

Annual Financial Report Instructions

ISBE AFR Form (50-35)

July 2024

Introduction

The Illinois State Board of Education (ISBE) provides the Annual Financial Report (AFR) via a Microsoft Excel workbook. This workbook was created for auditing school districts and joint agreements (ISBE Form 50-35). The Limitation of Administrative Costs Worksheet is included in the AFR workbook.

Listed below are points to remember in the AFR workbook:

- **AFRs are submitted in [IWAS - School District Financial Reports](#).** ISBE will only accept AFRs that are submitted via the IWAS system. Detailed instructions for new users, along with a link to training modules, can be found on page 17 of this document.
- Please read the statements in the Auditor's Questionnaire tab carefully and answer them accurately.
- The Opinion-Notes tab is for embedding documents in Word (*.doc) or PDF (*.pdf) of signed opinion letters, Notes to Financial Statements, etc. within the AFR. Files should be embedded by following the instructions on the tab or in the detailed AFR instructions below.

***Note:** Most programs now have the compatibility to save documents in a PDF. However, if for any reason you are unable to do this, submit the attachments and ISBE will embed them for you.*

- Make sure that appropriate audit language is used in opinion letters in accordance with changes mandated under Statement of Auditing Standards No. 112.
- The following detailed instructions are written for the new AFR user.

Table of Contents

Downloading the AFR from the Internet	4
Entering Data into the AFR Workbook (Beginner Level)	4
AFR Workbook by Section.....	6
Cover Page – “Cover” tab.....	6
Auditor’s Questionnaire – “Aud Quest 2” tab.....	6
Financial Profile Information – “FP Info 3” tab.....	7
Estimated ISBE Financial Profile Score/Designation Summary – “Fin Profile 4” tab	7
Basic Financial Statements	8
Statement of Assets and Liabilities Arising from Cash Transactions – “Assets-Liab 5-6” tab	8
Statement of Revenues Received/Revenues, Expenditures Disbursed/Expenditures, Other Financing Sources (Uses), and Change in Fund Balances (All Funds) – “Acct Summary 7-9” tab	8
Statement of Revenues Received/Revenues – “Revenues 10-15” tab	8
Statement of Expenditures Disbursed/Expenditures – “Expenditures 16-24” tab	9
Supplementary Schedules (Statistical Section).....	9
Schedule of Ad Valorem Tax Receipts – “Tax Sched 25” tab	9
Schedule of Short-Term and Long-Term Debt – “Short-Term Long-Term Debt 26” tab.....	9
Schedule of Restricted Local Tax Levies and Selected Revenue Sources/Schedule of Tort Immunity Expenditures – “Rest Tax Levies-Tort Im 27” tab	10
CARES, CRRSA, ARP Schedule – “CARES CRRSA ARP 28-35” tab	11
Schedule of Capital Outlay and Depreciation – “Cap Outlay Deprec 36” tab	12
Estimated Operating Expenditures Per Pupil (OEPP) and Per Capita Tuition Charge (PCTC) Computation – “PCTC-OEPP 37-39” tab	12
Contracts Paid in Current Year – “Contracts Paid in CY 40” tab.....	12
Estimated Indirect Cost Rate Data – “ICR Computation 41” tab	13
Report on Shared Services or Outsourcing – “Shared Outsourced Services 42” tab	13
Limitation of Administrative Costs Worksheet – “AC 43” tab	14
Itemization – “Itemization 44” tab	14
REF – “REF 45” tab.....	14
Opinion-Notes – “Opinion-Notes 46” tab.....	14
Deficit Annual Financial Report Summary Information – “DeficitAFRSum Calc 47” tab	15
Audit Checklist – “AUDITCHECK” tab	15
Single Audit and GATA Information – “Single Audit & GATA Information” tab.....	15
Printing the AFR Workbook	15
AFR Submission - School District Financial Reports System	16
New Users.....	16
All Users	19
Other Information.....	20

Downloading the AFR from the Internet

The AFR can be downloaded to your computer from the internet. Before downloading, it is recommended to create a folder in Windows Explorer and give it the preferred file name -- "00-000-0000-00_AFR24." The 11-digit prefix is the Region-County-District-Type number of the school district/joint agreement. This number can be obtained from either the Local Education Agency (LEA), "[School District Lookup Tool](#)," or "[School District Directory](#)."

