 194)			
3. Has the school system refrained from reporting realized gains and losses on investments separately from unrealized gains and losses? (GASBS 31: 13; 2012 GAAFR, page 352)			
4. Are expenditures classified by character (i.e., current, intergovernmental, capital outlay, and debt service)? (NCGA-S1: par 115; 2012 GAAFR, page 195)			
5. Are current expenditures further categorized at least by function? (GASBS 34: 87; 2012 GAAFR, page 194)			
6. Has the school system refrained from reporting negative investment income as an expenditure (instead of as revenue)? (GASB Implementation Guide 2004 6.69; 2012 GAAFR, page 194)			
7. Has the school system refrained from reporting expenses rather than expenditures (e.g., bad debt expense)? (NCGA-S1: par 70; 2012 GAAFR, page 144)			
8. If the school system initiated a capital lease during the period, does it report an other financing source equal to the net present value of the minimum lease payments? (NCGA-S5: par 14; 2012 GAAFR, pages 158-159)			

Checklist Questions	YES	NO	N/A
9. If the school system issued debt during the period that will be repaid with general government resources, does the school system report an other financing source equal to the face value of the debt? (GASBS 34: 88; GASBS 37: 16; 2012 GAAFR, page 156)			
a. Has the school system reported a separate other financing source for premiums related to its debt issuances? (GASBS 34: 88; 2012 GAAFR, pages 157, 470)			
b. Has the school system reported a separate other financing use for discounts related to its debt issuances? (GASBS 34: 88; 2005 GAAFR, pages 156-157, 470-471)			
c. Are bond issuance costs (e.g., underwriter's fees) reported as expenditures? (GASBS 34: 87; 2012 GAAFR, page 156)			
10. Has the school system refrained from reporting an other financing source in connection with the issuance of tax anticipation notes, revenue anticipation notes, grant anticipation notes, bond anticipation notes that do not meet the criteria of SFAS 6, and demand bonds that do not qualify as long-term liabilities? (GASBI 1: 13; NCGAI9: 12; 2012 GAAFR, pages 175, 475-476)			
11. If the school system has used a refunding transaction to defease or redeem debt, has it reported the proceeds of the refunding debt as an other financing source at the face amount of the refunding bonds? (GASBS 7: 8; 2012 GAAFR, pages 473-474)			
a. If the school system has used a refunding transaction to advance refund debt, has it reported application of the proceeds as an other financing use with a label such as payment to refunded bond escrow agent? (GASBS 7: 8; 2012 GAAFR, pages 473-475)			
b. If the school system has used a refunding transaction for a current refunding, has it reported application of the proceeds as a debt service expenditure with a label such as payment to refunded bond escrow agent (2012 GAAFR, pages 473-475)			
K. Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund and Major Special Revenue Funds			
1. If the school system has not presented required budgetary comparisons for the general fund and annually budgeted major special revenue funds as RSI, are these comparisons presented as basic governmental fund financial statements? (GASBS 34: 130, footnote 53; 2012 GAAFR, pages 196-197)			
2. Is the budgetary comparison titled a statement rather than a schedule? (GASBS 34: footnote 53; 2012 GAAFR, page 197)			
3. Has the school system refrained from presenting budgetary comparisons for debt service funds, capital projects funds, permanent funds, major special revenue funds without annual budgets, and non-major special revenue funds? (GASBS 34: 130; 2012 GAAFR, pages 196-197)			
4. Does the budgetary statement present the original budget? (GASBS 34: 130a; 2012 GAAFR, pages 197-198)			

Checklist Questions	YES	NO	N/A
5. Does the budgetary statement present the final amended budget? (GASBS 34: 130b; 2012 GAAFR, page 198)			
6. Does the budgetary statement present actual data using the budgetary basis of accounting? (NCGA-S1: 155; GASBS 34: 130; 2012 GAAFR, page 198)			
7. Has the school system presented one or more variance columns? (GASBS 34: 130; 2012 GAAFR, page 198)			
a. If so, has the school system refrained from captioning variance columns as favorable or unfavorable? (2012 GAAFR, page 198)			
L. Proprietary Fund Financial Statements – General Considerations			
1. Has the school system included only proprietary fund types (i.e., enterprise funds and internal service funds)? (2012 GAAFR, page 44-45)			
2. Is each major enterprise fund reported in a separate column? (GASBS 34: 96; 2012 GAAFR, page 232)			
3. Are all non-major enterprise funds reported in a single column? (GASBS 34: 96; 2012 GAAFR, page 232)			
4. Is a total column presented for all enterprise funds? (GASBS 34: 96; 2012 GAAFR, pages 233-235)			
5. If necessary, is a summary reconciliation provided that ties this total column and the related amount reported for business-type activities in the government-wide financial statements? (GASBS 34: 104; 2012 GAAFR, pages 234, 236)			
6. Is a single column reported for the internal service fund type? (GASBS 34: 96; 2012 GAAFR, page 235)			
7. Has the school system refrained from using the enterprise funds to report activities for which fees and charges are not a revenue source (with the exception of activities previously accounted for in accordance with SGAS 29)? (GASBS 34: 67, 147; 2012 GAAFR, pages 44-45).			
8. Has the school system refrained from using an internal service fund to report activities in which the government itself is not the predominant participant? (GASBS 34: 68; 2012 GAAFR, page 45)			
M. Statement of Fund Net Position – Proprietary Funds			
1. Are assets and liabilities classified as current and long-term? (GASBS 34:97; 2012 GAAFR, page 230)			
2. Is the school system’s assets plus deferred outflows of resources less liabilities less deferred inflows of resources reported as net position? (GASBS 34:98, footnote 40; GASBS 63:8; 2012 GAAFR, page 229)			

Checklist Questions	YES	NO	N/A
3. Is the balance of net position subdivided into the following categories, as appropriate? (GASBS 34: 98; 2012 GAAFR, pages 234-235)			
a. Net investment in capital assets			
b. Restricted net position, distinguishing between major categories of restrictions			
c. Unrestricted net position			
4. Is the net investment in capital assets correctly calculated? (GASBS 34: 33)			
5. Are only amounts with externally imposed restrictions (creditors, grantors, contributors, laws/regulations of other governments, constitutional provisions, and normally from enabling legislation) reported as restricted net position? (2012 GAAFR, pages 234-235)			
N. Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds			
1. Does the statement distinguish between operating and nonoperating revenues and expenses? (GASBS 34: 100; 2012 GAAFR, page 235)			
2. Has the school system refrained from including revenues (nonexchange and exchange-like such as tax revenues) related to transactions for which cash flows would be reported in the capital and related financing activities, noncapital financing activities, or investing activities sections of the cash flows statement within the operating category? (GASBS 34: 102)			
3. Is operating income/loss reported as a separate line item? (GASBS 34: 100)			
4. Are revenue and expense classifications sufficiently detailed to be meaningful? (GASBS 34: 101)			
5. If capital assets are reported, is depreciation expense reported separately from other expenses? (APB12: 5)			
6. Has the school system reported each of the following items separately: capital contributions (grant, developer, and other); additions to permanent and term endowments; special items; extraordinary items; and transfers? (GASBS 34: 100-101)			
7. Has the school system refrained from reporting extraordinary gains or losses in connection with refunding transactions that result in the defeasance or redemption of debt? (GASBS 23: 4)			
O. Statement of Cash Flows – Proprietary Funds			
1. Does the statement categorize cash flows as follows? (GASBS 9: 15; 2012 GAAFR, page 238)			
a. Cash flows from operating activities			
b. Cash flows from noncapital financing activities			
c. Cash flows from capital and related financing activities			
d. Cash flows from investing activities			

