

Financial Reporting Checklist for North Carolina Public Schools: Boards of Education

The checklist below is provided as a supplement to other audit programs and checklists that already address compliance with generally accepted accounting principles or federal programs. This checklist addresses issues within the context of the North Carolina School Budget and Fiscal Control Act (SBFCA) and the North Carolina Local Government Budget and Fiscal Control Act (LGBFCA) that are *specific* to Public Schools audits in North Carolina and the presentation of the audited financial statements. Also, many of the following items will be used in compiling comparative statistical data reports, which will be published statewide in the spring, following the receipt of the audits. Other audit procedures are included based upon prior years' audit reviews results. Many of the steps and procedures below are interrelated and may be done in conjunction with other audit procedures. Please refer to the Audit Manual web-site on the NC Department State Treasurer's web-site for an audit program focusing on the auditee's compliance with the SBFCA, LGBFCA and internal control environment. *Please read the suggested procedures before beginning the audit work.* Note that the SBFCA and the LGBFCA is applicable to all Public Schools (BOE's) in North Carolina. References to "the unit" or "the local government" are not meant to, and do not, exclude public authorities, or auditors of public authorities, from using the following suggested audit procedures, as appropriate. This checklist is not intended to be all-inclusive; professional judgment should be used in determining the extent of tests and the use of procedures not included herein. A full understanding of the LGBFCA is essential to a thorough audit of a local government or public authority in North Carolina. A copy of the LGBFCA may be ordered from the Institute of Government. The General Statutes of North Carolina are also available on the web site of the North Carolina General Assembly, [NC School Budget and Fiscal Control Act: 115C Article 31](#) and the [NCGA General Statutes - Chapter 159](#). The auditor should use professional judgment if any results of these checklist items suggest that a statutory violation has occurred. The auditor should consult with the unit's legal representative to determine if a violation of North Carolina law has actually occurred.

Some terminology has been revised for current GASB Statements. Users should consider whether the suggested procedure is of benefit as they audit.

Boards of Education (BOE) Audit Checklist			
	<i>Suggested Procedure / Checklist item</i>	<i>Performed By or NA</i>	<i>Workpaper Reference</i>
	Standard Auditor's Report		
	Does the report include Independent Auditors Report on the top of the first page? (AU-C 700, ¶.23). Is the report signed (stamped or manual signature), dated, and is the firm's city included? (AU-C 700, ¶.39,.41) It is preferred that the opinion is presented on the firm's letterhead.		
	Opinion paragraph includes applicable references for the following: unmodified opinion, opinion units (as listed in the first paragraph and presented in the financial statements), budgetary comparison statements (General Fund and annually budgeted, major special revenue funds presented in the basic financial statements), and cash flows (if cash flow statement is presented for enterprise fund(s)).		
	Is an Other Matters paragraph included for Required Supplementary Information presented for MD&A and any other statements that have RSI, ex: Other Post Employment Benefit (OPEB) if not part of State Health Plan?		
	If an Other Matters paragraph for Supplementary Information is presented, does it properly reference the appropriate schedules? Most commonly referenced are combining and individual fund financial statements, budgetary schedules and schedule of expenditures of federal and State awards.		
	Report date & date of compliance reports are the same. If not, is there dual dating of the reports?		
	Management Discussion and Analysis (MD&A)		
	Is MD&A presented preceding the basic financial statements and does it contain all the required contents? (GASB No. 34, ¶ 11)		

