

# FINANCIAL REVIEW WORKSHOP

July 15, 2010

# Items to be Covered

- Increase in TRS employer rate
- Dual Enrollment
- Equalization
- SB 389
- HB 122
- HB 1013
- HB 280 Math and Science Teacher Supplement

# Items to be Covered

- Pupil Transportation
- School Nurses
- RESAs
- Salary Schedule
- National Board Certification
- QBE Formula Reduction (Austerity)
- Health Insurance
- Expenditure Controls HB 908
- Chart of Account Updates

# Items to be Covered

- Indirect Cost
- Financial Reporting and Deadlines
- QBE Payment Dates
- 2011 ARRA SFSF Payment
- ARRA

# TRS Employer Rate

- The employer matching rate increased from 9.74% to 10.28% effective July 1, 2010.
- The employee rate is 5.53%.

# Dual Enrollment

- FY 2011, Dual Enrollment funding at \$161.44 per segment
- Funding is intended to cover ancillary costs of instruction of these students, such as counselors

# Equalization

- Total funding limited to \$436 million, same as FY 2010
- Funding is at  $\frac{2}{3}$  of formula
- Allocations were prorated based on the funding level
- With proration, significant changes between districts effects everyone since the amount of funds are capped

# HB 122 - Reporting to CVIOG

- For fiscal year beginning on or after January 2011 – Starts with FY 2012
- Copy of adopted budget (pdf) must be transmitted to CVIOG within 30 days following the adoption of the budget
- Copy of audit shall be transmitted to CVIOG at the same time as being sent to GaDOE
- Further details are forthcoming from CVIOG
- Carl Vinson Institute of Government of the University of Georgia



# HB 1013 - SPLOST Reporting

- The report required under 48-8-122 is now applicable to boards of educations
- Must advertise in newspaper of general circulation no later than December 31 of each year
- Simple, nontechnical report
  - Project/Purpose
  - Original Estimate
  - Current Estimate
  - Amount Expended in Prior Years
  - Amount Expended in Current Year

# New Reporting Requirements - SB 389

- Transparency in Government Act
- Changed definition of Agency to include Local Boards of Education and RESAs
- Will include charter schools, but not RTCs (per Audit Department)
- One file to be sent to Audit Department. This will replace all of the other files currently being sent, except for Salary and Travel (CS1)
- We are updating PC Genesis to provide data file

# SB 280 Math & Science Teacher Supplement

- Will be funded as a separate grant
- Information will be collected on October CPI data collection
- Funding will be requested in the Supplemental Budget
- Guidance can be found at the Policy Division web site
- [http://www.gadoe.org/pea\\_policy.aspx](http://www.gadoe.org/pea_policy.aspx)

# Transportation Funds

- Pupil Transportation level of funding was reduced by an additional 1.96% in FY 2011
- The total appropriated is \$138,628,397
- No Bus Replacement funds appropriated in FY 2010 or FY 2011

# Transportation Funds

- Bonds for Buses
  - Funding for Bus Replacements funds to be provided with Bonds in FY 2011
  - \$50 million
  - Will have to submit copies of invoices to get reimbursed (Date of Bond Sale not finalized)
  - Funding \$76,292 per bus.
  - Email sent out July 9, 2010 listing the number of buses per district and other information.

# School Nurses

- In FY 2011, Funding level reduced by 1.56% (\$436,500)
- Total appropriations \$27,499,500

# RESAs

- Formula Funding for RESAs was cut approximately in half
- Transferred State funds of ETCs in to the RESAs
- Transferred Math Mentor funds to the RESAs
- Both the ETC and Math Mentor funds will be handled as a separate grant
- ETC Grant – Program Code 2512
- Math Mentor State Grant – Program Code 2514

# Salary Schedule

- No change to the State Salary Schedule – same as FY 2009 and FY 2010
- Starting Salary for a T4 certificate is \$33,424
- T&E was still funded in the QBE formula
- **Must** give the state step raise as according to the State Salary Schedule
- Any reduction in local salary schedules must be in accordance with OCGA 20-2-212(b)



