2019 Year End Workshops

Georgia Department of Education
Financial Review

May 2019
AGENDA

• Amended FY 2019 Budget
• Initial FY 2020 Budget
• 2019 Legislation
• Salary Schedule
• Medicaid Reimbursement
• Budgeting/Financial Reporting to Board
• Transparency/ESSA/FESR
• Chart of Accounts
• Financial Reporting
• Net Investment in Capital Assets
• Federal E-Rate program
• GASB 68 and 75
• Deficit Reporting
• GASB 84 – Fiduciary Funds
• GASB 87 – Leases
• GASB New Reporting Model
• DOAA Presentation
• Questions
FY 2019 Mid-Term Adjustments
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<td>Charter System Supplement Enrollment Growth</td>
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<td>Increase in CTAE – Rural Middle School Coding Labs</td>
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## Amended FY 2019 Budget – State Commission Charter Supplement

- FY 2018 HB 787
- Allows for projections if enrollment is estimated to increase at least 2%
- Allows for increased funding projections for T&E (If 2019-1 CPI was at least 2% greater than 2018-1 CPI, the growth was funded)
- If enrollment actually declined or growth was less than 2%, the State charters were held harmless and the Initial Allotments restored.
- If growth increase is more than 2%, enrollment growth was funded just as it is for all school districts.
- If there was growth more than 2%, just not at the level of the projections, then funding was allotted at the October 2018 level.
Amended FY 2019 Budget – School Security Grants

- $69,240,000 for School Security Grants
- $30,000 for each school
- Email notification from GaDOE on March 18, 2019

- Districts must submit a budget using the Consolidated Application (Con App)
- Invoice Application will be utilized for reimbursement
- Grant award period: April 1, 2019 – June 30, 2020
- Email from Ted (GaDOE CFO) on April 12, 2019 with directives for submitting a budget within the Con App
School Security Grants

FAQ Sheet

• Funds are reimbursable
• To be used for school security enhancements as identified in the school security plans
• Can use the funds once the budget is approved in ConApp, invoices must be after 3.12.2019
• Must use Invoice Application
• Funds expire June 30, 2020
## Rural Middle School Coding Labs

- **Increase in CTAE – Rural Middle School Coding Labs - $500,000**

- **Same process as last year**

- **Grant Award Notifications dated May 11**

- **Revenue should be reported as unearned (Revenue Code 0481) if not expended prior to June 30, 2019**
FY 2020 Initial QBE and Other State Grants
## Initial FY 2020 Budget

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<td>• State Commission Charter Schools</td>
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**Initial FY 2020 Budget**

- Adjustment of the base salary schedule to increase salaries for certified employees, effective July 1, 2019.
  - Includes: teachers, media specialists, special education specialists, technology specialists, counselors, social workers, psychologists, superintendents, assistant superintendents, principals, assistant principals

| $522,122,265 |

- FY 2020 Salary Scale includes an additional $3,000 *added to each step*

  - New salary scale to be released after State Board Approval on May 9, 2019
• How does the adjustment in FY 2020 affect the state salary scale?

• The increase between steps was previously based on a 3% increase.

• By adding a flat dollar amount to each step, the percentage increase between steps decreases.

• The spread between steps is the same dollar amount between the FY 2019 and FY 2020 salary scales.
# FY 2019 Salary Scale

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**Salary Scale for FY 2019**
## FY 2020 Salary Scale

### STATE SALARY SCHEDULE

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<th>Years of Creditable Service</th>
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- **FY 2020 Initial Salary Schedule**
- **Salary Step:** E, L1, L2, L3, L4, L5, L6
- **Base Equal:** $37,092.00
- **Salary Scale:**longleftrightarrow $76,880.00
- **Salary Increase:** $6,415.00

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Richard Woods, Georgia’s School Superintendent | Georgia Department of Education | Educating Georgia’s Future
## Comparison: FY 19 Salary Scale vs. FY 20 Salary Scale

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<th>FY 2019 Salary Scale</th>
<th>Salary</th>
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<td>T7, Step L6</td>
<td>$76,980</td>
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<tr>
<td>Difference</td>
<td>$39,888</td>
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Salary Raise, Effective July 1, 2019

- What does this mean?
- QBE includes an additional $46M to calculate the $3,000 raise over the 12 months of the fiscal year.
- State salary scale **remains** on a September – August time frame.
- $3,000 raise is over a 12-month time period including Sept-June (FY 2020) and July-Aug (FY 2021).
- Funding is over the same time frame PLUS additional funds in July/August. The formula for funding the raise provided funds for July/August.
Initial FY 2018 QBE (Flashback Slide)

- Additional funding included in FY 2018 QBE allotment
- Will not be considered when considering hold harmless
- 2% salary increase was calculated based on 12 months instead of 10 months
  - State Salary Scale is calculated September through August, so only 10 months of FY 2018 in QBE included a 2% salary increase
- Additional portion will remain with school district
- Will be allotted on the line for Indirect Cost – Central Administration
Initial FY 2018 QBE (Flashback Slide)

- Additional funding included in FY 2018 QBE allotment
- Record the revenue using the QBE program code 1450 – Indirect Cost – Central Admin
- QBE Allotment Sheet will include a note, identifying the additional funds allotted
**Initial FY 2018 QBE (Flashback Slide)**

<table>
<thead>
<tr>
<th>INDIRECT COST</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Admin and One Time QBE</td>
<td>12,895,650</td>
<td>1,755,536</td>
<td>34,651,195</td>
<td>3,175,556</td>
</tr>
<tr>
<td>School Admin</td>
<td>24,418,391</td>
<td>796,916</td>
<td>25,215,307</td>
<td>5,465,263</td>
</tr>
<tr>
<td>Facility M &amp; O</td>
<td>34,295,601</td>
<td>34,295,601</td>
<td>7,433,360</td>
<td>26,862,241</td>
</tr>
<tr>
<td>Sub Total (INDIRECT COST)</td>
<td>37,314,050</td>
<td>36,848,053</td>
<td>74,162,103</td>
<td>16,074,179</td>
</tr>
</tbody>
</table>
## FY 2020 Additional Adjustments to Salaries

<table>
<thead>
<tr>
<th>Position</th>
<th>Details</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten Aides</td>
<td>Increase 1/3 of Teacher Salary</td>
<td>$1,161.23</td>
</tr>
<tr>
<td>Secretaries</td>
<td>Increase 2% Salary Increase, TRS Increase 20.90% - 21.14%</td>
<td>$283</td>
</tr>
<tr>
<td>Accountants</td>
<td>Increase 2% Salary Increase, TRS Increase 20.90% - 21.14%</td>
<td>$423</td>
</tr>
<tr>
<td>Certified Positions</td>
<td>Earnings Ratio</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-----------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Teachers</td>
<td>Depends on Instructional Category</td>
<td></td>
</tr>
<tr>
<td>Superintendent (12 mo.)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Assistant Superintendent (12 mo)</td>
<td>2: 0-5,000 FTE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4: 5,001-9,999 FTE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6: 10,000 FTE</td>
<td></td>
</tr>
<tr>
<td>Principal (12 mo.)</td>
<td>1 per school</td>
<td></td>
</tr>
<tr>
<td>Assistant Principal (10 mo.)</td>
<td>Elem ½:450</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Middle 1:624</td>
<td></td>
</tr>
<tr>
<td></td>
<td>High 2:970</td>
<td></td>
</tr>
<tr>
<td>Subject Specialists</td>
<td>1:345</td>
<td></td>
</tr>
<tr>
<td>Technology Specialists</td>
<td>1:1100</td>
<td></td>
</tr>
<tr>
<td>Counselors</td>
<td>1:450</td>
<td></td>
</tr>
<tr>
<td>Psychologist</td>
<td>1:2,475</td>
<td></td>
</tr>
<tr>
<td>Social Worker</td>
<td>1:2,475</td>
<td></td>
</tr>
<tr>
<td>Special Ed Leadership</td>
<td>1:200</td>
<td></td>
</tr>
</tbody>
</table>
What certified positions earn funding through the QBE formula?

