

FAQ's

Bank Ratings

Section III.A.2. - If the FDIC limit is exceeded or funds are not held in a FDIC bank, inspect the documentation indicating that the school annually reviews the bank's ratings by a reputable ratings provider. Confirm the rating is in the top two ratings of the scale. Date and initial. Must be included with the report.

Example:



A screenshot of a bank rating scale. The scale is titled "Bank" and has a navigation bar with "MARKS", "COMETS", "PRODIGES", "NEWS", "ABOUT", and "ACCOUNT". The scale consists of the following rows:

5 STARS	Superior (These institutions are recommended by Bank.)
4 STARS	Excellent (These institutions are recommended by Bank.)
3 STARS	Good
3 STARS	Adequate
2 STARS	Problematic
1 STAR	Troubled
ZERO STARS	Out of business
S.U. START UP	Start-up institutions that are too new to rate. (2018 rate beginning with June 30, 2018 financial data.)
N.J. NOT RATED	Closed unless the institution has less than \$100 million in assets, are not NCUA insured or are too new to rate.
FDIC/ RSLVD	Institution has failed or is operating under regulatory conservatorship.

Education Related Expenses

Section V.B – Education Related Expenses: An Example of some Education related Expenses

Examples of Education-Related Expenses

- **Payroll**
 - Salaries for teachers and substitutes
 - Salaries for administration and office staff
 - Salaries for food service personnel
 - Salaries for custodial and maintenance staff
 - Salaries for tutoring, therapy and counseling
- **Payroll benefits and taxes**
 - Payroll taxes
 - Unemployment taxes
 - Workers' compensation
 - Employee health insurance and other benefits
- **Instructional supplies and equipment**
 - Classroom materials and course supplies
 - Testing fees
 - Library books and supplies
 - Technology equipment and software licensing fees

- **Office & Administration**
 - Office supplies
 - Postage
 - Printing and copying
 - Bank fees
 - Licenses and fees
 - Credit card fees
 - Payroll processing fees
 - Background checks
 - Accreditation fees
 - Audit, legal and other professional services

- **Facilities expenses**
 - Rent or mortgage payments.
 - Utilities
 - Property insurance
 - Repairs and maintenance
 - Custodial supplies
 - Security equipment and services
 - Capital improvements

- **Miscellaneous**
 - Graduation expenses
 - Education-related field trips
 - Parent/teacher meeting expenses
 - After school education
 - Standard transportation costs

Non-Education Related Expenses (*including but not limited to*)

- Fundraising expenses and events
- Athletic programs and sporting events
- Senior trip expenses
- Summer camps
- Non-education related school trips
- Transportation costs for extracurricular activities
- School store and logo merchandise
- School sponsored shows and events
- School clubs
- After school care program costs
- Gift cards and promotional material
- Conferences, training, and professional development for **administrative** personnel
- Advertising
- Bad debt expense
- Depreciation
- Amortization