Checklist Questions	YES	NO	N/A
2. Are cash flows from operating activities reported by major classes of receipts and disbursements (i.e., the “direct” method)? (GASBS 9: 31; 2012 GAAFR, page 238)			
3. Has the school system refrained from including receipts and payments of interest as cash flows from operating activities? (GASBS 9: 58; 2012 GAAFR, page 238)			
4. Has the school system refrained from combining cash flows for noncapital financing activities and cash flows from capital and related financing activities in a single cash flow from financing activities category? (GASBS 9: 53-54; 2012 GAAFR, pages 238-239)			
5. Has the school system refrained from reporting disbursements for the acquisition of fund capital assets as cash flows from investing activities? (GASBS 9: 57a; 2012 GAAFR, page 239)			
6. Are cash receipts and cash payments generally reported gross rather than net? (GASBS 9: 12-14; 2012 GAAFR, page 237)			
7. Does the amount reported as cash and cash equivalents at the end of the period trace to a similar account or accounts on the statement of net position? (GASBS 9: 8; 2012 GAAFR, pages 241-243)			
8. Is the statement accompanied by a schedule that reconciles operating income and cash flows from operating activities? (GASBS 9: 7; 2012 GAAFR, page 241)			
9. Is the statement accompanied by information (in narrative or tabular form) concerning investing, capital, or financing activities of the period that affected recognized assets or liabilities but did not result in cash flows? (GASBS 9: 37; 2012 GAAFR, page 241)			
P. Fiduciary Fund Financial Statements – General Considerations			
1. Has the school system included only fiduciary fund types [i.e., private-purpose trust funds, pension (and other employee benefits) trust funds, and agency funds]? (2012 GAAFR, pages 46-49, 261)			
2. Has the school system refrained from reporting either expendable trust funds or nonexpendable trust funds? (GASBS 34: 395, 397)			
3. Are all funds of a given fund type reported in a single column? (GASBS 34: 106; 2012 GAAFR, page 261)			
4. Has the school system refrained from using a fiduciary fund to report resources that are available to support the school system’s programs? (GASBS 34: 69; 2012 GAAFR, page 251)			

Checklist Questions	YES	NO	N/A
Q. Statement of Fiduciary Net Position			
1. If the school system only reports agency funds, have they captioned this statement "Statement of Fiduciary Assets and Liabilities"?			
2. Are assets reported by major category? (2012 GAAFR, page 262)			
3. Is the school system's assets plus deferred outflows of resources less liabilities less deferred inflows of resources reported as net position? (GASBS 34: 108; 2012 GAAFR, page 262)			
4. If a pension (and other employee benefit) trust fund is reported, is net position reported as follows: (GASBS 25: 27, GASBS 43: 25; GASBS 67: 21; 2012 GAAFR, page 263)			
a. Pension plan administered through a trust or equivalent arrangement = net position restricted for pensions.			
b. Pension plan not administered through a trust or equivalent arrangement = assets held in trust for pension benefits.			
c. OPEB plan = assets held in trust for OPEB benefits			
5. Do assets equal liabilities in agency funds? (GASBS 34: 110; 2012 GAAFR, page 263)			
R. Statement of Changes in Fiduciary Net Position			
1. Is the statement segregated into two sections: additions and deductions? (GASBS 34: 109; 2012 GAAFR, page 264)			
2. For pension (and other employee benefit) trust funds, are additions classified into the following four categories, as applicable:			
a. Employer contributions (GASBS 25: 29a; GASBS 43: 27a; GASBS 67: 22a; 2012 GAAFR, page 645)			
b. Plan member contributions (GASBS 25: 29b; GASBS 43: 27b; GASBS 67: 22c; 2012 GAAFR, page 645)			
c. Contributions from nonemployer contributing entities (GASBS 25: 29c; GASBS 43: 27c; GASBS 67: 22b; 2012 GAAFR, page 645)			
d. Net investment income (GASBS 25: 29d; GASBS 43: 27d; GASBS 67: 22d)			
i. Is investment related expense reported as a separate line item that reduces investment income (rather than as a deduction)? (GASBS 25: 29d; GASBS 67: 22d; 2012 GAAFR, page 264; 2012 GAAFR, page 645)			
3. For pension (and other employee benefit) trust funds, are deductions separated by:			
a. Benefits and refunds paid to plan members and beneficiaries			
b. Total administrative expenses (GASBS 25: 30; GASBS 43: 28; GASBS 67: 27; 2012 GAAFR, page 645)			
4. Has the school system refrained from including agency funds? (GASBS 34: 110; 2012 GAAFR, page 263)			

Checklist Questions	YES	NO	N/A
S. Notes to the Basic Financial Statements			
1. Are notes to the basic financial statements presented?			
2. Does the school system present a Summary of Significant Accounting Policies (SSAP) either as the first note to the financial statements or as a separate item immediately preceding the notes? (NCGA-S1: 158; 2012 GAAFR, pages 323 & 346)			
T. Reporting Entity			
1. Does the SSAP discuss the financial reporting entity? (2012 GAAFR, page 324)			
2. Do the notes to the financial statements provide a brief description of component units and their relationship to the school system with the description, including: (Cod.Sec.2600.124; GASBS 14: 61; GASBS 61: 11; 2012 GAAFR, pages 324-325)			
a. description of the component units included within the financial reporting entity?			
b. description of the relationships between the component units and the primary government?			
c. discussion of the criteria for including component units within the financial reporting entity?			
d. discussion of how the component units are reported (i.e., blending or discrete presentation)?			
e. Information on how to obtain the separately issued financial statements of component units?			
3. If the school system itself is a component unit, does the SSAP identify the primary government and describe the nature of the relationship? (GASBS 14: 65; 2012 GAAFR, page 325)			
U. Joint Ventures			
1. Does the school system participate in a joint venture? (2012 GAAFR, page 387) (If no, proceed to next section.)			
a. Is there a general description of any ongoing financial interest and/or financial responsibility related to participation in the joint venture?			
b. Does the school system provide information about the availability of separate financial statements of the joint venture?			
c. Are required disclosures for related-party transactions (if applicable) included?			
V. Accounting Policies			
1. Does the SSAP disclose the measurement focus and basis of accounting used in preparing the government-wide financial statements? (GASBS 34: 115b; 2012 GAAFR, page 329)			
2. Does the SSAP disclose when revenues are considered susceptible to accrual (measurable and available) in governmental funds? (NCGAS 1: 69; 2012 GAAFR, page 329)			

Checklist Questions	YES	NO	N/A
3. Does this disclosure specifically identify the availability period used for revenue recognition? (GASBS 38: 7; 2012 GAAFR, page 329)			
4. Does the SSAP disclose the omission of fiduciary funds and fiduciary-type component units from the government-wide financial statements? (GASBS 34: 115a; 2012 GAAFR, page 324)			
5. Does the SSAP describe the school system's policy for eliminating internal activity in the government-wide statement of activities? (GASBS 34: 115c; 2012 GAAFR, pages 326-327)			
6. Does the SSAP address the school system's accounting policies for capital assets? (GASBS 34: 115e; GASBS 51: 16; 2005 GAAFR, page 332)			
a. Does the SSAP disclose the capitalization threshold(s) for capital assets?			
b. Does the SSAP disclose the method(s) used to calculate depreciation and amortization expense?			
c. Does the SSAP disclose the estimated useful lives of capital assets (typically disclosed separately for each major class of capital assets)?			
7. Does the SSAP describe the types of transactions that are reported as program revenues? (2012 GAAFR, page 336)			
8. If the school system has allocated indirect costs without using a separate column in the government-wide statement of activities (i.e., because the allocation is automatic), does the SSAP disclose the fact that certain indirect costs are included in the program expense reported for individual functions and activities? (GASBS 34: 115f; 2012 GAAFR, page 336)			
9. Does the SSAP disclose the school system's policy for defining operating and nonoperating revenues and expenses in proprietary funds? (GASBS 34: 115g; 2012 GAAFR, page 337)			
10. If the school system presents major governmental funds or major enterprise funds, does the SSAP disclose the types of activities reported in each of those funds? (GASBS 38: 6; 2012 GAAFR, pages 327-329)			
11. If the school system presents internal service funds or fiduciary funds, does the SSAP disclose the activities reported in each of those fund types? (GASBS 38: 6; 2012 GAAFR, pages 327-329)			
12. Does the SSAP disclose the following concerning fund balance? (GASBS 54: 23; 2012 GAAFR, pages 335-336)			
a. Policies and procedures for determining committed and assigned fund balances			
b. The use of restricted or unrestricted fund balance for an expenditure when both categories are available			
c. The use of committed, assigned or unassigned fund balance for an expenditure when each category is available			
d. The school system's policies regarding maintenance of minimum fund balances (if applicable)			

