

GASBO 2015

GaDOE

Financial Statement Preparation

November 5, 2015

Amy Rowell – Financial Review

AGENDA



Richard Woods,
Georgia's School Superintendent
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- Financial Analysis Actuals
- Mappings
- How to Check Mappings
- Reconcile Expenditures from E to B
- Reconcile Revenues on Exhibit B
- Resources to Assist in Preparation

Actuals Financials

Actuals Financials



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- Submit FYE General Ledger based on LUA State Chart of Accounts
- Text File Format (has not changed in recent years)
- Instructions included in FMGLUA Chapters 23A,B, and C
- Programming at GaDOE automates the DE 46 to Financial Statements

Mappings

GaDOE Mappings



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- Financial Statement Mappings developed for FY 2007
- Used Cognos Application to map
- Migrating to a new platform for FY 2015
- Mapping is completed by Programmers
- Programmers follow the mapping file that is included on our website
- Every Fund, Program, Function, Object, and Revenue Source mapped

GaDOE Mappings



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- Offices & Divisions ▾
- Programs & Initiatives ▾
- Data & Reporting ▾
- Learning & Curriculum ▾
- Finance & Operations ▾
- Contact ▾

🏠 → Finance and Business Operations → Financial Review

- Financial Review
 - Financial Management of Georgia LUAS Manual
 - Preparing Basic Financial Statements
 - School System Financial Information
 - state Education Finance Study

Financial Review

The Financial Review division was established for the purpose of reviewing financial records and accounting of local governing school boards and assisting local units of administration in training personnel in financial and budgetary accounting.

Financial Review is responsible for issuing and updating the

New Financial Statements

Financial Statements



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Financial Review

- View Alerts
- AYP Reports
- View Calendar
- Consolidated Application ▶
- COPS Financial ▶
- CPI-Active
- View Documents
- Finance Applications ▶
- Invoice Application ▶
- View News
- School Nutrition ▶
- Title I LEA ▶
- Message Center
- Grants Application ▶
- ARRA Reporting ▶
- Financial Review Application ▶

New location for Financial Review Applications. Currently only Exhibits A and C.

Financial Review Application

- Reports
- Financial Review
- Admin

 Amy Rowell

Report Menu



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Financial Review Reports			
Report Category	Financial Basic Reports ▼	Report Name	Exhibit A ▼
Fiscal Year	2015 ▼		
System ID	Decatur County - 643		▼

Select: **Financial Basic Reports**
Exhibit
Fiscal Year
System ID
View Report

Exhibit A



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DECATUR COUNTY BOARD OF EDUCATION STATEMENT OF NET POSITION

Exhibit "A"

June 30, 2015

	GOVERNMENTAL ACTIVITIES	TOTAL
Assets		
Cash and Cash Equivalents	\$1,648,941.31	\$1,648,941.31
Investments	\$13,730,813.78	\$13,730,813.78
Accounts Receivable - Taxes	\$346,060.67	\$346,060.67
Accounts Receivable - State Government	\$3,159,407.65	\$3,159,407.65
Accounts Receivable - Federal Government	\$1,169,284.35	\$1,169,284.35
Accounts Receivable - Other	\$110,124.23	\$110,124.23
Inventories	\$234,962.53	\$234,962.53
Prepaid Expenditures	\$76,058.88	\$76,058.88
Capital Assets, Non-Depreciable	\$1,442,866.19	\$1,442,866.19
Capital Assets, Depreciable (Net of Accumulated Depreciation)	\$76,566,862.45	\$76,566,862.45
Total Assets	\$98,485,382.04	\$98,485,382.04
DEFERRED OUTFLOWS OF RESOURCES		
Loss on Refunding of Debt	\$1,115,061.37	\$1,115,061.37
Total DEFERRED OUTFLOWS OF RESOURCES	\$1,115,061.37	\$1,115,061.37
Liabilities		
Accounts Payable	\$228,738.08	\$228,738.08

Exhibit A - Drilldowns



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DECATUR COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION

BALANCE SHEET	CASH IN BANK (0101)	Total
100 General Fund	\$571,003.46	\$571,003.46
200 Debt Service Fund	\$6,230.93	\$6,230.93
300 Capital Projects Fund	\$5,451.76	\$5,451.76
402 Title I	-\$159,856.74	-\$159,856.74
404 Special Education	-\$22,511.71	-\$22,511.71
408 Title VI	-\$8,906.05	-\$8,906.05
414 Title II	-\$59,974.52	-\$59,974.52
432 Education Of Homeless Children	-\$9,988.72	-\$9,988.72
460 TITLE III	-\$16,726.82	-\$16,726.82
462 TITLE IV	-\$190,162.96	-\$190,162.96
500 Principal Accounts-Governmental Funds	\$227,258.43	\$227,258.43
549 Governor's Office of Highway Safety	-\$500.00	-\$500.00
560 Pre-Kindergarten (Lottery)	\$231,470.33	\$231,470.33
589 Governmental Funds _ Other	\$16,550.36	\$16,550.36
600 School Nutrition Service Fund	\$1,059,603.56	\$1,059,603.56
Balance Sheet Total	\$1,648,941.31	\$1,648,941.31

What's Next?

