

## **FLEXIBLE BENEFIT ALLOWANCE (FBA) AUDIT INSTRUCTIONS**

Initial Flexible Benefit Allowance (FBA) Allocations are based upon the prior year's January audited FBA count.

The Oklahoma State Department of Education (OSDE) utilizes two separate counts (data collections) in determining the amount of FBA funding for certified and full-time support staff that will be allocated to each school district. Be sure to include personnel from *all funds*.

**Certified Personnel:** Head Count of all certified personnel as identified on the "Oklahoma Annual Certified Personnel Report" (excluding Superintendents) from all funds.

**Support Personnel:** Report only those support personnel employed a minimum of six (6) or more hours per day who hold a "position" that is defined as a minimum of 172 days or a minimum of 1,032 hours per year from all funds.

There is an area entitled "Payment of Insurance" on the FBA form with three boxes: "Month of Coverage, In Arrears of Coverage, and Pay in Advance of Coverage." The method you use to pay your insurance (check only one box) will help in determining the months where your staff is shown (July, August, or September).

On the FBA audit, there are three (3) boxes/months (July, August, and September) for each FBA category with fractions underneath each month. Each FBA category has a statement, "Start of Contract," which is the key for recording a position appropriately in the months indicated, depending on how your district pays health insurance. For each FBA category, if the first month of an employee's contract/insurance begins in July or August or September, you would record the total number of positions in each of those respective months.

The FBA form is used for the collection of "current year data" for your certified and full-time support staff "as identified" for the FBA pursuant to 70 O.S. §§ 26-101 through 26-105. The FBA form is to be completed by school district personnel and is to be held at the district for your Regional Accreditation Officer's (RAO) visit. **IMPORTANT:** Do not mail the FBA form to the OSDE.

- ❖ Your RAO will audit your district's October 1 and January 1 current year personnel/payroll information. Please have the FBA information completed for his or her visit.
- ❖ Your RAO will make and initial any adjustments directly on the form; he/she will **then forward the form to the OSDE after completing the audit.** The form must be initialed by your RAO even if adjustments are not made. Keep a copy of the audited form for your records.
- ❖ Allocations will then be adjusted on the basis of the RAO audit (funding adjustments will be applied as required).

**Please Note:** In **January**, another count will be taken to identify employees who have changed their status in taking taxable compensation or major medical health insurance during the open option period. The FBA count of those employees who have made changes will be adjusted on your district's allocation.

Superintendents are not eligible for the state-paid Flexible Benefit Allowance (FBA). A district may choose to pay the FBA for the superintendent from *local* funds.

If you have related questions, please contact either Kim Ivester, Assistant Director of State Aid, or Renée McWaters, Director of State Aid, at (405) 521-3460.