

Posting the Year End Receivables and Receipts



Year End Receivables

- QBE Receivables
- Federal Programs Receivables
- Ad Valorem Receivables and Deferred Inflow of Resources
- Title Ad Valorem Tax Receivable
- SPLOST Receivable
- GSFIC Receivable

QBE Receivable

Summer Salary and QBE Revenue Accruals for General Fund

Note: Recording the QBE Accrual to the general ledger is required. Be sure to report only twelve (12) months of QBE revenue and expenditures in any fiscal year.

Print/review QBE accrual document posted to QBE Reports on Financial Review website. -
Accrual System Allotment Sheet

Clear prior year QBE revenue accruals if outstanding as of 06/30/XX . Use Accrual System Allotment Sheet report for prior year to reverse and access report from that menu.

Enter QBE revenue accruals for July and August using Accrual report for current year. This report is not available until the latter part of June. Book to Balance Sheet Account 0141- State Government Accounts Receivable.

QBE Accrual

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 chart of accounts utilized by local units of administration (LUAs) in reporting budget and financial data to the Georgia Department of Education.

Budget and Financial Data Reporting

- LUA Chart of Accounts
 - FY 2019 Changes to LUA - Chart of Accounts 6.30.18 FINAL.pdf
 - FY 2020 Changes to LUA - Chart of Accounts - FINAL - December 2019.pdf
 - Chart of Accounts New Portal User Guide.pdf
- Financial Management for Georgia LUAS Manual
- School System Financial Reports
- School System Revenues/Expenditures
- Year End Closing Checklist_FY 2019.pdf
- Tips for Monthly - Closeout (Checklist).pdf
- FAQ COVID-19 (3-25-20).pdf

New CFO?

- Are you a new Finance Director/CFO at a Georgia LUA? If so, please send your contact information to Financial Review at financialreview@doe.k12.ga.us

Transmitting Data

- Annual DE46 Financial Reporting Transmission Deadlines FY 2019.pdf
- DE46 File Layout Instructions.pdf
- GaDOE Portal Access Request.pdf
- FY 19 DE46 Errors and Warning Resource Guide.pdf
- Data Transmission User Guide - District - September 2019.pdf
- Secure Data Transmission Portal

Contact Information

Amy Rowell
Director, Financial Review
404-656-2447
arowell@doe.k12.ga.us

Viola Darrington (Atlanta)
404-651-8176
vdarrington@doe.k12.ga.us

Steve Lyle (Atlanta)
404-656-6769
style@doe.k12.ga.us

Rhonda Metts (Valdosta)
404-710-9727
rmetts@doe.k12.ga.us

Debara Montgomery
(Atlanta) 404-656-2344
dmontgomery@doe.k12.ga.us

Russ Swindle (Atlanta)
404-463-0513
rswindle@doe.k12.ga.us

Chris Toles (Rome)
404-556-7376
ctoles@doe.k12.ga.us

Helpful Links

- [QBE Reports](#)



Georgia Department of Education

Quality Basic Education - Reports

Report Category	QBE Reports ▼	Report Name	Allotment Sheet ▼
Fiscal Year	2020 ▼		
Allotment Term	Accrual ▼		
System	Atkinson County - 602 ▼		
View Report			

OFFICIAL

**Georgia State Department Of
Earnings Sheet for FY 2019**

School System: FY19 Accrual

←-----Earnings (\$)----->

DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS
Kindergarten Pgm	231	229,459	0	229,459	44,756	184,703
Kindergarten Early Intr Pgm	15	19,401	0	19,401	3,784	15,617
Primary Grade(1-3) Pgm	549	440,656	0	440,656	85,951	354,705
Primary Grd Early Intrv(1-3) Pgm	116	139,181	0	139,181	27,147	112,034
Upper Elementary Grd(4-5) Pgm	328	200,966	0	200,966	39,199	161,767
UppElem Grd Early Intrv(4-5)	143	171,576	0	171,576	33,466	138,110
Middle Grade(6-8) Pgm	0	0	0	0	0	0
Middle School(6-8) Pgm	641	444,490	0	444,490	86,698	357,792
High School Gen Educ(9-12)	613	353,595	0	353,595	68,969	284,626
CTAE(9-12) PGM	228	149,923	0	149,923	29,243	120,680
Students with Disab Cat I	42	65,459	0	65,459	12,768	52,691
Students with Disab Cat II	16	30,650	0	30,650	5,978	24,672
Students with Disab Cat III	152	378,014	0	378,014	73,732	304,282
Students with Disab Cat IV	36	148,947	0	148,947	29,052	119,895
Students with Disab Cat V	72	112,215	0	112,215	21,888	90,327
Gifted Student Category VI	99	103,234	0	103,234	20,136	83,098
Remedial Education Pgm	67	57,879	0	57,879	11,289	46,590
Alternate Education Pgm	37	31,963	0	31,963	6,234	25,729
Eng.Spkr.s of Other Lang.(ESOL)	49	88,543	0	88,543	17,270	71,273
Spec Ed. Itinerant				0	0	0
Spec Ed. Supplemental Speech				0	0	0
TOTAL DIRECT INSTRUC.	3,434	3,166,151	0	3,166,151	617,560	2,548,591
INDIRECT COST						
Central Admin		65,016	0	65,016	12,681	52,335
School Admin		70,572	0	70,572	13,765	56,807
Facility M & O			0	0	0	0
Sub Total (INDIRECT COST)		135,588	0	135,588	26,446	109,142
MEDIA CENTER PGM.		72,507	0	72,507	14,143	58,364
20 DAYS ADDITIONAL INSTRUCTION		24,342		24,342	4,748	19,594
STAFF & PROFESSIONAL DEV				0	0	0
PRINCIPAL STAFF & PROF. DEV				0	0	0
MIDTERM HOLD HARMLESS				0	0	0
						0
Charter System Adjustment						
QBE FORMULA EARNINGS		3,398,588	0	3,398,588	662,897	2,735,691



QBE Receivable Accrual

Has its own Funding Formula Weights

- Only accrue revenue for those funding attributes associated with 10-month and 11-month employees.

Does not include Supplies and other Operational Costs or Categorical Grants

Recommend Dividing Amounts into Two Separate Receipts – this allows you to cancel half the claim in July and half in August to offset the Receipt posting

Do NOT post a receipt for the full amount of QBE actually received in July and August – must use the QBE Receivable Sheet provided by GaDOE

QBE Receivable

C1.1.1. ReceiptOrReceivable.xls Template – Example

PCGenesis Receivable or Receipt Import Entry v1.00

Enter 'RCV' for receivable import or enter 'REC' for receipt import:

For

(RCV) Enter A/R balance account for receivable import only: A/R blnc
or Ref #

(REC) Enter reference # for receipt import only:

All entries below apply to both Receivables and Receipts

Source Date Amount

Reason

*** Receipt/Receivable Lines ***

Yr	Fund	F	Prog	Func	Objct	Fcty	B	Addl	Amount
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									

Federal Programs Receivable

Federal Program Accruals

- Verify that all prior year revenue and expenditure accruals have been liquidated as of 06/30/XX.
- Enter receivables to accrue federal program revenues for Summer Salaries. These should be booked to Balance Sheet Account 0142-Federal Accounts Receivable.
- Book Summer Salary/Benefit accruals for federal programs. Book these to Balance Sheet Account 0422-Salary & Benefit Payable.

COMPLETION DATE: _____ SIGNOFF _____

Federal Programs Receivable

- General Ledger must include Revenue earned through June 30, 2020
- You will not draw down the funds you set up as receivables for accrued salaries until you pay the salaries in July and August
- Do not try to reconcile total Revenue for each federal grant to the completion report for the period ending September 30, 2020. You need to remember that your accounting records are based on a fiscal year and the completion report is based on a grant period that spans two fiscal years.

Federal Programs Receivable

Grants Application								
Grants Details:								
System ID:				Fiscal Year:	2019			
Grant Name:	Title I-A, Improving the Academic Achieve. of the Disadvantaged (CFDA# 84.010) - 30			Version No:	Original			
Grant Start Date:	07/01/2018			Grant End Date:	09/30/2019			
LUA Fund Code:	402			Status:	Closed			
Completion Report								
Search	Grant Expenditures	Sub-Grant Expenditures	Contact Info	Audit Trail				Print
Expenditure Details:								
Transfer In	Approved Grant	Funds Received / Requested	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Total Expenditures	Received Amount (Cash Shortage)	Variance	
\$0.00	\$896,074.00	\$748,525.54	\$748,525.54	\$88,196.02	\$836,721.56	(\$88,196.02)	93.38%	
Grant Budget								
Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures				
		0	0					
					Add	Cancel		
Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Variance	Budget vs Expenses Diff		
1000 - INSTRUCTION		\$585,792.00	\$486,936.77	\$56,721.74	92.81%	\$42,133.49		
	110 - TEACHERS	\$52,287.00	\$48,013.12	\$4,523.92		(\$250.04)		
	110 - TEACHERS	\$48,343.00	\$45,314.38	\$5,804.17		(\$2,775.55)		
	110 - TEACHERS	\$60,081.00	\$55,165.88	\$5,165.08		(\$249.96)		
	140 - AIDES AND PARAPROFESSIONALS	\$41,000.00	\$37,175.96	\$3,452.93		\$371.11		
	140 - AIDES AND PARAPROFESSIONALS	\$34,900.00	\$32,253.22	\$3,010.03		(\$363.25)		
	200 - EMPLOYEE BENEFITS	\$32,850.00	\$23,662.45	\$0.00		\$9,187.55		
	200 - EMPLOYEE BENEFITS	\$25,092.00	\$25,092.00	\$3,869.76		(\$3,869.76)		
	200 - EMPLOYEE BENEFITS	\$23,275.00	\$23,275.00	\$4,788.60		(\$4,788.60)		
	200 - EMPLOYEE BENEFITS	\$23,165.00	\$25,551.98	\$0.00		(\$2,386.98)		
	200 - EMPLOYEE BENEFITS	\$22,378.00	\$19,268.21	\$2,252.00		\$857.79		
	300 - PURCHASED PROFESSIONAL AND TECHNICAL SERVICES	\$5,000.00	\$1,659.00	\$0.00		\$3,341.00		
	300 - PURCHASED PROFESSIONAL AND TECHNICAL SERVICES	\$5,000.00	\$1,526.00	\$0.00		\$3,474.00		
	300 - PURCHASED PROFESSIONAL AND TECHNICAL SERVICES	\$10,000.00	\$6,509.50	\$0.00		\$3,490.50		
	532 - Communications - Web-based Subscriptions and Licenses	\$10,000.00	\$5,682.51	\$0.00		\$4,317.49		
	532 - Communications - Web-based Subscriptions and Licenses	\$10,000.00	\$8,012.63	\$4,882.50		(\$2,895.13)		

Ad Valorem Taxes and Interest Receivable

ACCRUALS AT FISCAL YEAR-END

Revenues

- Enter a receivable in Fund 100 and Fund 200 for amount of estimated July and August ad valorem tax revenue. Use Balance Sheet Account 0121-Taxes Receivable for this transaction.
- Set up a receivable for interest earned on investments but not collected as 06/30/XX. Book to Balance Sheet Account 0114 - Interest Receivable and Source code 1500.
- Enter other receivables as applicable

COMPLETION DATE: _____ SIGNOFF _____

Authority for Property Taxation

- *Georgia Constitution – Article VIII. Section VI – Local Taxation for Education, Paragraph I*
 - Sets limit at 20 mills
 - Property Tax can be used for the “support and maintenance of public schools, public vocational-technical schools, public education, and activities necessary or incidental thereto, including school lunch purposes.”



Property Tax – Ad Valorem

- Mills set at 20 and below
- 40% of property digest taxed
- 1 mill brings in \$1 for every \$1,000 in value
- The revenue is earned at the levy date
- The revenue is available within 60-120 days on the fund level statements (modified-accrual)
- The revenue is available at the due date on the government-wide statements (full accrual)

Property Tax – Ad Valorem

CONSIDERATIONS WHEN TRACKING PROPERTY TAXES

Determine the estimated amount of revenue due for each category at the levy date.

Track the revenue received monthly so you can reasonably estimate the amount of delinquent taxes for each levy year at June 30.

Contact the tax commissioner to determine the amount of delinquent taxes by tax year and tax type. Use the DOAA Property Tax Confirmation as a GUIDE.

Revenue received in July and August is considered available on the fund level statements. This revenue reduces the amount of delinquent taxes to be accrued at June 30th

Estimates must be reasonable, i.e., based on available information from Tax Commissioner's Office.

Property Tax – Ad Valorem Example of Tax Confirmation

SECTION I - TWELVE MONTH PERIOD - JULY 1, 2017, THROUGH JUNE 30, 2018 (ALL TAX YEARS)

Total taxes transmitted to the School District between July 1, 2017, through June 30, 2018, for both Maintenance and Operation and Bonds:

	<u>MAINTENANCE AND OPERATION</u>	<u>BONDS</u>
Real & Personal Ad Valorem	\$7,439,956.55	\$0.00
Forest Land Protection Act	\$214,776.97	\$0.00
Mobile Homes Ad Valorem	\$84,916.96	\$0.00
Motor Vehicle Ad Valorem	\$256,150.62	\$0.00
Heavy Duty Equipment Ad Valorem	\$111.19	\$0.00
Public Utilities Ad Valorem	\$0.00	\$0.00
Timber Ad Valorem	\$24,419.74	\$0.00
N.O.D.'s	\$698,955.97	\$0.00
Intangible Recording Tax	\$0.00	\$0.00
Delinquent Tax Collections (ALL PRIOR YEARS)	\$114,884.60	\$0.00
Interest and Penalties on Delinquent Taxes	\$27,290.34	\$0.00
Alternative Ad Valorem Tax	\$22,153.82	\$0.00
Title Ad Valorem Tax (TAVT)	\$819,578.74	\$0.00
Total Paid to School District (7/1/17 thru 6/30/18)	<u>\$9,703,195.50</u>	<u>\$0.00</u>

Please compare these amounts to a vendor detail on the following page.

Property Tax – Ad Valorem Example of Tax Confirmation

SECTION II - TWO MONTH PERIOD - JULY 1, 2018, THROUGH AUGUST 31, 2018 (ALL TAX YEARS)

A. Total taxes transmitted to the School District between July 1, 2018, through August 31, 2018, for **Maintenance and Operation**:

	ALL YEARS		
	MAINTENANCE AND OPERATION	By Digest	
		2017 and prior	2018
Real & Personal Ad Valorem	\$97,121.26	\$97,121.26	\$0.00
Forest Land Protection Act	\$0.00	\$0.00	\$0.00
Mobile Homes Ad Valorem	\$3,041.22	\$336.64	\$2,704.58
Motor Vehicle Ad Valorem	\$37,610.08	\$0.00	\$37,610.08
Heavy Duty Equipment Ad Valorem	\$0.00	\$0.00	\$0.00
Public Utilities Ad Valorem	\$0.00	\$0.00	\$0.00
Timber Ad Valorem	\$4,138.09	\$303.43	\$3,834.66
N.O.D.'s	\$0.00	\$0.00	\$0.00
Intangible Recording Tax	\$0.00	\$0.00	\$0.00
Interest and Penalties on Delinquent Taxes	\$5,857.99	\$5,857.99	\$0.00
Alternative Ad Valorem Tax	\$0.00	\$0.00	\$0.00
Title Ad Valorem Tax (TAVT)	\$145,374.18	\$0.00	\$145,374.18
Total Paid to School District (7/1/18 thru 8/31/18)	\$293,142.82	\$103,619.32	\$189,523.50

Please compare these amounts to a vendor detail on the following page.

Property Tax – Ad Valorem

SECTION III - DELINQUENT TAX BALANCE AS OF JUNE 30, 2018 BY TAX YEAR

	<u>MAINTENANCE AND OPERATION</u>	<u>BONDS</u>
2017	\$210,322.38	\$0.00
2016	\$22,452.26	\$0.00
2015	\$9,399.78	\$0.00
2014	\$7,663.91	\$0.00
2013	\$7,350.81	\$0.00
2012	\$6,173.17	\$0.00
2011	\$4,633.32	\$0.00
2010	\$2,837.64	\$0.00
2009		\$0.00
2008		\$0.00
2007		\$0.00
prior to 2007		\$0.00
Total Delinquent Taxes for School District	\$ <u>\$270,833.27</u>	\$ <u>\$0.00</u>

These are the total delinquent taxes as of June 30, 2018 for which payment has not been received. Please provide the delinquent balance broken out by tax years.

Property Tax – Ad Valorem

Entries Needed for Ad Valorem Taxes

<u>ACCOUNTS</u>	<u>DEBIT</u>	<u>CREDIT</u>
General Fund:		
Accounts Receivable	\$103,619.32	
Property Tax Revenue		\$103,619.32
Accounts Receivable	\$166,301.11	
Deferred Inflow of Resources		\$166,301.11
Accounts Receivable	\$74,590.51	
Title Ad Valorem Tax Revenue		\$74,590.51

Property Tax – Ad Valorem

Example of an Internal Worksheet to Track Tax Revenue

Bleckley County Schools												
Historical Local Tax Receipts												
MONTH	Real and		Timber	FLPA or		Tag	TAVT			Total	Σ Tag & TAVT	
	Personal	Intangible		RETT	Railroad		TAVT	"True-Up"	Total TAVT			
Jul-17	13,083	3,666	2,408	4,384	-	11,411	12,863	17,577	30,439	65,391	41,851	
Aug-17	11,231	1,629	1,700	499	-	10,397	1,669	22,701	24,370	49,826	34,767	
Sep-17	16,967	2,838	2,668	661	-	11,096	1,032	27,323	28,355	62,584	39,451	
Oct-17	3,384	1,363	7,479	714	-	11,054	4,040	20,787	24,827	48,821	35,881	
Nov-17	204,310	1,674	680	87	-	11,630	1,525	25,757	27,282	245,663	38,912	
Dec-17	484,636	2,194	2,459	951	-	9,743	4,391	19,748	24,139	524,121	33,882	
Jan-18	1,945,007	2,145	21,865	428	-	11,403	5,318	19,969	25,287	2,006,135	36,690	
Feb-18	107,626	2,388	1,533	421	-	8,389	9,376	21,619	30,994	151,351	39,383	
Mar-18	238,133	3,879	862	1,086	-	9,800	2,125	26,031	28,156	281,916	37,956	
Apr-18	136,714	3,401	810	1,236	-	10,109	5,354	22,133	27,487	179,756	37,596	
May-18	50,443	6,322	6,047	2,593	-	10,289	4,423	26,986	31,409	107,102	41,698	
Jun-18	14,453	3,594	5,930	927	-	8,653	4,722	20,591	25,313	58,869	33,965	
Jul-18	6,397	2,971	495	1,190	12,287	9,953	10,521	19,073	29,594	62,887	39,547	
Aug-18	4,238	1,319	15,156	792	-	11,116	7,301	21,963	29,264	61,885	40,380	

Ad Valorem Taxes Revenue/Receivable

*Financial Management of Georgia
Local Unit of Administration*
(FMGLUA) Chapter I-9 has extensive
detail regarding the recording of
Property Tax Revenue and
Receivables.