- Exhibit A and C were first
- Exhibit B
- Exhibit C
- Reconciliation Exhibits
- Schedules



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Step 1: Is Actuals Ledger Mapping Correctly?

Check Actuals Ledger to Financial Statements



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- Are funds mapped correctly?
- Are all accounts mapping in correctly?
 - Program Codes
 - Revenues on Exhibit B
 - Expenditures on Schedule of Expenditures of Federal Awards
 - Schedule of State Revenue

Check Actuals Ledger to Financial Statements



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- Are all accounts mapping in correctly?
 - Capital Assets
 - Are capital assets recorded on the Actuals Ledger?
 - Is the activity recorded in the Expenditures?
 - Is the activity recorded by netting the prior year and current year change in Accounts 303 and 304?
 - How it is recorded makes a difference in the mappings.

Check Actuals Ledger to Financial Statements



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- Are all accounts mapping in correctly?
 - Long Term Debt
 - Is debt recorded on the Actuals Ledger?
 - Is the activity recorded in the Expenditures?
 - Is the activity recorded by netting the prior year and current year change in Accounts 303 and 304?
 - How it is recorded makes a difference in the mappings.

Step 2: Check the Detail

Reconcile Expenses Reported on Exhibit B to
Expenditures Reported on Exhibit E

Review Expense Column on Exhibit B



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- Reconcile the Expenses recorded on Exhibit B to the Expenditures recorded on Exhibit E.
- Only differences between Fund Statements and District-wide statements are due to activity in Funds 800 and 900.

Review Expense Column on Exhibit B



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- Save a pdf or csv file of the drill-down on the Expense column on Exhibit B.
- If the programmed mapping is not correct for your district, adjustments to your financial statements are necessary.
- Remember: programming is standardized for all districts.

Review Expense Column on Exhibit B



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1. Column 1 – Expenditures from Exhibit E

Code Description	Expenditure from E
Instruction	31,364,941.65
Pupil Services	1,737,219.18
Improvement Of Instructional Services	1,606,365.54
Educational Media Services	1,137,047.84
General Administration	377,877.62

Check this column to Exhibit E

Review Expense Column on Exhibit B



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2. Column 2 – Depreciation Expense

Depreciation Expenditure Amount
1,725,793.33
47,558.14
142,041.02
101,457.87
168,540.09
315,138.58
198,348.44
2,698,877.47

**Check this column to Depreciation Recorded in
Fund 800**

Review Expense Column on Exhibit B



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3. Column 3 – Principal Payment
Principal
Amount

-3,500,000.00
-3,500,000.00

**Check this column to Principal Payments recorded
for Bonds and Capital Leases**

Review Expense Column on Exhibit B



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4. Columns 4 and 5 – Capital Outlay Expenditures

Function 4000	Object 700
	-12,337.16
	-113,668.57
	-59,046.48
-4,048,715.37	
-4,048,715.37	-185,052.21

Mapping assumes all expenditures charged to these codes are capitalized. See Column 8.

Review Expense Column on Exhibit B



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5. Column 6 – Change in Long Term Debt

<u>Change in Long-Term Debt</u>	<u>Change in LTD</u>
-10,338,922.29	200-5100-831 -3,500,000
-284,912.40	CY 900-0304 -28,149,547.72
-850,942.60	PY 900-0304 31,558,044.81
-607,816.14	
-1,009,693.84	
-1,887,939.44	
	Sub-Total -91,502.91
	R-5100 16,260,000
-1,188,270.39	in LTD 16,168,497.09
	1
-16,168,497.10	

Perfect mapping = Zero Balance in Column 6

Review Expense Column on Exhibit B



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Column 6 – Change in Long Term Debt

1. Mapping considers change in beginning and ending debt
2. Compares to principal amount posted to general ledger
3. Difference in #1 and #2 is allocated as Change in LTD among the expense functions
4. If any premium, discount, gain/loss on debt refunding accounts used, it may not pick up activity.

Review Expense Column on Exhibit B



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Column 6 – Change in Long Term Debt TIPS

1. Compare Change in LTD to amounts reported in Special Items/Transfers

Grants and Contributions not Restricted to Specific Programs	<u>1,056,342.00</u>
Investment Earnings	<u>21,410.03</u>
Miscellaneous	<u>620,383.26</u>
Net Transfers/Special Items	<u>-16,253,769.07</u>

2. Ensure the Beginning and Ending LTD amounts are correct (Deferred Outflows and Inflows considered)

Review Expense Column on Exhibit B



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Column 6 – Change in Long Term Debt Example

200-5100-831	-3,500,000.00
Current Year Ending Long Term Debt	-28,149,547.72
Prior Year Ending Long Term Debt	31,558,044.81
Plus Current Year Bond Issuance	16,260,000.00
Total Change in LTD Allocated to Expenses:	16,168,497.09
Correction:	
Actual Current Year Ending Long Term Debt (increase due to D0)	-1,115,061.37
Less Refunding of Bond	-15,815,000.00
Less Remaining Premium on Bonds Refunded	-247,667.19
Plus Revenue 5120 Current Year Premium on Bonds Issued	1,009,231.47
Total Amount of Change in LTD to Allocate to Expenses	0.00

