

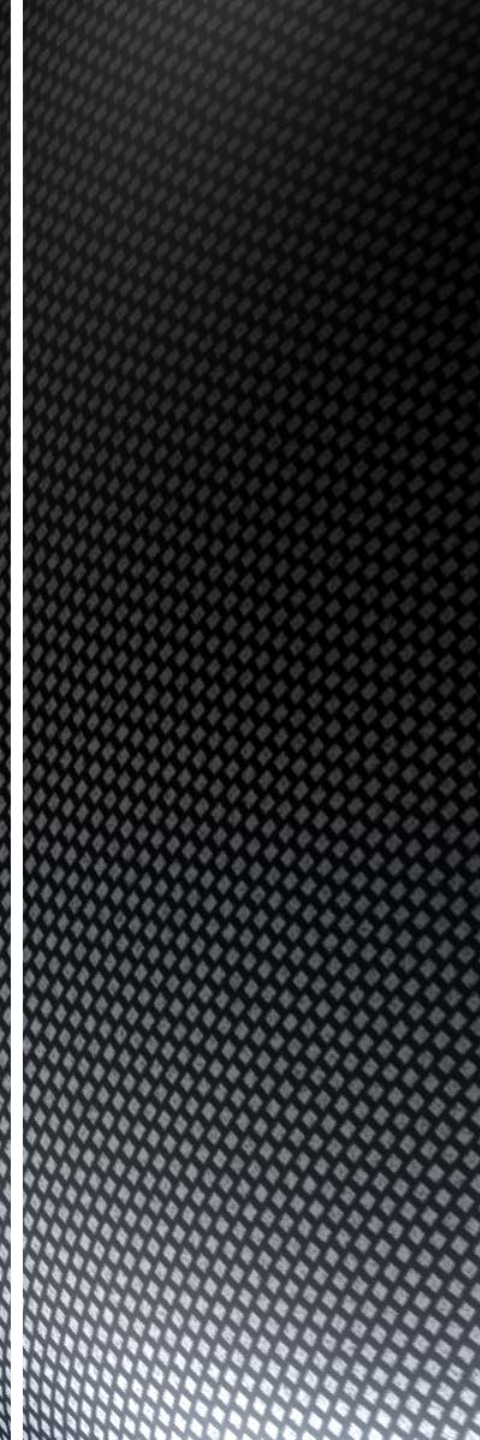
Annual Report Updates and Other...

ASBO Fall Conference 2015
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What's the next big project?

Reporting fall 2015 student
counts for funding purposes.



Preparing to Verify Fall Student Enrollment Counts (state aid fall enrollment)

- ❖ Count date = Friday, September 25th
- ❖ Reports mailed to district superintendent
- ❖ ALL out of district placed students for which tuition is paid – listed at the top of the report
- ❖ Student lists available upon request
- ❖ Signoff must be returned prior to November 1st, no additions after October 30th

State Aid Payment Schedule

- ❖ Why do monthly payments change?
 - ✓ Total district need is determined in July
 - ✓ State aid payments July-Oct based on 2 year average student counts
 - ✓ State aid Nov-Dec are recalculated to include new fall count or excess fund balance reductions
 - ✓ State aid January-June – reflect updated local effort (pay 2016) and levy effort.
 - ✓ Districts receiving gaming revenues may also have a change in monthly payments starting in February or March.

State Aid Payment Schedule

- ❖ When is sparsity funding paid?
 - ✓ Sparsity funds are paid to districts “in full” in January each year

- ❖ How are LEP funds paid to districts?
 - ✓ LEP funding (student count x 25% of PSA) is a component of the total need of the district. The inclusion of this additional need is reflected in all monthly allocations. Example if 8 students x ($\$4,876.76 \times 25\% = \$1,219.19$) = $\$9,753.52$divided by 12 monthly payments = $\$812.79$ of each monthly payment is due to LEP adjustment.

 - ✓ To determine the # of LEP students: calculate 25% of the per student allocation and divide the total allocation by that 25% amount. Based on above example ($\$9,753.52 / \$1,219.19$) = 8

FY15 Annual Report Concerns Summary

- ❖ Preschool Expenditures (1140 function)
- ❖ Fee for Service Revenue/Expenses
- ❖ Payment on Behalf Entries
- ❖ Fresh Fruits and Vegetables Program
- ❖ Utility Tax Reporting (formerly Gross Receipts)
- ❖ Identifying Federal Expenditures
- ❖ Adjusting Entries from Auditors