Check it out!

Authority for Special Purpose Local Option Sales Tax



- *Georgia Constitution – Article VIII, Section VI – Local Taxation for Education, Paragraph IV*
 - Referendum Required
 - May “impose, levy, and collect a sales and use tax for educational purposes of such school districts conditioned upon approval by a majority of the qualified voters residing within the limits of the local taxing jurisdiction voting in a referendum”

Special Purpose Local Option Sales Tax

- Allowable Uses:
 - Capital outlay projects for educational purposes
 - Retirement of previously incurred GO Debt
- Authority granted in resolution approved by the voters
- 5 year period limitations
- Only Accrue July Receipt as Revenue earned through June 30th.

Special Purpose Local Option Sales Tax

https://gtc.dor.ga.gov/_/#3

30-Nov-2017		52,739.75 ELOST	50,529.47	2,802.77	2.87	-62.63	532.73
16-Jun-2018		267.06 ELOST	227.51	0.00	0.00	42.25	2.70
31-Aug-2017		54,422.15 ELOST	52,639.23	1,665.84	688.83	-22.03	549.72
31-Oct-2017		55,564.00 ELOST	55,373.54	892.86	-141.14	0.00	561.26
31-Jul-2017		70,027.63 ELOST	70,322.15	449.24	-12.50	-23.91	707.35
30-Sep-2017		54,316.49 ELOST	54,596.57	216.61	68.87	-16.92	548.64
31-Jan-2018		52,863.73 ELOST	52,998.11	447.28	-28.19	-19.50	533.97
31-Mar-2018		56,143.39 ELOST	54,498.99	2,212.52	7.22	-8.24	567.10
31-Dec-2017		54,184.21 ELOST	52,432.16	2,304.63	0.10	-5.38	547.30
31-Jul-2018		57,887.50 ELOST	57,429.39	768.89	279.17	-5.22	584.73
31-May-2018		57,229.03 ELOST	57,056.32	608.51	142.26	0.00	578.06
30-Jun-2018		64,376.99 ELOST	63,175.45	56.51	1,798.69	-3.39	650.27
28-Feb-2018		58,801.90 ELOST	58,704.10	680.28	20.60	-9.13	593.95
30-Apr-2018		68,187.86 ELOST	68,490.92	383.69	2.02	0.00	688.77
16-Dec-2017		104.87 ELOST	-19.56	0.00	0.00	125.49	1.06

Authority for Title Ad Valorem Tax (TAVT)



- O.C.G.A. §48-5C-1
 - Effective 2013, Amended effective FY 2020
 - Requires an ad valorem tax to be paid on vehicles that are sold, based on fair market value, at the point of sale or title transfer.
 - All new and used. Includes new vehicle registrations in GA.
 - Rate adjusted on an annual basis

Title Ad Valorem Tax

- Similar to SPLOST Tax Revenue
- Sales Tax
- June collections disbursed to school district in July
- Only accrue July receipts
- No delinquents
- Prior period adjustments/corrections are considered insignificant

FY 2018 - HB 329 – Sent to Governor April 6, 2018 – Effective July 1, 2019

- TAVT as passed in FY 2018:

Fiscal Year	State Share	Local Share
2020 and subsequent	35%	65%

- Portion of Local Share, beginning in FY 2020, for school districts is 49%. (49% of the local portion 65%)
- The “true up” to the 2012 values is eliminated.

GSFIC Capital Outlay Funding

- O.C.G.A. §20-2-260 requires school districts to develop and maintain a long range facilities plan to participate in the state's Capital Outlay Program



GSFIC Revenue

- State funds:
 - Determine the amount of revenue earned as of June 30th.
 - Accrue a Receivable
- If GSFIC is not received prior to August 31:
 - Accrue the revenue as a Deferred Inflow of Resources. It is earned but is unavailable.
- Local match requirements:
 - Ensure SPLOST proceeds or local tax revenue from the General Fund has been transferred into a GSFIC project.

GSFIC Revenue

REMEMBER:

- Must follow grant requirements in order to record the revenue.
- Required local effort must be met before GSFIC revenue can be requested and accrued.
- Cannot record the revenue as earned if the reimbursement request is not submitted with the certificate of completion form from the contractor.

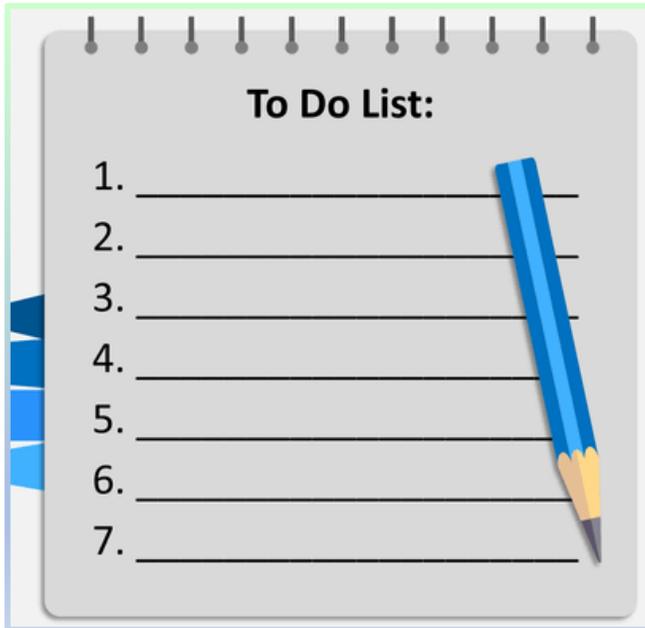
Questions



Posting the Year End Payables, Accruals, and Expenditures

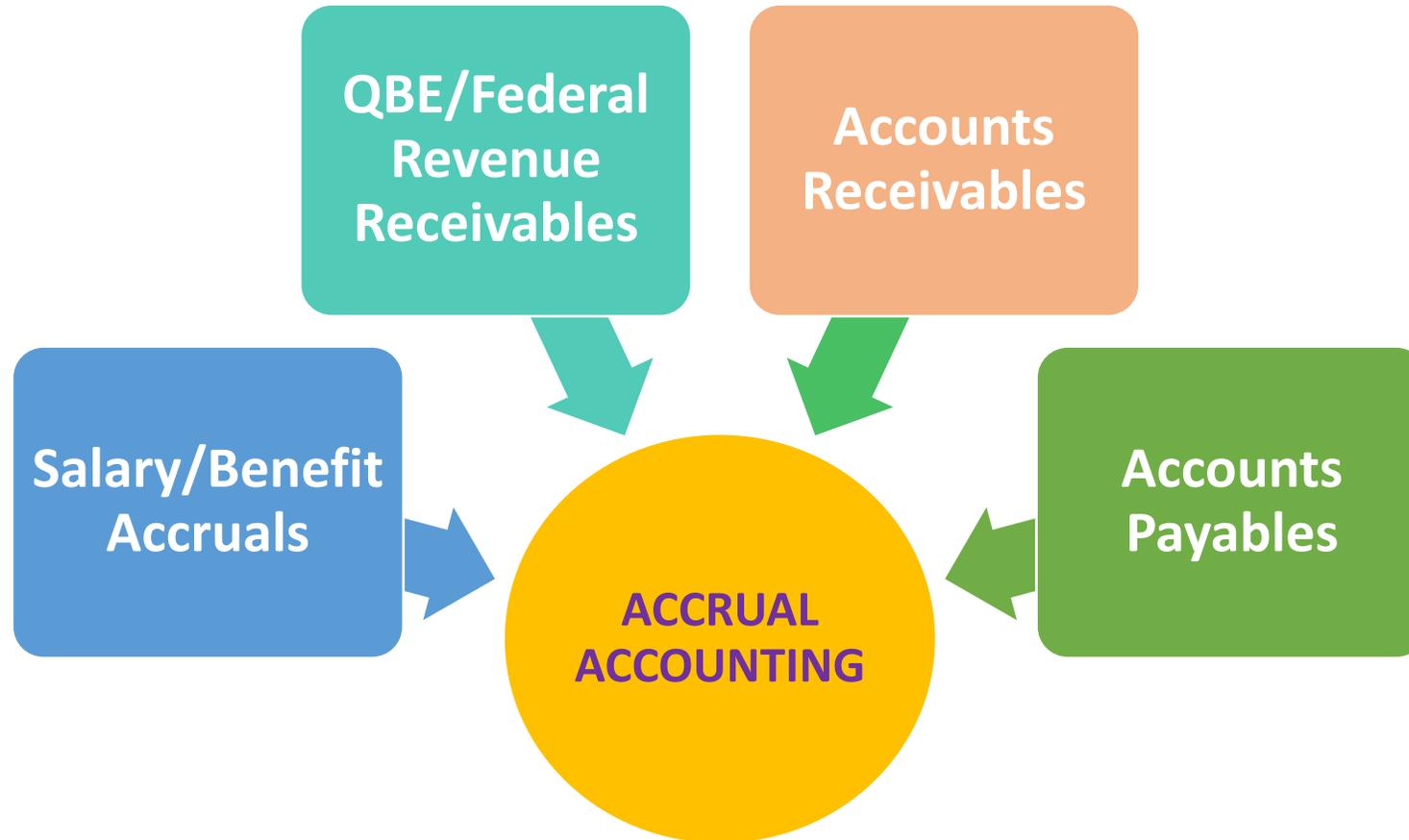


Year End Payables and Accruals Checklist



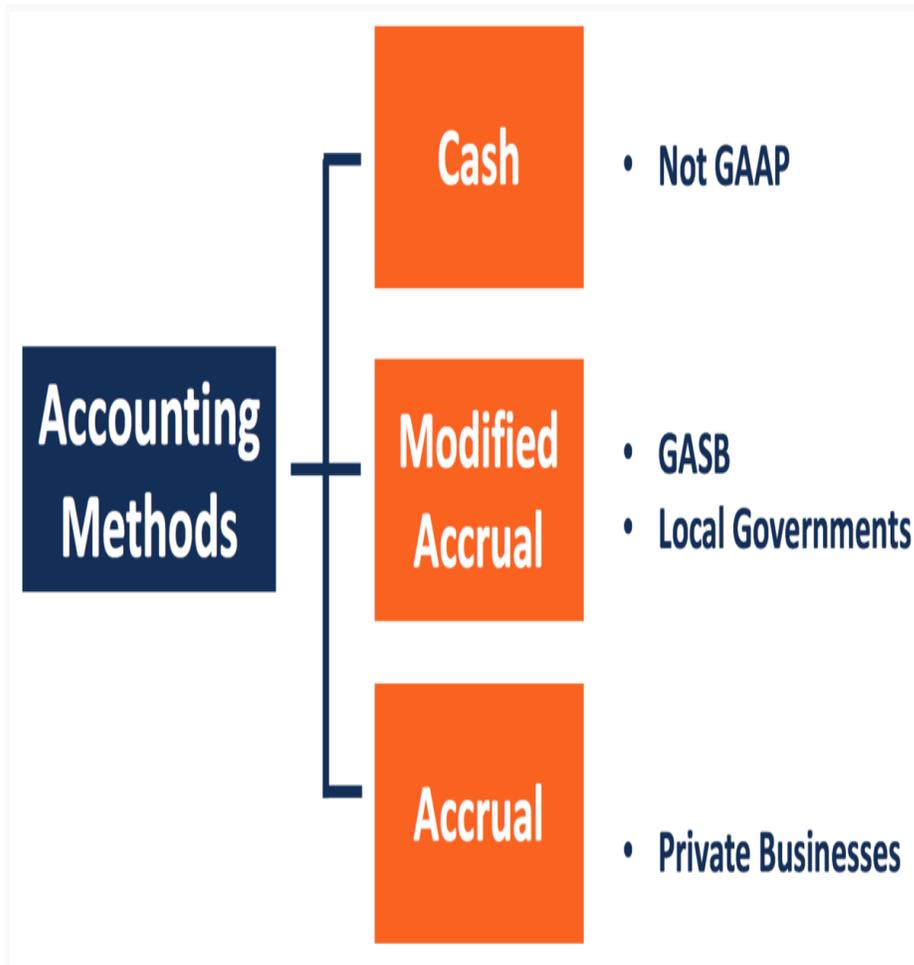
- ✓ Accruals for salaries and benefits
- ✓ Federal Program accruals
- ✓ Prior year accruals
- ✓ Invoices dated June 30th or before
- ✓ Construction contract invoices payable
- ✓ Retainage payable
- ✓ Bond interest payable
- ✓ Any other expenditures where goods were received or services were performed, but not paid as of June 30th

Accrual Accounting



The term 'accrual' refers to the timing of recognition of revenues and expenditures or the recording of revenue or expenditures paid without any exchange of cash.

Definitions of Accounting Methods



- **Cash Basis** - Recognizes transactions upon the exchange of cash. Revenues are recognized when cash is received, and expenses are recorded when bills are paid.
- **Modified Accrual Basis** - An accounting method that combines cash-basis accounting and full accrual-basis accounting. Under this basis, revenues are recognized when they become both measurable and available. "Available" means collectible within the current period or soon enough thereafter, normally within 60 days. Expenditures are generally recognized in the period that the liability is incurred. All Governmental Funds use the modified accrual basis of accounting.
- **Full Accrual Basis** - Revenues and expenses are recorded when a transaction occurs rather than when payment is received or made. It recognizes income at the time the revenue is earned and records expenses when liabilities are incurred regardless of when cash is received or paid. This method follows the matching principle, which says that revenues and expenses should be recognized or matched to the same period accounting.

Key Take Aways – Modified Accrual Accounting Basis

- The modified accrual accounting combines the features of the cash method and the full accrual method.
- Governmental Funds Financial Statements using the modified accrual basis accounting.
- **Revenues:**
 - **Measurable** — The cash flow from the revenue can be reasonably estimated
 - **Available** — The revenue is available to finance current expenditures to be paid within 60 days
- **Expenditures**, however, are recorded on a full accrual basis because they are always measurable when they are incurred.

Recording the accruals, and payables are necessary because at the end of each fiscal year, the General Ledger and the financial statements of Local Education Agencies (LEAs) should reflect all expenditures incurred and all expenditures associated with the reported revenues.

- Journal entry adjustments (i.e. accruals and payables) must be made to accrue liabilities for goods and services delivered, but not yet billed or paid at fiscal year end.
- Examples of payables and accruals include:
 - Utilities used for the month, but invoices not received before the end of the fiscal year
 - Salaries/benefits incurred, but payments have not been made to employees



Year End Payables and Accruals Checklist:

Accrued Salaries/Benefits

- Salaries should be accrued for 10 and 11-month employees
- A vendor in PCGenesis called '*Summer Salary/Benefit Accrual*' should be used for the salary/benefit accruals (*there are similar account names in other ERP software systems*)
- The salary accruals should be based on what will be paid to the employees in July and August
- **NOTE:** Salary and benefit accruals should be set up as separate amounts for July and August
- If any of the employee benefit rates are changing, such as TRS, the accrual should be based on the rate in effect for July and August
 - **FY 2020 – 21.14%**
 - **FY 2021 – 19.06%**



Any pay for services performed (i.e. hourly employees) from June 16th through June 30th should be set up as accrued salaries and benefits

• (Normally payroll time sheets are due on a date prior to the end of the pay month. For example: cut-off for time sheets may be June 15th for the June 30th payroll).

- The accrued salaries are recorded in balance sheet account 0422-SALARIES AND BENEFITS PAYABLE

Year End Payables and Accruals Checklist: Invoices Dated June 30th or Before

- Invoices dated June 30th or before, and are not paid as of June 30th, should be set up as payables
- A payable recognizes the expenditure in the year it is incurred and sets up a corresponding liability on the Balance Sheet
- When the invoice is paid in the following fiscal year:
 - the liability (payable) and cash are reduced
 - there is no affect on the expenditure account



Invoices Dated June 30th or Before

Recording an Accounts Payable Journal Entry – *Example*

- To Record a Payable at June 30, 20XX:

- **Debit:** Expenditure (*Supplies 610, contract services 300, energy 620, etc.*)
- **Credit:** Accounts Payable (*Balance Sheet account 0421- Accounts Payable*)

Record expenditures in the fiscal year they are incurred regardless of when cash is exchanged

- To Reverse a Payable in the Month the Bill is Paid:

- **Debit:** Accounts Payable (*Balance Sheet account 0421*)
- **Credit:** Cash (*Balance Sheet account 0101*)

The liability (accounts payable) and cash are reduced when the invoice is paid in the following fiscal year.

Invoices Dated June 30th or Before - Example

Teaching supplies ordered in May 3, 2020

- Items ordered on credit by LEA in May 2020
- Items not received in May 2020

LEA receives teaching supplies on June 30, 2020

- Items received, but invoice for supplies not received
- LEA not billed as of June 30, 2020

LEA receives Invoice on July 3, 2020, dated June 30, 2020

SHOULD THIS INVOICE BE SET UP AS A PAYABLE?

REVIEW:

- Ordered supplies 5/3/2020.
- Supplies received 6/30/2020; no invoice.
- Invoice received on 7/3/2020, dated 6/30/2020.

YES!! YOU ARE CORRECT!!