Checklist Questions	YES	NO	N/A
W. Budgets			
1. If the school system presents required budgetary comparisons as basic governmental fund financial statements, do the notes: (2012 GAAFR, pages 329-331)			
a. Disclose the basis of budgeting, if different from GAAP, or state that GAAP serves as the basis of budgeting?			
b. If the budgetary basis of accounting is different from GAAP, disclose (reconcile) the nature and amount of the adjustments necessary to convert the GAAP basis data to the budgetary basis data (if not reconciled on the budgetary operating statement/schedule)? (NCGA-10: 25)			
c. Disclose excesses of expenditures over appropriations in the general fund and annually budgeted major special revenue funds?			
2. Regardless whether the school system presents required budgetary comparisons as a basic governmental fund financial statement or as RSI, the notes to the financial statements should disclose any material violations of finance-related legal and contractual provisions. (GASBS 38: 44; GASBS 34: 254; 2012 GAAFR, page 347)			
X. Cash and Investments			
1. If cash flows reporting focuses on both cash and cash equivalents, does the SSAP define cash equivalents? (APB 22: 12; 2012 GAAFR, page 331)			
2. Does the SSAP indicate how investments are valued? (APB 22: 12; 2012 GAAFR, page 331)			
3. Has the school system disclosed the methods and significant assumptions they used to estimate the fair value of investments, if the fair value is not based on quoted market prices? (GASBS 31: 15a; 2012 GAAFR, page 352)			
4. Does the school system disclose in the SSAP if the income from investments reported in one fund is assigned directly to another fund? (2012 GAAFR, page 352)			
5. Do the notes disclose legal or contractual provisions governing cash deposits with financial institutions and any significant violations thereof during the period? (GASBS 3: 65-66; 2012 GAAFR, pages 349-351)			
6. If the school system is exposed to custodial credit risk for its deposits at year end because they are uninsured and 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name, do the notes disclose the amount of the bank balances exposed to custodial credit risk, indicate that they are uninsured, and explain how they are exposed to custodial credit risk? (GASBS 40: 8; 2012 GAAFR, pages 350-351)			
7. Do the notes disclose the school system's policy for custodial credit risk			

Checklist Questions	YES	NO	N/A
associated with deposits or indicate that it does not have such a policy? (GASBS 40: 6; 2012 GAAFR, page 350)			
8. If the school system participates in an external investment pool (e.g., state investment pools) and the pool is not registered with the SEC, has the school system disclosed a brief description of any regulatory oversight for the pool and whether the fair value of the position in the pool is the same as the value of the pool shares? (GASBS 31: 15c; 2012 GAAFR, page 352)			
9. If the school system discloses its realized gains and losses on investments in its notes, do the notes also disclose: (GASBS 31: 15; 2012 GAAFR, page 352)			
a. An indication that the calculation of realized gains and losses is independent of the calculation of the net change in fair value of investments?			
b. An indication that realized gains and losses of the current year include unrealized gains and losses on those same investments that were recognized in previous periods as part of the change in the fair value of investments?			
10. Do the notes disclose the legal and contractual provisions governing investments? (GASBS 3: 65-66; 2012 GAAFR, page 353)			
11. Do the notes disclose the school system's policies concerning the following, as applicable: (GASBS 40:6; 2012 GAAFR, page 353)			
a. Credit risk (including custodial credit risk)?			
b. Concentration risk?			
c. Interest rate risk?			
d. Foreign-currency risk?			
12. If the school system is exposed to custodial credit risk for its investments evidenced by securities at year end because they are neither insured nor registered and they are held by either 1) the counterparty or 2) the counterparty's trust department or agent but not in the government's name, do the notes: (GASBS 40: 8; 2012 GAAFR, pages 353-358)			
a. Disclose the amount of investments exposed to custodial credit risk?			
b. Indicate that they are neither insured nor registered?			
c. Explain how they are exposed to custodial credit risk?			
13. Has the school system refrained from including any such investments that are not subject to custodial credit risk because they are not evidenced by securities? (GASBS 40: 9; 2012 GAAFR, pages 355-356)			
14. Do the notes disclose the credit ratings (or explain that credit ratings are not available) for investments in debt securities (other than debt issued by or explicitly guaranteed by the U.S. government) as well as for positions in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities? (GASBS 40: 7; 2012 GAAFR, pages 353-354)			

Checklist Questions	YES	NO	N/A
15. Do the notes use one of the five approved methods (specific identification, segmented time distribution, weighted average maturity, duration, or simulated model) to disclose interest rate risk for positions in fixed rate debt securities? (GASBS 40: 14-15; 2012 GAAFR, pages 358-360)			
Y. Property Taxes			
1. Are property taxes receivable recorded when an enforceable legal claim to the resources arises or when the resources are received, whichever occurs first? (GASBS 33: 17)			
2. If property taxes are a major revenue source, do the notes disclose details of the property tax calendar, including levy (assessment) dates, due dates, collection dates, and lien dates? (NCGA-S13: 11; 2012 GAAFR, pages 336-337)			
Z. Receivables			
1. If the significant components of receivables and payables and deferred outflows and deferred inflows (e.g., amounts related to taxpayers, other governments, vendors, customers, beneficiaries, employees) have been obscured by aggregation on the face of the financial statements, do the notes provide detail? (GASBS 38: 13; GASBS 63: 13; 2012 GAAFR, pages 332-335, 366, 368, 380)			
2. Do the notes disclose if the school system's significant balances of receivables are not expected to be collected within one year of the end of the fiscal period? (GASBS 38: 13; 2012 GAAFR, page 366)			
AA. Inventories			
1. Do the notes include a description of the basis (e.g., cost, lower of cost or market, etc.) for valuing inventories? (2012 GAAFR, page 331)			
2. Do the SSAP disclose the methods for determining cost for any material inventories (e.g., FIFO, LIFO, average cost)? (2012 GAAFR, page 331)			
3. Do the SSAP disclose the method used to report inventories in governmental funds (i.e., consumption or purchases method)? (2012 GAAFR, pages 323-324)			
BB. Prepaid items			
1. Do the SSAP disclose the method used to report prepaid items in governmental funds (i.e., consumption or purchases method)? (2012 GAAFR, pages 323-324)			
CC. Capital Assets			
1. Do the notes report capital assets associated with governmental activities separately from capital assets associated with business-type activities? (GASBS 34: 116; 2012 GAAFR, page 366)			

Checklist Questions	YES	NO	N/A
2. Do the notes report nondepreciable capital assets separately from depreciable capital assets? (GASBS 34: 116; GASBS 51:17; 2012 GAAFR, page 366)			
3. Do the notes present accumulated depreciation as a separate item? (APB12: 5; 2012 GAAFR, page 366)			
4. Do the notes disclose changes in capital asset balances (including accumulated depreciation/amortization) during the period? (GASBS 34: 117b-c; 2012 GAAFR, page 366)			
5. Do the notes disclose the amount of depreciation/amortization charged to each governmental function during the period in the government-wide statement of activities? (GASBS 34: 117d; 2012 GAAFR, page 366)			
DD.Short-Term Debt			
1. If the school system has engaged in short-term debt activity during the year (e.g., anticipation notes, use of line of credit), even if no short-term debt is outstanding at the end of the fiscal period, has the government discussed this fact? (GASBS 38: 12; 2012 GAAFR, page 374)			
2. Has the school system provided a schedule of changes in short-term debt (i.e., beginning of period balance, increases, decreases, end of period balance)? (GASBS 38: 12a; 2012 GAAFR, page 374)			
3. Has the school system provided an explanation of the purpose for which the debt was issued? (GASBS 38: 12b; 2012 GAAFR, page 374)			
EE. Long-Term Debt			
1. Do the notes disclose which governmental funds typically have been used in prior years to liquidate long-term liabilities other than debt? (GASBS 34: 119d; 2012 GAAFR, page 376)			
2. Do the notes report long-term liabilities associated with governmental activities separately from long-term liabilities associated with business-type activities? (GASBS 34: 116; 2012 GAAFR, page 375)			
3. Do the notes disclose debt service to maturity for all outstanding debt? (NCGA-16: 4h; GASBS 38: 10; 2012 GAAFR, page 376)			
a. Does the disclosure present debt service payments separately for each of the next five years?			
b. Are the principal and interest components of debt service presented separately?			
c. Are debt service payments for subsequent years reported in at least five-year increments?			
d. If the school system has variable rate debt outstanding, do the notes disclose the terms by which interest rates change?			
4. Do the notes disclose changes in long-term liability balances during the period? (GASBS 34: 199; 2012 GAAFR, page 375)			