<table>
<thead>
<tr>
<th></th>
<th>Instructional Personnel</th>
<th>Administrator/Specialist</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Salary</strong></td>
<td>$37,092.00</td>
<td>$37,092.00</td>
</tr>
<tr>
<td><strong>Retirement</strong></td>
<td>21.14%</td>
<td>21.14%</td>
</tr>
<tr>
<td><strong>Health Insurance</strong></td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>FICA</strong></td>
<td>1.45%</td>
<td>1.45%</td>
</tr>
<tr>
<td><strong>Sick Leave Rate</strong></td>
<td>$30</td>
<td></td>
</tr>
<tr>
<td><strong>Sick Leave Days</strong></td>
<td>5</td>
<td>150.00</td>
</tr>
<tr>
<td><strong>Total Salary (10 Month)</strong></td>
<td>45,621.08</td>
<td>$45,471.08</td>
</tr>
<tr>
<td><strong>Total Salary (12 month)</strong></td>
<td>20.00%</td>
<td>$54,565.30</td>
</tr>
</tbody>
</table>
What classified positions earn funding through the QBE formula?

<table>
<thead>
<tr>
<th>Classified Positions</th>
<th>Ratio of Earnings</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten Teacher Aides</td>
<td>1/3 of teacher base salary</td>
<td>$15,207.03</td>
</tr>
<tr>
<td>Secretaries</td>
<td>12 mo. – Central Admin and School Admin</td>
<td>$14,300.58</td>
</tr>
<tr>
<td>Accountant</td>
<td>12 mo. – Central Admin</td>
<td>$25,613.84</td>
</tr>
</tbody>
</table>
FY 2020 Salary Survey Requested

• Is the state salary scale utilized in determining the annual salaries of certified employees?
• Does your system also provide a local supplement?
• Will teachers and/or other certified personnel in your system receive a salary increase in FY 2020?
• What is the average anticipated salary increase (including state and local portion)?
• Any additional criteria that certified employees must meet for salary increases?

• **Expect survey in June**
Initial FY 2020 Budget –
Equalization and LFMS

• **Equalization Increase** - $78,644,980
  - Overall allotment - $693,961,400
  - FY 2020 Statewide Average - $151,228.61
  - FY 2019 Statewide Average - $144,820.85
  - 5 lost all funding – 60 total did not receive funding
  - 31 districts decreased/lost funding
  - 94 districts increased funding
  - 55 districts did not receive funding in FY 19 or FY 20

• **Local Five Mill Share Increase** - $115,253,499
  - Overall allotment decrease due to LFS - $1,987,648,762
Initial FY 2020 Budget – TRANSPORTATION

• Transportation Funds - $135,434,948
  • Enrollment Growth - $818,906
  • 2% Salary Increase - $1,731,924
• Bus bonds of $20,000,000
• Additional bonds of $1,710,000 for alternative fuel school buses
AFY 2018 (Flashback Slide)

• Transportation
  • Amended the transportation allotment to provide an additional $1,760,918
  • Increase funds to purchase 204 school buses statewide
  • $15,750,000
  • Added to the Business and Finance Administration Budget
  • Not bonds
  • Will be awarded as a grant through GAORS
  • Use Bus Bond Program Code
  • Will be paid on specified date (to be determined)
  • Completion Report required
Initial FY 2020 Budget – TRANSPORTATION

<table>
<thead>
<tr>
<th>Driver Benefits</th>
<th>Budget Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$9,384.16</td>
</tr>
<tr>
<td>Social Security</td>
<td>717.52</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>125.00</td>
</tr>
<tr>
<td>Required Medical Examination</td>
<td>30.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$10,256.68</strong>*</td>
</tr>
</tbody>
</table>

*This amount equates to $854.72 per month, per driver for July 2019 through June 2020.*
Initial FY 2020 Budget
NUTRITION

- Nutrition Funds - $24,534,332
  - 2% Salary Increase - $451,260
- Calculation set forth in O.C.G.A. §20-2-187
- Funding for increase based on current manager and non-manager staffing and estimated lunches serviced in FY 20
- State Board rule stipulates the amount of lunches to be served in an 8 hour day by each employee as 85
- Formula calculates the number of employees needed
- Divides number of employees needed by amount of funding appropriated to determine base salary.
## Initial FY 2020 Budget – Non-Categorical Formula Grants

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sparsity</strong></td>
<td>Updated declining FTEs - $968,634 and calculation for 2% Salary Increase and TRS – $131,101</td>
</tr>
<tr>
<td><strong>Residential Treatment Centers</strong></td>
<td>Increased Enrollment - $114,005 and 2% Salary Increase - $502,349</td>
</tr>
</tbody>
</table>
| **State Preschool Disabilities Grant**        | • $2,068,062 for Salary Increase  
  • $3,818,325 for enrollment growth and T&E                                             |
| **Hygiene Products**                          | • $1,000,000 for low-income students                                                                                                     |
### Initial FY 2020 QBE – Categorical Grants

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>School Improvement</strong></td>
<td>Increase funds for additional resources and programs for high school counselors for Title I schools</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>CTAE</strong></td>
<td>Increase of funds for $3,000 salary increase</td>
<td>$775,362</td>
</tr>
<tr>
<td><strong>CTAE</strong></td>
<td>Increase of funds for industry certification</td>
<td>$220,000</td>
</tr>
<tr>
<td><strong>CTAE</strong></td>
<td>Increase of funds for cyber security initiatives</td>
<td>$250,000</td>
</tr>
</tbody>
</table>
## Regional Educational Service Agencies (RESAs)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESAs – Mental Health Awareness Training</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>TRS increase</td>
<td>$8,066</td>
</tr>
<tr>
<td>2% Salary increase</td>
<td>$178,851</td>
</tr>
<tr>
<td>Austerity DECREASE</td>
<td>$413,000</td>
</tr>
<tr>
<td>Total RESA QBE Allotment</td>
<td>$14,568,010</td>
</tr>
</tbody>
</table>
Bonds – Initial 2020 Budget