1. Record Payable on the books for expenditures incurred, not paid as of June 30, 2020
2. Do not forget: Reverse Payable on the July books when the invoice is paid

PCGenesis Claim/Payable

The screenshot shows an Excel spreadsheet with the following structure:

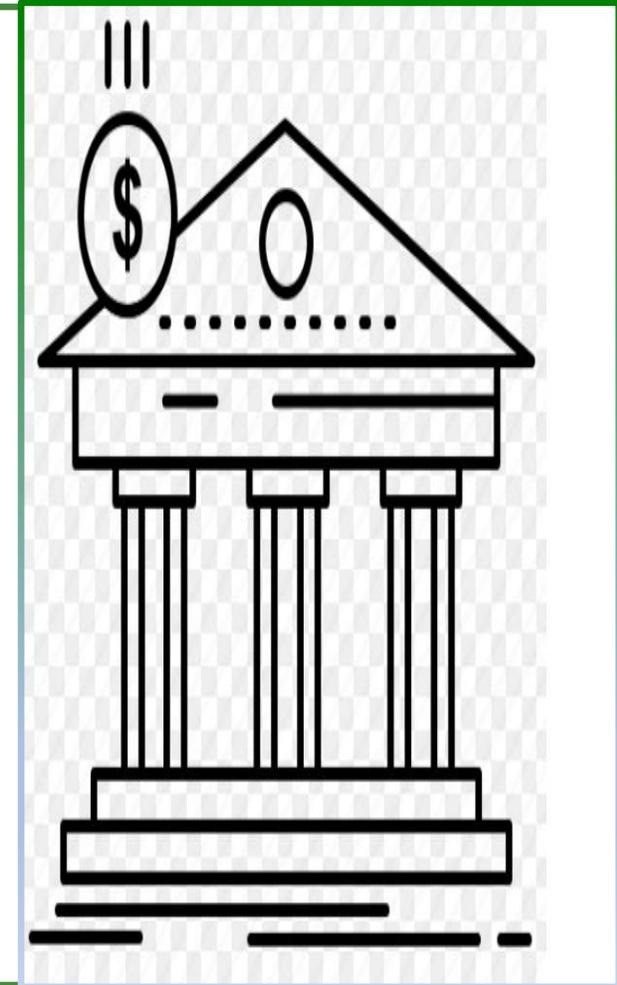
- Row 1: Title "Claim Entry Spreadsheet v2.0"
- Row 2: "For" followed by a text input field.
- Row 4: Headers for "Vendor", "Vendor Ref", "Blnc", "Date", and "Amount".
- Row 5: Data entry row with a dropdown for Vendor, input fields for Vendor Ref and Blnc, a date field, and a value of 0.00 in the Amount column.
- Row 6: Headers for "Discount", "Date", and "Amount".
- Row 7: Data entry row for discount information.
- Row 8: Headers for "Description 1" and "Description 2".
- Row 9: Data entry row for descriptions.
- Row 10: Section header "Charge Lines".
- Row 11: Table header with columns: Yr, Fund, F, Prgm, Func, Object, Fcty, B, Addl, Amount, 1099.
- Row 12-38: A grid of 27 rows for entering charge line data.

- In PCGenesis, payables are set up by entering claims with a June 30th date.
- A claims template is available on the PCGenesis website. When the invoice is ready to be paid,
 - select the claim,
 - and use the current date on the check.
- Do **not** date checks June 30th if they are being paid after June 30th.

Year End Payables and Accruals Checklist:

Federal Programs Accruals

- Verify that all prior year revenue and expenditure accruals have been liquidated as of 06/30/20XX.
- Enter **receivables** to accrue federal program revenues for Summer Salaries. These should be booked to Balance Sheet Account 0142-INTERGOVERNMENTAL ACCOUNTS RECEIVABLE- FEDERAL.
- Book **Summer Salary/Benefit Accruals** for federal programs. Book these to Balance Sheet Account 0422-SALARY & BENEFIT PAYABLE.
- COMPLETION DATE: _____
SIGNOFF: _____
- Other year-end check list items for Finance Officers can be found at the following link: <https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Documents/Manuals%20and%20Guides/3.%20%20Year%20End%20Closing%20Checklist%20for%20FY2020.pdf>



Year End Payables and Accruals Checklist:

Construction Contracts Payable

- Construction contracts provide a legal binding agreement that the executed job will receive a specific amount of compensation and how the compensation will be distributed.
- If services have been performed on or before June 30th, the fiscal year end, invoices for work performed will need to be set up as a payable.
- Invoices will typically be received within 30 days of the work performed. *(give me my \$)*
- The Construction Contracts Payable is recorded in balance sheet account 0433-Construction Contracts Payable.

Year End Payables and Accruals Checklist:

Retainage Payable

- Invoices for construction work performed will include a retainage payable amount.
- Retainage payable is a percentage that is withheld from each payment until the project is complete.
- This is a liability for the school district and should be recorded by the school district each time a payment is made to the contractor *(See example on following slide).*
 - Total liability for Retainage Payable =
 - The retainage percentage X the total billed by the contractor on the project
 - The Retainage Payable is recorded in balance sheet account 0432-Construction Contracts Payable - Retainage.



Retainage Payable - Example

Invoice History and Retainage Payable

Anywhere School District
Some City, Georgia



Total Construction Contract:	\$5,000,000
Retainage Percentage:	10.00%

INVOICE NUMBER AND DATE	Invoice Amount	Retainage Amount	Amount Due
Invoice #1	\$100,000	(\$10,000)	\$90,000
Invoice #2	\$40,000	(\$4,000)	\$36,000
Invoice #3	\$80,000	(\$8,000)	\$72,000
Invoice #4	\$50,000	(\$5,000)	\$45,000
TOTAL	\$270,000	(\$27,000)	\$243,000

Retainage Payable (27,000)
 Construction in Progress \$243,000

Dr: Expenditure
 Cr: Retainage Payable-0432





Year End Payables and Accruals Checklist: Bond Interest Payable

- Accrued bond interest is the amount of interest owed on a bond debt, but not yet paid.
- Interest on Bonds should be accrued as of June 30th
- The bond interest payable is calculated from the date of the last interest payment through June 30th
- The interest liability is recorded in balance sheet account 0455 - INTEREST PAYABLE

Year End Payables and Accruals Checklist:

Pri

- Cancel or reverse any prior year salary/benefit accruals that may still be open
- Cancel or reverse any prior year payables (*accounts payables, construction contract payables, bond interest payables, etc.*) that may still be open



Chart of Account Descriptions (for certain Payables and Accruals Accounts)

Chart of Accounts - Balance Sheet (Excerpt)

<u>Account Number</u>	<u>Account Name</u>	<u>Account Description</u>
0421	ACCOUNTS PAYABLE	Liabilities on open account owed to individuals, firms, or corporations for goods and services received.
0422	SALARIES AND BENEFITS PAYABLE	To be used for salary accruals only
0432	CONSTRUCTION CONTRACTS PAYABLE - RETAINAGE	Liabilities on construction contracts for that portion of the work that has been completed but on which part of the liability has not been paid pending final inspection, or the lapse of a specified time period, or both. The unpaid amount is usually stated as a percentage of the contract price.
0433	CONSTRUCTION CONTRACTS PAYABLE	Amounts due by a school district on contracts for constructing buildings and other structures and other improvements. This would be for the work performed and not paid. Normally at fiscal year end, this would be the June invoice. This does not include - the retainage payable.
0442	BONDS PAYABLE - CURRENT	Bonds that have not reached or passed their maturity date but are due within one year or less. This account is used only in Proprietary or Fiduciary Funds and in Fund 900, which is for the Entity Wide financial statement presentation.
0452	CAPITAL LEASE OBLIGATIONS - CURRENT	Capital lease obligations that are due within one year.
0455	INTEREST PAYABLE	Interest due within one year.

Below is the link to view the entire Chart of Accounts on the Financial Review, GaDOE website: <https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/LUA-Chart-of-Accounts.aspx>

Payables and Accruals

SUMMARY

- Payables and accrual journal entries are needed for:
 - All unpaid invoices, and current liabilities for goods or services received that were incurred on or before fiscal year end, but not paid.
 - Salaries/benefits earned but not paid
- Ensure that all of the accruals and payables in the chart below have been addressed, if applicable:

✓ Salaries and Benefits Accruals	✓ Construction Contract Invoices Payable
✓ Federal Programs Accruals	✓ Retainage Payable
✓ Prior Year Accruals	✓ Bond Interest Payable
✓ Invoices dated June 30 th or before	✓ All other expenditures for goods or services were performed, but not paid as of June 30th

- Open payables subsidiary ledger and salary and benefit accruals worksheets should tie to General Ledger
- **Do not back-date checks and transaction dates**



SIPRESS

"How am I supposed to think about consequences before they happen?"

Questions





FEDERAL GRANTS CLOSEOUT Procedures and Recommendations

Federal Grants Closeout

Agenda

- Federal Program Accruals
- Federal Grants Disbursement Methods
- Fund Balance for Federal Programs
- Completion Reports
- Cash Drawdowns
- Federal Transferability

Georgia Department of Education Federal Grants Closeout

- K-12 CARES Act Funding: \$411 million to support Georgia's Schools

Career, Technical, and Agricultural Education

Perkins V Plan

Federal Programs

Title I, Part A - Improving the Academic Achievement of the Disadvantaged

Title I, Part A - Family-School Partnership

Title I, Part A - Foster Care Provisions

Title I, Part C Education of Migratory Children

Title I, Part D – Neglected and Delinquent Children

Title II, Part A Supporting Effective Instruction Grant

Title III, Part A: Language Instruction for English Learners and Immigrant Students

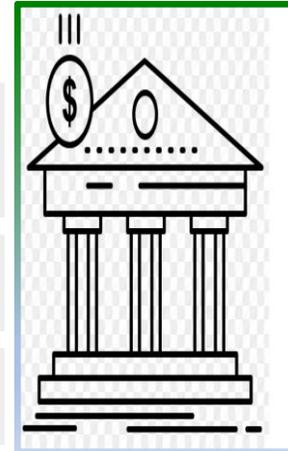
Title IV, Part A - Student Support and Academic Enrichment (SSAE)

Nita M. Lowey 21st Century Community Learning Centers

Title V, Part B - Rural Education Initiative

Title IX, Part A – McKinney-Vento Education for Homeless Children and Youth

Individual with Disabilities Education Act (IDEA)



Special Education Rules

Implementation Manual

Sample Forms

Applications

Eligibility Categories

All Eligibility Categories

Budgets, Grants, Data Collection and Reporting

Budget & Grant Applications

LEA Consolidated Application

Federal Programs and Grants – General Information and Procedures

(Excerpt from Finance Officer's Year End Close-Out Checklist)

- Some Federal Grant periods are 15 months (i.e. July 1, 2020 through September 30, 2021).
 - In this example, grant period spans two fiscal years, FY2020 and FY2021.
 - A school district can use different mechanisms to separate the grant periods within the appropriate school year by, for instance, “flipping fund numbers” during a fiscal year for the different grant periods. For example: Title IA may use fund 402 for FY2020 and fund 403 for FY2021. This allows the different grant periods to be tracked separately within the fiscal year. The designated “flip fund” (403) will need to be rolled into the allowable federal fund (402).
- At the end of the fiscal year, federal funds should have a zero fund equity balance. Revenue should equal expenditures for both funds. If the federal funds do not have a zero balance, the warning code W2035 will be received on the DE046 uploads stating that the fund balance does not equal zero.
- All submitted drawdowns should have documentation attached that verify the amounts requisitioned through GAORS.

Federal Program Accruals

- Federal funds, as well as all governmental funds, use the **modified accrual basis of accounting**.
- Under this accounting concept:
 - **Revenues** are recognized when they are measurable (the revenue can be reasonably estimated) and available (the revenue is available to be paid within 60 days).
 - **Expenditures** are recognized when they are incurred (the goods are received and/or the services performed).

Federal Program Accruals

Fiscal Year-End

Federal receivables and accruals should be booked to the following Balance Sheet Accounts:

- Revenue Receivables
- 0142-Federal
Accounts Receivable
- Salary/Benefit
Accruals - 0422-Salary
& Benefit Payable
- Accounts Payables -
0421-Accounts Payable



Federal Program Accruals

(Excerpt from Finance Officer's Year End Close-Out Checklist)

✓ **Verify** that all prior year revenue and expenditure accruals have been cancelled as of 06/30/XX. Any open accounts receivable and accounts payable from the prior year should be cancelled as of 06/30/XX in the current year.

 **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. The funds will not be drawn down until the salaries are actually paid in July and August.

 **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 Grants Background - UGG

The payments section of the **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Programs** commonly known as the **Uniform Grant Guidance (UGG)** (200.305(b)(1)) allows for two (2) methods of Federal fund disbursements to Federal program participants:

- Advance Payments**
- Reimbursements**

Federal Grants Disbursements Methods

ADVANCE PAYMENTS

- Advance payments to LEAs must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements (usually 3 days).
- See '**Federal Program Drawdown Position Paper**' for other exceptions such as related to payroll requirements.



Acrobat
Document

REIMBURSEMENTS

- LEAs can draw down funds on a reimbursement basis for all allowable expenditures incurred in their participating Federal Program(s).
- An incurred expenditure is defined as an expenditure for goods and/or services which the LEA has received, even if no payment was made. This will include salaries, utilities, rent, supplies, and other current obligations.

(**NOTE**: LEAs will seek reimbursements for both disbursements methods below through the GAORS.)

Federal Program Drawdown Position Paper

Pages 1 and 2 of 3



Richard Woods, Georgia's School Superintendent
"Educating Georgia's Future"

Federal Program Drawdown Position Paper
Internal Audit Unit
May 2017

To: GaDOE State Board of Education Audit Committee Members

From: Wes Sherrill, Internal Audit Director, William Smith, Internal Audit Supervisor, and Alan Abercrombie, Federal Internal Auditor

Local Educational Agencies (LEAs) that participate in Federal Programs with the Georgia Department of Education (GaDOE) will draw down Federal funds on a reimbursement basis for all allowable expenditures incurred in their respective participating Federal Program(s). An incurred expenditure will be defined as an expenditure for goods and/or services in which the LEA has received, even if no payment was made. This will include goods and services received such as salaries, consumed utilities, rent, and supplies.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (also known as the Uniform Grant Guidance, 2 CFR Part 200, or UGG) requires all Federal programs to have written procedures to implement the requirements for payments of Federal funds (2 CFR 200.302). These procedures include how the GaDOE will draw down funds from the Federal Government and how the GaDOE will make these funds available to LEAs to draw down each month. Therefore, it is the responsibility of the GaDOE to establish the procedures as to how LEAs will receive their Federal funds.

The payments section of the UGG (2 CFR 200.305) allows for two methods of Federal fund disbursements to Federal program participants: advance payments and reimbursements.

Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs.¹

If the requirements for advance payments above cannot be met, then reimbursement is the preferred method. Additionally, at any time, the GaDOE, per UGG section 200.305(b)(3), can require LEAs to request payments by reimbursement.

It is our procedure in Grants Accounting, due to system limitations in the Grants Accounting Online Reporting System (GAORS), that LEAs are limited to one drawdown each month (15 payments for Federal grants) during the grant period. The cut off for monthly drawdowns will be each Thursday at 3 PM, with funds disbursed to the LEA the subsequent

¹ Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards section 200.305(b)(1)

Thursday. Therefore, since the GaDOE cannot guarantee the timing and amount of the advance payments will be as close as administratively feasible to the actual payment of the advance (usually 3 days) with one drawdown per month, it is the procedure of the GaDOE that all disbursements to LEAs will be reimbursement for all allowable incurred Federal program expenditures.

Incurred expenditures and paid expenditures are not the same thing. For example, an LEA would have incurred an allowable program expenditure when they ordered and received computers, but they may not have paid the invoice. The obligation to pay was established when the LEA contracted to purchase the computers and payment was due when received. When the expense is incurred and equipment received, the LEA can seek reimbursement as part of its monthly drawdown in the GAORS. The LEA does not have to wait until final payment is made on the invoice. However, LEAs must meet all cash management requirements and should have a local policy in place to ensure cash is not held more than 3 days after receipt of the Federal funds drawdown. LEAs must also ensure that equipment/supplies are purchased and received during the period of performance (2 CFR 200.77) of the grant award.

Salaries are paid each month in arrears. Therefore, at the end of each month the LEA has incurred a salary expense for that month. It is our recommendation that LEAs seeking salary reimbursements should submit their drawdown the third Thursday of each month. This would make their funds available the subsequent Thursday in time to meet the end of the month's payroll. If this methodology is used, the LEA will have to develop a reconciliation process to ensure any differences from the amount requested and the actual amount paid at the end of the month are corrected the subsequent month. It is the expectation that any differences are insignificant in amount and will not create a cash management issue. However, if the excess cannot be corrected in the subsequent month, the LEA should notify their proper Federal programs specialist and/or the GaDOE Grants Accounting Office to determine the appropriate refund of excess funds drawn down.

Monthly drawdowns (or DE0147) in the GAORS system is an electronic payment process. The LEA will request the amount to be reimbursed and upon approval from grants accounting they will receive their money the subsequent Thursday. A monthly drawdown is limited to 20% of the approved budget balance. Monthly requests for amounts more than the 20% require a comment/explanation before approval is granted. LEAs should drawdown funds as needed, however, no more than one drawdown per month. It is the recommendation of the GaDOE that a best practice for an LEA is to include in their drawdown procedures and practices a copy (paper or electronic) of the complete expenditure detail report that directly relates to each DE0147 drawdown request.

Each LEA is required to document their procedures for cash management compliance of Federal programs. (2 CFR 200.302) The procedures must document the internal controls in place to ensure there is appropriate review and authorization of the cash drawdown by someone other than the individual requesting the drawdown. It is the recommendation of the GaDOE that the Federal program administrator reviews and approves all drawdown requests prior to the finance officer submitting the request in GAORS. This is necessary to ensure that funds are spent in accordance with the budget as approved by the GaDOE program manager. If funds are not drawn down appropriately for approved budgeted expenditures or if the drawdowns are not based on actual expenditures already incurred, the LEA could be required to return the funds to the GaDOE.