Checklist Questions	YES	NO	N/A
5. Do the notes report these changes as gross rather than net? (GASBS 34: 119b; 2012 GAAFR, page 375)			
6. Do the notes report separately the portion of each long-term liability that is due within one year of the date of the statement of net position? (GASBS 34: 119c; 2012 GAAFR, page 375)			
7. If the school system is the lessee in a capital lease, do the notes disclose that fact? (NCGA-S5: 27; 2012 GAAFR, page 374)			
a. Do the notes describe the lease arrangements?			
b. Do the notes disclose the gross amount of assets acquired under capital leases by major asset class?			
c. Are future minimum lease payments disclosed in total and for each of the next five years?			
d. At minimum, are minimum future lease payments for subsequent years reported in five-year increments?			
e. Is the amount of imputed interest presented as a deduction to reduce the net minimum lease payments to their present value?			
8. Do the notes address the detail of individual long-term debt issues, including: (2012 GAAFR, pages 375-379)			
a. The purpose for which the debt was issued?			
b. The original amount of the debt?			
c. The type of debt (e.g., general obligation bonds)?			
d. The amounts of installments?			
e. The interest rate(s)?			
f. The range of maturities?			
9. Do the notes include a general description of prior period advance refundings of debt, and the amount of in substance defeased debt that remains outstanding as of the balance sheet date? (GASBS 7: 14; 2012 GAAFR, page 378)			
10. If the school system undertook a refunding during the period that either defeased or redeemed the refunded debt, do the notes disclose: (GASBS 7: 11-14; 2012 GAAFR, page 377)			
a. A general description of the transaction?			
b. The aggregate difference in debt service between the refunding debt and the refunded debt?			
c. The economic gain or loss on the transaction?			
11. If the school system has conduit debt, have the required disclosures been made? (2012 GAAFR, page 379)			
12. If the school system has demand bonds outstanding at the end of the fiscal period, do the notes provide all of the disclosures required by GAAP? (GASBI 1: 11; 2012 GAAFR, page 378)			

Checklist Questions	YES	NO	N/A
FF. Derivative Instruments			
1. Do the notes include the required disclosures for derivative instruments? (GASBS 53: 68-79; 2012 GAAFR, pages 361-364)			
GG. Pensions			
1. If the school system participates in a defined benefit pension plan that is administered through a trust or equivalent arrangement, do the notes provide information for the plan, regardless of type, as follows: (GASBS 68: 38-45, 76-80)			
a. The name of the pension plan, identification of the public employee retirement system or other entity that administers the pension plan, and identification of the pension plan as a single-employer, agent multiple-employer pension plan, or cost-sharing multiple-employer pension plan (GASBS 68: 40a & 76a)			
b. brief description of the benefit terms, including:			
i. the classes of employees covered			
ii. the types of benefits			
iii. the key elements of the pension formulas			
iv. the terms or policies, if any, with respect to automatic post-employment benefit changes, including automatic COLAs, and ad hoc postemployment benefit changes., including ad hoc COLAs			
v. the authority under which benefit terms are established or may be amended and if the pension plan is closed to new entrants (GASBS 68:40b & 76b)			
c. For single-employer and agent multiple-employer plans only, provide the number of employees covered by the benefit terms in total and separately for (1) inactive employees (or their beneficiaries) currently receiving benefits (2) inactive employees entitled to but not yet receiving benefits (3) active employees (GASBS 68: 40c)			
d. brief description of contribution requirements, including:			
i. the basis for determining the employer's contributions to the pension plan (for example, statute, contract, an actuarial basis, or some other manner)			
ii. identification of the authority under which contribution requirements of the employer, nonemployer contributing entities, if any, and employees are established or may be amended			
iii. the contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period (GASBS 68: 40d & 76c)			
e. Whether the pension plan issues a stand-alone financial report (or the pension plan is included in the report of a public employee retirement system or another government) that is available to the public, and if so, how to obtain the report (GASBS 68: 40e & 76d)			
f. Significant assumptions and other inputs used to measure the total pension liability including: (GASBS 68: 41 & 77)			
i. Inflation			
ii. Salary changes			
iii. Ad hoc postemployment benefit changes (including a hoc COLAs)			
iv. Source of mortality assumptions			

Checklist Questions	YES	NO	N/A
v. The dates of experience studies on which significant assumptions are based			
vi. If different rates are used for different periods, information about what rates are applied to the different periods of the measurement			
g. Discount rate disclosures: (GASBS 68: 42 & 78)			
i. The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the prior measurement date, if any (GASBS 68: 42a & 78a)			
ii. Assumptions made about projected cash flows into and out of the pension plan, such as contributions from the employer, nonemployer contributing entities, and employees (GASBS 68: 42b & 78b)			
iii. The long-term expected rate of return on pension plan investments and a brief description of how it was determined, including significant methods and assumptions used for that purpose (GASBS 68: 42c & 78c)			
iv. If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate (GASBS 68: 42d & 78d)			
v. The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate applied to determine the discount rate (GASBS 68: 42e & 78e)			
vi. The assumed asset allocation of the pension plan's portfolio, and long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented in arithmetic or geometric means, if not otherwise disclosed (GASBS 68: 42f & 78f)			
vii. Measures of the net pension liability calculated using (1) a discount rate that is 1 percentage point higher than that required and (2) a discount rate that is 1 percentage point lower than that required (GASBS 68:42g & 78g)			
h. Other information for the plan, including the following: (GASBS 68: 45 & 80)			
i. The measurement date of the net pension or collective pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the measurement date (GASBS 68: 45a & 80c)			
ii. If there is a special funding situation for a single-employer or agent plan or cost-sharing plan, the employer's proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change in its proportion since the prior measurement date (GASBS 68: 45b & 80b)			

Checklist Questions	YES	NO	N/A
iii. For cost sharing plans only, the employer's proportionate share (amount) of the collective net pension liability and, if an employer has a special funding situation, (1) the portion of the nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability that is associated with the employer and (2) the total of the employer's proportionate share (amount) of the collective net pension liability and the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the employer (GASBS 68: 80a)			
iv. A brief description of changes of assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date (GASBS 68: 45c & 80d)			
v. A brief description of changes of benefit terms that affected measurement of the total pension liability since the prior measurement date (GASBS 68: 45d & 80e)			
vi. For single-employer and agent plans only, the amount of benefit payments in the measurement period attributable to the purchase of allocated insurance contracts, a brief description of the benefits for which allocated insurance contracts were purchased in the measurement period, and the fact that the obligation for the payment of benefits covered by allocated insurance contracts has been transferred from the employer to one or more insurance companies (GASBS 68: 45e)			
vii. For single-employer and agent plans, a brief description of the nature of changes between the measurement date of the net pension liability and the employer's reporting date that are expected to have a significant effect on the net pension liability, and the amount of the expected resultant change in the net pension liability, if known. (GASBS 68: 45f)			
viii. For cost sharing plans, a brief description of the nature of changes between the measurement date of the collective net pension liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective net pension liability, and the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known (GASBS 68: 80f)			
ix. The amount of pension expense recognized by the employer in the reporting period (GASBS 68: 45g & 80g)			
x. The employer's balances of deferred outflows of resources and deferred inflows of resources related to pensions, classified as follows, if applicable (GASBS 68:45h & 80h)			
a) Differences between expected and actual experience in the measurement of the total pension liability (GASBS 68:45h1 & 80h1)			
b) Changes of assumptions or other inputs (GASBS 68: 45h2 & 80h2)			
c) Net difference between projected and actual earnings on pension plan investments (GASBS 68: 45h3 & 80h3)			