	Do all schedules presented and references tie to the financial statements and applicable notes?		
	If comparative financial statements (basic financial statements) and RSI are presented for both years, are two years presented in the MD&A along with the prior year (three years total) presented? (If comparative data is provided for non-comparative financial statements, the three year presentation is not required). <i>(GASB No. 34, Implementation Guide Q8)</i>		
	Exhibits		
	Statement of Net Position		
	Verify that cash not available for operations of the fund(s) are classified as restricted cash and investments in the financial statements and are clearly described in the notes.		
	Verify that Internal balances net to zero between Governmental Activities and Business Activities, and tie to the fund statements. <i>(GASB No. 34, ¶ 58)</i>		
	Capital assets are separated between non-depreciable & depreciable. <i>(GASB No. 34 ¶ 20)</i>		
	Are deferred outflows and inflows of resources itemized? Deferred outflows or inflows of resources should include a name and amount either in the notes OR on the face of the applicable statements. <i>(GASB No. 63 ¶ 13)</i>		
	Are Prepaid cash receipts properly classified as liabilities or deferred inflows of resources?		
	Do the numbers appearing in the financial statements agree to the TSERS data tables provided by DST? Net pension asset or liability? Deferred outflows and inflows of resources?		
	Have the net pension asset or liability, deferrals, or pension expense been allocated among all relevant funds?		
	Are pension deferrals properly itemized on the face of the financial statements or in the notes to the statements?		
	Verify that all references to “deferred revenues” are replaced by “unavailable revenues”, “deferred inflows of resources” or another appropriate term as an alternative. <i>GASB 65</i>		
	The equity section of the Statement of Net Position should reflect three components: Net investment in capital assets, Restricted (distinguishing between major categories of restrictions including Stabilization by State Statute), and Unrestricted.		
	Is the net investment in capital assets calculation reasonably correct? The calculation includes any capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributed to the capital assets. Any significant unspent debt proceeds at year end related to the capital assets should not be included in the calculation of net investment in capital assets. <i>(GASB No. 63 ¶ 9)</i>		
	Verify no negative cash is shown in any fund. If a unit pools cash into one bank account and one fund is in a deficit cash position, a “due to” amount should be recorded in the appropriate fund and a “due from” should be recorded in the fund that is supporting the deficit fund. If a specific bank account is overdrawn, a bank overdraft liability should be shown in both the fund and government-wide financial statements rather than a negative cash balance. <i>AICPA's Audit and Accounting Guide State and Local Governments 5.28 (March 2013)</i>		
	Statement of Activities		
	Does the statement present activities accounted for in governmental funds by function and are those activities accounted for in the enterprise funds by different identifiable activities? <i>(GASB 37 ¶ 10)</i>		

	Are all expenses reported by function (governmental) or activities (business-type) except those that are reported as special or extraordinary?		
	Have the net pension asset or liability, deferrals, or pension expense been allocated among all relevant funds?		
	Is interest on general long term liabilities that are not considered direct expense, reported on a separate line? (GASB 34, ¶ 46)		
	Ensure transfers are shown separately & net to zero.		
	Special and/or Extraordinary items are properly disclosed and agree to the notes following the financial statements.		
	Do the amounts reported as ending balances for net position tie to the amounts reported on the Statement of Net Position? Do beginning balances reported tie to the amounts reported on the prior year financial statements?		
	If there is a Prior Period Adjustment, is the Prior period adjustment described in the notes to the financial statements?		
	Fund Financial Statements		
	Governmental Fund – Balance Sheet		
	Major funds should be presented individually and consistently on the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance.		
	The non-major funds should be labeled as such and presented in the aggregate on the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance.		
	All General and annually budgeted major Special Revenue Funds must have budget to actual statements presented in the Basic Financial Statements.		
	Verify that Unearned revenues (prepaid cash receipts) from exchange transactions are classified as liabilities and that unearned revenues from non-exchange transactions are shown as deferred inflows of resources. GASBS 65 ¶53, 67		
	Verify that all references to “deferred revenues” are replaced by “unavailable revenues”, “deferred inflows of resources” or another appropriate term as an alternative. GASB 65		
	Verify that the amount restricted for stabilization by state statute (RSS) is calculated correctly and is shown on both the Statement of Net Position and the Governmental Fund balance sheet (GASB 54). Calculation = total fund balance less the fund balance available for appropriation equals the total amount that must be restricted. The total amount to be restricted less encumbrances, the nonspendable for prepaid amounts, the nonspendable for inventories, and any other nonspendable that are not available to support expenditures in the coming fiscal year (e.g. assets held for resale) equals the amount to be reserved by state statute (Calculation for RSS is included in the Fund balance for Appropriation template). G.S. 115C-425(a)		
	Verify that the total fund balance designated for subsequent year’s expenditures and other governing board designations do not exceed the fund balance legally available for appropriation in any fund. G.S. 115C-425(a)		
	Verify that only the General Fund has a positive unassigned fund balance. It may be necessary to report a negative fund balance for other governmental funds. GASBS 54 ¶17		
	Verify that appropriate unassigned fund balance classifications are used: non-spendable, restricted, committed, assigned, and unassigned. GASBS 54 ¶6-19		
	Verify that governmental fund inventories and prepaid assets are shown as a non-spendable component of fund balance on the balance sheet. GASB 54, ¶6		
	Does the reconciliation of the total fund balance of governmental funds to the statement of net position of governmental activities appear reasonable?		

