

Opportunity Scholarship and Disabilities Grant

Financial Review Requirements

The statute which governs both the Opportunity Scholarship Program and the Disabilities Grant Program (the “Programs”) requires that all nonpublic schools that accept students receiving more than \$300,000 in scholarship or grant funds in a school year must contract with a certified public accountant to perform a financial review, consistent with generally accepted accounting principles.

Failure to comply with the statutory and regulatory requirements for submission of a financial review may result in withholding of scholarship and/or grant funds from the nonpublic school. In addition, failure to comply with the statutory and regulatory requirements for submission of a financial review may result in the nonpublic school being deemed ineligible to participate in the Opportunity Scholarship and the Disabilities Grant Programs.

Financial Review requirements:

A financial review “consistent with generally accepted accounting principles” must contain a complete set of Financial Statements. The complete Financial Statements should include the following:

- (1) Statement of Assets, Liabilities and Net Assets (categorized by current vs. long term);
- (2) Statement of Revenues, Expenses and Changes in Net Assets;
- (3) Statement of Cash Flows; and
- (4) Notes to Financial Statement.

In addition, the Financial Statement should indicate the total amount of money your institution received from the State Education Assistance Authority in Opportunity Scholarships and Disabilities Grants for the school year at issue.

Submission of Financial reviews:

- The financial review prepared by the CPA must be submitted to the Authority on an annual basis for any school year in which the school received more than \$300,000 in scholarship or grant funds.
- The financial review must be submitted within ninety (90) days of the end of the nonpublic school’s fiscal year.
- The financial review must be submitted in electronic format.

Recommended Documents to Transmit to CPA

- For your initial retention of a CPA and on an annual basis thereafter, if applicable, we recommend that you bring or transmit this document entitled “Financial Review Requirements” to the CPA.
- We also recommend that you bring a copy of the North Carolina statute that establishes the Financial Review requirement for schools that receive more than \$300,000 in scholarship or grant funds, specifically N.C. Gen. Stat. § 115C-562.5(6), which may be found [here](#).

Opportunity Scholarship Program

Email: OpportunityScholarships@ncseaa.edu

Website: <http://www.ncseaa.edu/OSG.htm>

K-12 Phone: 1-855-330-3955

Disabilities Grant Program

Email: DGrants@ncseaa.edu

Website: <http://www.ncseaa.edu/CDSG.htm>

K-12 Fax: 919-248-4687