The UGG section on required certifications (2 CFR 200.415) now states that on all completion reports and vouchers requesting payment (DE0147), the following legally binding certification must be included:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false

Federal Program Drawdown Position Paper

Page 3 of 3

statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).²

The new language must be incorporated into the GaDOE completion reports and drawdown forms as well.

All LEA Federal programs are on a four-year monitoring cycle. Part of this monitoring is to review actual expenditures and cash drawdowns to ensure funds were appropriately spent and purchases were allowable. If an LEA is placed on High Risk by either the Federal Programs staff or by the GaDOE Department of Audits, they will be monitored that fiscal year.

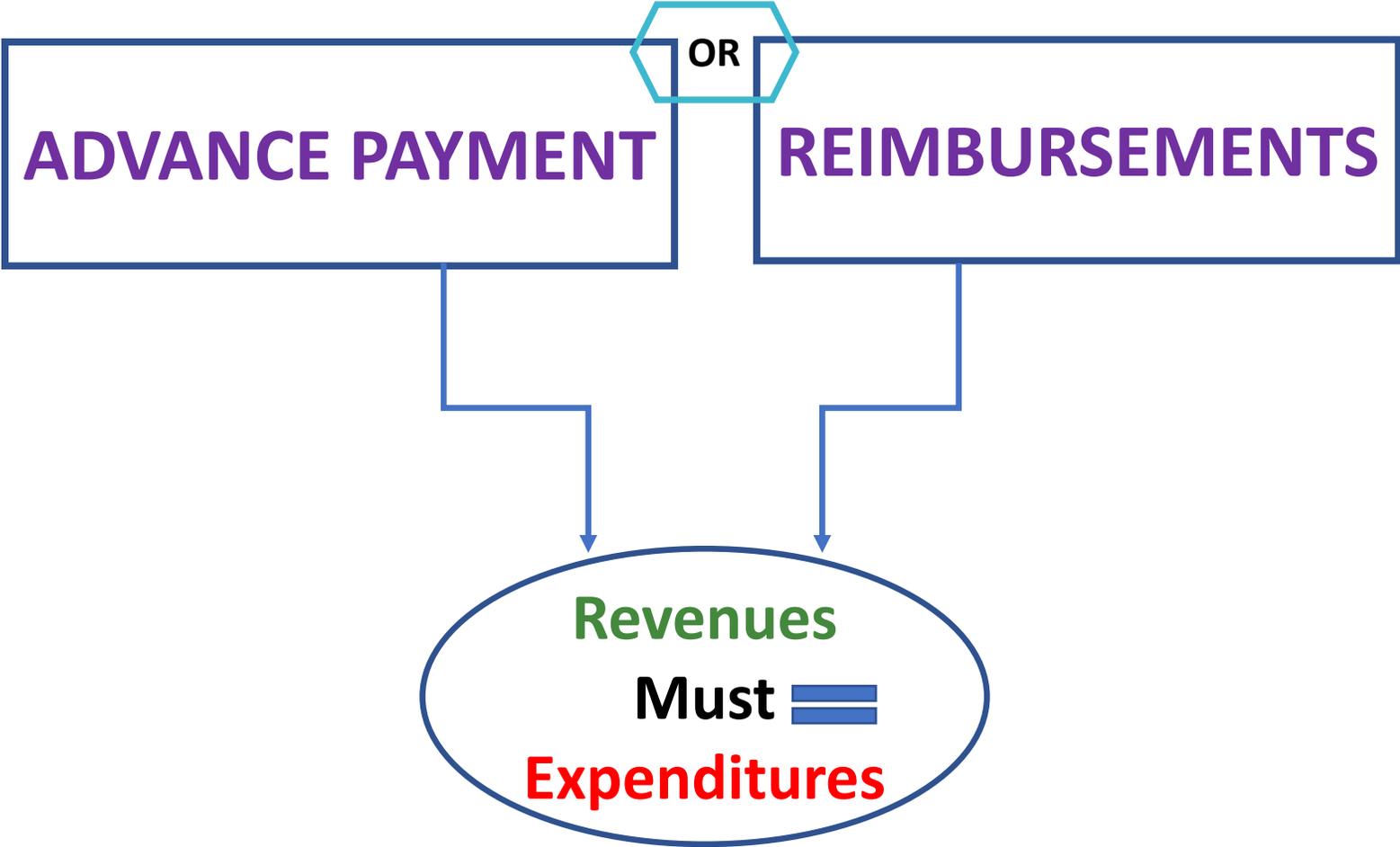
If an LEA is found to have spent funds inappropriately or has drawn down more money than they have spent, then funds will be refunded to the GaDOE. Furthermore, if the LEA is found to have earned interest over \$500 due to excess drawdowns of funds during the period of performance, then the LEA must comply with 2 CFR Part 200.302(b)(9) and remit the additional interest earned. The GaDOE also reserves the right to take further corrective action as necessary, including a more restrictive reimbursement method of submitting invoices prior to being reimbursed.

Approved 3-3-17 by the SBOE Audit Committee

² Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Section 200.412(a)

Revenues and Expenditures Must Equal

Regardless of the reimbursement method:



DE046A – Financial Analysis Report *(Federal Fund Example)*

- Total Debits and Total Credits Must Equal
- Revenues and Expenditures Must Equal

The DE 46 File Layout, along with instructions for submission, are included on the Financial Review website: <https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/default.aspx>

2230-210.00	STATE HEALTH INSURANCE	\$5,470.31
2230-220.00	FICA	\$3,369.23
2230-230.00	TEACHERS RETIREMENT SYSTEM	\$7,662.14
2230-290.00	OTHER EMPLOYEE BENEFITS	\$28.94
2230-610.00	SUPPLIES	\$566.63
2230-611.00	SUPPLIES - TECHNOLOGY RELATED	\$243.53
2230-615.00	EXPENDABLE EQUIPMENT	\$397.85
2230-616.00	EXPENDABLE COMPUTER EQUIPMENT	\$1,730.07
2230-000.00	TOTAL EXPENDITURE FEDERAL GRANT ADMINISTRATION	\$65,049.75
2300-300.00	PURCHASED PROFESSIONAL AND TECHNICAL SERVICES	\$5,525.91
2300-880.00	FEDERAL INDIRECT COST CHARGES	\$83,820.34
2300-000.00	TOTAL EXPENDITURE GENERAL ADMINISTRATION	\$89,346.25
2700-595.00	OTHER PURCHASED SERVICES	\$108.00
2700-000.00	TOTAL EXPENDITURE STUDENT TRANSPORTATION SERVICE	\$108.00
7000	TOTAL EXPENDITURES & OTHER USES	\$4,090,018.95
9000-000.00	TOTAL DEBITS	\$4,090,018.95
4520	OTHER FEDERAL GRANTS THROUGH GEORGIA DEPARTMENT OF EDUCATION	\$4,090,018.95
4000	TOTAL REVENUES (FEDERAL)	\$4,090,018.95
8000	TOTAL REVENUE & OTHER SOURCES & OTHER ITEMS	\$4,090,018.95
9000	TOTAL CREDITS	\$4,090,018.95

Georgia Department of Education
Richard Woods, Georgia's School Superintendent



Fund Balances for Federal Funds

Fund Balance for Federal Funds

Financial Review - Reports		
2300-810.00	DUES AND FEES	\$1,200.00
2300-880.00	FEDERAL INDIRECT COST CHARGES	\$137,427.00
2300-000.00	TOTAL EXPENDITURE GENERAL ADMINISTRATION	\$480,420.72
2700-180.00	BUS DRIVERS	\$6,026.83
2700-220.00	FICA	\$584.46
2700-260.00	WORKMEN COMPENSATION	\$16.55
2700-595.00	OTHER PURCHASED SERVICES	\$775.00
2700-620.00	ENERGY	\$5,287.21
2700-000.00	TOTAL EXPENDITURE STUDENT TRANSPORTATION SERVICE	\$12,690.05
7000	TOTAL EXPENDITURES & OTHER USES	\$6,907,275.71
0004	END OF FISCAL YEAR FUND EQUITY	\$0.00
0000	END OF FISCAL YEAR FUND EQUITY	\$0.00
9000-000.00	TOTAL DEBITS	\$6,907,275.71
4520	OTHER FEDERAL GRANTS THROUGH GEORGIA DEPARTMENT OF EDUCATION	\$6,907,275.71
4000	TOTAL REVENUES (FEDERAL)	\$6,907,275.71
8000	TOTAL REVENUE & OTHER SOURCES & OTHER ITEMS	\$6,907,275.71
0001	BEGINNING FUND BALANCE	\$0.00
0002	ADJUSTMENTS TO FUND BALANCE	\$0.00
0000	CURRENT FY BEGINNING FUND EQUITY	\$0.00
9000	TOTAL CREDITS	\$6,907,275.71

WHAT IF THE ENDING FUND BALANCE DOES \neq ZERO

Possible Reasons

Possible Corrective Actions

1. There is a beginning fund balance that should have been corrected in the previous fiscal year.

- ✧ 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.

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.

Other Considerations

Possible Corrective Actions

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 accounts receivable.

Fund Balance for Federal Funds

Fiscal Year 2020	Fiscal Year 2021
July 1, 2019 - June 30, 2020	July 1, 2020 - September 30, 2020
FY 2020 Grant Award period	
FY 2021 Grant Award Period Begins July 1, 2020	

DO NOT TRY TO MATCH UP THE GRANT AWARD PERIOD WITH THE FISCAL YEAR!

Fund Balance for Federal Funds

WHAT AMOUNT SHOULD BE REPORTED AS TOTAL REVENUE AT JUNE 30, 2019? ~~\$1,089,388.50~~ OR

Grants Application

Grants Details:

System ID: Fiscal Year:

Grant Name: Version No:

Grant Start Date: 07/01/2018 Grant End Date: 09/30/2019

LUA Fund Code: 402 Status: Closed

Completion Report

[Search](#) [Grant Expenditures](#) [Sub-Grant Expenditures](#) [Contact Info](#) [Audit Trail](#) [Print](#)

Expenditure Details:

Transfer In	Approved Grant	Funds Received / Requested	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Total Expenditures	Received Amount (Cash Shortage)	Variance
\$0.00	\$1,260,833.00	\$1,089,388.50	\$1,089,388.50	\$28,431.00	\$1,117,819.50	(\$28,431.00)	88.66%

Grant Budget

\$1,089,388.50

Revenue @ 6/30 =
Expenditures @ 6/30

Warning Code W2035 - End of Year Fund Equity

(MyGaDOE Portal)

DE46 Warning Code – FUND BALANCE FOR FEDERAL FUNDS



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



- Ensure no PRIOR year balances brought forward that should be resolved
- Ensure 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 Message:

“W2035 – Fund Balance For Federal Funds does not equal ZERO at fiscal year end”.

Completion Reports

The screenshot displays the MyGaDOE web application interface. At the top, there is a search bar for districts and a navigation menu with letters A-Z. A green banner reads "Welcome to MyGaDOE" with links for "Help - Dicket" and "Online Documentation". A message notification states "You have (0) new messages." The left sidebar contains "Site Navigation" (Home, Logout) and "Financial Review" (Consolidated Application, Data Collection, View Documents, Facility and School Registry, Finance Applications, Message Center, Grants Application, Security Administration, EOPA Reports, Financial Review Application, CLIP State Administration, Professional Learning Opportunities (PLO)). A sub-menu for "Grants Application" is open, showing "Manage Invoices", "Completion Reports" (highlighted), "Reports", and "Online Help". The main content area features a "Surveys" widget with a table of counts: New (0), Saved (0), Submitted (3), Approved (2), and Reports. Below the table, it states "No new surveys available" with a "More" link. To the right is a "My Favorites" widget showing "No Favorites" and a "More" link.

COMPLETION REPORTS - Items to Know / Tips

Completion reports information and instructions are in the following locations:

Federal Programs Handbook

- http://www.gadoe.org/School-Improvement/Federal-Programs/Documents/Federal%20Resources/OVERARCHING%20Information%20Master%201.11.2019_MASTER%20FINAL.pdf



Financial Review's website

- <http://www.gadoe.org/Finance-and-Business-Operations/FinancialReview/Documents/Completion%20Report%20Instructions%203.2018.pdf>

TIPS FOR COMPLETION REPORTS

- Load the last approved budget in the completion report.
- Use function/object codes approved by program.
- Do not finalize the completion report until all payments have been requested/accrued/paid by the system.
- Completion Reports are due 30 days after the grant award ending period.

Completion Reports

2019 Grant Award Example

Grants Application

Grants Details:

System ID: Fiscal Year:

Grant Name: Version No:

Grant Start Date: 07/01/2018 Grant End Date: 09/30/2019

LUA Fund Code: 402 Status: Closed

Completion Report

[Search](#) [Grant Expenditures](#) [Sub-Grant Expenditures](#) [Contact Info](#) [Audit Trail](#) [Print](#)

Expenditure Details:

Transfer In	Approved Grant	Funds Received / Requested	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Total Expenditures	Received Amount (Cash Shortage)	Variance
\$0.00	\$2,621,122.00	\$2,411,474.75	\$2,397,948.60	\$31,485.34	\$2,429,433.94	(\$17,959.19)	92.69%

Grant Budget

Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures
<input type="text"/>	<input type="text"/>	0	0	

[Add](#) [Cancel](#)

Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Variance	Budget vs Expenses Diff
1000 - INSTRUCTION		\$1,633,754.00	\$1,520,638.64	\$13,483.27	93.90%	\$99,632.09
	110 - TEACHERS	\$188,517.00	\$188,603.87	\$5,798.96		(\$5,885.83)
	110 - TEACHERS	\$301,776.00	\$301,249.47	\$0.00		\$526.53
	110 - TEACHERS	\$303,795.00	\$312,285.12	\$0.00		(\$8,490.12)

Expenditures incurred July 1 - June 30. This time period includes payables and summer Salaries/Benefits accruals at June 30.

Federal Cash Draw Downs – Supplemental Slides

Federal Programs

Title I, Part A Improving Academic Achievement of the Disadvantaged

Title I, Part A - Academic Achievement Awards

Title I, Part A - Foster Care Program

Title I, Part A - Family-School Partnership Program

Title I, Part C - Education of Migratory Children

Title I, Part D - Programs for Neglected or Delinquent Children

Title II, Part A - Supporting Effective Instruction

Title III, Part A - Language Instruction for English Learners and Immigrant Students

Title IV, Part A - Student Support and Academic Enrichment

Title IV, Part B, Nita M. Lowey - 21st Century Community Learning Centers

Title V, Part B - Rural Education Initiative

Title IX, Part A - McKinney - Vento Homeless Assistance Act

English Learner Programs

Cash Draw Downs

- Local Educational Agencies (LEAs) that have Federal Programs and Grants with the Georgia Department of Education (GaDOE) can draw down funds for all allowable expenditures incurred in the respective participating Federal Program(s).

Cash Draw Downs – MyGaDOE Portal

Step 1

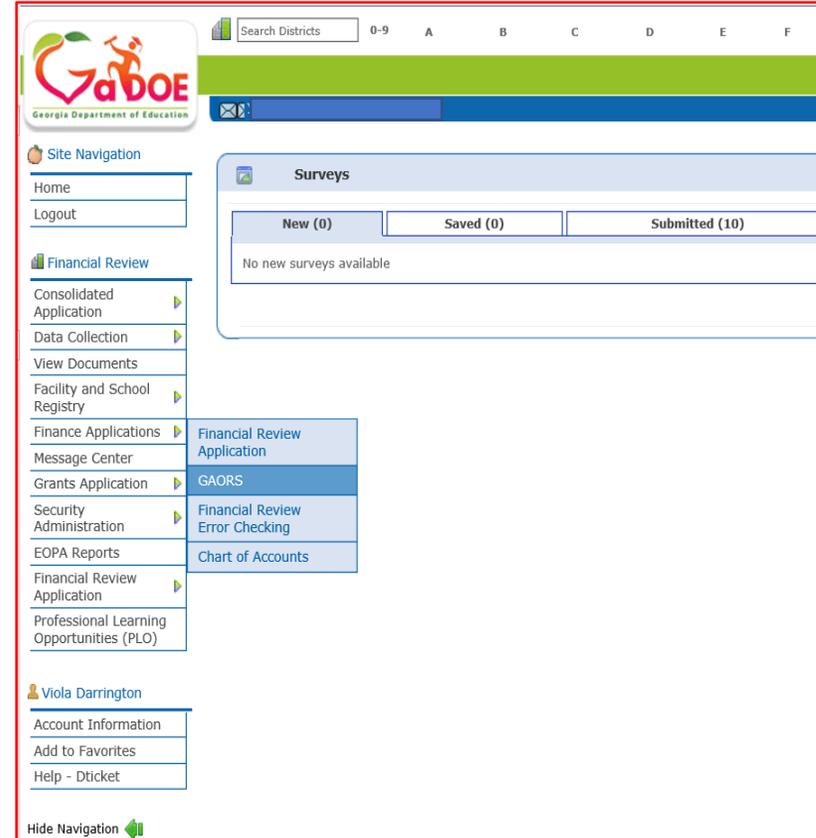
Log into the MYGaDOE portal using your Username and Password.



The screenshot shows the MyGaDOE login interface. At the top, there is a green header with the MyGaDOE logo. Below the header, the text "Please Log In" is displayed. To the left of the login fields is the GaDOE logo and the text "Georgia Department of Education" and "Richard Woods, Georgia's School Superintendent 'Educating Georgia's Future'". The login fields include "Username:" and "Password:" with corresponding input boxes. Below the password field is a link "I forgot my passphrase!" and a "Login" button. To the right of the login fields is a "Helpful links" section with several links: "MyGaDOE Online Guide", "GaDOE Public Website", "Information Systems", "AYP & NCLB", "Georgia Standards", "Data Collections", "Financial Reports", and "Report Card". At the bottom of the login section, there is a link "Or sign up for an account". A message at the bottom of the page states "This website requires Cookies be enabled in your browser."

Step 2

Select 'Finance Application' and "GAORS".