	Governmental Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance		
	Verify funds reported as major and non-major on the balance sheet are also reported accordingly in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		
	Are revenues reported by major source and expenditures by function?		
	Verify that non-departmental or miscellaneous expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balance do not exceed 5% of total expenditures.		
	Verify that the transfers between the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, and the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds are equal.		
	Verify that transfers in and out are shown as separate line items on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, and the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.		
	Do the amounts reported as ending balances on the fund balance sheet tie to the amounts reported on Statement of Revenues, Expenditures, and Changes in Fund Balance? Do beginning balances reported tie to the amounts reported on the prior year financial statements?		
	Does the reconciliation of the governmental activities in the statement of activities to the total changes in net position of governmental activities appear reasonable?		
	Activities of a Special Revenue Fund that does not meet the definition of a Special Revenue Fund for GASB 54 purposes should be consolidated into the General Fund. <i>GASB 54 ¶ 30-31</i>		
	Governmental Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual		
	Verify that appropriations are budgeted in accordance with the Uniform Budget Format, as prescribed by the State Board of Education. <i>G.S. 115C-426</i>		
	Budget to Actual Statements are presented for the General Fund and all annually budgeted, major special revenue funds as part of the fund statements.		
	Annually budgeted funds reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual are referenced in the auditor’s opinion in the opinion paragraph as budgetary comparison statements.		
	If debt service expenditures are reclassified from other functional areas, verify that the budgeted amounts have been reclassified also.		
	Verify that all budgets presented are balanced in accordance with the SBFCA. If the BOE has adopted an unbalanced budget, verify that a statutory violation is disclosed in the Stewardship notes. <i>115C-432(b)(5)</i>		
	Verify that any fund balance appropriated as an “other” financing source is included in the budget presentation as an “other” financing source.		
	Verify that fund balance appropriated does not exceed the statutory limit. <i>115C-425(a)</i>		
	If a Special Revenue Fund has been consolidated into the General Fund for GASB 54 purposes, there should be a reconciliation at the bottom of the General Fund Budget-to-Actual that reconciles the amount for ending fund balance to the amount presented on the Statement of Revenue, Expenditures and Changes in Fund Balance.		
	Proprietary Funds – Statement of Net Position/Statement of Revenues, Expenditures, and Net Position		
	Major funds should be presented individually and consistently on the Statement of Net Position, the Statement of Revenues, Expenditures, and Net Position, and Statement of Cash Flows.		
	The non-major funds should be labeled as such and presented in the aggregate on the Statement of Net Position, the Statement of Revenues, Expenditures, and Net Position, and Statement of Cash Flows.		

