

Arizona Auditor General

We have issued the fiscal year (FY) 2025 [school district Annual Financial Report \(AFR\) packet](#) in conjunction with the Arizona Department of Education (ADE). Specific instructions for completing the forms are provided within each file, and significant changes are identified in the forms and any related instructions with yellow highlighting.

Significant changes

Cover— Added space for districts to include a link to their district website where they will post a link to ADE's website where the district's AFR can be viewed. ADE no longer requires districts to send an email to School Finance with a clickable link to its website if the link is provided in this space. For audit purposes, district's that choose to meet the A.R.S. §15-904(C) publication requirements using this method must maintain documentation to support that the link to ADE's website is posted on the District's website by November 15.

Page 1—Added local revenue detail to column J—All other funds and lines for additional local revenue detail to all funds. All amounts are populated with formulas. These amounts are required for National Public Education Financial Survey (NPEFS) reporting.

Pages 2, 3, and 4—Added a check figure to help districts ensure all expenditure amounts in their accounting records are accurately reported on each page. Differences indicate miscoding and are detailed on the Coding Errors tab.

Page 7—Added formulas to section J—Certified staff salaries and FTE, to populate substitute teachers, classroom teachers (separated into different types of salary payment), and other certified staff salaries since the detailed salary codes were required in FY 2025. Districts must still manually enter base salary amounts and FTE amounts for classroom teachers in their first 3 years.

Page 9—Added formulas to the Teacher salaries section to populate the certified teachers and certified substitutes columns using the detailed salary codes, as districts were required to use these codes beginning in FY 2025. Districts must still manually enter contract teachers and contract substitute amounts reported in object 6300.

Also, added space to report certain support services—instruction detail and books, periodicals, and instructional aids expenditures required for NPEFS reporting. These amounts are populated by formula.

Food Service— Consolidated the separate Food Service AFR into the AFR file.

Fund Balance Reserve— Added FY 2025 fund balance classifications to agree with reporting in the FY 2025 expenditure budget file.

School-Level AFR

PY BSA-21—Added this tab for districts to copy and paste their final prior year BSA-21 report, which is used to calculate portions of the current year student count revenues. Districts must now upload both the reporting year and prior year BSA-21 reports.

Data Entry—Removed the manual entry lines for expenditures for certified teachers and substitute salaries, as detailed salary codes were required in FY 2025. These amounts are populated with formulas on the Totals tab.

Totals, Allocation to schools, Data entry, Single school, Private schools—Modified each tab to consolidate teacher salaries information into 1 section for all reported programs. Also, added space to report certain support services—instruction detail and books, periodicals, and instructional aids expenditures required for NPEFS reporting.

Submission and publication instructions

Added helpful hints for using the AFR Excel files to this document.

Formula corrections

We have posted a FY 2025 AFR Formula Corrections file along with the AFR packet because required formula corrections are occasionally necessary due to the complex formulas included within the AFR files. If we become aware of any required formula corrections, we will describe the change in the formula corrections file and post an updated AFR packet. Districts will generally have the option of correcting their current file or downloading a new file. **Districts must review the corrections file and make any corrections as directed before finalizing and submitting AFR files.**

If you have any questions, please contact Tijana Djordjic or Michael Carnahan at asd@azauditor.gov or (602) 977-2796, or ADE's School Finance Budget Team at SFBudgetTeam@azed.gov or (602) 542-5695.

Sincerely,
Arizona Auditor General