- 1) Go to [ISBE's website - Annual Financial Report](#) to download the AFR and additional documents.
- 2) **Select AFR Excel Form (50-35)** under Form.

Note: If the form does not open immediately, select the link with the right mouse button and choose "Save Target As" to save the AFR to your computer.

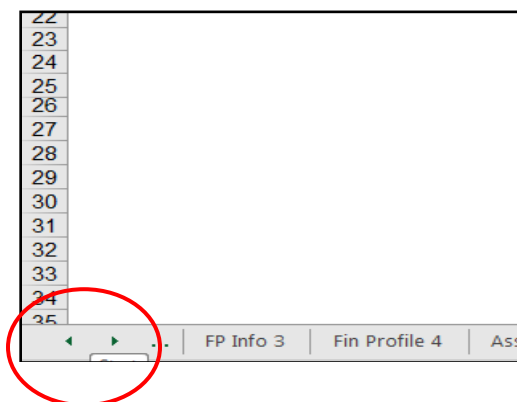
- 3) Save the form in the 00-000-0000-00_AFR24 folder.
- 4) Please embed attachments directly within the AFR workbook rather than sending them separately.
- 5) In addition to the AFR, supporting documentation is also included under Form on ISBE's AFR webpage.

Entering Data into the AFR Workbook (Beginner Level)

Navigation tips for the AFR: The AFR is formatted using Microsoft Excel. The workbook is organized with worksheets that represent separate sections of the AFR. At the bottom of the workbook are tabs (worksheets) for each page (or section).

*Example: **COVER** for the cover page, **TOC** for Table of Contents, and so on. You can go to these pages by clicking on the tabs with your mouse. Please refer to the Table of Contents (TOC) of the AFR form to define and locate each worksheet.*

- 1) At the bottom left corner (left of the page tabs) are buttons. (Circled here in red.)



- Click Ctrl and the left arrow at the same time to move to the beginning page of the workbook.
- Click on the right arrow to move one page to the right.
- Click left arrow to move one page to the left.
- Click Ctrl and the right arrow at the same time to move to the ending page of the workbook.

- 2) **Formulas are inserted throughout the workbook to calculate totals automatically.** Cells are password protected to keep formulas intact. An error message will be displayed to indicate that a cell you are trying to select is protected. **All protected cells are shaded in yellow.**

Use the **tab key** to navigate among the open cells in the worksheet. The tab key will allow you to land only on open cells and will skip over protected cells.

Note: Do not use the copy-and-paste function in the AFR to move amounts from one cell to another. Using the copy-and-paste function will create a circular or reference error (REF#) with the cell. As a result, the total lines may calculate incorrectly. Instead, delete the content of the cell and then re-enter the correct amount.

- 3) **Preparing the AFR.** The AFR form can be used for a school district or a joint agreement. Place an X in the school district box or joint agreement box located in the upper left corner of the cover page. This separately identifies it as a school district or joint agreement.

Note: Some worksheets are not applicable to joint agreements and will be flagged in the balancing sheet.

Cover Page of AFR

Due to ROE on Tuesday, October 15, 2024
Due to ISBE on Friday, November 15, 2024
SD/JA24

☐
☐

School District
Joint Agreement

Check School District or Joint Agreement

School District/Joint Agreement Information

(See instructions on inside of this page.)

AFR Workbook by Section

Cover Page – “Cover” tab

- a) **Choose the school district from the dropdown list on Line 17.** You may reference the [“School District Lookup Tool”](#) or [“School District Directory”](#) on the cover page to help you locate the district.
- b) **Include all required signatures** on the printed copy of the AFR cover page. If signatures are omitted, the AFR will be returned. Signatures are required for the school district superintendent/joint agreement administrator, regional superintendent, and township treasurer (in Cook County only). Please state the township treasurer name and location.
- c) The link to the new submission system is listed on the cover page of the AFR.

Filing Status:

[Submit electronic AFR directly to ISBE via IWAS -School District Financial Reports system
\(for auditor use only\)](#)

[Annual Financial Report \(AFR\) Instructions](#)

Auditor’s Questionnaire – “Aud Quest 2” tab

- Check all statements that apply to this audit. Use the comments box for additional explanations.
- The Audit Questionnaire Responses will be compiled for the Regional Offices of Education and sent to the appropriate regional superintendent the year following the audit.
- It is the responsibility of the regional superintendent to follow up with the districts, request an explanation, and verify that the district has a Corrective Action Plan in place to correct the finding.
- The district is required to submit in writing the Corrective Action Plan to resolve stated issues. The regional superintendent is then required to reply to ISBE with an explanation summarizing follow-up reviews with the district.
- **A signature is required on the Audit Questionnaire.** You may embed a signed copy of the audit questionnaire on the Opinion-Notes tab.