	Restricted cash is separately reported from unrestricted cash and is clearly described in the notes.		
	All references to “deferred revenues” should be replaced by “unavailable revenues”, “deferred inflows of resources” or another appropriate term as an alternative. <i>GASB No. 65</i>		
	Are Prepaid cash receipts properly classified as liabilities or deferred inflows of resources?		
	Do the numbers appearing in the financial statements agree to the data tables provided by DST (make sure you have combined the data from multiple ORBIT accounts if applicable)? Net pension asset or liability? Deferred outflows and inflows of resources?		
	Have the net pension asset or liability, deferrals, or pension expense been allocated among all relevant funds?		
	Do the amounts reported as ending total net position tie to the amounts reported on Statement of Net Position? Do beginning balances reported tie to the amounts reported on the prior year financial statements?		
	Liabilities payable from restricted assets should be properly identified on the Statement of Net Position.		
	Proprietary Funds – Statement of Cash Flows		
	Is the direct method used to present cash flows from operating activities, which reports major classes of gross cash receipts and gross cash payments and their combined sum?		
	Verify on the statement of cash flows that changes in due to / due from are presented as non-capital financing and not as part of the reconciliation to “cash flows from operations”. <i>GASB 9</i>		
	Do ending cash and cash equivalents tie to the related fund statements? Does beginning cash tie to prior year statements? Do cash transfers tie to related fund statements?		
	Does the reconciliation of operating income to net cash provided by operations appear reasonable? Does the net cash provided by operations in the reconciliation section tie to the cash flows from operating activities section?		
	Does Operating Income on the Reconciliation of operating income tie to Operating Income on the Statement of Revenues, Expenses and Changes in Fund Net Position?		
	Statement of Fiduciary – Net Position and Changes in Net Position		
	Verify a separate column is presented for each fiduciary type.		
	Same fund type is presented among both fiduciary statements.		
	Both Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position are included in the financial statements and ending net Position between both statements agree.		
	Verify that pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit plans, defined contribution plans, other postemployment benefit plans, and other employee benefit plans. <i>GASB 34 ¶70</i>		
	Verify that private-purpose trust funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. <i>GASB 34 ¶72</i>		
	Units of government with pension trust funds and with irrevocable trusts for other employee benefits must include fiduciary statements in the basic financial statements. Monies set aside for other employee benefits but not held in irrevocable trusts should be reported as a designation of fund balance or in an internal service fund. <i>GASB 34 ¶ 108-109</i>		
	Trusts have contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable, pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms, and pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets also are legally protected from creditors of the plan members. <i>GASB 68 ¶ 4 (a-c)</i>		

	Notes to the Financial Statements		
	Note Disclosures: Summary of Significant Accounting Policies		
	Basis of Presentation, Basis of Accounting: Verify that descriptions of the major funds and the fiduciary funds are part of the notes and agree with the fund statements. <i>GASBS 38 ¶6</i>		
	Is there a budgetary note explaining the budgetary responsibility, the basis of accounting used in budgetary reporting, legal level of control, and other budgetary policies or legal requirements?		
	Note Disclosures: Statutory and Compliance with Laws, Rules, and Regulations		
	Verify that material violations with legal and contractual provisions or deficit fund balance/net position in individual fund that is not visible on the face of the statement of financial position are disclosed in the stewardship note. <i>Note that the LGC illustrative statements disclose budget violations separately from other violations. Because GAAP requires disclosures of any spending violations of the legally adopted budget, materiality should not be consideration for this disclosure.</i>		
	Verify that if the unit has budgeted a contingency appropriation greater than 5% of the total of all other appropriations for that fund, a statutory violation is disclosed. <i>G.S. 115C-432(b)(3). Based on individual situations, materiality, and the level of audit done, it is possible that a corrective action plan may be required to be included with the compliance reports.</i>		
	If the fund balance appropriated exceeds the statutory limit, even in enterprise funds, verify that this is reported as a statutory violation. <i>115C-425(a)</i>		
	If expenditure for current expenses or capital outlay purposes is made from the wrong fund, verify that a statutory violation is disclosed.		
	If a transfer was made between the Local Current Expense Fund and the Capital Outlay Fund, and such a transfer required the approval of the county commissioners, verify that such approval had been received. Verify also that the transfer was for the purpose of an emergency or unforeseen event. If it was not, verify that a statutory violation is disclosed. <i>G.S. 115C-433(b) and (d).</i>		
	Note Disclosures: Detailed notes on all activities and funds		
	Verify that government-wide cash and investments plus any cash and investments carried in fiduciary funds materially equal the cash and investments disclosed in the Deposits and Investments note. Deposit and Investment disclosures should comply with <i>GASB 40</i> .		
	Verify that the investment note discloses interest rate risk, credit risk custodial credit risk, and concentration of credit risk. If the unit's only investment is with the North Carolina Capital Management Trust Cash Portfolio, look for a statement that states "The unit has no policy regarding credit risk". <i>GASB 40</i>		
	Are material receivables described in the notes or on the face of the statements? Do they tie to the Statement of Net Position and Balance Sheet? If receivables are presented in aggregate in the financial statements, there must be detailed presentation in the note disclosures.		
	Summary of changes in capital assets including intangible assets for both Governmental Activities & Business-type Activities are disclosed.		
	Does the schedule of capital assets show the beginning and end of year balances, with accumulated depreciation presented separately from historical costs? The capital acquisitions, sales and other dispositions, and current period depreciation expense, with the amounts charged to each of the functions in the statement of activities?		
	Do the notes disclose the method or methods used to compute depreciation for each major class?		
	Are material payables described in the notes or on the face of the statements? Do they tie to the Statement of Net Position and Balance Sheet?		