The screenshot shows the MyGaDOE portal navigation menu. At the top, there is a search bar labeled "Search Districts" with a dropdown menu showing "0-9" and "A" through "F". Below the search bar is the GaDOE logo and the text "Georgia Department of Education". The navigation menu is divided into several sections: "Site Navigation" with links for "Home" and "Logout"; "Financial Review" with a list of links including "Consolidated Application", "Data Collection", "View Documents", "Facility and School Registry", "Finance Applications", "Message Center", "Grants Application", "Security Administration", "EOPA Reports", "Financial Review Application", and "Professional Learning Opportunities (PLO)"; "Viola Darrington" with links for "Account Information", "Add to Favorites", and "Help - Dticket". A "Hide Navigation" button is located at the bottom left of the navigation menu. On the right side of the page, there is a "Surveys" section with a table showing "New (0)", "Saved (0)", and "Submitted (10)". Below the table, it says "No new surveys available".

Cash Draw Downs – MyGaDOE Portal

Step 3

The screenshot displays the MyGaDOE portal interface. At the top, there is a search bar and a navigation menu with letters A through Z. The header includes the MyGaDOE logo and the text "Welcome to MyGaDOE". Below the header, the user's name "Richard Woods" and title "State Superintendent of Schools" are displayed. The main content area is titled "Grants Accounting Online Reporting System" and "Systems Users Menu". A dropdown menu is open, showing a list of options. A red arrow points to the first option: "DEC167 - Request for Reimbursement of Monthly Cash Disbursements". Other options in the menu include "Completion Report", "Interim Completion", "Details of all Grants", "Grants Payment Advice", "School Nutrition Payment Advice", "List of Grants Approved", "List of all DEC167s", "List of Completion Reports", "List of Refunds Report", and "GBE Payment Dates Entry Form". The footer contains links for "Privacy Policy", "Terms of Use", "Site Requirements", and "Feedback", along with a copyright notice for 2000-2009 Georgia Department of Education.

Cash Draw Downs – MyGaDOE Portal

Step 4

The screenshot shows the MyGaDOE portal interface. At the top, there is a search bar for districts and a navigation menu with letters A through P. Below this, the Georgia Department of Education logo is visible. The main content area displays the title "Georgia Department of Education" and "Open DEO147's for the System : Paulding County". A table lists the following data:

System	Fiscal Year	Program Name	Fund Month	Requested Amount	Pay Date	Status
710	2009	Virtual Schools Grant	06/2009	\$,00		Open

Below the table, there are two links: "Add New DE147" (circled in red) and "Back to Menu".

Step 5 - Cash Draw Downs

- ❑ Select the applicable **Fiscal Year**
- ❑ Click on “**Retrieve the Grant**”
- ❑ Click on the drop down arrow under Program Name and select the applicable grant
- ❑ Click on “**Retrieve the Grant**” again
- ❑ Once you retrieve the grant, the screen will populate the fields necessary for you to complete the drawdown

Georgia Department of Education DE0147 - Request for Reimbursement of Monthly Cash Disbursements

Status: Open New Payment Request

1. Identification Information : Local Id: []

Fiscal Year: 2018 System Name: Paulding County System Number: 710

Program Name: Retrieve the Grant

State Project number: []
LEA Fund Code: []
LEA Program Code: []
Approved Budget: []

CTAE - Perkins IV Carryover (CFDA # 84 048) - 562 - 100 - 693
CTAE - Ag Extended Day - 642 - 553 - 314
CTAE - Ag Extended Year - 642 - 529 - 291
CTAE - CTE Extended Day - 562 - 554 - 304
CTAE - Perkins Plus Reserve (CFDA # 84 048) - 562 - 100 - 647
CTAE - Supervision - 562 - 519 - 300
CTE - Perkins IV Grants - Program Improvement (CFDA# 84 048) - 562 - 315 - 154
Career, Technical, and Agriculture - CTE Apprenticeship - 586 - 540 - 125
Education for Homeless Children and Youth (CFDA # 84 196) - 573 - 100 - 55
IDEA - Capacity Building Grant - 553 - 100 - 712
Math and Science Supplement - 315 - 100 - 655
PRESCHOOL DISABILITY SERVICES/PRE-SCHOOL HANDICAPPED STATE GRANT - 582 - 100 - 345
SPECIAL ED-PRESCHOOL-REGULAR PROJECT (CFDA # 84 173) - 553 - 100 - 37
SPECIAL ED-VIB FLOWTHROUGH (CFDA # 84 027) - 553 - 200 - 39
Teacher of the Year - 315 - 000 - 702
Title I-A, Improving the Academic Achieve. of the Disadvantaged (CFDA# 84 010) - 551 - 100 - 30
Title II-A, Improving Teacher Quality (CFDA# 84 367) - 630 - 400 - 569
Title II-B, Mathematics and Science Partnerships (CFDA # 84 366) - 579 - 100 - 99
Title III-A, Language Instruction for English Learners (EL)/CFDA# 84 365) - 632 - 200 - 565
Title IV - Part A Student Support and Academic Enrichment (CFDA# 84 424A) - 315 - 100 - 721

Georgia Department of Education DE0147 - Request for Reimbursement of Monthly Cash Disbursements

Status: Open New Payment Request

1. Identification Information : Local Id: []

Fiscal Year: 2018 System Name: Paulding County System Number: 710

Program Name: Retrieve the Grant State Project number: []
LEA Fund Code: []
LEA Program Code: []
Approved Budget: []

Grant Period: through Approved Budget: []

2. Year to Date Cash Disbursements as of End of month prior to Requested Month: \$ 0.00

a. Grant Funds Received and/or Requested through Previous Period: [] \$ 0.00

b. Estimated Cash Disbursements through Previous Period: []

c. Estimated Cash Balance of Funds at End of Previous Period: [] \$ 0.00

*The funds requested in Part 3 are to be included in Part 2.

3. Request of Funds for Period:

Month	Year	Estimated Requirements	Less Estimated Cash Balance From Previous Period	Requested Amount	Over Paid by DOE
072018			\$ 0.00	\$ 0.00	

4. Remarks (Please explain any request for unusually large amounts of cash):
Comments: []

Please be advised that the amounts you drawdown must be spent within the month requested. By signing this report, I certify to the best of my knowledge and belief that the request is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (C.F.S. Code Title 18, Sections 1801 and Title 18, Sections 2709-2710 and 3901-3912).

5. Signature:
Prepared By: Anthony Test
Authorized Signature: [] On Date: []

Final Steps - Cash Draw Downs

- **Calculate** the amount of the drawdown (*Advance Payment or Reimbursement*)
- **Enter** the Cash Disbursements through Previous Period
- **Click the Recalculate button** and it will calculate the amount of drawdown based on the Previous Grant Funds received and the Cash Disbursements through Previous Period.
- **Read** the certification message and then **click** the box beside the message.
- **Click** the Save button
- If a message is received that the request is more than the normally allowed percentage, **click** on the back button and **enter** an explanation in the Comments box.
- **Click** on the Save button; **click** on the Submit button.
- A DE147 will be generated and sent to Grants Accounting at GaDOE.
- **Attach** the “Fund Request” document, along with the general ledger expenditure detail, to a copy of the DE147 as documentation for the drawdown.

Federal Grant Drawdowns - Additional Information

- Reimbursement Basis for expenditures incurred
- Based on actual expenditures
- Variances due to minor changes in salaries will be offset the next drawdown period
- Limited to, at most, one drawdown per month
- Do not draw down funds based on purchase orders (expenditure not incurred)
- LEA required to have written procedures detailing the draw down process (UGG 200.302)

Federal Transferability



- **Consolidated Application (Account Codes)**
- **Cash Draw Downs (DE0147)**
- **Completion Reports**

What is Federal Transferability?



- Transferability is a flexibility authority that permits local educational agencies (LEAs) to transfer all or a portion of funds it receives from Title II-Part A, and Title IV-Part A, to other federal funds to meet the needs of all children and better address local strategies for raising student achievement.
 - *(Every Student Succeeds Act (ESSA) stipulates the programs from and to which an LEA may transfer funds).*

Facts About Transferability

- Transferred funds become funds of the program to which they are transferred.
 - Subject to all the rules and requirements of the programs to which the funds are transferred, including statutory set-asides.
- Once funds are transferred, they cannot be transferred back.



- **PARTICIPATION**: The LEA must notify the Federal Programs Division at GaDOE of its intent to transfer funds at least 30 days before each transfer occurs.
- For further programmatic requirements, guidance, and restrictions at the following website:

<http://www.gadoe.org/School-Improvement/Federal-Programs/Pages/default.aspx>

Programs Allowed in Federal Transferability

- **LEAs may transfer funds FROM:** 
 - **Title II, Part A** – Supporting Effective Instruction State Grants
 - **Title IV, Part A** – Student Support and Academic Enrichment (SSAE) Grants
- **TO any of these programs:** 
 - **Title I, Part A** – Improving Basic Programs Operated by Local Educational Agencies
 - **Title I, Part C** – Education of Migratory Children
 - **Title I, Part D** – Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At-Risk
 - **Title II, Part A** – Supporting Effective Instruction State Grants
 - **Title III, Part A** – English Language Acquisition, Language Enhancement, and Academic Achievement
 - **Title IV, Part A** – Student Support and Academic Enrichment (SSAE) Grants
 - **Title V, Part B** – Rural Education Achievement Program (REAP)

Transferability

Consolidated Application



Program Status

District Name : County
 Fiscal Year : 2019

District Code :

- Programs
- Planning
- Prayer Certification
- Attachments
- Audit Trail

Title Programs

Program	Applied As	Budget Status	DC Status	Program Type
Homeless Education	Single District	Approved	Program Manager Signed Off	Original
Homeless Education	Single District	Approved	Program Manager Signed Off	Amendment No. 1
Homeless Education	Single District	Approved	Program Manager Signed Off	Amendment No. 2
Homeless Education	Single District	Approved	Program Manager Signed Off	Amendment No. 3
Homeless Education	Single District	Approved	Program Manager Signed Off	Amendment No. 4
School Improvement - 1003G Grant	Single District	Approved	New	Original
School Improvement - 1003G Grant	Single District	Approved	New	Amendment No. 1
School Improvement - 1003G Grant	Single District	Approved	New	Amendment No. 2
School Improvement - 1003G Grant	Single District	Approved	New	Amendment No. 3
School Improvement - 1003G Grant	Single District	Approved	New	Amendment No. 4
Title I -A, Improving the Academic Achieve	Single District	Approved	Superintendent Signed Off	Original
Title I -A, Improving the Academic Achieve	Single District	Approved	Superintendent Signed Off	Amendment No. 1
Title I -A, Improving the Academic Achieve	Single District	Approved	Superintendent Signed Off	Amendment No. 2
Title I -A, Improving the Academic Achieve	Single District	Approved	Superintendent Signed Off	Amendment No. 3
Title I National Distinguished Schools	Single District	Approved	New	Original

Transferability

Consolidated Application – Account Codes

Fund Status on Consolidated Application	Fund Name	Budget Account for Consolidated Application
Transfer-out funds	Title II-Part A Title IV-Part A	<p><u>Function Code 5000</u> and <u>Object Code 930</u> (5000-930, OPERATING TRANSFERS TO OTHER FUNDS).</p>
Transfer-in funds	Title I-Part A Title I-Part C Title I-Part D Title II-Part A Title III-Part A Title IV-Part A Title V-Part B	<p><u>Revenue Source Code 5200</u> (OPERATING TRANSFERS FROM OTHER FUNDS). The transfer-in amount will be reported on 'Transfer Amount' line on Con App for the receiving Fund.</p>

Transferability

Cash Drawdowns (DE0147-Request for Reimbursement of Monthly Cash Disbursements)

Search Results: A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

Welcome to MyGaDOE
Help | About | Online Inquiries

Richard Woods
State Superintendent of Schools

Grants Accounting Online Reporting System

Systems Users Menu

System : 710, Paulding County

- **DE0147 - Request for Reimbursement of Monthly Cash Disbursements**
- Completion Report
- Interim Completion
- Details of all Grants
- Grants Payment Advice
- School Nutrition Payment Advice
- List of Grants Approved
- List of all DE 147s
- List of Completion Reports
- List of Refunds Report
- GDE Payment Dates Entry Form

Home | About | Terms of Use | Site Requirements | Feedback

Copyright © 2005-2009 Georgia Department of Education

Transferability Cash Drawdowns (DE0147s)

EXAMPLE

1. **SCENARIO:** District transfers the following grants to Title I-A in July

FUND	TRANSFERABILITY BUDGET TO TITLE I-A
Title II-Part A	(\$30,000)
Title IV-Part A	(\$20,000)

2. At July 2020 month-end, Title I-A total expenditures = **\$233,000**

3. July Drawdowns for Title IIA, Title IVA, and Title IA are below:

First step: Draw down the funds for the amounts transferred out of Title

FUND	DRAWDOWN – AUGUST 2020	Draw/Down transferability funds first.
Title II-Part A	\$30,000	←
Title IV-Part A	\$20,000	←
Title I-Part A	\$183,000	
Total Drawdown – July 2020	\$233,000	

Transferability

Completion Reports

Grants Application

Grants Details:

System ID: Fiscal Year:

Grant Name: Version No:

Grant Start Date: 07/01/2018 Grant End Date: 09/30/2019

LUA Fund Code: 402 Status: Closed

Completion Report

[Search](#) [Grant Expenditures](#) [Sub-Grant Expenditures](#) [Contact Info](#) [Audit Trail](#) [Print](#)

Expenditure Details:

Transfer In	Approved Grant	Funds Received / Requested	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Total Expenditures	Received Amount (Cash Shortage)	Variance
\$0.00	\$14,804,917.00	\$12,877,010.65	\$12,127,833.35	\$1,128,012.60	\$13,255,845.95	(\$378,835.30)	89.54%

Grant Budget

Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures
<input type="text"/>	<input type="text"/>	0	0	

[Add](#) [Cancel](#)

Function	Object	Amount Budgeted	7/1/2018-6/30/2019 Expenditures	7/1/2019-9/30/2019 Expenditures	Variance	Budget vs Expenses Diff
1000 - INSTRUCTION		\$5,364,096.00	\$4,344,482.31	\$493,025.58	90.18%	\$526,588.11
	110 - TEACHERS	\$59,782.00	\$0.00	\$0.00		\$59,782.00
	110 - TEACHERS	\$53,200.00	\$0.00	\$0.00		\$53,200.00
	110 - TEACHERS	\$47,872.00	\$0.00	\$0.00		\$47,872.00
	110 - TEACHERS	\$13,316.00	\$1,118,232.04	\$89.77		(\$1,105,005.81)
	110 - TEACHERS	\$83,726.00	\$0.00	\$0.00		\$83,726.00
	110 - TEACHERS	\$48,830.00	\$0.00	\$0.00		\$48,830.00
	110 - TEACHERS	\$68,918.00	\$0.00	\$0.00		\$68,918.00
	110 - TEACHERS	\$77,678.00	\$0.00	\$0.00		\$77,678.00

Transferability

Completion Reports

- Completion Reports will be prepared for both the transferred-out funds and the transferred-in funds.
- **Transferred-out fund** expenditure line item on the Completion Report:
 - Function 5000 and Object 930 (OPERATING TRANSFERS **TO** OTHER FUNDS).
- **Transferred-in fund** actual expenditures on Completion Report:
 - By Function and Object in the grant where expenditures were incurred.
 - Cash is transferred-in from Title II-Part A and/or Title IV-Part A to cover the expenditures.

Transferability Completion Reports

**PLEASE
NOTE:**

- **NOTE:** Funds transferred from Title II-Part A and Title IV-Part A to other respective funds are considered in the Carry-Over calculation determination for the grant they are transferred into (i.e. Title I-A).

Carry-Over Determination =

(Original Allotment + Transferred Amount (Transferability)) X 15%

- Funds can be forfeited when utilizing Transferability if not spent.
- The moral of the story: ***\$PEND THE MONEY***

FEDERAL GRANTS CLOSEOUT SUMMARY

- At fiscal year end, federal funds should have a zero fund equity balance. Revenue should equal expenditures.
- If the federal funds do not have a zero balance, warning code W2035 will be received on the DE046 uploads stating that the fund balance does not equal zero.
- Post summer Salary/Benefit accruals for federal programs to Balance Sheet Account 0422-Salary & Benefit Payable.
- All submitted drawdowns should have documentation attached that verify the amounts requisitioned through GAORS.
- Transferability is a flexibility authority which permits local educational agencies (LEAs) to transfer all or a portion of funds it receives from Title II-Part A and Title IV-Part A to other federal funds.
- The Completion Report should not be finalized until all payments have been requested/accrued/paid by the LEA.

Questions?



Capital Projects Funds



Definition of Capital Project Fund 300

A governmental fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those of proprietary funds and fiduciary funds). The most common source of revenue in this fund is the sale of bonds or SPLOST funds. A sub-fund should be used for each capital project.

Capital Project Funds 300

- Each major Capital Outlay project should be recorded in 3XX. This allows the district to track the revenue and expenditures for each project separately.
- The school district will determine which project's expenditures and revenue should be tracked separately
- Smaller Capital Outlay projects can be recorded together in a "Miscellaneous" fund 3XX
- All 3XX funds will need to be rolled into Fund 300 for DE46 reporting purposes
- Function 4000 should only be used in a 3XX fund. If it is used in Fund 100, it could affect the school district's Equalization calculation.

Capital Projects Funds – Year End Checklist

Capital Outlay Funds

- Book any General Fund transfer to Capital Outlay for "required" local match for GSFIC Project. Debit 100-9990-5000-930-Transfers Out and credit 100-0101-Cash and debit 3XX-0101-Cash and credit 3XX-9990-5200-Transfers In via journal entry. Write check from General Operating Bank to Capital Outlay Bank if Capital Outlay funds are maintained in different bank.
- Make appropriate entries within the Capital Outlay Fund 3XX series to clear negative balances in general ledger accounts. Example: Fund 310-New High School reports negative cash balance. Book a Transfer Out of Fund 302-Bond Proceeds into Fund 310-5200 (Transfers In) to cover the shortfall.
- If a significant amount of Capital Outlay expenditures have been charged to General Fund 100, set up a new Fund 3XX for Local Capital Projects and transfer the activity to the new fund. Capital Outlay expenditures charged to Function 4000 in Fund 100 will negatively impact the calculation of the Equalization grant.
- Ensure that June construction invoices for work performed in June is recorded in the proper fiscal year. These invoices should be received within the first couple of weeks in July.
- On construction projects receiving state funds, also remember to set up appropriate accounts receivable for the June invoice and possibly the May invoice if it has not been received.
- Normally, construction invoices have a retainage clause where monies are being withheld from the contractor. This is usually in the 5% to 10% range. These funds are a liability of the district and should be recognized as expenditure and set up as a payable at year end. This entry would need to be reversed in the next fiscal year to keep from overpaying the contractor.
- Examine SPLOST funds received to date. Need to recognize any funds that have been collected but not received. This will be an estimate. These funds are considered measurable and available as current resources to pay current expenditures. Any reasonable method can be used to estimate these amounts, i.e. last year's collections, last year's collection with a growth factor...