Financial Profile Information – “FP Info 3” tab

Calculate the district’s Financial Profile score.

Note: This page does not apply to joint agreement entities.

- Section A: Enter the one-year prior Equalized Assessed Valuation and tax rates for the operating funds. *Note: Enter the tax rates as a six-digit number (e.g., .015000 instead of 1.50).*
- Section B: Results of Operations do not require entries. This automatically calculates from pages 7-9, summaries of revenue and expenditures. The Excess (Deficiency) amount indicates revenues are less than expenditures for the fiscal year. The fund balance is the accumulation of the dollars remaining as of June 30.
- Section C: Short-term debt amount is calculated from page 26. Any changes must be made to page 26.
- Section D: The Long-Term Debt information is used to calculate the Debt Margin Remaining on the Financial Profile Score (page 4):
- Debt Margin (debt allowed)
 - Debt Remaining
 - Debt Outstanding
- Check the appropriate box to calculate the Long-Term Debt Allowances for Elementary and High School Districts (6.9%) or Unit Districts (13.8%). In some cases, the debt outstanding is greater than debt allowed. Districts that go over the debt limit must explain and disclose in the audited financial notes how they are able to do so. This has no effect on the profile score.
- Section E: The Material Impact on Financial Position questions help determine if reasons exist that significantly impact the current and future profile score calculation. Check the applicable items.
- Note: Comments can be entered in the space provided at the bottom of the page concerning any items on page 3.*

Estimated ISBE Financial Profile Score/Designation Summary – “Fin Profile 4” tab

No entries are required on this page. This report provides the district with a preliminary Financial Profile score and designation. The final score and designation will be generated by ISBE.

For additional information about Financial Profile Score/Designation, please refer to [ISBE’s website - School District Financial Profile](#). Select the dropdown “Financial Profile Score Database,” then select “Financial Profile: Calculations and Definitions of the Designations.”

Basic Financial Statements

Statement of Assets and Liabilities Arising from Cash Transactions – “Assets-Liab 5-6” tab

- Entries are allowed in all cells except for the total lines highlighted in yellow or gray.
- Accrual only items are allowed if the “Accrual Basis of Accounting” is checked on the cover page. If amounts are entered in these lines for “Cash Basis of Accounting,” an error message will appear on the AUDITCHECK page.

Statement of Revenues Received/Revenues, Expenditures Disbursed/Expenditures, Other Financing Sources (Uses), and Change in Fund Balances (All Funds) – “Acct Summary 7-9” tab

- a) The Receipts/Revenues summary and Disbursements/Expenditures summary on page 7 are linked from the detailed pages for Receipts/Revenues (pages 10 through 15) and Expenditures/Disbursements (pages 16 through 24).
- b) “On Behalf of Payments” amounts are entered for account (3998) and are linked automatically to account (4180). These are payments that are estimated to be paid by the government “on behalf of” the district employees. Some districts may be an exception to this rule.
- c) Other Financing Sources (Uses), such as Source Accounts in the (7000) and Use Accounts in the (8000) categories, permit certain permanent transfers between funds. (See Illinois School Code references for each transfer.)
- d) Accounts are included for Principal on Bonds Sold (7220), Premium on Bonds Sold (7230), Accrued Interest on Bonds Sold (7230), Sale or Compensation for Fixed Assets (7300), and ISBE Loan Proceeds (7900).
- e) The Beginning and Ending Fund Balances are reported on Lines 79 and 81.

Statement of Revenues Received/Revenues – “Revenues 10-15” tab

- a) Enter revenues in appropriate accounts. Total lines highlighted in yellow calculate automatically and entries are not allowed.
- b) Revenues are divided into four categories called Sources -- Local (1000 accounts), Flow-Through (2000 accounts), State (3000 accounts), and Federal (4000 accounts).