Checklist Questions	YES	NO	N/A
d) For single-employer or agent plans with a special funding situation or a cost sharing plan changes in the employer's proportion and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the pension plan) and the employer's proportionate share of contributions (GASBS 68: 45h4 & 80h4)			
d) The employer's contributions to the pension plan subsequent to the measurement date of the net pension/collective pension liability (GASBS 68: 45h5 & 80h5)			
xi. Schedule presenting the following: (GASBS 68: 45i & 80i)			
a) For each of the subsequent five years, and in the aggregate thereafter, the net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources that will be recognized in the employer's pension expense (GASBS 68: 45i1 & 80i1)			
b) If the employer does not have a special funding situation, the amount of the employer's balance of deferred outflows of resources that will be recognized as a reduction of the net pension liability (GASBS 68: 45i2)			
c) If the employer has a special funding situation and for cost sharing plans, the amount of the employer's balance of deferred outflows of resources that will be included as a reduction of the collective net pension liability (GASBS 68: 45i2 & 80i2)			
xii. The amount of revenue recognized for the support provided by nonemployer contributing entities, if any (GASBS 68: 45j & 80j)			
2. If the school system is an employer in a single-employer or agent multiple-employer defined benefit pension plan that is administered through a trust or equivalent arrangement, do the notes provide information for the plan, as follows: (GASBS 68: 44)			
a. For the current reporting period, a schedule of changes in the net pension liability should be presented including the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, and the net pension liability (GASBS 68: 44a & 44c)			
b. The effects of the items listed in GASB Statement No. 68 paragraph 44(b) on the balances reported in checklist item 2a.			
c. If the employer has a special funding situation, the following items should be disclosed in the notes:			
i. The nonemployer contributing entities' total proportionate share of the collective net pension liability (GASBS 68: 44d1)			
ii. The employer's proportionate share of the collective net pension liability (GASBS 68: 44d2)			
3. If the school system is a nonemployer contributing entity to a defined benefit pension plan that is administered through a trust or equivalent arrangement, does the school system's obligation as a nonemployer contributing entity meet the definition of a special funding situation and does the school system recognize a substantial portion of the collective net pension liability of plan? (GASBS 68: 108)			
a. If yes, do the notes contain the disclosures outlined in GASB Statement No. 68 paragraphs 109-113?			

Checklist Questions	YES	NO	N/A
b. If no (less than substantial proportion), do the notes contain the disclosures outlines in GASB Statement No. 68 paragraph 116?			
4. If the school system participates in two or more defined benefit pension plans that are administered through a trust or equivalent arrangement (regardless of plan type) do the notes provide the aggregate amount for all such plans for pension liabilities, pension assets, deferred outflows of resources, deferred inflows of resources, and pension expense/expenditures for the period associated with net pension liabilities? (GASBS 68: 37 & 74)			
5. If the school system participates as an employer in a defined contribution pension plan that is administered through a trust or equivalent arrangement, regardless of whether there is a special funding situation, do the notes provide information as outlined in GASB Statement No. 68 paragraph 126?			
6. Is the school system is a nonemployer contributing entity to a defined contribution pension plan that is administered through a trust or equivalent arrangement with an obligation that meets the definition of a special funding situation and the school system is required to contribute a substantial portion of the total contributions from the employer and nonemployer contributing entities?			
a. If yes, do the notes contain the disclosures outlined in GASB Statement No. 68 paragraph 132?			
b. If no (less than substantial proportion), do the notes contain the disclosures outlines in GASB Statement No. 68 paragraph 133?			
HH. Fund Balance			
1. Do the notes disclose the details of fund balance classifications aggregated on the face of the financial statements? (GASBS 54: 25, 2012 GAAFR, page 380)			
2. Do the notes disclose the details of any stabilization arrangements, including (GASBS 54: 26; 2012 GAAFR, page 380)			
a. The authority for establishing (for example, by statute or ordinance)?			
b. The requirements for additions?			
c. The conditions for amounts to be spent?			
d. The stabilization balance, if not reported on the balance sheet?			
3. If both restricted and unrestricted resources are to be used for the same purpose (e.g., a construction project), does the SSAP disclose the flow assumption used to determine the portion of expense paid from restricted resources? (GASBS 34: 115h, 2012 GAAFR, page 380)			
II. Interfund Activity			
1. Do the notes disclose the amounts due from other funds by individual major fund, non-major governmental funds in the aggregate, non-major enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type? (GASBS 38: 14a; 2012 GAAFR, page 381)			

Checklist Questions	YES	NO	N/A
2. Do the notes disclose the purpose of interfund balances? (GASBS 38: 14b; 2012 GAAFR, page 381)			
3. Has the school system disclosed interfund balances that are not expected to be repaid within one year of the date of the financial statements? (GASBS 38: 14c; 2012 GAAFR, page 381)			
4. Do the notes disclose amounts transferred from other funds by individual major fund, non-major governmental funds in the aggregate, non-major enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type? (GASBS 38: 15a; 2012 GAAFR, page 384)			
5. Do the notes disclose the principal purposes of interfund transfers? (GASBS 38: 15b; 2012 GAAFR, page 384)			
JJ. Risk Financing			
1. Do the notes to the financial statements include the following disclosures relating to the school system's risk financing activities: (GASBS 10: 77; 2012 GAAFR, pages 372-373)			
a. A description of the risks of loss to which the school system is exposed and the way(s) in which those risks of loss are handled (e.g., risk retention, purchase of commercial insurance or participation in a public entity risk pool)?			
b. A description of significant reductions in insurance coverage from coverage in the prior year by major category of risk?			
c. Whether the amount of any insurance settlements exceeded insurance coverage for each of the past three years?			
d. If the school system participates in a risk pool, a description of the nature of the participation, including the rights and responsibilities of both the government and the pool?			
2. If the school system retains the risk of loss, are the following disclosures made (GASBS 10: 77d; 2012 GAAFR, pages 372-373):			
a. The basis for estimating the liabilities for unpaid claims?			
b. The carrying amount of liabilities for unpaid claims that are reported at present value in the financial statements and the range of discount rates?			
c. The aggregate outstanding amount of claims liabilities for which annuity contracts have been purchased in the claimant's name and for which the related liabilities have been removed from the balance sheet?			
d. A reconciliation of changes in the aggregate liabilities for claims for the current-fiscal year and the prior-fiscal year, in the following tabular format:			
i. Amounts of claims liabilities at the beginning of each fiscal year?			
ii. Incurred claims, representing the total of provisions for events of the current-fiscal year and any changes (increase or decrease) in the provision for events of the prior-fiscal years?			
iii. Payments on claims attributable to events of both the current-fiscal year and the prior-fiscal years?			

Checklist Questions	YES	NO	N/A
iv. Other material items (an explanation for material items should be provided)?			
v. Amounts of claims liabilities at the end of each fiscal year?			
KK. Compensated Absences			
1. Does the SSAP include the school system's accounting policies for compensated absences? (2012 GAAFR, page 337)			
2. Has the school system recognized a liability for vacation leave and other compensated absences with similar characteristics only if the employees' rights to receive benefits are attributable to services already rendered and it is probable the school system will compensate the employee for the benefit through paid time off or some other means, such as cash payments at termination or retirement? (Cod.Sec.C60.104)			
3. Has the school system included salary related payments (e.g., social security and Medicare taxes) in the accrued liabilities related to compensated absences? (Cod.Sec.C60.108)			
LL. Post-Employment Benefits (other than pensions)			
1. If the school system provides its employees with post-employment benefits other than pension benefits (OPEB), do the notes include the following disclosures separately for one or more types of benefits or in the aggregate for all OPEB presented (GASBS 45: 24-25; 2012 GAAFR, pages 368-371):			
a. Name of the plan, identification of the public employee retirement system (PERS) or other entity that administers the plan, and identification of the plan as a single-employer, agent multiple employer, or cost sharing multiple-employer defined benefit OPEB plan? (GASBS 45: 24a1)			
b. Brief description of the types of benefits and the authority under which benefit provisions are established or may be amended? (GASBS 45: 24a2)			
c. Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so, how to obtain the report? (GASBS 45: 24a3)			
d. Authority under which the obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established and may be amended? (GASBS 45: 24b1)			
e. Required contribution rate(s) of plan members? The required contribute rate(s) could be expressed as a rate (amount) per member or as a percentage of covered payroll. (GASBS 45: 24b2)			