Enterprise Fund (Fund 53) coding for programs where Fees are Charged

Description	Revenue Account (Fees Only)	Expenditure Function
Preschool Programs	1314 - Preschool Tuition	1140 - Preschool Instruction
Daycare Services	1981 - Daycare Center Services Fees	3500 - Custody and Care of Children
Before/After School Programming Example: Latchkey/21st Century	1982 - Latchkey Services Fees 4151 - 21st Century Grant Revenue	3500 - Custody and Care of Children 3500 - Custody and Care of Children
Drivers Education	1316 - Non-credit tuition from Student/Parent/Other Student does not receive HS credit	3900 - Other Community Services Community service activity since no credit is given
	*1311 - Tuition from Students/Parent/Other Student receives HS credit	1132 - HS Summer Term Instructional activity, since credit is given on a HS transcript
Summer School/Credit Recovery	1316 - Non-credit tuition from student/parent/other Student does not receive HS credit	1132 - HS Summer Term
	*1311 - Tuition from Students/Parent/Other Student receives HS credit	1132 - HS Summer Term
Summer Sports/Other Camps	1979 - Other Charges for Services	3200 - Community Recreation Services
Community Service Programs Examples: Photography, Computer Classes, Woodworking, etc.	1979 - Other Charges for Services	3900 - Other Community Services
A.C.T. Preparation	1979 - Other Charges for Services	3900 - Other Community Services
Adult Education Classes (GED)	1320 - Adult Continuing Education Tuition	1310 - Adult Education & Family Literacy (AEL) 1390 - Other Adult Continuing Education Programs

*As per previous guidance, please consult your school attorney before charging fees on "For Credit" coursework.

The above is a guide for coding amounts received through fees charged, other sources of revenue received should be coded to the appropriate revenue account based on the type of dollars received. (i.e. contributions/donations should be 1920, etc.)

If **NO FEES** are being charged for these or other similar programs in your district, then the General Fund may be used to account for these activities.

Utility Tax Revenue (formerly Gross Receipts)

- ❖ Two Types of Utility Taxes
 - ✓ Electric Utility Tax (based on Per KWH)
 - ✓ Telephone Utility Tax (based on Gross Receipts)
 - ✓ Does not include Property Taxes on Utilities

Utility Tax Revenue -Electric

❖ Electric Utility Tax

- ✓ Legislative Change in 2012 Session
- ✓ Electric Utility Tax is remitted to counties by June 15th each year.
- ✓ Tax will be determined, remitted, and recorded as revenue all in the current year or so close to year end that it should be accrued as revenue in the year the tax is imposed on the Utility.

Utility Tax - Electric (cont.)

❖ May be recorded under 2 scenarios:

- ✓ County remits to school district by end of June

Debit Cash 101

Credit Utility Tax Revenue 1140

- ✓ County remits to school district in July

Entry dated June 30th

Debit Due from Other Gov't 140

Credit Utility Tax Revenue 1140

- ✓ JULY Entry to clear receivable account

Debit Cash 101

Credit Due from Other Gov't 140

DO NOT record as revenue again.

Utility Tax - Telephone

- ❖ Remitted through the SD Department of Revenue
 - ✓ Notification of amount is mailed to each district from the Dept of Revenue on or before July 1st
 - ✓ By September 1st, the state Dept of Revenue shall pay the telephone gross receipts to each school district
 - ✓ Individual school district policy on period of availability determines revenue recognition.

 - ❖ Entries for districts with a 60 day period of availability
 - Entry dated June 30th
 - Debit Due from Other Gov't 140
 - Credit Utility Tax Revenue 1140

 - ❖ AUGUST entry to clear receivable account
 - Debit Cash 101
 - Credit Due from Other Gov't 140
- DO NOT record as revenue again.

Utility Tax – Telephone (cont.)

- ❖ Entries for districts with less than 60 day period of availability

Entry dated June 30th

Debit Due from Other Gov't 140

Credit Unavailable Revenue – Utility Taxes 552

- ❖ AUGUST entries for revenue recognition and to clear the Deferred Inflow account

Debit Cash 101

Credit Utility Tax Revenue 1140

Debit Unavailable Revenue – Utility Taxes 552

Credit Due from Other Gov't 140

Identifying Federal Expenditures

- ❖ Restricted grants must be adequately documented as per OMB A-87 cost principles
 - ✓ Tools available in your software to help identify federal expenditures:
 - Operational Units
 - Sub – Objects
 - Facility Codes
 - ✓ All of the above options are available to be assigned by the school district fiscal office
 - ✓ Each restricted grant (expenditure reimbursement based) should have a unique code identifying that award.
 - ✓ Code should be assigned to both the revenue and the expenditure