Note: *The Flow-Through Revenues are payments one LEA makes to another LEA representing mini-grant projects and flow-through grants-in-aid to be used for specific grant-related purposes. (See Accounting Rules Part 100.) Money flowing through one LEA to another should be entered as shown in the example below.*

Example: *District A receives Account (4400) federal money for its own district and a Joint Agreement B of \$100,000. District A will record the money it will keep of \$50,000 in Revenue Account (4400) and the other \$50,000 will be entered in the Flow-Through Revenue Account (2200). In the Expenditures, the amount going to Joint Agreement B will be recorded as one of the (4300) accounts and Other Objects (600) for \$50,000. Joint Agreement B will record the \$50,000 as Revenue Account (4400).*

Statement of Expenditures Disbursed/Expenditures – “Expenditures 16-24” tab

- a) Enter expenditures in appropriate functions and objects. Totals automatically calculate and are highlighted in yellow; entries are not allowed.
- b) Expenditures are categorized by function -- Instruction (1000), Support Services (2000), Community Services (3000), Payments to Other Districts and Government Units (4000), and Debt Services (5000). Expenditures are to be entered in the function and object that best describes the expenditure.

Example: Special Education Teacher Salaries would be entered under Instruction Special Education Programs, Salaries

Supplementary Schedules (Statistical Section)

Schedule of Ad Valorem Tax Receipts – “Tax Sched 25” tab

- a) Description of tax receipts is located in column A.
- b) Entries in column B are propagated from page 10, Lines 5 to 11, and are for taxes the district received for the 2023 Levy and for Prior Levies.
- c) Entries in column C are for taxes received from the 2023 Tax Levy only.
- d) Column D subtracts column C from B, resulting in taxes received fiscal year 2023 and prior. (No entries are allowed.)
- e) Entries in column E are for estimated total tax receipt anticipated from the 2023 Levy.
- f) Column F subtracts column C from column E and should be the remaining anticipated payments for the 2023 taxes.

Note: For Accrual Basis of Accounting purposes, formulas in column B can be removed by replacing entries in the cells.

Schedule of Short-Term and Long-Term Debt – “Short-Term Long-Term Debt 26” tab

a) Schedule of Short-Term Debt

Column C: Enter the Outstanding Balance as of 07/01/2023. This must equal the ending outstanding balance as of 06/30/2023.

Column D: Enter debt issued between 07/01/2023 through 06/30/2024.

Column E: Enter debt retired between 07/01/2023 through 06/30/2024.

Column F: Automatically calculates the Total Ending Outstanding Balance as of 6/30/2024.

b) Schedule of Long-Term Debt

Note: All leases must be transferred to Debt Services and reported on the long-term debt tab due to Governmental Accounting Standards Board (GASB) Statement No. 87. For both operational and capital leases, list them on “Part A: GASB 87 Leases Only” on the long-term debt tab

Part A & B:

Column A:	Enter the identification name and number of the original debt (bond) issued.
Column B:	Enter the date when the original debt (bond) was issued.
Column C:	Enter the amount of the original debt (bond) issued.
Column D:	Enter the corresponding number from the bottom of the page that describes the type of debt issued. Use other if not listed. Part A: GASB 87 Leases Only has been populated for you.
Column E:	Enter the beginning outstanding debt (bond) as of 07/01/2023.
Column F:	Enter the amount of new debt (bonds) issued between 07/01/2023 through 06/30/2024.
Column G:	Enter any differences in the amount issued (column F) and page 7, Line 33, account (7210) Principal on Bonds Sold. These amounts could be for defeasance or other fees that would cause a difference in the two amounts. Describe and itemize on the Itemization page.
Column H:	Enter the amount of debt (bond) retired between 07/01/2023 and 06/30/2024. This amount must equal page 20, Line 174, account (5300) Payments of Principal on Long-Term Debt.
Column I:	The amount automatically calculated for the ending outstanding balance as of 06/30/2024 should equal the amount on page 6, Line 36, account (511) Long-Term Debt Payable.
Column J:	Enter the amount provided for future payments on Long-Term Debt. This must equal page 6, Line 23 account (350) Amount to be Provided for Payment on Long-Term Debt.

Schedule of Restricted Local Tax Levies and Selected Revenue Sources/Schedule of Tort Immunity Expenditures – “Rest Tax Levies-Tort Im 27” tab

a) Schedule of Restricted Local Tax Levies and Selected Revenue Sources

Note: All Tort Fund Revenue and Expenditures are linked to the Tort Fund Revenue and Expenditures reported on the respective Revenues 10-15 and Expenditures 16-24 tabs and are automatically entered on this schedule.

