Community Schools often have contracts that call for compensation to be based on a percentage of revenue received by the school. Factors often change community school foundation revenue after year end, and therefore a true-up is required. This true-up is not just referring to ‘claw backs,’ it is referring to any changes that affect funding or payments, and could apply to every community school. Failure to properly ‘true-up’ could result in findings for recovery.

True-ups are required beginning with the Fiscal Year 2016 FTE Adjustments. **For most community schools, this testing will be performed in the Fiscal Year 2017 audit.** However, for any community school where fiscal year 2016 audit fieldwork is not yet complete, testing should be performed in the fiscal year 2016 audit. Delaying testing until the fiscal year 2018 audit may only occur with approval by the Auditor of State’s Chief Deputy Auditor.

The AOS Community School Overpayment Webinar and slides are available at [http://www.ohioauditor.gov/references.html](http://www.ohioauditor.gov/references.html) (please view the auditor version). This is an expanded version of the Community School Overpayment Webinar that was created for community school clients on September 18, 2017.

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