- Capital Outlay – Regular - $185,140,000
- Capital Outlay – Regular Advance - $36,455,000
- Capital Outlay – Low Wealth - $30,650,000
- Capital Outlay – Additional Project Specific Low-Wealth - $13,630,000
- Agriculture Education Equipment - $2,020,000
- Vocational Equipment - $7,570,000
- Construction Industry Certification - $250,000
State Health Benefit Plan

- Employer Contributions
  - Certified Employees - $945 PMPM
  - Non-certified Employees - $945 PMPM

- No change for FY 2020
TRS

• **Employer Rates**
  - FY 2019 – 20.90%
  - FY 2020 – 21.14%

• **Employee Rates**
  - FY 2019 – 6%
  - FY 2020 – 6%
Allotment Sheets

• AFY19 Allotment Sheets were posted on February 19, 2019.
• AFY19 Site Level Allotment Sheets posted March 25, 2018.
• FY 19 Accrual Sheets posted April 29, 2019.
• FY 20 Allotments Sheets pending.
### FTE or Full Time Equivalent Students – Projection for QBE Formula

<table>
<thead>
<tr>
<th>FY2019 Fall Count</th>
<th>+FY2019 Fall Count</th>
<th>+Projection</th>
<th>+3</th>
<th>=Final Funded FTE for FY20 QBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>{FY2019 Fall Count}</td>
<td>+FY2018 Spring Count</td>
<td>+2</td>
<td>*Ratio of Increase</td>
<td>=Projection</td>
</tr>
<tr>
<td>{Fall FY2019}</td>
<td>+Fall FY2018</td>
<td>*FY2018 Spring</td>
<td>=Ratio of Increase</td>
<td></td>
</tr>
</tbody>
</table>
## FTE Used in Calculation

<table>
<thead>
<tr>
<th>FTE Category</th>
<th>FTE Code</th>
<th>October 2017 2018-1</th>
<th>October 2017 2017-3</th>
<th>October 2016 2017-1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Segments</td>
<td>FTE</td>
<td>Segments</td>
</tr>
<tr>
<td>Kindergarten</td>
<td>A</td>
<td>1,983</td>
<td>331</td>
<td>2,408</td>
</tr>
<tr>
<td>Kindergarten EIP</td>
<td>E</td>
<td>1,397</td>
<td>233</td>
<td>1,145</td>
</tr>
<tr>
<td>Grades 1 to 3</td>
<td>B</td>
<td>6,554</td>
<td>1,093</td>
<td>7,097</td>
</tr>
<tr>
<td>Primary Grades 1-3 EIP</td>
<td>F</td>
<td>3,561</td>
<td>595</td>
<td>3,265</td>
</tr>
<tr>
<td>Grades 4 to 5</td>
<td>C</td>
<td>4,449</td>
<td>742</td>
<td>4,198</td>
</tr>
<tr>
<td>Grades 4-5 EIP</td>
<td>G</td>
<td>2,303</td>
<td>384</td>
<td>2,075</td>
</tr>
<tr>
<td>Middle Grades 6 to 8</td>
<td>9</td>
<td>182</td>
<td>30</td>
<td>160</td>
</tr>
<tr>
<td>Middle School 6 to 8</td>
<td>H</td>
<td>8,109</td>
<td>1,352</td>
<td>8,279</td>
</tr>
<tr>
<td>Grades 9 to 12</td>
<td>D</td>
<td>7,198</td>
<td>1,200</td>
<td>7,319</td>
</tr>
<tr>
<td>Special Education Level 1</td>
<td></td>
<td>122</td>
<td>21</td>
<td>10</td>
</tr>
<tr>
<td>Special Education Level 2</td>
<td></td>
<td>393</td>
<td>67</td>
<td>479</td>
</tr>
<tr>
<td>Special Education Level 3</td>
<td></td>
<td>1,199</td>
<td>202</td>
<td>1,242</td>
</tr>
<tr>
<td>Special Education Level 4</td>
<td></td>
<td>257</td>
<td>43</td>
<td>214</td>
</tr>
<tr>
<td>Special Education Level 5</td>
<td></td>
<td>241</td>
<td>42</td>
<td>213</td>
</tr>
<tr>
<td>GNETS (Psyco-Ed Program)</td>
<td>4</td>
<td>36</td>
<td>6</td>
<td>42</td>
</tr>
<tr>
<td>Gifted</td>
<td>I</td>
<td>1,444</td>
<td>241</td>
<td>1,189</td>
</tr>
<tr>
<td>Remedial Education</td>
<td>J</td>
<td>1,081</td>
<td>179</td>
<td>963</td>
</tr>
<tr>
<td>Vocational High School Lab</td>
<td>K</td>
<td>1,907</td>
<td>318</td>
<td>1,810</td>
</tr>
<tr>
<td>MOWR - General Education</td>
<td>6(D)</td>
<td>417</td>
<td>70</td>
<td>520</td>
</tr>
<tr>
<td>MOWR - Vocational</td>
<td>7(K)</td>
<td>861</td>
<td>110</td>
<td>428</td>
</tr>
<tr>
<td>Study Hall</td>
<td>N</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other (Non-State Funded)</td>
<td>O</td>
<td>60</td>
<td>10</td>
<td>78</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>7,269</td>
<td>7,201</td>
<td>7,284</td>
</tr>
</tbody>
</table>
Legislation
FY 2019 – HB 322 - Signed April 28, 2019

1. To amend Title 36 of the Official Code of Georgia Annotated, relating to local government, so as to change provisions relating to the advertisement of certain bid or proposal opportunities; to change notice provisions relating to public works construction contracts; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

• Changes Procurement Registry Requirements

• Bid or Proposal opportunity for goods, services, or both, in excess of $100,000 shall be published on the GA Procurement Registry Website

• Construction bids are required to be posted for 28 days
FY 2019 – SB 67 – Sent to Governor
April 5, 2019

• In the event of a fire or natural disaster, the district shall be able to concurrently apply for funding of portions of same facility that was not damaged or destroyed so long as the facility is at least 20 years old.

• Added additional criteria to meet low wealth eligibility. Consolidation of educational facilities when the SPLOST over a 5 year period would not generate the required local contribution.
FY 2019 – SB 15– Sent to Governor 4.9.19

• Requires schools to conduct a site threat assessment
• Reperform assessment every 5 years
• Review and update annually as necessary
• School safety plans submitted to Department of Education
• GaDOE shall post a list on website showing:
  • all schools that have completed and
  • all schools that are delinquent in completing the school safety plan
• Requires sales tax to be collected from any online retailer when gross revenue exceeds $100,000.00 in the previous or current year.
• Lowered threshold from $250,000
• Effective January 1, 2020
FY 2019 – SB 68 – Did not pass

• Requires School Board members to review financial information for their specific school district as part of finance training

• Requires Superintendent financial management training if high risk

• Requires GaDOE to establish a template for reporting financial information to the board

• Requires flexibility contracts to consider high-risk status
FY 2019 – SB 209 – Did not pass

- Eliminate the Financial Efficiency Star Rating
- **SR 452** – Creates a Senate Study Committee to review the FESR rating system.
- Committee created through December 31, 2019
FY 2019 – Did not pass