Line 3	Column G through K: Enter the cash basis beginning fund balance for the funds listed as of 07/01/2023. This should match the ending fund balance from last year’s AFR (06/30/2023). The amounts on this line can never be negative. Explain any differences on the Itemization page.
Line 5	Enter “Ad Valorem Taxes Received by District” from account (1100) Revenues tab, Line 12.
Line 6	Enter “Earnings on Investments” from account (1500), Revenues tab, Lines 67.
Line 7	Enter “Drivers Education Fees” from account (1970), Revenues tab, Line 103.
Line 8	Enter “School Facility Occupation Tax Proceeds” from account (1983), Revenues tab, Line 105.

- Line 9 Enter "Drivers Education" from account (3370), Revenues tab, Line 150.
- Line 10 Enter "Other Receipts" pertinent to this section from all other accounts (1999), (3999), (4998), Revenues tab, Lines 109, 170, and/or 269.
- Line 11 Enter "Sale of Bonds" for the fund types listed and from accounts (7200), Acct Summary tab, Lines 33 through 35.
- Line 14 Enter "Instruction" Expenditures from account (1000), Expenditure tab, Line 34 and Line 233.
- Line 15 Enter "Facilities Acquisition & Construction Services" from account (2530), Expenditure tab, Lines 127 and 298.
- Line 16 Enter the total "Tort Immunity Services" expenditures from Tort Fund, Line 423 on the Expenditure tab. **Note: This amount is automatically entered in the schedule.**
- Line 18 Enter "Interest on Long-Term Debt" from account (5200), Expenditure tab, Line 173.
- Line 19 Enter "Payments of Principal on Long-Term Debt" from account (5300), Expenditure tab, Line 174.
- Line 20 Enter "Debt Services Other" from account (5400), Expenditure tab, Line 175.
- Line 22 Enter "Other Disbursements" from other accounts (2999-3999-4999), Expenditure tab.
- Line 24 Ending Cash Fund Balance June 30, 2024, Line 24 **cannot be negative**. A deficit balance should only be reflected if tax anticipation warrants or notes are outstanding against the specific restricted tax levy due to late receipts of local taxes or if the district has a concurring legal opinion to reduce deficit with subsequent tax levy year's proceeds. A positive balance should be reflected for the Reserved Fund Balance on Assets-Liab, Line 38.
- Line 25 Enter "Reserved Fund Balance" from account (714), Assets-Liab, Line 38.
- Line 26 Automatically calculates "Unreserved Fund Balance."

b) Schedule of Tort Immunity Expenditures – "Rest Tax Levies-Tort Im 27" tab

This table is required to be completed if Restricted Tort Taxes are levied and expenditures are incurred from the tax levy proceeds realized in the fiscal year and any Tort Fund balance utilized.

Itemize all Tort Fund expenditures. The Total itemized expenditures must agree with Total Tort Fund expenditures, Line 423 from the Expenditures tab.

CARES, CRRSA, ARP Schedule – "CARES CRRSA ARP 28-35" tab

See [CARES, CRRSA, ARP Instructions](#).

Schedule of Capital Outlay and Depreciation – “Cap Outlay Deprec 36” tab

Column C	Enter the Beginning Cost as of 07/01/2023 for each asset listed in Lines 3 through 15.
Column D	Enter the cost of assets acquired in the current fiscal year.
Column E	Enter the cost of assets sold or scrapped in the current fiscal year.
Column F	Calculates the amount of cost of assets at the end of 06/30/2024. This total must equal the amount of general fixed assets on page 6, Lines 15 through 20.
Column H	Enter the beginning accumulated depreciation for the described assets as of 07/01/2023.
Column I	Enter the addition of accumulated depreciation for the current fiscal year.
Column J	Enter the deduction of depreciation for the current fiscal year.
Column K	Calculates the amount of accumulated depreciation ending balance as of 06/30/2024.
Column L	Calculates the amount of undepreciated assets at the end of 06/30/2024.

Note: Line 18, column I, Allowable Depreciation is propagated to the Total Allowance for Tuition Computation on PCTC OEPP tab, Line 197, for the calculation of the Estimated Per Capita Tuition Charge.