	Verify that the BOE has an appropriate pension footnote for the Local Government Employees' Retirement System, and any other pension notes applicable to the BOE for including the BOE's contribution for the most current three years.		
	Verify OPEB Note disclosure complies with GASB 43 and 45 including Plan Description, Funding Policy and if applicable - Actuarial Methods, Assumptions disclosures and calculation chart. If OPEB calculation chart is included, does it include an amount for interest if there was a prior year balance?		
	Verify OPEB disclosure includes RSI if applicable – Unit must present RSI if unit is not part of the State Health Plan and has professional actuarial valuation or an alternative method worksheet was used.		
	If OPEB is not part of the State Health Plan and is funded, verify amounts are included in the fiduciary statements and tie to the notes.		
	Is the note disclosure for each pension plan complete? Includes all relevant note disclosures for each plan outlined in GASB Statement 68, paragraphs 74-80.		
	Verify that the unit has a pension footnote for the Teachers' and State Employees' Retirement System. A note for postemployment benefits should also be included.		
	If Health Maintenance Organizations (HMOs) were available to BOE employees, verify that the correct number of HMOs available to the auditee's employees is disclosed in the notes to the financial statements.		
	Long Term Obligation Activity Note: Are liabilities divided between governmental activities and business-type activities and then separated between types of debt (bonds, notes, installment purchases (School buses), Capital lease payables, compensated absences, claims and judgments, OPEB, etc.), presentation of beginning and end of year balances (regardless of whether prior-year data are presented on the face of the government-wide financial statements), increases and decreases (separately presented), and current portion of each item (due in one year)? <i>GASB 34 ¶ 119.</i>		
	Does the entity disclose the following details of debt service requirements to maturity: Principal and interest requirements to maturity presented separately, for each of the five subsequent years, and in five year increments thereafter? <i>GASB 38 ¶ 10.</i>		
	Verify that unavailable revenues, deferred inflows of resources and deferred outflows of resources are itemized in the financial statements and clearly disclosed in the notes to the financial statements. <i>GASB 63 ¶ 13</i>		
	Verify the BOE has legally required bonding on the BOE's finance officer in addition to bonding on other appropriate employees in compliance with " <i>§115C-442(a). Fidelity bonds</i> ". Verify this is disclosed in the risk management note.		
	If the BOE has incurred losses in excess of insurance coverage, verify that this is also disclosed in the risk management note.		
	Interfund balances/payables (Due to) and receivables (Due from) should be disclosed in the notes, including the nature of the transaction(s) and the long-term portion, if any. <i>GASBS 38 ¶ 14 and Memo #981</i>		
	Verify that a schedule of interfund transfers is presented as part of the notes, including the amounts transferred between funds and a general description of the principal purpose of each transfer. <i>GASBS 38 ¶ 15 and Memo #981</i>		
	Verify transfers are properly classified and are not actually cost allocations. Interfund services provided and used must be reported as revenues or expenditures in the proper funds with unpaid amounts reported as interfund receivables (due from) or interfund payables (due to). Ex: administrative costs from one fund to another. <i>Memo 2014-07 Proper accounting and treatment for Cost Allocations</i> discusses detail on this. https://www.nctreasurer.com/slq/Memos/2014-07.pdf <i>GASB 34 ¶ 112a(2)</i>		