- **SR 12** – To amend constitution to allow SPLOST funds for school security projects
- **HB 65** – To allow SPLOST funds to be used for cloud-based services and software
- **HB 444** – Dual Enrollment
SPLOST
SPLOST

GA Constitution, Article VIII, Section VI, Paragraph IV states, in part, “The purpose or purposes for which the proceeds of the tax are to be used and may be expended include: (1) Capital outlay projects for educational purposes…”

AG Opinion 97-7 states, in part, “Therefore, the term "capital outlay projects" as used in the educational sales tax purposes amendment should be read as well to refer to major, permanent, or long-lived improvements or betterments, such as would be properly chargeable to a capital asset account and as distinguished from current expenditures and ordinary maintenance expenses. This definition coincides with the accounting use of the term as an expenditure of significant value for the acquisition of a fixed asset or an addition to a fixed asset.”
Federal School Improvement Grant
Federal School Improvement Grant Program Code 1770

• $12M currently awarded – these funds are carryover from the FY 2018 grant award period
• Grant Period Ends September 30, 2019
• $12M cannot be carried over again
• Additional allocations expected to be approved at May 8th State Board Meeting
• Additional funding through September 30, 2019 grant period – however, full carryover of the additional funding will be allowed through September 30, 2020
Medicaid Nursing Reimbursements
Medicaid Reimbursement

• Medicaid program to seek reimbursement for nursing services provided by school districts

• Services provided by licensed nurses DIRECTLY to students

• Will need to capture salaries/benefits for licensed nurses separately from the generalized nursing services and operating costs funded by QBE (Program Code 1500)

• More information coming soon
Medicaid Reimbursement

• Must enroll in both CISS and ACE to participate in Nursing Reimbursement

• Training to be held this summer at the RESA locations – already scheduled

• Will only be required to enroll as a provider with DCH and no other managed care organizations to participate

• Random Moment Time Study will be performed
Budgeting Process and Monthly Reporting to Board
FY 2016 HB 65 – O.C.G.A. §20-2-167.1

• 2 public meetings before final adoption of budget
• Public meetings must be advertised
• Can be during any other meeting as long as advertised and meeting is opened for public comment

• Removed FMGLUA requirement to advertise budget since not included in 20-2-167 or 20-2-167.1
Budget Process – What does Law Require?

• O.C.G.A. §20-2-167(a)(5) – budget of each local school system shall reflect all anticipated revenues and expenditures.

• O.C.G.A. §20-2-167(c) – State Board of Education will prescribe a date to submit budget to GaDOE.

• O.C.G.A. §20-2-167(e) – State Board shall develop rules and format for reporting the budget information to GaDOE.

• O.C.G.A. §20-2-167.1(c) – Establishes requirements for public notice and publication of budget locally.
What should be included in the Budget approved by the Board?

• Local Budget Policy must set level of budgetary control – fund, function, object.

• May be different levels for different categories of activity. EX – Federal programs may only be approved at the fund level, but the General Operating may be approved at the object level.

• Must include all funds
# Budget Examples

<table>
<thead>
<tr>
<th>Revenues</th>
<th>General</th>
<th>Special</th>
<th>School</th>
<th>Capital</th>
<th>Debt</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fund</td>
<td>Revenue</td>
<td>Nurtur</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$20,657,425</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 5,000</td>
<td>$20,662,425</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>$10,867,653</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 16,867,653</td>
<td>$21,735,306</td>
</tr>
<tr>
<td>State Funds</td>
<td>$62,016,342</td>
<td>$1,836,543</td>
<td>$140,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$64,492,885</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$ -</td>
<td>$7,411,359</td>
<td>$4,736,450</td>
<td>$ -</td>
<td>$193,600</td>
<td>$12,343,409</td>
</tr>
<tr>
<td>Sale of Bonds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$ -</td>
<td>$ -</td>
<td>$812,750</td>
<td>$ -</td>
<td>$ -</td>
<td>$812,750</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td>$150,000</td>
<td>$ -</td>
<td>$90</td>
<td>$800,000</td>
<td>$75,000</td>
<td>$1,055,090</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$996,800</td>
<td>$10,452</td>
<td>$8,800</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,015,452</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$95,187,020</strong></td>
<td><strong>$9,260,369</strong></td>
<td><strong>$5,650,790</strong></td>
<td><strong>$800,000</strong></td>
<td><strong>$11,141,253</strong></td>
<td><strong>$122,089,323</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>General</th>
<th>Special</th>
<th>School</th>
<th>Capital</th>
<th>Debt</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>$65,269,273</td>
<td>$8,025,675</td>
<td>$ -</td>
<td>$3,705,587</td>
<td>$ -</td>
<td>$77,001,535</td>
</tr>
<tr>
<td>Instruction</td>
<td>$3,758,457</td>
<td>$693,403</td>
<td>$ -</td>
<td>$102,831</td>
<td>$ -</td>
<td>$4,564,692</td>
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<tr>
<td>Support Services</td>
<td>$1,691,188</td>
<td>$395,500</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$2,076,688</td>
</tr>
<tr>
<td>Pupil Services</td>
<td>$1,312,076</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,312,076</td>
</tr>
<tr>
<td>Educational Media Services</td>
<td>$482,063</td>
<td>$207,242</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$690,305</td>
</tr>
<tr>
<td>General Administration</td>
<td>$5,790,760</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$5,790,760</td>
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<tr>
<td>School Administration</td>
<td>$980,207</td>
<td>$9,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$990,207</td>
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<tr>
<td>Business Administration</td>
<td>$7,729,990</td>
<td>$2,214</td>
<td>$ -</td>
<td>$819,418</td>
<td>$ -</td>
<td>$8,555,829</td>
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<tr>
<td>Maintenance and Operation of Plant</td>
<td>$3,004,339</td>
<td>$117,241</td>
<td>$ -</td>
<td>$871,000</td>
<td>$ -</td>
<td>$3,991,580</td>
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<tr>
<td>Student Transportation Services</td>
<td>$1,277,031</td>
<td>$2,000</td>
<td>$ -</td>
<td>$27,580</td>
<td>$ -</td>
<td>$1,222,350</td>
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<tr>
<td>Central Support Services</td>
<td>$146,342</td>
<td>$74,830</td>
<td>$ -</td>
<td>$572,000</td>
<td>$ -</td>
<td>$773,172</td>
</tr>
<tr>
<td>Other Support Services</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Enterprise Operations</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Community Services</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Food Services Operation</td>
<td>$ -</td>
<td>$ -</td>
<td>$5,730,805</td>
<td>$ -</td>
<td>$ -</td>
<td>$5,730,805</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Debt Services</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$8,875,000</td>
<td>$8,875,000</td>
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<tr>
<td>Principal</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$2,014,450</td>
<td>$2,014,450</td>
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<tr>
<td>Dues and Fees</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Interest</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$2,014,450</td>
<td>$2,014,450</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$94,902,027</strong></td>
<td><strong>$9,257,091</strong></td>
<td><strong>$5,730,990</strong></td>
<td><strong>$13,750,251</strong></td>
<td><strong>$10,869,430</strong></td>
<td><strong>$134,769,774</strong></td>
</tr>
<tr>
<td>Excess of Revenues over (under) Expenditures</td>
<td>$285,843</td>
<td>$(266,731)</td>
<td>$(31,115)</td>
<td>$(12,950,251)</td>
<td>$251,603</td>
<td>$(12,710,451)</td>
</tr>
</tbody>
</table>