Estimated Operating Expenditures Per Pupil (OEPP) and Per Capita Tuition Charge (PCTC) Computation – “PCTC-OEPP 37-39” tab

Line 98 Enter the amount of the 9-Month Average Daily Attendance (ADA). ADA is calculated through the Student Information System (SIS). School districts will have to provide their auditor with their 9-Month ADA from SIS.

Line 193 and 194

- Go to the [Evidence-Based Funding Distribution Calculation webpage](#). Under Reports, open the FY 2024 Special Education Funding Allocation Calculation Details **and** the FY 2024 English Learner Education Funding Allocation Calculation Details. Use the respective Excel files to locate the amount in column X for the Special Education Contribution and column V for the English Learner Contribution for the selected school district. ***Please enter “0” if the district does not have allocations for Lines 193 and 194.***

Contracts Paid in Current Year – “Contracts Paid in CY 40” tab

This schedule is to calculate the amount allowed on contracts obligated by the school district for the Indirect Cost Rate calculation. The contracts should be only for purchase services and not for salary contracts. Do not include contracts for Capital Outlay (500) or Non-Capitalized Equipment (700) on this schedule. They are excluded from the Indirect Cost Rate calculation.

To determine the applicable contracts for this schedule, they must meet ALL three qualifications:

- The contract must be coded to one of the combinations listed on the "Fund-Function-Object" Chart.

- The contract must meet the qualifications on the "Subaward & Subcontract Guidance" and "Indirect Cost Rate Plan" (Sub-agreement for Services).
- Only list contracts that were paid over \$25,000 for the fiscal year.

Note: Do not include contracts for Capital Outlay (500) or Non-Capitalized Equipment (700) on this form; they are excluded from the Indirect Cost Rate calculation.

Estimated Indirect Cost Rate Data – "ICR Computation 41" tab

This schedule is used to calculate the Indirect Cost Rates. A number of school districts rely on these rates when completing their federal grant program budgets and Child Nutrition Annual Financial Reports.

Lines 7-14 Entries are allowed to determine the restricted and unrestricted rate. Do not enter total expenditures for these functions.

- Exclude Object (500) Capital Outlay and Object (700) Non-Capitalized Equipment.
- Do not enter negative numbers. (Negative numbers prevent rates from being calculated accurately and will ultimately result to a rate of zero.)

Line 9 Only include maintenance work. Do not include capital projects in the Operation & Maintenance Fund.

Example: Capital Project items are replacement of windows, heating, cooling, contracted work.

Line 10 Enter only cost of food.

Line 11 Enter the value of food commodities received for FY 2024. The value of commodities will be included when determining the \$750,000 federal expense threshold for the Single Audit requirement.

Note: This is an estimated Indirect Cost Rate and is for informational purposes only. ISBE will calculate the final Program Year Indirect Cost Rates by June of the next fiscal year.

Report on Shared Services or Outsourcing – "Shared Outsourced Services 42" tab

Complete this report if the school district/joint agreement shares services with any other LEA.

Line 8 If there are no shared services, check the box for "Check if this schedule is not applicable."

Line 9 Enter an "X" in the cell if a deficit reduction plan was required in the fiscal year stated in column C, D, or E.

Line 11-33 Enter an "X" if any of the listed functions or services shared with one or more LEA as described above in the prior fiscal year, current fiscal year, or expect to share services in the next fiscal year.

Column F Enter the name of the entity. (Additional space is available in Lines 36 and 41 for further explanation and description.)

Limitation of Administrative Costs Worksheet – “AC 43” tab

Note: This page does not apply to joint agreement entities.

The “Actual Expenditures,” Lines 1-6, are linked from the Statement of Expenditures Disbursed/Expenditures (pages 16-24) and require no entries.

- a) Enter Budget Expenditures from the 2024-25 School District Budget (ISBE Form 50-36) for the Education, Operations & Maintenance, and Tort funds.
- b) Line 7, enter Early Retirements or Other Pension Obligations (required by state law) in both the Actual Expenditures and Budget Expenditures sections.
- c) If Line 9 is greater than 5%:
 - Check the first box if the district is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing.
 - Check the second box if the district will be seeking a waiver from the General Assembly pursuant to the School Code Section 2-3.25g. Waiver applications must be postmarked by a specific date. (Refer to the form for those dates.) *Note: Information on the waiver process can be found on the ISBE [Waivers webpage](#).*
 - Check the third box if the district will amend its budget to become in compliance with the limitation.
- d) The Limitation of Administrative Costs Worksheet may be submitted with the AFR or separately, but by no later than November 15 of the reporting year.