Review Expense Column on Exhibit B



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Column 6 – Change in Long Term Debt Example

<u>ENTRY to Correct Exhibit B Expenditure Allocation</u>			
Debit - Expenses	16,168,497.09		To remove allocation on Exhibit B
Credit - Special Item		16,253,769.07	To reclassify Special Items to Expenses (Included Bond Refund, Issuance Costs, New Bond Premium, and Premium Amortization)
Debit - Bond Issuance Costs - 2500	316,778.86		To reclassify Bond Issuance Costs
Debit - Debt Service Interest (Reduction of Bond Premium)		247,667.19	To offset Debt Service Interest by reduction of Bond Premium
Debit - Debt Service Interest	16,160.31		To reclassify current year bond premium amortization on refunded portion of bond debt.
	16,501,436.26	16,501,436.26	

Review Expense Column on Exhibit B



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6. Column 8 – Uncapitalized Outlay Expenditures

Items not Capitalized	Calculation	Actual Amount
433,883.87	Function 4000	4,048,715.37
11,956.65	Object 7XX	185,052.21
35,710.71	Fund 801-0002	-3,555,239.40
25,507.65	Capitalized	678,528.18
42,372.88		
79,229.39		
49,867.03		
678,528.18		

Column is not correct if Expenditures capitalized from other Functions and Objects

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Column 8 – Uncapitalized Outlay Expenditures

Allocated using Depreciation Expense percentage.

Analyze to ensure it is correct.

Step 2: Check the Detail

Reconcile Revenues Reported on Exhibit B to
Revenues Reported on Exhibit E

Review Revenue Column on Exhibit B



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- Reconcile the Revenue recorded on Exhibit B to the Revenue recorded on Exhibit E.
- Only differences between Fund Statements and District-wide statements are due to activity in Funds 800 and 900.

Review Revenue Column on Exhibit B



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- Save a pdf or csv file of the drill-down on the Operating Grants and Contributions column on Exhibit B.
- If the programmed mapping is not correct for your district, adjustments to your financial statements are necessary.
- Remember: programming is standardized for all districts.

Does Revenue Reconcile Between E and B?



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<u>Exhibit E</u>		<u>Exhibit B</u>	
State Revenue	25,780,858.87	Operating Grants and Contributions	34,262,048.61
Federal Revenue	9,614,751.74	Capital Grants and Contributions	77,220.00
	<hr/>	Grants Not Allocated Not Restricted to Specific Programs	<hr/>
	<u><u>35,395,610.61</u></u>	If Amounts Do Not Agree, Look at Mappings and Funds 800 & 900	<u><u>35,395,610.61</u></u>

Operating Grants and Contributions



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Program Code	Program Description	Expenses	Revenues	Total Expenses	Expense Percentage	Program Revenues Operating Grants and Contributions
1000 Instruction						
100 General Fund						
1011	Kindergarten	1,796,164.29	2,113,557.00	1,796,164.29	100	2,113,557.00
1021	Primary Grades Program 1-3	3,685,305.16	4,444,156.00	3,685,305.16	100	4,444,156.00
1041	High School General Education Program 9-12	4,508,096.01	2,477,869.00	4,508,096.01	100	2,477,869.00
1051	Upper Elementary Grades Program 4-5	2,299,431.26	2,049,615.00	2,299,431.26	100	2,049,615.00
1061	Kindergarten Early Intervention Program	147,279.72	189,285.00	147,279.72	100	189,285.00
1071	Primary Grades Early Intervention Program 1-3	672,944.28	464,511.00	672,944.28	100	464,511.00

Revenue is allocated on a proportionate basis

Operating Grants and Contributions



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Expenditure Functions in Which Program Code Is Charged					
1000	2210	2300	2220	2900	Total Expenditures
1,968,664.00	474,141.00	37,112.00	2,431.00	127,378.00	2,609,726.00

Total Expenditures for Title I – Grants to LEAs

Operating Grants and Contributions



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Percentage of Expenditures Charged to Each Function					
1000	2100	2210	2220	2900	Total Percentage
75.44%	18.17%	1.42%	0.09%	4.88%	100.00%

Percentage of Expenditures Charged to Each Function

Operating Grants and Contributions



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Percentage of Revenue Allocated to Each Function					
1000	2100	2210	2220	2900	Total Revenues
2,088,619.52	503,031.57	39,373.33	2,579.13	135,139.45	2,633,603.55

Revenues Allocated to Each Function

What to Check?

- GSFIC Revenue
- Transportation Revenue
- Medicaid Revenue
- Any misclassifications of Revenue adjusted on Exhibit E?



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Resources to Assist



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- Financial Review – Preparation of Financial Statements
- Excel File – Every Account Mapped
- Department of Audits and Accounts
 - Financial Statement Preparation Training
 - Financial Statement Checklists
 - Review Checklists

Contact Information



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