## Other Financing Sources (Uses)

| Transfers In | $ - | $ - | $ - | $ - | $ - | $ - |
| Transfers Out | $(266,183) | $(266,183) | $(266,183) | $(266,183) | $(266,183) | $(266,183) |
| **Total Other Financing Sources (Uses)** | $(266,183) | $(266,183) | $(266,183) | $(266,183) | $(266,183) | $(266,183) |

- Net Change in Fund Balances: $17,690, 1,452, $(31,115), $(12,950,251), $251,603, $(12,710,451)
- Fund Balances - Beginning: $13,500,000, $ - , $400,000, $43,500,000, $2,500,000, $59,900,000
- Fund Balances - Ending: $13,517,656, $1,452, $368,855, $30,742,749, $2,751,603, $47,169,549

The FY 2019 Budget is scheduled for final adoption by the Bulloch County Board of Education on May 31, 2018 at 6:30 PM at the Work Session Meeting. All meetings will be conducted at the Bulloch County Board of Education, 150 Williams Road, Suite A, Statesboro, GA 30468.
# Budget Examples

## Walker County Board of Education

**FY2019 Budget**

### Revenue:

- Local Revenue: $23,090,000
- State Sources (QBE & Categorical Grants): 62,639,224
- Other Sources (State Grants & Other Agencies): 845,935
**Total Revenue**: $86,575,159

### Beginning Fund Balances:

- Unassigned: $8,350,000
- Nonspendable, Inventories: 153,281
- Assigned, Workers Compensation: 150,000
- Assigned, Technology (E-rate): 15,991
**Total Fund Balance, July 1, 2017**: $8,669,272

### Total Revenue & Beginning Balance:

**$95,244,431**

### Expenditures:

- Instruction: $62,145,115
- Pupil Services: 5,969,913
- Instructional Services: 1,771,577
- Media Services *: 1,637,856
- General Administration: 509,641
- School Administration: 6,706,343
- Business Services: 627,491
- Maintenance & Operations: 7,936,413
- Transportation: 6,071,237
- Support Services: 394,542
- Other Support Service: 287,969
- Outgoing Transfers & Debt Services: 414,061
**Total Expenditures**: $92,462,206

### Ending Fund Balance:

- Unassigned: $2,473,942
- Nonspendable, Inventories: 153,281
**Total Fund Balance, June 30, 2018**: $2,782,223

### Total Expenditures And Ending Balance

**$95,244,431**

*Includes $80,000 contribution to Cherokee Regional Library Commission*

### Capital Projects:

- $17,000,000

### Debt Service:

- Title I: 2,853,376
- Title II: 335,838
- Title IV: 193,644
- IDEA (Special Education): 1,806,868
- Vocational Grants: 69,525
- School Food and Nutrition: 7,413,573
- Preschool (Lottery Funded): 1,394,145
- Principals' Accounts: 2,165,850

**Total All Other Funds**: $36,435,156
Budget Considerations

• What is the legal level of budgetary control the board maintains?

• Is it the same level for the General Fund as the other funds, such as Federal or Capital Projects?

• At what level can a Superintendent authorize a budget amendment without board approval?

• When should the board approve an amended budget?
### Monthly Financial Reporting to Local Board

**GENERAL FUND FISCAL YEAR-TO-DATE REPORT**  
**REVENUE & EXPENDITURE STATEMENT BY FUND**  
**SEPTEMBER 1, 2018 THROUGH SEPTEMBER 30, 2018**  
**25% OF FISCAL YEAR COMPLETE**

**FY 2018-2019**

<table>
<thead>
<tr>
<th></th>
<th>CURRENT PERIOD</th>
<th>YEAR-TO-DATE</th>
<th>BUDGETED</th>
<th>% BUDGET SPENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>100 GENERAL FUND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1121 INTANGIBLES</td>
<td>16,999.56</td>
<td>20,285.35</td>
<td>75,000.00</td>
<td>27.0%</td>
</tr>
<tr>
<td>1170 APPRO FROM CITY/COUNTY</td>
<td>86,582.92</td>
<td>120,819.66</td>
<td>8,898,229.00</td>
<td>1.4%</td>
</tr>
<tr>
<td>1191 TITLE AD VALOREM TAX</td>
<td>123,474.98</td>
<td>123,474.98</td>
<td>525,000.00</td>
<td>23.5%</td>
</tr>
<tr>
<td>1192 TAX COLLECTION FEES</td>
<td>(288.96)</td>
<td>(507.50)</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>1990 FED INDIRECT COST REIMB</td>
<td>19,244.90</td>
<td>19,244.90</td>
<td>200,000.00</td>
<td>9.6%</td>
</tr>
<tr>
<td>1995 OTHER LOCAL REVENUES</td>
<td>3,124.93</td>
<td>14,154.52</td>
<td>100,000.00</td>
<td>14.2%</td>
</tr>
<tr>
<td>3120 QBE FORMULA EARNINGS</td>
<td>1,063,008.00</td>
<td>1,210,237.00</td>
<td>12,756,225.00</td>
<td>9.5%</td>
</tr>
<tr>
<td>3122 QBE ALLOTMENT</td>
<td>79,037.00</td>
<td>237,237.00</td>
<td>948,570.00</td>
<td>25.0%</td>
</tr>
<tr>
<td>3125 TOTAL STATE CATEG GRANTS</td>
<td>17,281.00</td>
<td>51,844.00</td>
<td>207,373.00</td>
<td>25.0%</td>
</tr>
<tr>
<td>3140 QBE CONTRA ACCOUNT</td>
<td>(225,519.00)</td>
<td>(281,029.00)</td>
<td>(2,706,380.00)</td>
<td>10.4%</td>
</tr>
<tr>
<td>3800 OTHER GRANTS-GA DOE</td>
<td>13,264.82</td>
<td>48,058.16</td>
<td>279,250.00</td>
<td>17.2%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>1,196,210.15</td>
<td>1,563,819.07</td>
<td>21,283,267.00</td>
<td>7.3%</td>
</tr>
</tbody>
</table>
## Monthly Financial Reporting to Local Board

