

Local Charter School Financial Reporting

In Georgia, local boards of education and the State Board of Education are charter school authorizers. To be granted a charter, schools must be approved by both their local board of education and the State Board of Education except for state-chartered special schools which are authorized by the State Board of Education only. Local charter schools are considered public schools within the school system in which they are authorized.

State Board Rule 160-4-9-.06 requires local boards of education that authorize a local charter school to ensure the local charter schools submit required financial information in accordance with the policies and deadlines established by the local school system for inclusion in the system's annual Financial Review Report (DE046) to the Georgia Department of Education.

The charter school contract approved by a local school board indicates the minimum amount of state and local revenue of the school system that is to be paid on a per pupil basis to the local charter school in each year of that school's operation. That payment schedule is agreed upon between the local authorizing school system and the local charter school. Payments made by the school system to the local charter school are required to be coded to object code 594. The description of expenditure object code 594 on the SCHOOL SYSTEM Chart of Accounts indicates the account is to record "payments made by the school system to the local charter schools for their portion of state and local funds."

The local charter school will provide a detail of all activity to the authorizing school system to include in the annual financial analysis report submitted to the state. The local charter school activity, as reported by the local charter school to the school system, is included in Fund 599. Other accounts are utilized as needed such as Capital Projects and Local School Activity Accounts.

To avoid accounting for the activity twice, the expenditures reported as payments from a school system to a state charter school and coded to object code 594 are removed from the expenditures reported above. This is to ensure the activity reported is not doubled in cost.

Please contact the school system for more information regarding the local charter school payments.