Itemization – “Itemization 44” tab

This page must be completed when comments and explanations are requested in the statements or schedules of the AFR. Explain all account numbers and functions where “Describe & Itemize” appears. Errors that are indicated but uncorrectable should be explained on this page. Explanations that are included in the financial notes should be referenced on the Itemization page.

REF – “REF 45” tab

This page provides additional information when lines within the AFR have footnote references.

Opinion-Notes – “Opinion-Notes 46” tab

Embed or insert your Word (doc) or Adobe (.pdf) files into this sheet by following the instructions below. Instructions are also included in the Opinion-Notes worksheet.

Note: Most programs allow files to be converted to a PDF but if you have problems, you may send the attachments with the AFR and they will be embedded for you.

- Select: **Insert** from the menu bar
- Select: **Object**
- Select: **Create from file tab**
- Select: **Browse**

- Select: **The file that you want to embed**
- Check: **Display as icon**
- Select: **OK**

Deficit Annual Financial Report Summary Information – “DeficitAFRSum Calc 47” tab

- a) This report calculates the amount of deficit for each district’s financial report by subtracting the total amount of expenditures from the total amount of revenues in the **operating funds only** (Education, Operations & Maintenance, Transportation, and Working Cash).
- b) If the result is a deficit (expenditures exceed revenues), then add the total fund balance for the same funds as the above. The total fund balance must be at least three times the total deficit amount.
- c) If the fund balance is less than three times the total deficit amount, a three-year Deficit Reduction Plan (page 23-27 of the 2025 Budget Form) must be completed. (See Illinois School Code 17-1 [105 ILCS 5/17-1].)

Note: If the FY 2025 budget has already been submitted, procedures to amend the budget may be required.

Audit Checklist – “AUDITCHECK” tab

Scroll down the sheet and check for any “ERROR” messages. All error messages must be resolved before forwarding to the LEA and Regional Office of Education. Some error messages are unavoidable and cannot be resolved. A note explaining the reason on the Itemization page in most cases will be sufficient. If explanations are not included with the AFR, the district and auditor will be notified by phone or email to resolve the issue. Depending on the circumstances, another submission of an amended AFR may be required.

Single Audit and GATA Information – “Single Audit & GATA Information” tab

The Single Audit report section is to be completed if the LEA federal expenditures are \$750,000 or greater.

Please contact (217) 782-5630 or GATA@isbe.net for Single Audit questions.

The Single Audit tabs have been removed from the AFR. However, the Single Audit and GATA Information tab will guide you on how the Single Audit should be completed and submitted.

Printing the AFR Workbook

- 1) To print the entire report (with the exception of the balancing page), select the Cover Page tab with the mouse so that it appears highlighted.

- 2) Go to the end of the workbook and hold down the shift key and select the last tab to be printed. All tabs to be printed should now appear highlighted.
- 3) Select **File**, then **Print**. (**All** should be checked in the **Print Range box** and **Active Sheets** should be checked in the **Print What box**.) Select **OK**.
- 4) Additional copies can be printed by entering the number of copies in the **Copies box**.
- 5) To print non-consecutive sheets, hold down the Ctrl key and select the sheets one at a time to be printed and follow the same steps above to print.

AFR Submission - School District Financial Reports System

Submit the audited AFR files. The completed AFR and attachments must be transmitted using the [IWAS – School District Financial Reports system](#).

- Auditors will be required to submit FY 2023 Annual Financial Reports using the system in IWAS.
- The Attachment Manager is no longer be available; the AFRs must be submitted within the new system for ISBE to accept them.
- Training modules for the system are available on [ISBE's website](#). Basic steps can be found below.

New Users

- Step 1 – New users should email finance1@isbe.net to request an individualized activation code to invite the new auditor to use system. If the auditor is not part of the master list, he/she will need to contact ISBE to be invited to use the system. Invitation email below:

Your auditor credentials have been added by the School Business Services Department in the School District Financial Reports system in [IWAS](#).

This system is the new method to submit the Annual Financial Report to ISBE.

You can locate IWAS under "System Quick Links" at the top of [ISBE's website](#).