# National Board Certification

- Program funding was eliminated in FY 2011

# QBE Formula Reduction (Austerity)

DESCRIPTION	AMOUNT
Original FY 2010	(\$654,082,045)
FY 2010 6 Day Furloughs	(\$203,399,916)
FY 2010 Reduction of 4.5%	(\$281,214,364)
Additional FY 2011 reduction	(\$44,157,516)
Add back from moving ARRA funds from FY 2011 to FY 2010	\$100,000,000
<b>Total State QBE Formula Reduction (Initial FY 2011)</b>	<b>(\$1,082,853,841)</b>
ARRA Federal Stabilization Funds	\$126,169,757
<b>Net Austerity and ARRA Stabilization Funds FY 2011</b>	<b>(\$956,684,084)</b>

# Health Insurance

- The Appropriations Act contains a rate of 18.534% for certified personnel.
- DCH has raised the rate to 21.955% for the first 3 months.
- Allotment sheet changed to allow more funds to go out sooner.
- Will still average 18.534% for the fiscal year.

# Expenditure Controls FY 2010 -2013

- HB 908 was signed by the Governor on May 20, 2010
- QBE Expenditure controls shall be waived and shall not apply to nor be enforceable against a local school system
- Also includes expenditure controls against 20 additional day funds
- Will not have to distribute austerity
- Did not waive 65% report

# Chart of Accounts Updates

- Balance Sheet
- Updates for GASB 54 for FY 2011 Financial Statements
  - Rename and will remap for financial statement presentation purposes
  - 0711 Capital Assets, Net of Related Debt
  - 0730 Restricted Net Assets (Proprietary Funds)
  - 0740 Unrestricted Net Assets (Proprietary Funds)

# Chart of Accounts Updates

- 0750      Nonspendable Fund Balance
  - Amounts that can not be spent or must be maintained intact.
- 0770      Restricted Fund Balance
  - Amounts constrained by law or regulation
- 0780      Committed Fund Balance
  - Amount assigned by district's highest level of decision making authority (Board)

# Chart of Accounts Updates

- 0790 Assigned Fund Balance
  - Amounts constrained by government's intent to use for a specific purpose
- 0799 Unassigned Fund Balance
  - Residual amounts leftover in the General Fund only. Also if the Restricted, Committed, Assigned balance is negative needs to be classified as unassigned fund balance.

# Chart of Accounts Updates

- Add sub object codes for SB 389 to 300 series of object codes

Sub Object Code	Description	Sub Object Code	Description
01	Architect	08	Actuary
02	Attorney	09	Student Interns
03	Consultant	10	Other Fees
04	Board Member	11	3rd Party Attorney
05	Physicians	12	3rd Party Consultant
06	Engineers	13	3rd Party Other Fees
07	Veterinarians	14	Nurse



# Chart of Accounts Updates

<b>Sub Object Code</b>	<b>Description</b>	<b>Sub Object Code</b>	<b>Description</b>
15	Psychologist	53	Fraud & Investigative Services
16	Psychiatrist	54	Mediation Expense
17	Interpreter	55	Court Reporting Hearing Expense
18	CPA	56	Temporary Services
19	Translation	80	Instructors
20	Broadcast Professionals	81	Coroners
21	Grant Readers	82	Witness Fees
		83	Mowing