COMPLETION DATE: _____ SIGNOFF _____

NOTE:
Page 3 of
the
'Fiscal
Year End
Close Out
Checklist'

Capital Projects Funds – Year End Procedures

- **Ensure** any prior year payables or receivables have been cancelled.
- **Obtain** all construction invoices for each project as of June 30.
- **Determine:**
 - If any adjustments to current year activity are necessary based on prior year audit adjustments.
 - If any reimbursement requests from GSFIC are necessary.

Contracts and Retainage Payable

- Obtain the construction invoices for work performed through June 30th.
- Determine if a contract payable needs to be accrued.
- Determine if a retainage payable needs to be accrued.
- Utilize the same process for setting up the payable as detailed in the Expenditure/Liability section.

Definition of Retainage Payable

Retainage is a portion of a contract's total price that is withheld until project completion. This withholding is intended to ensure that the quality of the contractor's work is adequate. If the final inspection finds problems with the contractor's work, the retainage will continue to be held by the client until the targeted issues have been rectified. Since the amount of retainage (typically 10%) may comprise the entire profit of a contractor, it is considered a powerful incentive to ensure that a project is completed in accordance with the wishes of the client.

Construction Projects - Expenditures

1) Original Contract Sum.....	\$ 2,835,436.00
2) Net Change by Change Orders.....	\$ 0.00
3) Contract Sum to Date.....	\$ 2,835,436.00
a. Total amount earned for work in place (Original Contract).....	\$ 519,452.07
b. Total amount earned for work in place (Change Orders).....	\$ 0.00
c. Value of material stored at site.....	\$ 0.00
d. Total Amount earned (a plus b plus c).....	\$ 519,452.07
e. Amount Retained (10%).....	\$ 51,945.21
f. Total earned less retained percentage (d minus e).....	\$ 467,506.86
g. Total previously approved.....	\$ 0.00
h. Total due this request for Contractor (f minus g).....	\$ 467,506.86
i. Amount Due this request for Architect.....	\$
j. Total Amount Due this Request (h plus i).....	\$

Consideration of Materiality

Districts may receive a material weakness finding if the Contracts /Retainage Payable is not accrued at June 30.

0000-0432-00000-0000-0-000000	SET UP RETAINAGE PAY	000005793	JE2	06/30/18		51,945.21	51,945.21	51,945.21	CR
0000-0432-00000-0000-0-000000	REVERSE JE	00005793	000005794	JE2	06/30/18	51,945.21			
0000-0432-00000-0000-0-000000	CLAIMS (A/P)			JE3	06/30/18		51,945.21	51,945.21	CR
0000-0432-00000-0000-0-000000	RETAINAGES PAYABLE			JE3	06/30/18	51,945.21	103,890.42	51,945.21	CR*
0000-0433-00000-0000-0-000000	CLAIMS (A/P)			JE3	06/30/18		467,506.86	467,506.86	CR
0000-0433-00000-0000-0-000000	CONTRACTS PAYABLE			JE3	06/30/18		467,506.86	467,506.86	CR*
9990-4000-72000-8010-0-000000	PARRISH CONSTRUCTION GROUP			E01	06/30/18	467,506.86		467,506.86	
9990-4000-72000-8010-0-000000	SET UP RETAINAGE PAY	000005793		E01	06/30/18	51,945.21		519,452.07	
9990-4000-72000-8010-0-000000	REVERSE JE	00005793	000005794	E01	06/30/18		51,945.21	467,506.86	
9990-4000-72000-8010-0-000000	PARRISH CONSTRUCTION GROUP			E01	06/30/18	51,945.21		519,452.07	
9990-4000-72000-8010-0-000000	BUILDINGS AND IMPROVEMENTS			E01	06/30/18	571,397.28	51,945.21	519,452.07	*
EXPENSE TOTALS						744,021.96	51,945.21	692,076.75	*

TOTAL EXPENDITURES	\$692,076.75
Less Contracts/Retainage Payable	\$519,452.07
Total Expenditures Before Accrual	\$172,624.68
Materiality of Capital Projects Fund (Prior to Accrual)	\$5,178.00



Construction Projects – Revenues

- State funds:
 - Determine the amount of revenue earned but not received as of June 30th.
 - Accrue a Receivable
- If GSFIC not received prior to August 31st:
 - Accrue the revenue as a Deferred Inflow of Resources to account 0481. It is earned but is unavailable.
- Local match requirements:
 - Ensure SPLOST proceeds or local tax revenue from the General Fund has been transferred into a GSFIC project.

Construction Projects – Revenues

GSFIC Construction Project (EXAMPLE)

Architect Estimate for Construction Project	\$881,554
REVENUE SOURCES TO FUND PROJECT	AMOUNTS
State Funds Allocation	\$411,284
REQUIRED Local Funds <i>(Must be utilized first)</i>	\$26,252
Additional REQUIRED Local Funds	\$0
Additional Local Funds <i>(These are additional funds from local sources needed to complete the project.)</i>	\$444,018
Total Local Funds	\$470,270
Total Funds (State & Local)	\$881,554

SPLOST

- Ensure the prior year receivable for SPLOST was cancelled in the current year.
- Accrue the July 20XX SPLOST receipt as of June 30th.
- Recalculate the total SPLOST revenue to ensure you have posted all receipts received from August 20XX through July 20XX.
- Confirm using the DOR website for Sales Tax Distributions.

SPLOST

The screenshot shows the Georgia Tax Center website. At the top, there is a dark blue header with the text "Georgia Tax Center" and a hamburger menu icon. Below the header is a light blue navigation bar with a "Home" link. A large orange banner contains two messages: "UPCOMING SYSTEM MAINTENANCE: GTC will be down for maintenance on Saturday, March 2, 2019 at 10 p.m. until 10 a.m. Sunday, March 3, 2019. We apologize for any inconvenience." and "IMPORTANT MESSAGE: Effective January 1, 2019, the prepaid wireless 911 charge is increasing from 75 cents to \$1.50 per retail sale of prepaid wireless telephone service. For more information, please view [Prepaid Wireless 911](#)." Below the banner, the page is organized into three columns. The left column is titled "Log In" and contains fields for "Username" and "Password", a "Logon" button, and links for "Forgot Password?", "Forgot Username?", and "Don't have a logon? Register here". Below this is a "Registration" section with links for "Register a New Georgia Business", "Register as a Third Party Filer", and "Register a Permit Account". The middle column is titled "Common Tasks" and lists "Make a Quick Payment", "Protest a Proposed Assessment", "Request a Waiver of Penalty", and "Submit Documentation". Below this is an "Individuals" section with links for "ID Verification Quiz", "Receive 1099-G Electronically", "Request a Customs Letter", "Verify my Return", and "Where's my Refund?". The right column is titled "Businesses" and lists "Report Alcohol Citation", "Request an Exempt Wine Permit", and "Transfer Tax Credit". Below this is a "Searches" section with links for "Alcohol Retailer Set/Reset", "Existing Submissions", "Licenses", "Sales Tax Distribution" (circled in red), "Sales Tax IDs", "SOLVED: Search for a Lien", "Wholesaler Price Postings", and "Brand Registration Search".

Georgia Tax Center

Home

UPCOMING SYSTEM MAINTENANCE:
GTC will be down for maintenance on Saturday, March 2, 2019 at 10 p.m. until 10 a.m. Sunday, March 3, 2019. We apologize for any inconvenience.

IMPORTANT MESSAGE:
Effective January 1, 2019, the prepaid wireless 911 charge is increasing from 75 cents to \$1.50 per retail sale of prepaid wireless telephone service. For more information, please view [Prepaid Wireless 911](#).

Log In

Username

Password

Logon

[Forgot Password?](#)
[Forgot Username?](#)
[Don't have a logon? Register here](#)

Registration

[Register a New Georgia Business](#)
[Register as a Third Party Filer](#)
[Register a Permit Account](#)

Common Tasks

[Make a Quick Payment](#)
[Protest a Proposed Assessment](#)
[Request a Waiver of Penalty](#)
[Submit Documentation](#)

Individuals

[ID Verification Quiz](#)
[Receive 1099-G Electronically](#)
[Request a Customs Letter](#)
[Verify my Return](#)
[Where's my Refund?](#)

Businesses

[Report Alcohol Citation](#)
[Request an Exempt Wine Permit](#)
[Transfer Tax Credit](#)

Searches

[Alcohol Retailer Set/Reset](#)
[Existing Submissions](#)
[Licenses](#)
[Sales Tax Distribution](#)
[Sales Tax IDs](#)
[SOLVED: Search for a Lien](#)
[Wholesaler Price Postings](#)
[Brand Registration Search](#)

SPLOST Revenue – 7/30/17-6/30/18

9990-1130-00000-0000-0-000000	CAP1 RECEIPT 021831	DEPOSITED DEP 07/30/17		70,027.63	70,027.63CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 021883	DEPOSITED DEP 08/30/17		54,422.15	124,449.78CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 021937	DEPOSITED DEP 09/29/17		54,316.49	178,766.27CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022004	DEPOSITED DEP 10/31/17		55,564.00	234,330.27CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022063	DEPOSITED DEP 11/30/17		52,739.75	287,070.02CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022106	DEPOSITED DEP 12/20/17		125.49	287,195.51CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022123	DEPOSITED DEP 12/29/17		54,184.21	341,379.72CR
9990-1130-00000-0000-0-000000	CORRECT SPLOST DEP 00005694	DEP 12/31/17	20.62		341,359.10CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022160	DEPOSITED DEP 01/31/18		52,863.73	394,222.83CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022217	DEPOSITED DEP 02/28/18		58,801.90	453,024.73CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022268	DEPOSITED DEP 03/31/18		54,143.39	507,168.12CR
9990-1130-00000-0000-0-000000	CORRECT DEPOSIT AMT 00005722	DEP 03/31/18		2,000.00	509,168.12CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022338	DEPOSITED DEP 04/30/18		68,187.86	577,355.98CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022388	DEPOSITED DEP 05/31/18		57,229.03	634,585.01CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022432	DEPOSITED DEP 06/26/18		267.06	634,852.07CR
9990-1130-00000-0000-0-000000	CAP1 RECEIPT 022438	DEPOSITED DEP 06/29/18		64,376.99	699,229.06CR
9990-1130-00000-0000-0-000000	STATE OF GEORGIA/DEPT.REVENUE	AR1 06/30/18		57,887.50	757,116.56CR
9990-1130-00000-0000-0-000000	SPLOST REVENUE	AR1 06/30/18	20.62	757,137.18	757,116.56CR*

What is incorrect in the general ledger detail above?

SPLOST Revenue – DOR Sales Tax Distribution

30-Nov-2017		52,739.75 ELOST	50,529.47	2,802.77	2.87	-62.63	532.73
16-Jun-2018		267.06 ELOST	227.51	0.00	0.00	42.25	2.70
31-Aug-2017		54,422.15 ELOST	52,639.23	1,665.84	688.83	-22.03	549.72
31-Oct-2017		55,564.00 ELOST	55,373.54	892.86	-141.14	0.00	561.26
31-Jul-2017		70,027.63 ELOST	70,322.15	449.24	-12.50	-23.91	707.35
30-Sep-2017		54,316.49 ELOST	54,596.57	216.61	68.87	-16.92	548.64
31-Jan-2018		52,863.73 ELOST	52,998.11	447.28	-28.19	-19.50	533.97
31-Mar-2018		56,143.39 ELOST	54,498.99	2,212.52	7.22	-8.24	567.10
31-Dec-2017		54,184.21 ELOST	52,432.16	2,304.63	0.10	-5.38	547.30
31-Jul-2018		57,887.50 ELOST	57,429.39	768.89	279.17	-5.22	584.73
31-May-2018		57,229.03 ELOST	57,056.32	608.51	142.26	0.00	578.06
30-Jun-2018		64,376.99 ELOST	63,175.45	56.51	1,798.69	-3.39	650.27
28-Feb-2018		58,801.90 ELOST	58,704.10	680.28	20.60	-9.13	593.95
30-Apr-2018		68,187.86 ELOST	68,490.92	383.69	2.02	0.00	688.77
16-Dec-2017		104.87 ELOST	-19.56	0.00	0.00	125.49	1.06

Significant Commitment Note

COMMITMENTS UNDER CONSTRUCTION CONTRACTS

The following is an analysis of significant outstanding construction or renovation contracts executed by the School District as of June 30, 2017, together with funding available:

Project	Unearned Executed Contracts (1)	Payments through June 30, 2017 (2)	Funding Available From State (1)
North Paulding High School Addition	\$ 303,615.47	\$ 2,595,673.16	\$ -
East Paulding High School Renovation	1,944,229.51	3,762,757.97	720,511.56
	<u>\$ 2,247,844.98</u>	<u>\$ 6,358,431.13</u>	<u>\$ 720,511.56</u>

(1) The amounts described are not reflected in the basic financial statements.

(2) Payments include Contracts and Retainages Payable at year-end.

Significant Commitment Note

- Include the total amount of contract, including change orders
- Payments through FYE include all expenditures reported on the financial statements
 - Contracts Payable
 - Retainage Payable
- Reporting the amount of commitment (based on contract) that has not yet been fulfilled.

Questions



Capital Assets

What are Capital Assets?

A **capital asset** is an asset

1. with a useful life longer than a year
2. and whose cost meets, or exceeds, the capitalization threshold established by board policy

Capital assets are tangible and intangible assets acquired for use in operations that will benefit the local government for more than a single fiscal period.

Capital assets are recorded as assets in the government-wide financial statements. When a governmental fund purchases or constructs a capital asset, it is recorded as expenditure rather than as asset in the fund-level financial statements.

Capital Asset Categories

- **Land and Land Improvements** – land purchased or otherwise acquired by the LUA. Improvements include the cost of permanent attachments to land such as sidewalks, trees, drives, tunnels, sewers, etc.
- **Buildings** - acquisition cost of permanent structures and permanent improvements thereto owned or held by an LUA. This account includes costs incurred in the acquisition of buildings (e.g., broker's fees).
- **Machinery and Equipment** - Tangible property of a more or less permanent nature, other than land or buildings and improvements thereon (e.g., machinery, tools, trucks, and furnishings). This account includes costs incurred in the acquisition of machinery and equipment (e.g., transportation costs).
- **Construction in Progress** - The cost of construction work for projects not yet completed.
- **Infrastructure** - An asset, network, or subsystem that has a useful life that is significantly longer than those of other capital assets. These assets may include water/sewer systems, roads, bridges, tunnels and other similar assets. Technology cabling between schools. Ex. fiber optics installed between the schools for technology connectivity, if the district owns the fiber and it is not a lease.
- **Works of Art and Historical Collections** - Individual items or collections of items that are of artistic or cultural importance.
- **Intangible Assets** - an asset that possesses all of the following characteristics:

It lacks physical substance – in other words, you cannot touch it, except in cases where the intangible is carried on a tangible item (for example, software on a CD or USB drive).

It is nonfinancial in nature – that is, it has value, but is not in a monetary form like cash or securities, nor is it a claim or right to assets in a monetary form like receivables, nor a prepayment for goods or services.

Its initial useful life extends beyond a single reporting period.

Exceptions to Intangible Asset categories – Assets acquired or created primarily for the purpose of directly obtaining profit or income (these should be treated as investments) and Assets resulting from capital lease transactions.

What are tangible and intangible assets?

- **Tangible assets** - Tangible assets are physical and measurable assets that are used in a school's operations. Assets like property, school buildings, buses, and equipment are tangible assets.
- **Intangible assets** - An Intangible asset is an asset that lacks physical substance; in contrast to physical assets, such as machinery and buildings, and financial assets such as government securities. An intangible asset is usually very hard to evaluate. Examples are patents, copyright, franchises, goodwill, trademarks, and trade names.

Capital Assets

CAPITAL ASSETS

Note: Recording the Capital Assets on the general ledger is required for the DE46 Financial reporting.

- Print/review any related documents from Financial Review website.
- Record Capital Assets of all Governmental Funds in Fund 801 using systemwide totals, which can be done by journal entry. Example: To book total value of all schools, debit Balance Sheet Account 0231-Buildings and credit Balance Sheet Account 0711-Net Capital Assets in Fund 801.
- Verify that Capital Assets for School Nutrition, Fund 600, are included in totals for Fund 801. If tracked in separate 8XX fund to segregate, roll that fund into Fund 801 for state reporting. For those districts that operate the School Nutrition Program as a Proprietary Fund, (which requires the general ledger to use the accrual method of accounting as opposed to the modified accrual method) the capital assets must be included in Fund 600. The majority of school districts in Georgia consider Fund 600 to be governmental fund. Hence, the capital assets associated with the School Nutrition Program are reported in Fund 801.
- Record Capital Assets of Proprietary and Fiduciary Funds within the individual funds as required.
- Book Construction in Progress for all building programs that have been started but not completed as of 06/30/XX. Omission of this data may result in an audit finding. Record by journal entry: Debit 801-0251-Construction in Progress and credit 801-0711-Net Capital Assets for systemwide total. No depreciation is recorded until a building is completed and in use.