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000 Instruction</td>
<td>1,002,707.23</td>
<td>1,302,647.87</td>
<td>12,018,633.00</td>
<td>10.8%</td>
</tr>
<tr>
<td>2100 Pupil Services</td>
<td>75,566.31</td>
<td>99,770.79</td>
<td>855,259.00</td>
<td>11.7%</td>
</tr>
<tr>
<td>2210 Improv Of Inst. Services</td>
<td>33,901.95</td>
<td>96,997.28</td>
<td>476,644.00</td>
<td>20.4%</td>
</tr>
<tr>
<td>2220 Educ Media Services</td>
<td>34,761.44</td>
<td>38,957.81</td>
<td>465,066.00</td>
<td>8.4%</td>
</tr>
<tr>
<td>2300 General Administration</td>
<td>23,320.60</td>
<td>95,397.11</td>
<td>436,208.00</td>
<td>21.9%</td>
</tr>
<tr>
<td>2400 School Administration</td>
<td>115,208.89</td>
<td>368,979.99</td>
<td>1,584,072.00</td>
<td>23.3%</td>
</tr>
<tr>
<td>2500 Support Serv - Business</td>
<td>51,134.20</td>
<td>195,535.72</td>
<td>814,946.00</td>
<td>24.0%</td>
</tr>
<tr>
<td>2600 Maint &amp; Oper. Of Plant</td>
<td>96,175.57</td>
<td>572,582.90</td>
<td>2,165,645.00</td>
<td>26.4%</td>
</tr>
<tr>
<td>2700 Student Trans. Service</td>
<td>61,764.61</td>
<td>139,412.48</td>
<td>1,189,090.00</td>
<td>11.7%</td>
</tr>
<tr>
<td>2800 Supp Services - Central</td>
<td>7,073.61</td>
<td>117,910.38</td>
<td>441,783.00</td>
<td>26.7%</td>
</tr>
<tr>
<td>2900 Other Support Services</td>
<td>-</td>
<td>-</td>
<td>34,000.00</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>1,501,614.41</td>
<td>3,028,192.33</td>
<td>20,481,346.00</td>
<td>14.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Over (Under) Expenses</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(305,404.26)</td>
<td>(1,464,373.26)</td>
<td>801,921.00</td>
<td></td>
</tr>
</tbody>
</table>
# Monthly Financial Reporting to Local Board

<table>
<thead>
<tr>
<th>Description</th>
<th>Account Numbers</th>
<th>Dollar Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2018 Beginning Fund Balance</td>
<td>0721 - 0799</td>
<td>$3,746,204.78</td>
</tr>
<tr>
<td>Adjustments to Fund Balance</td>
<td>0721 - 0799</td>
<td>-$150.00</td>
</tr>
<tr>
<td>Total Revenues</td>
<td></td>
<td>$12,618,986.05</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td></td>
<td>-$9,356,559.29</td>
</tr>
<tr>
<td>End Of Period General Fund Balance</td>
<td>0721 - 0799</td>
<td>$7,008,481.54</td>
</tr>
</tbody>
</table>
Chart of Accounts and Coding Updates
Amended FY 2019 Budget - School Safety Security Grants - COA

• Program Code 1695
• Fund Code 100 or 599 (Local charter schools)
• Revenue Source Code 3800
• Expenditure Function Code 2600

• Grant purpose: For school security enhancements that have been identified in the school safety plans and prioritized by the district.
Chart of Accounts

- Emailed updates to Code Relationships on February 1, 2019
- **Restricted effective July 1, 2019:**

<table>
<thead>
<tr>
<th>RESTRICITION DESCRIPTION</th>
<th>CODE NUMBER/DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Function/Object</td>
<td><strong>1000-181</strong> (Maintenance/Transportation Personnel)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>1000-715</strong> (Land improvements)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>2400-110</strong> (School Admin &amp; Teachers)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>2700-113</strong> (Transportation &amp; Subs); use Object 114 or 180</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>Object 410</strong> only allowed with 2600, 2700, 3100, 3300</td>
</tr>
<tr>
<td>Fund/Function</td>
<td><strong>560-2230</strong> (Pre-K &amp; Federal Grant Administration)</td>
</tr>
<tr>
<td>Function/Program</td>
<td>QBE Instructional Program Codes with 2213</td>
</tr>
</tbody>
</table>
COA – 2213, 1210 and QBE Instructional Codes

• 1210 – QBE Professional Development

• Can the QBE Professional Development funds be used for non-instructional staff?
  • YES, through the flexibility contract
  • 1210 allowed with 2210, 2213, 2220, 2300, 2400, 2500
  • Should the 1210 be used with any category other than 2213?

• Other QBE Instructional Codes – Allowability with 2213?
  • No. If funding is used for professional development of instruction staff, regardless of grade level served, 1210 program code should be utilized.
COA – 2213, 1210 and QBE Instructional Codes

• Object Code 116 – Allowability with function codes other than 2213?
  • Yes. Can be used in any functional category that PD is charged for certified employee.
  • Should only be used when formal educational training has been completed outside of employee’s normal contract hours for which either Staff Development units or college credit or awarded.
  • If the activity does not fit that definition, the supplement should be charged to 199.
<table>
<thead>
<tr>
<th>Org Code</th>
<th>Facility</th>
<th>District</th>
<th>District Code</th>
<th>Facility Purpose</th>
<th>Admin Purpose</th>
<th>Admin Usage</th>
<th>Type</th>
<th>Grades</th>
<th>Facility Status</th>
<th>Effective Date</th>
<th>School Count</th>
<th>Last Edit</th>
<th>Change Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>601-003</td>
<td>Maintenance Facility</td>
<td>Appling County</td>
<td>601</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>602-003</td>
<td>Maintenance Facility</td>
<td>Atkinson County</td>
<td>602</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>603-003</td>
<td>Maintenance Facility</td>
<td>Bacon County</td>
<td>603</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>604-003</td>
<td>Maintenance Facility</td>
<td>Baker County</td>
<td>604</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>605-003</td>
<td>Maintenance Facility</td>
<td>Barrow County</td>
<td>605</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
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</tr>
<tr>
<td>606-003</td>
<td>Maintenance Facility</td>
<td>Bartow County</td>
<td>606</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>607-003</td>
<td>Maintenance Facility</td>
<td>Berrien County</td>
<td>607</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>608-003</td>
<td>Maintenance Facility</td>
<td>Bibb County</td>
<td>608</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
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<tr>
<td>609-003</td>
<td>Maintenance Facility</td>
<td>Bleckley County</td>
<td>609</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
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<tr>
<td>610-003</td>
<td>Maintenance Facility</td>
<td>Brantley County</td>
<td>610</td>
<td>Administrative</td>
<td>Central Office</td>
<td>CR Maintenance</td>
<td>PreK 12</td>
<td>Other</td>
<td>Open</td>
<td>05/14/06</td>
<td>Approved</td>
<td></td>
<td></td>
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<td>Central Office</td>
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</table>

**COA – Facility Code 8013 - Maintenance**

**Facility Code 8013:**
Assigned to a maintenance facility registered with the GaDOE Facilities Registry.
COA – Facility Code 8013 - Maintenance

• Utilize Facility Code 8013 for the following:
  • Costs associated with the maintenance facility warehouse
  • All centralized maintenance costs that cannot be distributed among all open FTE-reporting schools or facilities.

