

Annual Financial Report (AFR)

School district and joint agreement auditors will continue to submit AFR forms electronically to ISBE through the School District Financial Reports system in [IWAS](#). The copy submitted to ISBE will no longer need physical signatures from the auditors, superintendents/directors, township treasurers, or regional superintendents. Instead, auditors and superintendents/directors will digitally “sign” the AFR through confirmation boxes in the submission process.

To accommodate this new process, ISBE has developed a new subsystem and workflow within the School District Financial Reports system.

1. Signature Requirements

- a. **Auditors** will submit the AFR as normal -- except that a signed copy of the auditor’s questionnaire will no longer need to be scanned and uploaded.
- b. **Regional superintendents** will no longer need to sign the AFR. **District superintendents** will still provide either an electronic or paper copy to the regional superintendent. Regional superintendents should communicate with their districts if they prefer to receive an electronic or a paper copy of the audit/AFR. *Regional superintendents no longer send copies of the AFR/audit to ISBE.*
- c. Township treasurers will no longer need to sign the AFR. **District superintendents** are still required to supply the township treasurer (if applicable) with a copy of the audit/AFR. This copy can be provided on paper or electronically.

2. Submission Process

- a. **Auditors** will submit the AFR as normal -- except that a signed copy of the auditor’s questionnaire will no longer need to be scanned and uploaded.
- b. ISBE School Business Services staff will review the submitted AFR. If the AFR is complete and acceptable, staff will accept the submission.
- c. Once ISBE staff accepts the auditor’s submission of the AFR, an email will be sent to the district superintendent to complete the remaining steps.
- d. **District superintendent steps ([instructions](#)):**
 - i. Enter the School District Financial Reports system in IWAS.
 - ii. Click on “AFR” to review the AFR and related documents submitted by the district auditor.
 1. Carefully **review the “Aud Quest 2” tab**. If any boxes in Part A are checked, the district is required to develop a corrective action plan to address the findings.
 - iii. Click on “AFR Confirmation”
 - iv. **Upload** a signed copy of the Limitation of Administrative Costs worksheet. ISBE’s [website](#) has been updated with the quartile rankings that districts can use to determine if they qualify to waive the limitation by school board action.
 - v. If required, **upload** a copy of the district’s corrective action plan.
 - vi. Check the assurances box indicating that you have reviewed the AFR, provided copies to the regional superintendent and, if applicable, the township treasurer, and have uploaded a corrective action plan (if required).
 - vii. **Submit** the documents to ISBE.

Annual Statement of Affairs (ASA)

Significant changes have been made to the ASA based on [Public Act 104-0261](#). This legislation removes much of the duplicative reporting requirements previously contained within the ASA. The ASA form has been updated to reflect these changes, which resulted in a significant reduction in the amount of information required for the report.

Important notes about the new ASA requirements:

- Several sections were removed from the ASA. Information for the public about where to find the removed content is included on the cover page.
 - Note that the financial information is removed from the ASA so there will be no need to wait for completed audit reports before completing the ASA form.
- The ASA is still required to be **completed by Dec. 1** each year.
- The ASA is still required to be **published in a local newspaper by Dec. 1** each year.
- The ASA is now required to be **posted on the school district's website by Dec. 1** each year.
- Districts do **not** need to submit the ASA form to ISBE.

The updated form is available on the [ISBE website](#). Please reach out to a [Regional Financial Consultant](#) for assistance with the updated form.