Take the following steps to gain access to the system:


1. Go to the [IWAS webpage](#).
2. Click "Sign Up Now," complete the form, and click "Continue." The next screen will congratulate you for signing up for IWAS. Click "Continue" again.
3. Under "Reporting>Annual," find "School District Financial Reports" and click "Sign Up Now."
4. Complete your first name, last name, phone number, email, license number (Illinois nine-digit license number), activation code (found below), and justification (reason for needing access to the system).

Activation Code:
242932958



School Business Services will process your request to access the system. Once approved, you will receive an approval email from ISBE with the next steps. If you have any questions, please contact the School Business Services Department at finance1@isbe.net or (217) 785-8779.

- Step 2 – The auditor must sign up for [IWAS](#), which is an application that houses many ISBE systems used mainly by district superintendents. Go to the [IWAS webpage](#). Click "Sign Up Now," complete the form, and click "Continue." The next screen will congratulate you for signing up for IWAS.



Illinois State Board of Education


Darren Reisberg, *Chairman* Dr. Carmen I. Ayala, *State Superintendent of Education*


I W A S I W A S I W A S I W A S I W A S I W A S I W A S I W A S I W A S I W A S


[ISBE Home](#)
[Home](#)
[Sign Up Now](#)
[Get Password](#)
[Contact Us](#)
[Help](#)
[IWAS User Guide](#)
[IWAS Training Video](#)



Password requirements:



- at least eight (8) characters in length
- contains at least one Upper case letter
- contains at least one Lower case letter
- contains at least one Numeral
- contains at least one of the following special symbols !@#\$%^&*()



 = Required



First Name 



Last Name 



Login Name  

Password  



Confirm Password  

Email Address  

Secret Question  

Answer  

Please type the characters you see in the picture below before continuing:

[Continue >>](#)

Copyright © 2022 Illinois State Board of Education

- Step 3 - Next, the auditor must request access to use the new system using the activation code emailed to the auditor. Once logged into IWAS, click “System Listing” on the left-hand side panel. At the bottom of the screen, click “Want to Sign up for Other Systems?” Under “Reporting>Annual,” find “**School District Financial Reports**” and click “Sign Up Now.” Complete your first name, last name, phone number, email, license number (Illinois nine-digit license number), activation code, and justification (reason for needing access to the system).

- Step 4 - ISBE will verify that the activation code, license number, and email address listed by the auditor in the request are correct. If the credentials are correct, ISBE will approve the auditor and grant access to the system. The auditor will receive an email that they are approved to use the system. If the credentials do not match, the auditor will receive a disapproval email. The auditor will need to fix their error and resubmit their request to access the system within IWAS.
- Step 5 - Once approved for the new system, the auditor will log into IWAS, access the new system, and complete “Auditor Contact Form” within the system.

18

- Step 6 - Auditor will choose districts they are auditing for the year from the district allocation screen.

All Users

- Step 7 - Auditor must upload the AFR for each school district they are assigned to. Please name file uploads with the RCDT code of the entity, followed by _AFR24 (example: 07-016-8060-60_AFR24). Auditors will be able to make comments on the upload page with or without submitting an AFR. ISBE prefers this communication method be used rather than email.

- Step 8 - ISBE staff will accept or reject the AFR. The auditor will receive an email when the AFR has been accepted or rejected. ISBE may send comments on the upload page. If ISBE writes a comment on this page, the auditor will receive an email with the message. If a response is required, the auditor must log into the system to respond.
 - Potential emails auditors will receive:
 - Invitation to join system with activation code.
 - Approved to use system.

- AFR has been submitted to ISBE.
- AFR has been accepted or rejected by ISBE
- District has been removed from the auditors list.
- “Not submitted” AFRs (late AFRs).
- ISBE sent a message to auditor within the system.

Other Information

All related files should be saved in the AFR24 folder that you created. This folder would include the completed AFR24 Excel file.xlsm and any attachments, such as notes, opinion letters, and other supporting documents.

Complete all pages of the AFR and use the Instructions located on the TOC tab and the AUDITCHECK tab. The checklist will help you determine if all instructions are followed, attachments are included, and data are entered correctly.

Contact Information

Contact the School Business Services department for questions regarding your AFR submission.

Illinois State Board of Education
School Business Services
217-785-8779
Email: Finance1@isbe.net