Checklist Questions	YES	NO	N/A
f. Required contribution rates(s) of the employer in accordance with the funding policy, in dollars or as a percentage of current-year payroll, and, if applicable, legal or contractual maximum contribution rates? (GASBS 45: 24b3) If the plan is a single-employer or agent plan and the rate differs significantly from the ARC, do the notes disclose how the rate is determined (for example, by statute or by contract) or that the plan is financed on a pay-as-you-go basis? If the plan is a cost-sharing plan, do the notes disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (for example, by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis?			
g. For school systems participating in a single-employer or agent multiple-employer defined benefit plan, do the notes disclose the for the current year the annual OPEB cost and the dollar amount of contributions made? If the employer has a net OPEB obligation, do the notes also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year? (GASBS 45: 25a)			
h. For the current year and each of the two preceding years, annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (GASBS 45: 25b)			
i. Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funding ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll? (GASBS 45: 25c)			
j. Disclosure of information about actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based as outlined in GASB Statement No. 45 paragraph 25d?			
MM.Compliance			
1. Are amounts of any excesses of expenditures over appropriations at the legal level of budgetary control in individual funds disclosed?			
2. Do the notes disclose any material deficit in an individual fund that is not visible on the face of the basic financial statements? (NCGA-S1: 158; 2012 GAAFR, page 348)			
3. Are material violations of finance-related legal and contractual provisions disclosed? (NCGA-I6: 4g; 2012 GAAFR, page 347)			
4. If a violation was significant, do the notes identify actions that the school system has taken to address the violation? (GASBS 38: 9; 2012 GAAFR, page 347)			

Checklist Questions	YES	NO	N/A
NN. Commitments and Other			
1. Are construction and other significant commitments (including those under noncapitalized leases) disclosed? (NCGA-16: 4j; 2012 GAAFR, pages 372, 374)			
2. Are significant contingent liabilities (e.g., pending litigation) disclosed? (2012 GAAFR, pages 388-389)			
3. Do the notes disclose subsequent events? (NCGA-16: 4d; 2012 GAAFR, page 389)			
4. If the school system has engaged in related-party transactions, do the notes describe such arrangements? (2012 GAAFR, page 388)			
OO. Pollution Remediation Obligations			
1. If the school system has recognized pollution remediation liabilities and recoveries of pollution remediation outlays, do the notes contain the following disclosures: (GASBS 49: 25a-c; 2012 GAAFR, pages 379-380)			
a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)?			
b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes to, for example, price increases or reductions, technology, or applicable laws or regulations?			
c. Estimated recoveries reducing the liability?			
2. If the school system has pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, is a general description of the nature of the pollution remediation activities disclosed? (GASBS 49:26)			
PP. Required Supplementary Information (RSI)			
1. Is all RSI, other than MD&A, located immediately following the notes to the basic financial statements? (GASBS 34: 6c; 2012 GAAFR, page 577)			
2. Has the school system refrained from including information as required supplementary information that the authoritative accounting literature does not designate as such? (2012 GAAFR, page 577)			
QQ. RSI - Budgetary Schedule			
1. If the school system does not present budgetary comparisons as a basic governmental fund financial statement, does the RSI present these comparisons? (GASBS 34: 130, footnote 53; 2012 GAAFR, page 578)			
2. Is the budgetary comparison titled a schedule rather than a statement? (GASBS 34: 130, Note 53; 2012 GAAFR, page 578)			

Checklist Questions	YES	NO	N/A
3. Does the schedule include a separate column for the general fund and each annually budgeted major special revenue fund (or if there is a significant perspective difference, a column or columns consistent with the fund, organization, or program structure that the school system uses for its legally adopted budget)? (GASBS 34: 130; GASBS 41: 3; 2012 GAAFR, pages 578)			
4. Has the school system refrained from presenting budgetary comparisons for debt service funds, capital projects funds, permanent funds, major special revenue funds without annual budgets, and non-major special revenue funds? (2012 GAAFR, pages 196-197)			
5. Does the budgetary schedule present the original budget? (GASBS 34: 130; 2012 GAAFR, page 578)			
6. Does the budgetary schedule present the final amended budget? (GASBS 34: 130; 2012 GAAFR, page 578)			
7. Does the budgetary schedule present actual data using the budgetary basis of accounting? (GASBS 34: 130; 2012 GAAFR, page 578)			
8. Has the school system presented one or more variance columns? (GASBS 34: 130; 2012 GAAFR, page 579)			
9. Has the school system refrained from captioning variance columns as favorable or unfavorable? (2012 GAAFR, page 579)			
10. Do the notes to RSI either 1) disclose the basis of budgeting, if different from GAAP, or 2) state that GAAP serve as the basis of budgeting? (2012 GAAFR, pages 578-579)			
11. If the budgetary basis of accounting differs from GAAP, is a reconciliation provided in the notes to RSI (if not presented on the face of the schedule)? (NCGA-I10: 25; 2012 GAAFR, pages 578-580)			
12. Is the reconciliation between GAAP and the budgetary basis of accounting sufficiently detailed? (NCGA-I10: 25; 2012 GAAFR, pages 579-580)			
13. Do the notes to RSI disclose excesses of expenditures over appropriations in the general fund and annually budgeted major special revenue funds? (GASBS 34: 131; GASBS 37: 19; 2012 GAAFR, pages 578-580)			
RR. RSI – Pensions and Post-Employment Benefits (Other than Pensions)			
Pensions			
1. For single-employer or agent multiple-employer plans, is a 10 year schedule of changes in the net pension liability presented containing all information outlined as follows? (GASBS 68: 46a)			
a. The total pension liability (GASBS 68: 46b1a & 46b2a)			
b. The pension plan’s fiduciary net position (GASBS 68: 46b1b & 46b2b)			

Checklist Questions	YES	NO	N/A
c. The net pension liability if the school system does not have a special funding situation (GASBS 68: 46b1c) or the collective net pension liability if the school system has a special funding situation (GASBS 68: 46b2c)			
d. The pension plan's fiduciary net position as a percentage of the total pension liability if the school system does not have a special funding situation (GASBS 68: 46b1d)			
e. The nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability if the school system has a special funding situation (GASBS 68: 46b2d)			
f. The employer's proportionate share (amount) of the collective net pension liability if the school system has a special funding situation (GASBS 68: 46b2e)			
g. The covered employee payroll (GASBS 68: 46b1e & 46b2f)			
h. The net pension liability as a percentage of covered-employee payroll if the school system does not have a special funding situation (GASBS 68: 46b1f)			
i. The pension plan's fiduciary net position as a percentage of the total pension liability if the school system has a special funding situation (GASBS 68: 46b2h)			
2. For single-employer or agent multiple-employer plans, is a 10 year schedule of actuarially determined contributions presented containing all information outlined as follows? (GASBS 68: 46c)			
a. The actuarially determined contribution of the employer (GASBS 68: 46c1)			
b. The amount of contributions recognized by the pension plan in relation to the actuarially determined contribution of the employer (GASBS 68: 46c2)			
c. The difference between the actuarially determined contribution of the employer and the amount of contributions recognized by the pension plan in relation to the actuarially determined contribution of the employer (GASBS 68: 46c3)			
d. The covered-employee payroll (GASBS 68: 46c4)			
e. The amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of covered-employee payroll. (GASBS 68: 46c5)			
3. For cost-sharing multiple-employer plans, is a 10 year schedule about the school system's proportionate share of the pension liability presented containing all information outlined as follows? (GASBS 68: 81a)			
a. The employer's proportion (percentage) of the collective net pension liability (GASBS 68: 81a1a & 81a2a)			
b. The employer's proportionate share (amount) of the collective net pension liability (GASBS 68: 81a1b & 81a2b)			
c. The portion of the nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability that is associated with the employer and the total of b and c if the school system has a special funding situation (GASBS 68: 81a2c-d)			
d. The employer's covered employee payroll (GASBS 68: 81a1c & 81a2e)			