<b>Grant</b>	<b>CFDA No</b>	<b>Fund</b>	<b>Program</b>	<b>Revenue Source Code</b>
State Stabilization	84.394A	100	4110	4521
		100	4120	
		100	4130	
<b>EDUCATION FOR THE DISADVANTAGED</b>				
ARRA Title I - Grants to LEAs	84.389A	402	4210	4521
ARRA Title I - School Improvement A	84.389A	402	4212	4521
ARRA Title I - Delinquent Funds	84.389A	402	4214	4521
ARRA Title I - School Improvement	84.388	402	4215	4521
<b>STUDENTS WITH DISABILITIES</b>				
ARRA IDEA - Title VI, B	84.391A	404	4220	4521
ARRA IDEA - PreSchool	84.392A	404	4225	4521
<b>OTHER GRANTS</b>				
ARRA School Lunch Equipment	10.579A	600	4260	4521
ARRA Education for Homeless Children and Youth	84.387	432	4262	4521
ARRA Title IID Ed Tech Grants - STEM Competitive Grant	84.386	414	4264	4521
ARRA Title IID Ed Tech Grants - etextbook Competitive Grant	84.386	414	4265	4521
ARRA Title IID Ed Tech Grants - Blended Learning Competitive Grant	84.386	414	4266	4521
ARRA Title IID Ed Tech Grants - Student Literacy Grant	84.386	414	4267	4521

<b>Grant</b>	<b>CFDA No</b>	<b>Fund</b>	<b>Program</b>	<b>Revenue Source Code</b>
<b>OTHER GRANTS NOT THROUGH THE GADOE</b>				
Impact Aid (Section 8007) - ARRA	84.404A	390	4310	4822
Cobra - ARRA	NA	XXX	4320	4531
HeadStart - ARRA		514	4330	4531
Pre K - ARRA \$400		560	4340	4531
Pre K - ARRA \$1200		560	4341	4531
Pre K - ARRA Summer Transition Program	93.713	560	4342	4531

# Indirect Cost

- The FY 2011 Indirect Cost rates have been finalized and are available in the Financial Review application in the portal.

# Indirect Cost

## Budget System Level Reports For Fiscal Year Ending June 30,2010 :

### System Level Reports :

- [FIN010 Budget Analysis Report](#)
  - [FIN011 General Fund QBE Program Expenditure Summary Report \(Budget\)](#)
  - [FIN012 General Fund QBE Program Expenditure Detail Report\(Budget\)](#)
  - [FIN013 Budget Expenditure Control Failure Report](#)
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## Budget System Level Reports For Fiscal Year Ending June 30,2009 :

### System Level Reports :

- [FIN010 Budget Analysis Report](#)
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## Other Reports:

- [Basic Financial Reports](#)
  - [Minimum Direct Classroom Expenditure Reports](#)
  - [Financial Comparison Reports](#)
  - [Austerity Adjustment / Amended Formula Adjustment Menu](#)
  - [FIN002A Financial OLD Error Report before DE420A Accrual Correction](#)
  - [FIN0100 Superintendent, Resa Director, Technical Institute Director Actual Salaries](#)
  - [FIN0101 Superintendent, Resa Director, Technical Institute Director Budgeted Salaries](#)
  - [FIN0102 DE046 School Nutrition comparison report](#)
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## Indirect Reports:

- [Fin Indirect Reports Menu \(2009\)](#)
- [Fin Indirect Reports Menu \(2010\)](#)
- [Fin Indirect Reports Menu \(2011\)](#)

# Financial Reporting

- The Georgia Department of Audits and Accounts has a Resource web page:
- <http://www.audits.ga.gov/EAD/SchoolDistrictResources.html>
- Please note new address and new look of web page


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## Georgia School District Resources

### Audit Resources:

#### FY 2009 Request List

The 2009 Request List identifies items to be prepared for the auditors of each School District. Additionally, this audit packet includes worksheets and other tools to assist in the preparation of the financial statements.

#### Financial Statement Preparation Checklists

The Financial Statement Preparation Checklists are designed to assist Georgia School Districts in creating GAAP compliant financial statements. The checklists cover both the Fund Level Financial Statements and the District-Wide Statements.

- [Fund Financial Statements](#)
- [District-Wide Financial Statements](#)

#### Financial Statement Templates

The Financial Statement Templates can be used in conjunction with information provided by the Georgia Department of Education to appropriately present financial information.