• Utilize the School Codes or Facility Codes for the following:
  • Costs that are identified specifically to one location, or can be reasonably allocated.
  • Custodians, HVAC repairs, supplies.
Chart of Accounts – Take Note

- Fresh Fruit and Vegetable Program
  - Old Program Code – 1861
  - New Program Codes (been in place for several years)
    - 1972 – FFVP – Operating
    - 1973 – FFVP – Administrative

- Fund 478
- Utilize new Program Codes in FY 2020
Financial Reports and Final Statements
Deadlines

July 8, 2019
• Open the Portal for Year End Transmissions

September 30, 2019
• FY 2019 Financial Analysis Report
• FY 2019 Final Budget Report
• FY 2020 Initial Budget Report

December 31, 2019
• Completed Financial Statements
  • Include Exhibits, Schedules, Notes to Financial Statements, MD&A (if applicable)
Errors and Warnings Transmission - ⚠️

Uses and Information

- **WHAT:**
  - Pre-DE46 uploads to determine code relationship discrepancies, out of balance accounts, account code input errors, etc.
  - Used to compare the DE106 monthly reported values from the School Nutrition Program against a school district’s general ledger data in Fund 600, School Nutrition *(DE106-DE46 Comparison Report)*.

- **WHY:**
  - Ensures the DE46 uploads at year-end will be error-free and in compliance.

- **WHEN:**
  - Monthly; same as annual DE 46 Upload process.

- **USEFUL TIP:** Use 🌐 Chrome
DE 46 Transmission – NEW PORTAL LOCATION

Transmission types:
- DE46 Actual
- DE46 Initial Budget
- DE46 Final Budget
- Error Checking

'Financial Review Application'
New Warning Code FY 2020 – FUND BALANCE FOR FEDERAL FUNDS

New Warning Code Message:
“W2035 – Fund Balance For Federal Funds does not equal ZERO at fiscal year end”.

Checks all federal funds ensure that the fund equity control total is ZERO.

- Ensures no PRIOR year balances brought forward that should be resolved
- Ensures all receivables and payables for the CURRENT fiscal year have been properly set up to zero out the current fiscal year grant funds.
### Warning Code W2035 - End of Year Fund Equity (MyGaDOE Portal)

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</table>
Warning Code W2035- End of Year Fund Equity (MyGaDOE Portal)

- 69 districts with an ending fund balance in Fund 402 for FY 2018
- 8 districts with the same dollar amount in ending fund balance for more than one fiscal year
- What causes an ending fund balance?
**WHAT IF THE ENDING FUND BALANCE DOES ≠ ZERO**

<table>
<thead>
<tr>
<th>Possible Reasons</th>
<th>Possible Corrective Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. There is a beginning fund balance that should have been corrected in the previous fiscal year.</td>
<td>★ Research the previous year’s revenues and expenditures to determine the cause of ending fund balance in the federal program. Audit adjustments may be required and/or a refund to GADOE.</td>
</tr>
</tbody>
</table>
| 2. Revenue was received *before* an expenditure was incurred.                   | ★ *Book* the appropriate expenditure **OR**  
★ *Reclassify* the revenue as ‘Unearned Revenue’ **OR**  
★ *Refund* the revenue to GADOE |
| 3. Revenue was received, *but* the expenditure was cancelled.                   | ★ Funds may need to be returned to GADOE if allowable expenditures are not incurred.         |
| 4. If the Ending Fund Balance is positive:                                      | ★ Payable /accrual was probably not created. **ACTION:** Create the respective payable/accrual. |
| 5. If the Ending Fund Balance is negative:                                      | ★ Receivable was probably not created to cover the expenditures. **ACTION:** Create the respective accounts receivable. |
Verify that all prior year revenue and expenditure accruals have been cancelled as of 06/30/XX.

Record Summer Salary/Benefit accruals for federal programs. Post these to Balance Sheet Account 0422-Salary & Benefit Payable.

Enter receivables to accrue federal program revenues for total amount of expenditures incurred through June 30th. Include amount accrued for Summer Salaries. These should be booked to Balance Sheet Account 0142-Federal Accounts Receivable.

Ensure the Fund Balance is $0 at June 30th for each federal program, even the programs that have a grant period through September.

- Revenues over expenditures at June 30th either need to be refunded or set up as Unearned Revenue.
- Expenditures in excess of revenue indicate either an over-expenditure in excess of the grant award, or the need to set up an Accounts Receivable.

COMPLETION DATE: __/__/__ SIGNOFF: ___________
Federal Funds Flip
Why Flip Funds for Federal Grant Awards?

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2017 - September 30, 2017</td>
<td>2017 Grant Award Period</td>
</tr>
<tr>
<td>June 30, 2018 - July 1, 2018</td>
<td>2018 Grant Award Period</td>
</tr>
<tr>
<td>September 30, 2018 - June 30, 2019</td>
<td>Fiscal Year 2018</td>
</tr>
<tr>
<td>July 1, 2019 - September 30, 2019</td>
<td>Fiscal Year 2019</td>
</tr>
<tr>
<td>September 30, 2019</td>
<td>Fiscal Year 2020</td>
</tr>
</tbody>
</table>
Why Flip Funds for Federal Grant Awards?

• Maintain activity by **grant award period**.
• Fund 402 – even grant award years
• Fund 403 – odd grant award years
• Grant Award period – July 1, 2018 – September 30, 2019 – **Fund 403**
• Grant Award period – July 1, 2019 – September 30, 2020 – **Fund 402**
• Flipping funds not required – can use internal process for maintaining activity separate
Why Flip Funds for Federal Grant Awards?

**Scenario 1:** A receivable was set up for the 2018 Grant Award in Fund 402. The revenue was received in October 2018 (FY 2019). In what fund should the receipt be posted?

**Scenario 2:** The salary accruals are set up for July and August 2018 at June 30, 2018 in Fund 402. When the salaries are paid in July and August 2018 (FY 2019), in what fund should the payments be made?
Why Flip Funds for Federal Grant Awards?

**Scenario 3:** The contract period for the 2018-2019 school year runs September – August for all 10-month employees. The salaries for the FY 2019 expenditures are set up to be paid out of Fund 403. Should the September salary payments be claimed on the 2018 grant award?

**Scenario 4:** A receivable that was set up in Fund 402 for FY 2018 was not cancelled in FY 2019. The revenue was receipted in Fund 403 in FY 2019. Will the revenue match the expenditures in Fund 403?
E-Verify
E-Verify

Illegal Immigration Reform and Enforcement Act

Important information and News

- Audits and Accounts cannot provide legal advice or legal assistance
- SUBMITTING REPORT: The Immigration and Collection System is now open, please see FAQ and INSTRUCTIONS for help
- The submission system spreadsheets will no longer be accepted
- Download our quick reference sheet

Reporting Requirements and Resources

Frequently Asked Questions

Enforcement Review Board Information

Information about Reform Act

Submission Instructions and Videos

Contact
E-Verify

- O.C.G.A. §13-10-91 – A public employer shall not enter into a contract ... for the physical performance of services unless the contractor registers and participates in the federal work authorization program. Before a bid for any such service is considered by a public employer, the bid shall include a signed, notarized affidavit from the contractor....” O.C.G.A. §13-10-91(b)(6) states, in part, “No later than August 1, 2011, the Department of Audits and Accounts shall create and post on its website form affidavits for the federal work authorization program.”
E-Verify