Checklist Questions	YES	NO	N/A
e. The employer's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll (GASBS 68: 81a1d & 81a2f)			
f. The pension plan's fiduciary net position as a percentage of the total pension liability (GASBS 68: 81a1e & 81a2g)			
4. For all plan types of contribution requirements of the school system are established statutorily or contractually, is a 10 year schedule about the school system's employer contribution requirements presented? (GASBS 68: 46d & 81b)			
5. If the school system is a nonemployer contributing entity to a defined benefit pension plan that is administered through a trust or equivalent arrangement, is all applicable information included as RSI based on the proportion funded (substantial or less than substantial)? (GASBS 68: 114-115 & 117)			
Post-Employment Benefits (Other than Pensions)			
1. If the school system participates in a single-employer plan and the financial statements are included in the employer's report, does the school system disclose the availability of the stand-alone plan report, present the information required for the schedule of funding progress for the three most recent actuarial valuations, and refrain from presenting the schedule of employer contributions? (GASBS 43: 32)			
2. If the school system participates in a cost-sharing plan that does not issue and make publicly available a stand-alone plan financial report and the plan is not included in the financial report of another entity, does the cost-sharing employer present schedules of funding progress and employer contributions for the plan? (GASBS 45: 27; GASBS 50: 10) If so:			
a. Do the notes disclose that the information presented relates to the cost-sharing plan as a whole and that the school system is only one participating employer in the plan? (GASBS-45: 27; GASBS 50: 10)			
b. Do the notes provide information helpful for understanding the scale of the information presented relative to the employer? (GASBS 45: 27; GASBS 50: 10)			
SS. Combining and Individual Fund Statements/Schedules			
1. Does the financial section include a combining statement to support every column in the basic fund financial statements that aggregates data from more than one fund? (GASBS 34: 281; NCGA-S1: 139; 2012 GAAFR, pages 596-597)			
a. Do the combining statements provide information on each individual fund included? (2012 GAAFR, pages 596-597)			
b. Do the combining statements for governmental funds identify individual funds by fund type? (2012 GAAFR, pages 597-598)			
c. Do the combining statements for pension (and other employee benefit) trust funds report separate columns for each individual pension plan? (GASBS 25: 15)			

Checklist Questions	YES	NO	N/A
d. Has the school system refrained from reporting healthcare benefits for retirees in the same fund as pension benefits? (Q&A 8.5.1, 8.5.4, and 8.5.5)			
e. Does each combining statement include a total column? (2012 GAAFR, page 597 (example))			
f. Are the amounts reported in the total column easily traceable to the corresponding column in the basic fund financial statements?			
2. Does the Financial Section include combining statements for individual discretely presented component units that are not reported as either 1) a separate column in the government-wide financial statements or 2) a separate column in a component unit combining statement included within the basic financial statements? (2012 GAAFR, pages 596-598)			
a. Do the combining statements provide information on each individual component unit included? (2012 GAAFR, page 83)			
b. Do the combining statements include a total column? (2012 GAAFR, page 597)			
i. Are the amounts reported in the total column easily traceable to the corresponding column in the basic financial statements? (2012 GAAFR, page 597)			
3. If a discretely presented component unit does not issue a separate report, is all of the fund information normally required by GAAP provided in the Financial Section of the primary government's comprehensive annual financial report? (GASBS 14: 50; 2012 GAAFR, page 87)			
4. Are combining statements organized into subsections on the basis of fund category (i.e., governmental funds) and fund type (i.e., non-major enterprise funds, internal service funds, and each fiduciary fund type)? (2012 GAAFR, pages 597-598)			
a. Is each subsection separated by a divider page?			
i. If the nature and purpose of each individual fund is not clear from its name, does the divider page provide the needed information?			
5. If individual fund financial statements are presented, are they located in the subsection to which they relate? (2012 GAAFR, pages 599-600)			
a. Are they placed behind the combining financial statements?			
b. Are they sequenced in the same order as the related columns in the combining financial statements?			
6. If the financial reporting entity includes blended component units, has the school system treated each of the non-major funds of the blended component units as a separate fund of the primary government in the combining statements? (2012 GAAFR, page 80)			
7. If the financial reporting entity includes blended component units, has the school system reclassified the general funds of the component units as special revenue funds? (GASBS 14: 54; 2012 GAAFR, page 80)			
8. If individual fund financial statements are presented, do they provide additional information not already included in the combining financial statements? (2012 GAAFR, page 599)			

Checklist Questions	YES	NO	N/A
<p>9. If the budgetary comparisons included within the basic financial statements or RSI for the general fund and annually budgeted major special revenue funds do not demonstrate compliance at the legal level of budgetary control, does the governmental fund subsection of the Financial Section provide budgetary comparison schedules that do achieve this objective? (NCGA-S1: 9c; NCGA-I10: 14; 2012 GAAFR, page 599)</p>			
<p>10. Does the governmental fund subsection of the Financial Section provide budgetary comparison schedules that demonstrate compliance at the legal level of budgetary control for all other governmental funds with legally adopted annual budgets? (NCGA-S1: 9c; NCGA-I10: 14; 2012 GAAFR, page 599)</p>			
<p>11. Do all budgetary schedules present information using the budgetary basis of accounting? (2012 GAAFR, page 578)</p>			
<p>12. If the school system reports agency funds, does the fiduciary fund subsection of the Financial Section include a statement of changes in assets and liabilities for each individual agency fund in either an individual fund or combining statement format? (NCGA-S1: 143; 2012 GAAFR, pages 597-598)</p>			
<p>13. If combining and individual statements and schedules are presented, do they refrain from referencing the notes to the basic financial statements? (2012 GAAFR, page 599)</p>			
IV. STATISTICAL SECTION			
<p>1. Does the report include a Statistical Section? (NCGA-S1: 138, 139; 2012 GAAFR, page 600)</p>			
<p>2. Does the Statistical Section separately present net position of governmental activities, business-type activities, and the total primary government by the three individual components of net position (i.e., net investment in capital assets, debt; restricted; and unrestricted)? (GASBS 44: 9; 2012 GAAFR, pages 616-617)</p>			
<p>3. Does the Statistical Section separately present the changes in net position of governmental activities, business-type activities, and the total primary government? (GASBS 44: 10-11; 2012 GAAFR, pages 617-618) If so:</p>			
<p>a. Are expenses reported by function, program, or identifiable activity?</p>			
<p>b. Are program revenues reported by category (i.e., charges for services, operating grants and contributions, and capital grants and contributions)?</p>			
<p>i. Are the most significant charges for services revenues presented by function, program, or identifiable activity?</p>			
<p>c. Does the table present total net (expense) revenue?</p>			
<p>d. Does the table present general revenues and other changes in net position by type?</p>			
<p>e. Does the table present the total change in net position?</p>			