Capital Assets

- ❑ Post accounting entries to record acquisition of new capital assets during current fiscal year per your Capital Asset threshold. Debit appropriate GL Capital Asset account and credit GL Account 0711-Net Capital Assets in Fund 801 for General Fund and other funds.
- ❑ Post entries to record sale of any asset during fiscal year. Example: School bus was sold, and proceeds receipted into 100-5300-Sale or Compensation for Loss of Assets. Purchase price was 50,000.00 and accumulated depreciation is 10,000.00. Post this journal entry: Debit 801-0711-Net Capital Assets for 40,000.00, debit 801-0242-Accumulated Depreciation-Equipment for 10,000.00 and credit 801-0241-Equipment for 50,000.00
- ❑ Calculate depreciation for current fiscal year as of 06/30/XX. Book in Fund 801 for the Governmental Funds. Example: If a building is used for instruction, post a journal entry to debit Depreciation Expense 801-9990-1000-742-8010 and credit Accumulated Depreciation-Buildings 801-0232. Use Facility 8010 to designate systemwide and set up expense accounts to close into 0711 not 0799 at fiscal year-end.
- ❑ Verify that Fund 801 does not report any expenditures for acquisition or purchase of Capital Assets. These expenditures should be reported in General Fund, Capital Outlay and other funds. Record Depreciation Expense only in Fund 801.
- ❑ Review the general ledger accounts. All items being capitalized should be recorded in the 700 object codes. If there are items in these accounts that do not meet the district's criteria for capitalizing, these items must be reclassified to somewhere else.

COMPLETION DATE: _____ SIGNOFF _____

Capital Assets

What is the difference between the fund level and the government-wide level?

- Fund level = expenditures are for the use of current resources.
 - *When you purchase the equipment, the expenditure is the amount of cash the district paid for the equipment.*
- Government-wide level = expense when the resources/assets are consumed.
 - *When you use the asset, its value is depleted through a depreciation allocation.*

Steps to updating Capital Assets

- Obtain prior year asset listing
- Be aware of the district's local capitalization policy
- Determine if any assets were surplus/sold during the year
- Determine purchased/donated assets during the year
- Determine if there are any impairments
- Calculate Depreciation

What is considered an impairment of an asset?

- Impairment can occur as the result of an unusual or one-time event, such as a change in legal or economic conditions, change in consumer demands, or damage that impacts an asset.
- Assets should be tested for impairment regularly to prevent overstatement on the balance sheet.
- Impairment exists when an asset's fair market value is less than its net carrying value on the balance sheet.
- If impairment is confirmed as a result of testing, an impairment loss should be recorded.

Journal Entries for Updating Capital Assets

ENTRY TO POST CURRENT YEAR ADDITIONS

ACCOUNT	DEBIT	CREDIT
Building and Building Improvements 801 - 0231	1,000,000.00	
Invested in Capital Assets net of related debt 801 - 0711		1,000,000.00

All Capital Asset entries, including depreciation expense, are only posted in 801.

ENTRY TO POST CURRENT YEAR DEPRECIATION EXPENSE

ACCOUNT	DEBIT	CREDIT
Depreciation Expense – Buildings 801-9990-xxxx-74200-8010	25,000.00	
Accumulated Depreciation – Buildings 801 - 0232		25,000.00

Journal Entries for Updating Capital Assets

ENTRY TO POST CURRENT YEAR DELETIONS –

In Fund 801 (Capital Assets - Governmental Funds)

ACCOUNT	DEBIT	CREDIT
Accumulated Depreciation – Buildings 801- 0232	30,000.00	
Buildings and Building Improvements 801- 0231		80,000.00
Invested in Capital Assets net of related debt 801-0711	50,000.00	

Journal Entries for Updating Capital Assets

ENTRIES TO POST CURRENT YEAR CHANGES IN CONSTRUCTION IN PROGRESS - In Fund 801

ACCOUNT	DEBIT	CREDIT
Construction in Progress 801 - 0251	40,000.00	
Invested in Capital Assets net of related debt 801-0711		40,000.00

Construction In Progress

**DON'T FORGET ABOUT
CONTRACTS/RETAINAGE
PAYABLE!!**

1) Original Contract Sum.....	2,835,436.00
2) Net Change by Change Orders.....	\$ 0.00
3) Contract Sum to Date.....	\$ 2,835,436.00
a. Total amount earned for work in place (Original Contract).....	\$ 519,452.07
b. Total amount earned for work in place (Change Orders).....	\$ 0.00
c. Value of material stored at site.....	\$ 0.00
d. Total Amount earned (a plus b plus c).....	\$ 519,452.07
e. Amount Retained (10%).....	\$ 51,945.21
f. Total earned less retained percentage (d minus e).....	\$ 467,506.86
g. Total previously approved.....	\$ 0.00
h. Total due this request for Contractor (f minus g).....	\$ 467,506.86
i. Amount Due this request for Architect.....	\$
j. Total Amount Due this Request (h plus i).....	\$

Tips for Updating Capital Assets

- Do not wait until September to try to update current year activity!!!!
- Record all payments for assets on the Fixed Asset Spreadsheet throughout the year
- Update procedures for disposals to include required communication to Finance Department
- Reconcile throughout the fiscal year
- At FYE, run a General Ledger Detail of all capital project funds and 7XX detail in other funds. Review for possible capitalization
- Calculate the changes to be recorded to Construction in Progress (if applicable)

Example of Capital Asset Spreadsheets

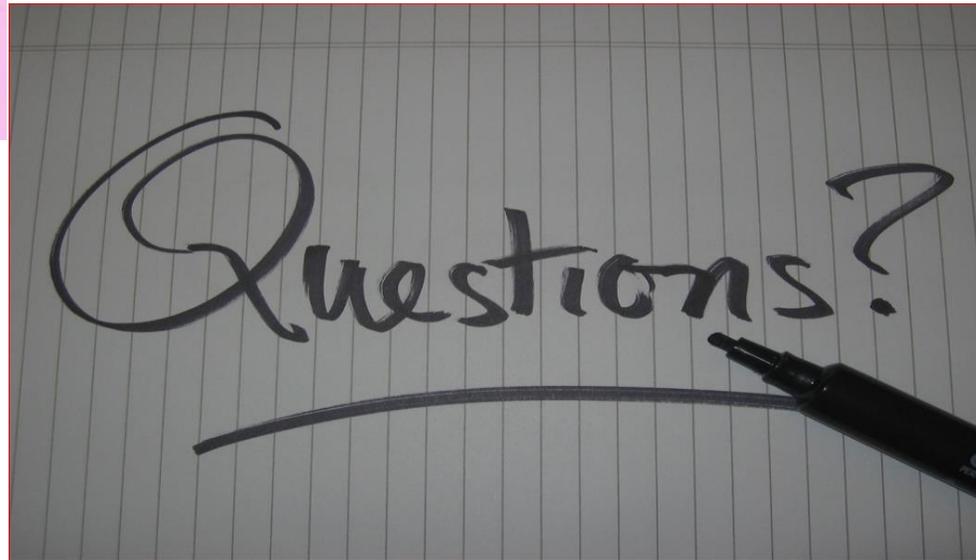
			Total			Total	USE-	ACCUM.			ACCUM.	Net				
			Cost	Additons	Disposals	Cost	FUL	DEPR. AT	DEPR.	Disposals	DEPR. AT	Asset	Proceeds			
Function	SITE	YEAR	6/30/17	FY 2018	FY 2018	6/30/18	LIFE	6/30/17	FY 2018	FY 2018	6/30/18	6/30/18	from disposal	VENDOR	PO #	CHECK #
8	2700	8012	2008			81,336.00	10	77,269.20	4,066.80		81,336.00	-		THOMAS BUS SALES OF GA	88419/80241	134041/42
9	2700	8012	2008			81,336.00	10	77,269.20	4,066.80		81,336.00	-		THOMAS BUS SALES OF GA	88419/80241	134041/42
0	2700	8012	2009			79,665.00	10	67,715.25	7,966.50		75,681.75	3,983.25		Peach State Freightliner	99225	140297
1	2700	8012	2009			79,665.00	10	67,712.25	7,966.50		75,678.75	3,986.25		Peach State Freightliner	99225	140297
2	2700	8012	2010			79,241.00	10	59,430.75	7,924.10		67,354.85	11,886.15		Peach State Freightliner	18521	147650
3	2700	8012	2010			79,241.00	10	59,430.75	7,924.10		67,354.85	11,886.15		Peach State Freightliner	18521	147650

Detailed Listing Should Include:

Description, Location, Acquisition Date, Acquisition Cost, Estimated Useful Life, Accumulated Depreciation, Current Depreciation, Vendor, Voucher Number, Expenditure Account Code for Purchase, Deletion Date, Method of Disposal.

Summary

- 1. Categories of capital assets include land and land improvements, buildings, machinery and equipment, construction in progress, infrastructure, works of art and historical collections, and intangible assets.
- 2. All purchased capital assets should be recorded at historical cost (i.e., original cost). The cost of a capital asset includes not only its purchase price or construction costs, but also any other reasonable and necessary costs incurred to place the asset in its intended location and use.
- 3. Typically, two criteria are used to determine the LUAs capitalization policy: the cost of the asset and its estimated useful life. Once a capitalization threshold is established, the LEA should further consider inventory procedures necessary to track small, pilferable, “walkable” items.
- 4. At the government-wide reporting level, the GASB requires LUAs to depreciate all capital assets. LUAs may use any established depreciation method. Any rational and systematic method may be used.
- 5. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. Annually, Georgia LUAs are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether the impairment of a capital asset has occurred.



Long Term Debt

What is Long Term Debt?

Long-term liabilities include unmatured principal on debt, capital lease obligations, compensated absences, claims and judgments, and the proportionate share of net pension obligations. Long-term liabilities related to governmental funds should be reported only in the government-wide statement of net position. Long-term obligations do not require the use of current financial resources and, therefore, should NOT be reported in the fund financial statements.

Types of Long Term Debt

Bond Anticipation Notes - Notes of various maturities issued in anticipation of future bond sales commonly are referred to as bond anticipation notes (BANs). BANs generally are issued because an LUA either is waiting for more favorable interest rates or has additional projects that also require financing which would warrant a bond issue.

Tax and Revenue Anticipation Notes - Tax and revenue anticipation notes (TANS) are debt instruments governments use to borrow in anticipation of property taxes or other revenue sources. The aggregate amount of all such loans shall not exceed 75 percent of the total gross income from taxes collected in the last preceding year. Such loans shall be payable on or before December 31 of the calendar year in which such loan is made. No such loan may be obtained when there is a loan then unpaid obtained in any prior year. No such county, municipality, or other political subdivision of this state shall incur in any one calendar year an aggregate of such temporary loans or other contracts, notes, warrants, or obligations for current expenses in excess of the total anticipated revenue for such calendar year

Demand Bonds - Issues similar to those encountered with BANs are faced with demand bonds as well. Authoritative literature defines demand bonds as debt instruments that contain demand (i.e., "put") provisions that are exercisable within a one-year period beginning at the balance sheet date.

Leases - The two most common types of leases are operating leases and financing leases (also called capital leases). In order to differentiate between the two, one must consider how fully the risks and rewards associated with ownership of the asset have been transferred to the lessee from the lessor. In a finance lease agreement, ownership of the property is transferred to the lessee at the end of the lease term. But, in operating lease agreement, the ownership of the property is retained during and after the lease term by the lessor.

Types of Long Term Debt - continued

Net Pension Liability - In June 2012, the Governmental Accounting Standards Board (GASB), issued two new standards that have a significant impact on the accounting and reporting of public employee pension plans and the state and local governments (including school districts) that participate in these plans. The most significant of these statements for all of the school districts is GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This statement requires the school districts to report the district's proportionate share of the collective net pension liability for each cost sharing benefit pension plan in which the district participates. It is anticipated that this liability will be large enough to force most, if not all, districts to report a deficit Net Position in the District-wide Statement of Net Position.

Other Post-Employment Benefits (OPEB) - In June 2015, the GASB issued Statement 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Statement 75 establishes standards for recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. The OPEB liability is determined through actuarial valuation with the exception of those employers with less than 100 employees which can use an alternative measurement method.

Long Term Debt

LONG TERM DEBT

- Ensure all bond sales have been recorded on the accounting records. In the past, districts have recorded bond sales at net. GAAP requires bond sales to be recorded at gross with the cost of issuance recorded as an expenditure in 2500-810.
- For all bonds sold, record the liability in Fund 900
- For all bonds redeemed, reduce the liability in Fund 900
- Refunding bond issues need to be recorded in the accounting records. Must be recorded as both an Other Financing Source and Other Financing Use.
- Review Capital Lease payments. Reclassify total payments for the year to Principal and Interest - Function 5100 in the governmental fund accounts.
- Review any installment purchase payments.
- Ensure compensated absences at fiscal year-end are appropriately recorded.
- Ensure all payments for General Long-Term Liabilities have been reclassified to Debt Service - Principal and Interest Payments.
- Obtain the Pension and OPEB Liability packets from each agency representative. Download the allocation worksheets to determine entries needed to post the long-term liabilities associated with the multi-employer pension and opeb plans. **NOTE:** The pension and OPEB entries are not required to be reported on the DE 46, but must be reported on the gaap-basis financial statements presented for audit.

COMPLETION DATE: _____ SIGNOFF _____

Long Term Debt – New Bond Issue

What is the difference between the fund level and the government-wide level?

- Fund level = proceeds/debt are a financing source for current resources.
 - *When you sell a new bond issue or sign a capital lease agreement, the revenue is the total amount of cash (or the agreed upon value of the asset purchased) that the district receives in exchange for the debt instrument or agreement.*
- Government-wide level = long term liabilities are incurred when the funds/resources are borrowed.
 - *When you enter the borrowing agreement and the proceeds or asset purchased is received, a new liability exists that must be paid back in future periods (fiscal years) based upon a repayment agreement. The repayment agreement is commonly referred to as an amortization schedule.*

Long Term Debt – Annual Bond Payments

What is the difference between the fund level and the government-wide level?

- Fund level = expenditures are for the use of current resources.
 - *When you repaid the annual debt principal or the monthly capital lease payment, the expenditure is the amount of cash the district paid in the current period. The principal payment amount should agree or reconcile to the debt's amortization schedule.*
- Government-wide level = a reduction of long term liabilities incurs when principal payments are made.
 - *When you paid either the annual debt principal payment or the monthly capital lease payment, the long term liability's balance should be reduced. It is considered appropriate to reclassify the total monthly or quarterly payment for debt agreements on a yearly basis at the end of the fiscal year.*
 - *Meaning the total yearly payments for the capital lease or other debt agreement are reclassified on the Fund Statements to principal and interest in the Debt Service function based on the liability's amortization schedule. This expense is reclassified as a reduction to the Long Term Liabilities on the Government-wide Statements.*

Steps to updating Long Term Debt

- Obtain prior year listing
- Be aware of the district's local policies concerning borrowing funds and long term debt. Also be aware of state laws concerning liabilities and long term debt. For example, all loans payable are to be repaid as of December 31, each fiscal year. However, you can have loans payable at June 30th.
- Determine if any new debt/borrowing agreements were entered into during the year.
- Determine the types of debt entered into during the year (bonds issued, capital lease agreements signed, promissory notes signed, intergovernmental contracts with other agencies, etc.).
- Determine the repayment period for each type of debt that the district has during the year (review amortization schedules). Obtain repayment/amortization schedules for all new debt.
- Determine the amount of any debt principal repaid during the year
- Determine if any long-term liabilities were forgiven or written off by the debtor during the year
- Ensure that all payments for Long Term Liabilities have been reclassified to Debt Service – Principal and Interest payments on the Fund Statements. For example, total capital lease payments for the year may need to be reclassified from current year expense object and function at year-end.
- Calculate the yearly amortization amount for any bond premiums or bond discounts to be reported
- Calculate the yearly amortization amount for any gains or losses on refunding bond issues to be reported

Steps to updating Long Term Debt

(continued)

- ❑ Determine if the district is experiencing any issues with the repayment of debt obligations during the year or if the district expects to experience problems repaying debt obligations in future periods.
- ❑ Be aware of the district's local policies concerning compensated absences (sick and annual leave policies). Districts usually report compensated absences for annual or vacation leave only.
- ❑ Determine if the District reported compensated absences in the prior fiscal year. If so, compensated absences will need to be reported for the current year. If not, then the district will need to determine if the compensated absence liability is material to the Government-wide Statements. Note: Almost all compensated absences liability is immaterial to the Government-wide Statements. Most districts are reporting compensated absences because they have been reported in prior fiscal years and the districts do not want to receive an “adverse” audit opinion to change their accounting principles for current year. The adverse audit opinion would only be issued for one reporting period; however, it would have an impact on the district's low risk single audit status. The district would be “high risk” for two audit periods which would require additional federal compliance work to be performed by their financial audit team.
- ❑ Prepare the GASB 68 and 75 allocation worksheets for the Pension and OPEB Liability on the Government-wide Statements. These allocation worksheets are located on Financial Review's “Preparing Financial Statements” webpage on GaDOE's public website. (These allocation worksheets are available to assist district personnel in preparing the entries needed to post the long term liabilities associated with multi-employer pension and opeb plans.)

Bond Closing Document

The Series 2018 Bonds (the “Bonds”) will be issued as book-entry only through The Depository Trust Company (“DTC”).

III. Sources and Uses of Funds

Sources of Funds	
Par Amount of Bonds	\$ 10,755,000.00
Plus: Reoffering Premium	1,113,848.15
Total Sources of Funds	\$ 11,868,848.15

Uses of Funds	
Deposit to the Construction Fund for Project Costs	\$ 11,000,000.00
Deposit to Debt Service Account	650,852.50
Underwriters' Discount	80,662.50
Budgeted for Costs of Issuance & Contingency	137,333.15
Total Uses of Funds	\$ 11,686,848.15

IV. Amount due to the [REDACTED] School District (GA) from Raymond James at Closing

Purchase Price	
Par Amount of Bonds	\$ 10,755,000.00
Plus: Reoffering Premium	1,113,848.15
Less: Underwriters' Discount	(80,662.50)
Total Purchase Price	\$ 11,788,185.65

Journal Entries for Updating Long Term Debt

All Long Term Debt entries are posted in Fund 900, 902 (Pension), or 904 (OPEB).