- [Fund Financial Statements](#)
- [District-Wide Financial Statements](#)
- [Schedule 2](#)
- [Schedule 3](#)
- [Schedule 4](#)
- [Changes to Templates](#)

#### Notes to the Financial Statements (Word 2007)

#### Review Checklist

After the financial statements have been prepared, the review checklist can be used to assure the correctness and accuracy in the presentation of the financial statements.

### Resources:

#### ELOST Accrual Calculation Sheet

This spreadsheet will assist in calculation of the sales tax accruals.

#### ELOST

This excel file provides "Sales Period Percentages on Sales Tax Distributions to School Systems Jun - Oct 2009." This spreadsheet is used in the calculation of the sales tax accruals.

## Notes for FY 2010 Data Collection

- Please save pdf reports from the collection to your local hard drive
- Please save Sign-off pdf report
- The DE 46 data collection site is now open



## Notes for FY 2010 Data Collection

- CS1 due to State Auditors is transmitted directly to state auditors through their portal.
- GaDOE will share DE46 files with state auditors

# Deadlines

- **FY 2010 Financial Report** (Including Final Formula Adjustment Report)
  - September 01, 2010 Initial Transmission
  - September 30, 2010 Final Transmission Deadline for Superintendent's Sign-off

# Deadlines

- **FY 2010 Amended Budget**
  - September 01, 2010 Initial Transmission
  - September 30, 2010 Final Transmission Deadline for Superintendent's Sign-off

# Deadlines

- **FY 2011 Initial Budget** (Including Initial Amended Formula Adjustment Austerity Report)
  - September 01, 2010 Initial Transmission
  - September 30, 2010 Final Transmission Deadline for Superintendent's Sign-off

# QBE Payment Dates

Month	Date	Month	Date
July 2010	7/29/2010	January 2011	1/31/2011
August 2010	8/31/2010	February 2011	2/28/2011
September 2010	9/30/2010	March 2011	3/31/2011
October 2010	10/29/2010	April 2011	4/29/2011
<b>November 2010</b>	<b>11/30/2010*</b>	May 2011	5/31/2011
<b>December 2010</b>	<b>12/31/2010*</b>	June 2011	6/30/2011

\* These dates could change if the state revenues improve

# ARRA - SFSF Payment

- The final ARRA State Fiscal Stabilization Fund dollars will be sent in July 2010
- As in the past, there will be an exchange of state dollars for the federal SFSF funds

# Consolidated Application

- ARRA Stabilization Funds
  - Superintendent sign-off on assurances
  - Will need to have someone in Finance able to access and enter budgets into the Consolidated Application
  - Will need to submit budget for FY 2011 amount

# ARRA - Quarterly Reporting

- Every grant associated with ARRA funds require an unprecedented level of transparency and accountability
- We must submit reports by the 14<sup>th</sup> day after the quarter ends
- Reports will be due from Districts by the 9<sup>th</sup> day (Depending on how the calendar runs)
- Reporting to be quarterly to include
  - The use of funds expended (summary by function)
  - Estimate of number of jobs saved or created



# ARRA Reporting Deadlines

- Quarter Ending September 30, 2010
  - Collection period to September 29, 2010 – October 8, 2010 at 5 pm
  - Report cumulative (grant to date) expenditure information through September 30, 2010

# Questions? and Answers

# Contact Information

- John Dunn
- Georgia Department of Education
- 1652 Twin Towers East
- 205 Jesse Hill Jr. Drive, SE
- Atlanta, GA 30334
- 404-656-2447

# Contact Information

- Atlanta (404-656-2447)
  - Russell Swindle - [rswindle@doe.k12.ga.us](mailto:rswindle@doe.k12.ga.us)
  - Steve Lyle – [slyle@doe.k12.ga.us](mailto:slyle@doe.k12.ga.us)
- LaGrange (706-882-2340)
  - Del Parker – [dparker@doe.k12.ga.us](mailto:dparker@doe.k12.ga.us)
- Naylor (229-241-9915)
  - Rhonda Metts – [rmetts@doe.k12.ga.us](mailto:rmetts@doe.k12.ga.us)