• What constitutes entering into a contract for the physical performance of services?
GASB 68 and GASB 75
GASB 68 Resources Available on Financial Review’s webpage:

• For Fiscal Year 2019
  o TRS and ERS Allocations for GASB 68 Pension Entries
  o TRS and PSERS On Behalf Allocations by Function
  o FY 19 GASB 68 Allocation Worksheets
  o Instructions for Posting the Net Pension Liability – 2019 Update
  o TRS Sample Retirement Packet for DOE

• Packets in TRS Employer File Locker; ERS will email their contact. Check with your HR or Payroll Coordinator.
GASB 75 Resources Available on Financial Review’s webpage

• For Fiscal Year 2019
  ○ SHBP Allocations for GASB 75 OPEB Entries
  ○ FY 19 GASB 75 Allocation Worksheets
  ○ Instructions for Posting the Net OPEB Liability – 2019 Update
  ○ SHBP Sample OPEB Packet for DOE

• Packets in SHBP SHRT Tool; Check with your Payroll Coordinator.
**KEY POINTS TO REMEMBER:**

- Employer Contributions MUST come from DCH (SHBP)
- Employer Packets Distributed through SHBP SHRT Tool – Check with Payroll Coordinator
- Covered Payroll for FY 2018 and FY 2019 – Must be Determined by School District
- Notes Template and Requirement Supplementary Schedules on DOAA website
- Possible ERS-SEAD Liability – Check with ERS
GASB 75

How do determine covered payroll (PCG sites)

1. F2 – Payroll System
2. F13 – Special Functions Menu
3. F8 – Payroll Export/Import Menu
4. F7 – Earnings History Export
5. Export to default or F10 to select export location
6. Enter period to extract (fiscal year)
7. F4 – Select HISTORY Items

See next slide for print screen
## GASB 75

### Earnings History Export

Select Fields

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<th>Field</th>
<th>Description</th>
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<td>Check date</td>
<td>Regular hours</td>
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<tr>
<td>Transaction date</td>
<td>Regular gross</td>
</tr>
<tr>
<td>Pay class</td>
<td>Overtime hours</td>
</tr>
<tr>
<td>Check type</td>
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<tr>
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<td>Total net</td>
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<tr>
<td>Work location</td>
<td>GHI Tier X</td>
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</table>

F7=Return, F11=Select All, F12=Deselect All, F16=Exit

17.01.00
GASB 75

How do determine covered payroll (PCG sites)

8. Once exported, sort and remove all rows with a “0.00” or blank amount in the GHI Tier column.

9. Once removed, total the Total Gross column for the amount of covered payroll for employees with SHBP coverage. This will give you just the salaries that are associated with the benefit deductions, and will not include salaries that were paid when employee was NOT enrolled in the plan.
School District Deficit Reporting
School District Deficit Reporting

O.C.G.A. §20-2-67 – When an audit reports a budget deficit or irregularity:

• Deficit Elimination Plan signed by Board Members
• Publication of Statement of Actual Operations in legal news organ
• Monthly reporting of deficit balance to GaDOE
School District Deficit Reporting

How is Law Applied:

• If Audit reports a finding in the Statement of Revenues, Expenditures, and Changes in Fund Balance – **Publish in Newspaper**

• Monthly Reporting until GaDOE is satisfied deficit is eliminated

• If deficit in Capital Projects or School Nutrition, and transfer is made to eliminate deficit, monthly reporting will be required to ensure the district has eliminated the CAUSE of the deficit

• If DE 46 reports a deficit, GaDOE will investigate to determine if Deficit Elimination Plan and monthly reporting is necessary
School System Deficit Reporting

How Many Systems Currently Reporting Deficits:

- 12 School Districts reported deficits in School Food Service on FY 2018 DE 046
- 8 School Systems reported deficits in General Fund on FY 2018 DE 046
- 7 currently reporting deficits substantiated by school system and/or audit
GASB 84
Fiduciary Funds
GASB 84 – Fiduciary Funds, page 1 of 4

Effective July 1, 2019 (FY 2020)

• Clarifies definition of custodial funds (agency funds through FY 2019)

• Activity must meet all of the following criteria (per GASB Statement No 84):

1. The assets associated with the activity are controlled by the government.

2. The assets associated with the activity are not derived either:
   • Solely from the government’s own-source revenues or
   • From government-mandated nonexchange transactions or voluntary nonexchange transactions with the exception of pass-through grants for which the government does not have administrative involvement or direct financial involvement.
3. The assets associated with the activity have one or more of the following characteristics:

- The assets are (a) administered through a trust in which the government itself is not a beneficiary, (b) dedicated to providing benefits to recipients in accordance with the benefit terms, and (c) legal protected from the creditors of the government.

- The assets are for the benefit of individuals and the government does not have administrative involvement with the assets or direct financial involvement with the assets. Additionally, the assets are not derived from the government’s provision of goods or services to those individuals.

- The assets are for the benefit of organizations or other governments that are not part of the financial reporting entity. Additionally, the assets are not derived from the government’s provision of goods or services to those organizations or other governments.
GASB 84 – Fiduciary Funds, page 3 of 4

Effective July 1, 2019 (FY 2020)

• Clarifies definition of custodial funds (agency funds through FY 2019)

• **In Summary:**
  • If governmental entity **controls** the activity and the assets, the fund is not custodial in nature but should be reported as a **Governmental Fund**.
Effective July 1, 2019 (FY 2020)

• ALL fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.
• Statement of Changes in Net Position to include Custodial Funds
• Summarized – Additions and Deletions
GASB 84 – Fiduciary Funds

How does this change school district reporting?


2. Expenditures for extra-curricular activities such as clubs and class organizations are generally charged to function 1000 or 2100.

3. Revenues for Club Dues recorded to 1215.

4. Revenues for Sales by the Club recorded to 1225 – Fundraising/Miscellaneous Sales.
GASB 84 – Fiduciary Funds

Review your district’s school activity policy manual

• Who assigns the faculty advisor of the activities?
• Who approves all fundraising/field trips?
• Who approves all purchasing decisions?
• Who can remove or replace faculty/advisor?
GASB 87 - Leases
GASB 87 - Leases

Effective July 1, 2020 (FY 2021)

• Draft Implementation Guide released for comments through April 30, 2019

• Changes criteria for leases, essentially eliminates operating leases and considers all leases capital

• Applied to exchange and exchange-like transactions

• Must capitalize the lease as an asset, but not subject to capitalization thresholds

• Additional costs for maintenance and supplies are not included when determining lease liability
GASB 87 - Leases

How to Start Preparing for Lease Standard:

• Evaluate all lease agreements entered by the district and schools

• Determine what portion of the lease is not for the actual lease agreement but for maintenance, toner, paper, etc.

• Work with vendors to separate the components of the lease agreement

• Be prepared to track so the liability can be posted in FY 2021
Contact Information

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  - Viola Darrington (404-651-8176) – vdarrington@doe.k12.ga.us
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  - Debara Montgomery (404-656-2344) – dmontgomery@doe.k12.ga.us
  - Russ Swindle (404-463-0513) – rswindle@doe.k12.ga.us

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