Object	Operation Unit	Sub Object	Facility	Amount
10 General Fund				
1273 Improving the Academic Achievement of the Disadvantaged, Title I				
110 Regular Salaries	000			\$14,612.08
	995			\$26,737.70
	996			\$15,467.30
120 Temporary Salaries	000			\$440.48
140 Compensated Absence Salaries	000			\$2,712.19
210 Social Security	000			\$1,295.67
220 Employees Retirement System	996			\$3,199.13
230 Group Health/Life/Dental Ins	996			\$2,532.32
	000			\$6,790.68
	996			\$5,400.00
240 Worker's Compensation Insurance	000			\$534.00
410 Consumable Supplies	000			\$290.41
			Function 1273 Total	\$80,011.96
			Fund 10 Total	\$80,011.96
24 Pension Fund				
1273 Improving the Academic Achievement of the Disadvantaged, Title I				
220 Employees Retirement System	000			\$903.20
			Function 1273 Total	\$903.20
			Fund 24 Total	\$903.20
			Grand Total	\$80,915.16

Use of Op Unit to Identify the Federal Title I portion of the Title I program expenditures →

Use of a different Op Unit to identify Other Federal Funds used on Title I program expenditures →

No Op Unit assigned for general district dollars used to cover Title I program expenditures →

Title I Revenues

Fund	Amount
10 General Fund	\$26,737.00
	<hr/>
	\$26,737.00

Identifying Federal Expenditures

- ❖ Use of same tracking code on the revenue side:

10 4158 995

10 4159 996

- ❖ Common DOE grants that must be tracked:

- ✓ Most grants with revenue codes between 4151-4199

Title I

Title II, Part B – Math & Science

Title II, Part A - (REAP Flexibilities)

LEP

Voc Ed – Perkins

IDEA 611 & 619

21st Century

Fresh, Fruits & Vegetables

School Lunch Equipment Grant

Adjusting Entries from Auditors

- ❖ We have seen an improvement on annual report submissions regarding adjusting entries from your IPA, however we recommend the following:
 - ✓ Read through and understand the basis of all adjusting entries provided by your auditor
 - ✓ Understand the timing of any entries you are required to make
 - Prior Year
 - Current Year
 - ✓ If possible, complete entries while IPA is on-site
 - ✓ Regenerate your report after completing entries to verify that entries match the published audit. (does not need to be resubmitted to DOE)

What's Next for DOE Annual Reports

- ❖ Updates to DOE annual report system
 - ✓ Clarification on status of AFR Submission
 - ✓ Additional Data Verification Reports
 - Revenue Report Comparison to Previous Year
 - Utility Taxes
 - Enhance the Title I DVR
 - ✓ Collection of Op Unit Data to identify federal expenditures
 - ✓ Clean up on explanations

Payments on Behalf

- ❖ No new payments on behalf after FY15
 - may not have to record an entry for FY16

On the Horizon - Chart of Accounts

FY17 and beyond

- ❖ Ongoing Project – looking to update chart of account definitions and codes

- ❖ US Dept of Education issued a new Financial Accounting Handbook for Local & State School Systems (2014)
 - ✓ <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2015347>
 - ✓ New Tuition Expenditure Object codes
 - Post Secondary
 - Charters
 - ✓ Clarification on Technology Expenditure Object Codes
 - Software
 - Hardware
 - Licenses

On the Horizon - Chart of Accounts

FY17 and beyond

- ❖ Review expenditure coding & definitions on the following due to this new guidance:
 - ✓ Software Licenses (purchased service rather than supply)
 - ✓ Technology Related Supplies/Equipment
 - ✓ Revisit Tuition and Fees revenue categories and classifications (summer school)
 - ✓ Removal of ARRA from federal surveys (NPEFS & F-33)
 - ✓ Addition of new survey data on Technology supplies and purchase service expenditures
 - ✓ Technology Related Equipment expenditures
 - ✓ Addition of Utilities and Energy Service expenditures

 - ✓ Textbook breakdown
 - Traditional Textbooks
 - Electronic Textbooks

School District Boundary Task Force

- ❖ <http://doe.sd.gov/secretary/SDBTF.aspx>
- ❖ Reviewed current boundary change process and will introduce legislation to modify that process and give school districts more authority.
- ❖ Review draft legislation on above website and provide feedback to DOE.
- ❖ Task force included legislators and school district superintendents.
- ❖ Last meeting will be held in November.

Blue Ribbon Task Force Information

- ❖ Blue Ribbon Task Force – What are the possibilities are there to meaningfully fund education for our kids and our communities?
 - ✓ Phase I: Stakeholder Meetings
 - March thru June
 - ✓ Phase 2: Data Gathering & Analysis
 - July thru August
 - ✓ Phase 3: Make Recommendations
 - September thru October

- ❖ Next meeting is October 1st

What is the Task Force Saying?

- ❖ “We need a multi-faceted approach to make sure that we have teachers coming into the profession and trying to retain teachers that may be thinking of leaving the profession,” Pogany said.

KELOLAND News 9/9/2015

- ❖ Ways to come up with the money for the salary increase might include a raise in sales tax, corporate income tax or other possibilities.

KOTA News
9/10/2015

- ❖ The tentative plan includes a \$8,000 to \$10,000 raise, but the task force is not sure if it would take place immediately or over a period of time.

KOTA News 9/10/2015