	For governments that use encumbrance accounting and have significant encumbrances at year end, verify this is disclosed in the notes to the financial statements by major fund and non-major funds in the aggregate. <i>GASBS 54 ¶24</i>		
	Are construction or other significant commitments, claims and judgments, and contingencies disclosed? Debt that a unit is secondarily liable for should be disclosed.		
	Are non-recognizable, subsequent events that occurred after the year end of the reporting period but prior to the issuance of the financial statement disclosed in order for users understanding the financial statements? Examples of non-recognizable events such as major uninsured loss, issuance of debt, creation of a new component unit, or major casualty loss due to a natural disaster. (GASB 56)		
	Are related party transactions disclosed and include the nature of the relationship, the description of the transaction, the dollar amount of the transaction, and any receivable/payable. (GASB 56)		
	If applicable, verify that jointly governed organizations, joint ventures, and related organizations are properly described.		
	Verify that material prior period adjustments (PPA) or restatements of fund balance or net position are presented in the statements and the notes when applicable and are included as a finding in the compliance reports if appropriate. <i>AU-C 265</i>		
	Forfeiture of Impounded Vehicles: If the net revenue for forfeiture of impounded vehicles due to the BOE is significant, there should be a note disclosure. Note disclosure should include how many vehicles the central facility is storing on behalf of the BOE and the amount estimated to be received net of the cost of sales, towing and storage fees.		
	Fines, Forfeitures and Supplement School Tax: If amount is material a specific note disclosure is required. Note content should reflect whether charter schools have or have not requested payments as of the date of the auditor's opinion.		
	Required Supplementary Information and Schedules		
	Other Post Employment Benefit (OPEB): School must present RSI if their OPEB is not part of the State Health Plan, has a professional actuarial valuation or if an alternative method worksheet was used. RSI must include a Schedule of Funding Progress that shows all the required information (actuarial valuation date, value of assets, accrued liability (AAL)-projected unit credit, unfunded AAL (UAAL), funded ratio, covered payroll, and UAAL %) of covered payroll? Is information presented for the recent valuation plus two preceding valuations unless the aggregate actuarial method was used)? Is a Schedule of Employer contribution presented if required?		
	OPEB: Do the amounts reported as Annual Required Contribution in the notes tie to the amounts reported in Schedule of Employer Contribution?		
	Is RSI included for TSERS, Schedule of Proportionate Share of Net Pension Liability (Asset), Schedule of Contributions.		
	Supplementary Information and Schedules		
	Combining statements are presented for all non-major funds and major funds and amounts tie to the basic financial statements.		
	Check amounts and funds presented as individual statements and compare to the combining statements and see if total amounts agree.		
	Budgetary comparison statements are presented for each fund presented and ties to operating statement.		
	Verify that timber receipts received from the county are included as a component of the county's appropriation received in the Local Current Expense Fund.		
	Verify that fines and forfeitures and supplemental tax levies received from the county are included as separate line items in the Local Current Expense Fund.		

	Verify that enterprise funds show budgets on a modified accrual basis and that a reconciliation of the revenues over/under expenditures to the full accrual net income amount is included.		
	Verify that amounts received from counties and/or cities for local current expense and capital outlay are detailed in the statements. If the BOE receives funding from a combination of counties and/or municipalities, verify that the respective amounts from each funding source are clearly identified in the supplemental schedules.		
	If <u>material</u> statutory or contract violations and/or <u>significant deficiency</u> on internal controls are included in a stewardship and compliance note, these items should also appear in the <u>Government Auditing Standards</u> report on compliance and internal control, if the Yellow Book auditing standards apply.		
	Reconcile the amounts received from the county for local current expense and capital outlay with the amounts reported by the county. <i>Note that this will most likely require communications with the county's auditor. The amount of capital outlay expenditures per the county report, by law, must be reported to the General Assembly by May 1 of each year. To help ensure fair and equitable funding, the capital outlay amounts on both reports should materially agree.</i>		