Checklist Questions	YES	NO	N/A
4. Does the Statistical Section separately present information on the fund balances for the general fund and all other governmental funds in the aggregate? (GASBS 44: 12; 2012 GAAFR, page 619) If so:			
a. Does the table separately present nonspendable, restricted, committed, assigned and unassigned fund balance? (GASBS 54)			
5. Does the Statistical Section present changes in fund balances for governmental funds? (GASBS 44: 12; 2012 GAAFR, pages 619-620) If so:			
a. Are revenues reported by source?			
b. Are expenditures reported by function?			
i. Are debt service principal and interest expenditures shown separately?			
ii. Is a ratio of total debt service expenditures to noncapital expenditures presented?			
c. Does the table include other financing sources and uses and other changes in fund balance by type?			
d. Does the table present the total change in fund balances?			
6. Does the Statistical Section present information for the major components of the revenue base of the government's most significant source of own-source revenue? (GASBS 44: 14-15; Q&A 9.12.4, 9.13.4, 9.15.3; 2012 GAAFR, pages 621-623)			
a. Does the table present the direct rate applied to the revenue base?			
b. If information is provided for a property tax, does the table present the assessed value by major component (e.g., residential, commercial) and the total estimated actual value of the taxable property?			
c. If the school district does not include the estimated actual value of property, is there an explanation on the face of the table why that is the case?			
7. Does the Statistical Section present each individual direct rate applied to the revenue base for the government's most significant own-source revenue and the total of those rates, as well as the rates of overlapping governments that are applied to that same revenue base? (GASBS 44: 16; 2012 GAAFR, pages 621-625)			
a. If a property tax is presented, are the direct rates those that relate to the taxes payable by taxpayers for the same year?			
b. If the school system has a restriction on its ability to raise its direct rates, is that limitation disclosed on the face of the table of direct and overlapping revenue rates?			
8. Does the Statistical Section present information about the payers or remitters, as appropriate, for the school system's largest own-source revenue? (GASBS 44: 19-20; Q&A 9.22.1, 9.22.3; 2012 GAAFR, page 625)			
a. Is the information presented for the current-fiscal period and the fiscal period ended nine years prior?			
b. Does the table include the 10 largest payers or remitters unless fewer are required to reach 50 percent of the total revenue base or total taxes levied?			
c. Does the table include the amount of revenue base attributable to each or the actual taxes levied on each and the percentage of each amount relative to the total revenue base of the total taxes levied?			

Checklist Questions	YES	NO	N/A
9. Does the Statistical Section present information for the school system's property taxes? (GASBS 44: 21; 2012 GAAFR, pages 625-626) If so:			
a. Is the amount of property taxes levied for each period presented?			
b. Does the table include the amount of levy collected prior to the end of the period for which it is levied and the percentage that those collections represent of the total levy?			
c. Does the table include the amount of collections in subsequent periods, the total amount of the levy collected to date, and the percentage of the total levy collected to date?			
10. Does the Statistical Section separately present by type the outstanding debt of governmental activities and business-type activities, as well as include the total outstanding debt for the primary government? (GASBS 44: 23-26; Q&A 9.24.1, 9.24.2, 9.26.1, 9.27.1, 9.27.2; 2012 GAAFR, pages 626-627) If so:			
a. Does the statistical table include the ratio of total outstanding debt to personal income?			
b. Does the statistical table include total personal income if not already presented with other demographic information?			
c. Does the statistical table include the amount of total outstanding debt per capita?			
11. Does the Statistical Section present data on net bonded debt that will be repaid by general government resources? (GASBS 44: 25-26; Q&A 9.28.2; 2012 GAAFR, pages 627-628)			
a. Are amounts for each type of outstanding debt separately presented along with the total of all debt outstanding?			
b. If the school system has accumulated resources that are restricted for the repayment of outstanding debt principal, are those amounts separately presented and deducted from the total outstanding debt to arrive at the amount of net general bonded debt?			
c. Is a ratio of general bonded debt or net general bonded debt (when it is presented) to estimated actual value of taxable property included?			
d. Is general bonded debt or net general bonded debt (when it is presented) per capita included?			
12. Does the Statistical Section present information about direct and overlapping debt for governmental activities? (GASBS 44: 27-28; 2012 GAAFR, pages 628-629) If so, does the statistical table include each of the following for the current year:			
a. The total for each type of outstanding debt?			
b. The percentage of overlap between the reporting government and the overlapping governments?			
c. An explanation of the method used to determine the percentage of overlap for each type of debt?			
d. The amount of overlapping debt (i.e., the overlap percentage times the outstanding debt?)			
e. The total of the overlapping debt amounts?			
f. The total direct debt of the reporting government?			
g. The total amount of direct and overlapping debt?			

Checklist Questions	YES	NO	N/A
13. If the school system is subject to a legal debt limit, does the Statistical Section present the calculation of the school system's legal debt margin for the current year? (GASBS 44: 29; 2012 GAAFR, pages 629-630)			
a. Does the Statistical Section present each of the following items for the last 10 years:			
i. The debt limit amount?			
ii. Total net debt applicable to the limit?			
iii. The legal debt margin amount?			
iv. A ratio of either:			
a) The legal debt margin to the debt limit or			
b) The total net debt applicable to the debt limit itself?			
14. Does the Statistical Section include coverage information for non-general obligation debt that is secured by a pledged revenue stream? (GASBS 44: 30; 2012 GAAFR, page 630) If so, does the statistical table include all of the following:			
a. Separate information for each type of debt outstanding?			
b. The gross amount of pledged revenues and, if applicable, the subtraction of specific operating expenses in the amount of net available revenues?			
c. The amount of debt service principal and interest requirements?			
d. The coverage ratio (i.e., net available revenue divided by the total debt service requirements)?			
e. A description of the nature of the revenue pledged for each type of debt?			
15. Does the Statistical Section present demographic and economic indicators? (GASBS 44: 32-33; 2012 GAAFR, pages 630-631) If so, are the following items included:			
a. Population?			
b. Total personal income (if not presented with the ratios of outstanding debt)?			
c. Per capita personal income?			
d. The unemployment rate?			
16. Does the Statistical Section provide information about the principal employers in the school system's jurisdiction? (GASBS 44: 34; Q&A 9.34.1; 2012 GAAFR, pages 631-632) If so:			
a. Are the total employees and the percentage of total employment that each listed employer represents presented?			
b. Are the 10 largest employers presented, unless fewer are required to reach 50 percent of total employment?			
c. Is the information presented for the current-fiscal period and the fiscal period ended nine years prior?			
17. Does the Statistical Section provide operating information for the school system? (GASBS 44: 35-38; 2012 GAAFR, pages 632-633) If so, are the following types of information presented:			
a. The number of the school system's employees by function or identifiable activity, as applicable?			
b. Indicators of the level of demand for services by function or identifiable activity, as applicable?			

Checklist Questions	YES	NO	N/A
c. Available information about the volume, usage, or nature of the school system's capital assets by function or identifiable activity, as applicable?			
18. Does the Statistical Section discuss the methods used to produce the information it contains, as well as any significant assumptions that were made in the preparation of the information? (GASBS 44: 41; 2012 GAAFR, page 634)			
19. Does the Statistical Section include appropriate analytical and educational explanations? (GASBS 44: 42; Q&A 9.47.1; 2012 GAAFR, page 634)			
20. Do the amounts reported in statistical tables agree with related amounts in the Introductory and Financial Sections?			
21. Does the report indicate the source(s) of all non-accounting data included in the statistical tables? (GASBS 44: 41; 2012 GAAFR, page 634)			
22. If fewer than 10 years of data are presented in a statistical table that requires 10 years of data, is the reason disclosed on the table? (GASBS 44: 7).			
23. Is the Statistical Section preceded by a narrative explanation of each of the five sections and their objectives? (2012 GAAFR, page 634)			
V. OTHER ITEMS			
1. Is the CAFR free of excessive foldout pages?			
2. Is the CAFR free of excessive blank pages?			
3. Is the type size throughout the CAFR large enough to be read easily?			
4. Is the text sufficiently legible throughout the CAFR?			
5. If any individual financial statements cover more than a single pair of facing pages, is an indication given on the first set of facing pages and all subsequent sets of facing pages of those statements that the statements continue on the following page(s)?			
6. Are all pages sequentially numbered?			
7. Have all monetary amounts been rounded to, at least, the nearest dollar amount?			
8. If amounts are presented in millions or thousands, is it clearly indicated?			
9. Is the CAFR free of inconsistencies? (If not, please specify.)			
10. If a hard copy of the CAFR is submitted:			
a. Is the CAFR bound?			

Checklist Questions	YES	NO	N/A
b. Does the CAFR lie flat when opened?			
11. Has the school system incorporated ASBO International's Certificate of Excellence Panel of Review Comments provided at the time of the last CAFR review into the current report or satisfactorily explained why it has not done so? (Note: This is a requirement of the program. The school system's response to the comments should be in letter form for evaluation.)			
12. Has the school system provided three copies of the responses to the prior year's comments as part of the Certificate of Excellence application packet? (Note: This is a requirement of the program.)			