ENTRY TO POST CURRENT YEAR ADDITIONS *(In Fund 900)*

ACCOUNT	DEBIT	CREDIT
Other Financing Sources – Issuance of Bonds - 5100	10,755,000.00	
Other Financing Sources – Premium on Issuance of Bond -5120	1,113,848.15	
General Obligation Bonds Payable - 0511		10,755,000.00
Unamortized Premium on Issuance of Bonds - 0443		1,113,848.15

New General Obligation (Sales Tax) Bonds issued on February 27, 2018

ENTRY TO POST CURRENT YEAR PRINCIPAL PAYMENT ON EXISTING DEBT *(REDUCTION IN DEBT)*

ACCOUNT	DEBIT	CREDIT
General Obligation Bonds Payable - 0511	2,045,000.00	
Debt Service, Redemption of Principal – 5100-831		2,045,000.00

Journal Entries for Updating Long Term Debt

All Long Term Debt entries are posted in Fund 900, 902 (Pension), or 904 (OPEB).

ENTRY TO RECLASSIFY BONDS PAYABLE BETWEEN CURRENT AND LONG TERM DEBT ACCOUNTS (EXISTING DEBT 2013B SERIES GO BONDS)

ACCOUNT	DEBIT	CREDIT
General Obligation Bonds Payable - 0511	60,000.00	
Bonds Payable – Current – 0451		60,000.00

ENTRY TO POST CURRENT YEAR AMORTIZATION EXPENSE (EXISTING DEBT 2013B SERIES GO BONDS)

ACCOUNT	DEBIT	CREDIT
Unamortized Premium on Issuance of Bonds - 0443	126,317.10	
Debt Service, Amortization of Premium on Issuance of Bonds – 5100-834		126,317.10

Journal Entries for Updating Long Term Debt

All Long Term Debt entries, except for reclassify principal & interest from current year expense, are only posted in 900.

ENTRY TO POST CURRENT YEAR AMORTIZATION EXPENSE OF PREMIUM (NEW DEBT 2018 SERIES GO BONDS)

ACCOUNT	DEBIT	CREDIT
Unamortized Premium on Issuance of Bonds - 0443	68,544.52	
Debt Service, Amortization of Premium on Issuance of Bonds – 5100-834		68,544.52

ENTRY TO POST CURRENT YEAR ACCRUED INTEREST PAYABLE (BOTH NEW DEBT 2018 SERIES AND THE EXIST 2013B GO BONDS)

ACCOUNT	DEBIT	CREDIT
Debt Service, Interest Expense – 5100-830	199,002.10	
Interest Payable – 0455		199,002.10

Bond Sources & Uses

Instructions:

Using the Bond Closing Documents, enter the amounts for each line item below.

All of the information needed should be available from the Bond closing documents.

For the first bond issue that the School District is responsible for posting, seek assistance from the Auditor-In-Charge of your engagement.

Series 2018 Bond Issue Dated February 27, 2018

Funds distribution at closing

Sources

	Amount
Principal Issued - Par Value	+ 10,755,000.00
(4)(6) Discount on Bonds sold	-
(1) Accrued Interest on Bonds sold	+
(5) Premium on Bonds sold	+ 1,113,848.15
	11,868,848.15

Use of Funds

(6) Proceeds - Capital Projects Fund	11,006,306.44
(1) Accrued Interest to Debt Service Fund	-
(3) Capitalized Interest to Debt Service F <i>(Note B)</i>	650,852.50
(6) Capitalized Interest to Capital Project <i>(Note B)</i>	-
(2)(6) Underwriter Discount or Fees <i>(Note A)</i>	80,662.50
(2)(6) Other Issuance Cost (Attorney's Fee, Rating Services, etc.)	131,026.71
	11,868,848.15

Exhibit "E"

EXPENDITURES *(Note C)*

	CAPITAL PROJECTS	DEBT SERVICE
(2) Business Administration Bond Issuance Cost	80,662.50	

OTHER FINANCING SOURCES (USES)

(1) Accrued Interest on Bonds Sold	+	-
(5) Premium on Bonds sold	+ 1,113,848.15	
Proceeds of G.O. Bonds		
Par Value	(6) + 10,755,000.00	(3)
(4) Discount on Bonds Sold	-	

Note A: Underwriter discount or fees is not a discount on bonds sold. This is a cost of bonds sold.

Note B: Capitalized interest to Debt Service Fund should be documented in the Bond Resolution. If not, then capitalized interest is a transfer to Debt Service Fund.

Note C: Expenditures may be paid from either the Capital Projects Fund (if expense is paid from proceeds) or General Fund.

DEFINITIONS:

accrued interest an amount due for interest on bonds from date of bond to date bond is delivered to original purchaser. These funds must be deposited in the Debt

premium on bonds the excess of the sale price of a bond over its face value, excluding any amount of accrued interest.

discount the amount by which par value exceeds the price paid for a bond.

	NO Bond Resolution		
DR 0101	Cash (Capital Projects)	11,006,306.44	
DR 2500-300	Bond Issuance Costs	211,689.21	
DR 5000-930	Transfers Out	650,852.50	
CR 5100	Bond Proceeds		10,755,000.00
CR 5120	Bond Premium		1,113,848.15
DR 0101	Cash (Debt Service)	650,852.50	
CR 5200	Transfers In		650,852.50
	Capitalized Interest in Bond Resolution		
DR 0101	Cash (Capital Projects)	11,006,306.44	
DR 2500-300	Bond Issuance Costs	211,689.21	
CR 5100	Bond Proceeds		10,104,147.50
CR 5120	Bond Premium		1,113,848.15
DR 0101	Cash (Debt Service)	650,852.50	
CR 5100	Bond Proceeds		650,852.50
	Other Bond Issuance Costs	131,026.71	
	Underwriter's Discount	80,662.50	
	Total Bond Issuance Costs	211,689.21	

Worksheets are located in the Long Term Liabilities excel file in the "Audit Packet" zip file on the School Resources webpage of DOAA's website

Bond Refunding Worksheet

2017 Series Refunding Bond Issue Dated 9/12/2017

The following amounts are located in the Bond Issue financing statement

	Amount	Folio
Funds distribution at closing		
Sources		
(3)(6) Principal Issued	• 16,760,000.00	PF-
(4)(6) Discount on Bonds sold	-	PF-
(1) Accrued Interest on Bonds sold	-	PF-
(5)(6) Premium on Bonds sold	• 2,148,170.35	PF-
(7) Forward Financing Agreement Funds	(A) •	PF-
(9) Additional Funds from Debt Service Fund	•	PF-
	<u>18,908,170.35</u>	
Use of Funds		
(8) Bond Proceeds Transferred to Escrow Agent	18,764,236.80	PF-
(1) Accrued Interest to Debt Service Fund	-	
(2)(6) Underwriter Discount or Fees	67,040.00	PF-
(2)(6) Refund of issue cost to Board	-	PF-
(2)(6) Other issue Cost	69,230.99	PF-
(Attorney's Fee, Rating Services, etc.)	-	
(7) Forward Financing Agreement	-	PF-
(6) less (8) Excess Proceeds to Debt Service Fund	(E) 7,662.56	PF-
(9) Additional Funds from Debt Service to Escrow	•	PF-
	<u>18,908,170.35</u>	

The information found in the Financing Statement (from above) should be disclosed in the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit "E"). The numbers in the first column correspond

REVENUES

Taxes and Other Funds	
(7) Forward Financing Agreement	0

EXPENDITURES

Debt Service	
(9) Escrow Agent	(D) 0

OTHER FINANCING SOURCES (USES)

(1) Accrued Interest on Bonds Sold	• 0
(5) Premium on Bonds sold	• 2,148,170.35
Proceeds of Refunding Bonds	-
(3) Par Value	• 16,760,000.00
(4) Discount on Bonds Sold	- 0
(2) Refunding Bond Issuance Cost	- -136,270.99
(8) Payments to Bond Escrow Agent	- -18,764,236.80

7,662.56

The information found in the Financing Statement (from above) should be disclosed in the Notes to the Financial Statements. The numbers in the first column correspond

Note Disclosures

Advanced Refunding		
(3) Principal issued	• 16,760,000.00	
(4) Discount on Bonds	- 0.00	
(2) Underwriters fees and bond issue cost	- -136,270.99	
(6) Net proceeds	-	18,771,899.36
(8) Transfer to escrow agent	- -18,764,236.80	
(9) Additional funds	• 0.00	
Reduction in debt service payments	(B) 2,488,716.11	
Economic gain	(C) 2,010,924.24	

Deposited internally by bank into the Series 2017 Debt Svc. Acct. - in the School District's name
Bank will reduce the first interest payment charged to the School District due to cash on hand.

Deposited to Escrow Account [18,764,236.80] & remaining issuance costs deposited to Debt Service Fund (7662.56)

Worksheets are located in the Long Term Liabilities excel file in the "Audit Packet" zip file on the School Resources webpage of DOAA's website

Additional Long Term Liabilities (Debt) worksheets

2018 General Obligation Bond Issue - Premium Amortized									
Premium on Bonds sold	1,113,848.15	2018	2019	2020	2021	2022	2023	2024	
Refunding Bonds dated:	February 27, 2018	october						july	
Final Payment on Bond Series due:	August 1, 2024	november						aug	
Length of Bond Series:	5 years, 5 mths or 65 mths.	december						sept	
Premium amount to be amortized monthly (Total premium divided 65 mths.)	17136.12538	jan						october	
Monthly Amortized Premium Amount - Rounded	17,136.13	feb						november	
Yearly Amortized Premium Amount (Rounded monthly amortized amount times 12)	205,633.56	march						december	
		april						jan	
		may							
		jun							
Fiscal Year Ended June 30:	Unamortized Bond Premium								
2018	\$ 68,544.52		4						1
2019	205,633.56			12	12	12	12	12	
2020	205,633.56								
2021	205,633.56								60
2022	205,633.56								4
2023 - 2027	222,769.39								1
2028 - 2032									65
2033									
Total Premium	\$ 1,113,848.15	Instructions: Using the Bond Closing Documents, enter the amounts for each line item below. All of the information needed should be available from the Bond closing documents.							

CHANGES IN BONDS PAYABLE	TOTAL	
Bonds Payable at July 1		amount include in the prior year notes at June 30
Bonds Issued During Period		Enter the principal amount of any new bond issues that are effective at June 30. Enter the total amount due at inception of issue.
Bonds Retired During Period	-	Amount obtained from principal payments in CY detailed in above schedule, less any principal amounts defeased.
Bonds Defeased During Period		Amount of principal payments of bonds that were defeased during CY.
Bonds Payable at June 30	\$ -	Amount should agree with Total Future Principal Payments listed above.
PAYMENTS DUE IN FISCAL YEAR ENDING JUNE 30	TOTAL DEBT SERVICE	TOTAL INTEREST
2018	-	-
2019	-	-
2020	-	-
2021	-	-
2022	-	-
2023-2028	-	-
	-	-

DEBT SERVICE SUMMARY OF BOND PAYMENTS									
INSTRUCTIONS:									
Complete for all bond issues that were effective at June 30, 2015 even if no principal or interest payments were paid in FY 20CY.									
Include current year payments, as well as future fiscal year payments as set forth in the amortization schedule included with the bond issuance forms.									
Use the Prior Year Audit Report to obtain the Bond Payable Liability at July 1, 20CY.									
Bond Issues	TOTAL CURRENT PRINCIPAL & INTEREST	FY 2015		TOTAL FUTURE PRINCIPAL & INTEREST	TOTAL		FY 2018		
	INTEREST	INTEREST	PRINCIPAL	INTEREST	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	
2002 Series	0.00			0.00	0.00	0.00			
2006 Series	0.00			0.00	0.00	0.00			
2010 QZAB	0.00			0.00	0.00	0.00			
	0.00			0.00	0.00	0.00			
	0.00			0.00	0.00	0.00			
	0.00			0.00	0.00	0.00			
	0.00			0.00	0.00	0.00			
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	



Tips for Updating Long Term Debt

- Do not wait until September to try to update current year activity!!!!
- Accountant records all payments for long term debt on spreadsheet throughout the year for capital leases, installment sale purchases and any other monthly payments to repaid debt.
- Obtain a copy of all new financing agreements (bond issues, capital lease, promissory notes, and intergovernmental agreements) and place in a current year folder
- Reconcile the debt balance throughout the fiscal year
- Compensated absences worksheets should be updated throughout the year. Information should be maintained by the district personnel who handle sick and vacation leave accumulations and balances.

Tips for Updating Long Term Debt *(continued)*

- At FYE, Run a General Ledger Detail of all 5XXX revenue accts., except 5200 and 5995.
- Complete the GASB 68 and 75 worksheets for all entries when the Pension and OPEB employer packets are available. Calculate the accrued interest payable as of June 30th for all bond issues and any other applicable debt instruments (promissory notes)
- Review general long term debt balances reported on the general ledger in Fund 900 for old balances that were paid in prior years, current and new balances that are missing.
- The beginning balances for general long term debt can be reviewed at any point during the year.

Example of Long Term Liabilities/Debt Spreadsheets

	Governmental Activities				
	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017	Due Within One Year
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Unamortized Bond Premiums	-	-	-	-	-
Unamortized Bond Discount	-	-	-	-	-
Qualified Zone Academy Bonds	-	-	-	-	-
Qualified School Construction Bonds	-	-	-	-	-
Promissory Notes	-	-	-	-	-
Capital Leases	-	-	-	-	-
Energy Efficiency Leases	-	-	-	-	-
Revenue Bonds	-	-	-	-	-
Pollution Remediation	-	-	-	-	-
Claims and Judgments	-	-	-	-	-
Compensated Absences(1)	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) The portion of compensated absences due within one year has been determined to be immaterial to the basic financial statements.

Instructions:

- 1) All amounts in the column Balance July 1, 201X must agree to PY ending balance in the audit report
- 2) G.O. Bonds
 - A) Additions are comprised principal on newly issued bonds.
 - B) Deductions are the principal payments on the bonds
 - C) Due within One Year is made up of principal payments that will be made in the next fiscal year.
- 3) Capital Leases
 - A) Additions are comprised of newly acquired capital leases
 - B) Deductions are the principal payments on the leases
 - C) Due within One Year is made up of principal payments that will be made in the next fiscal year.
- 4) Compensated Absences
 - A) Additions are made up of the amount earned by employees during the current year.
 - B) Deductions are made up of the amount taken plus an adjustment for rate changes in the current year
 - C) Most Schools will not separate due within one year and due in more than one year; therefore, note 1 above will need to be included.
- 5) Bond Premiums Amortized
 - A) Additions will be made up of newly issued bonds with a premium that the School District elects to amortize over the life of the bonds
 - B) Deductions will be made up of the amount credited to expense in the current year.

Fiscal Year Ended June 30:	Capital Leases		Intergovernmental Agreement	
	Principal	Interest	Principal	Interest
2016	\$		\$	
2017				
2018				
2019				
2020				
2021-2025				
2026-2030				
2031-2035				
Total Principal and Interest	\$ 0.00	0.00	\$ 0.00	0.00

Fiscal Year Ended June 30:	General Obligation Debt		Unamortized Bond
	Principal	Interest	Premium
2016	\$		\$
2017			
2018			
2019			
2020			
2021-2025			
2026-2030			
2031-2035			
Total Principal and Interest	\$ 0.00	0.00	\$ 0.00

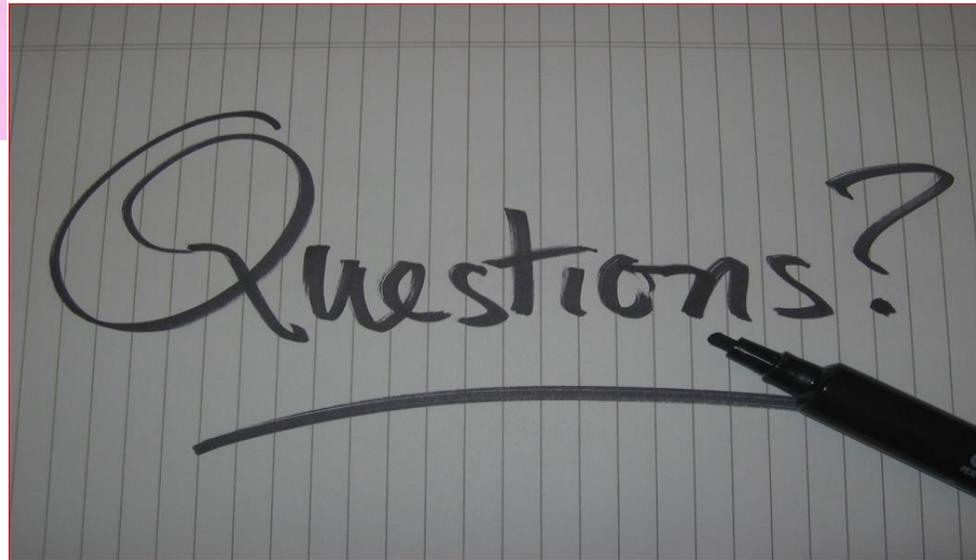
Instruction:
1) Obtain the amortization schedules for the above items and enter the payments in the correct year. There is a worksheet in the Operating and Capital Leases document in the FY 15 Audit Packet to aid you in completing this note.

Long Term Liabilities/Debt Information for Each Year Should Include: Changes in LT Debt Summary, Individual Details for Each Type of Debt providing specific details about the district's debt (interest rates, bond series, etc.) with year end balances, Schedule of Payments Due by Fiscal Year by Debt Type (Capital Leases, Intergovernmental Agreement, General Obligation Debt, Unamortized Bond Premium).



Summary

1. Long-term liabilities include unmatured principal on debt, capital lease obligations, compensated absences, claims and judgments, and the proportionate share of net pension obligations.
2. Notes of various maturities issued in anticipation of future bond sales commonly are referred to as bond anticipation notes (BANs).
3. Tax and revenue anticipation notes are debt instruments governments use to borrow in anticipation of property taxes or other revenue sources.
4. Arbitrage in government finance generally is defined as the process of investing low-yielding, tax-exempt bond proceeds in higher-yielding, taxable securities, which results in interest revenue exceeding interest cost.
5. GASB 68 requires school districts to report a liability for the amount of pension benefits that have yet to be financed as of a specific point in time, as well as report the actual pension expense that was incurred by the pension plan during the reporting period.
6. The Other Post Employment Benefits (OPEB) liability is determined through actuarial valuation with the exception of those employers with less than 100 employees which can use an alternative measurement method. The net OPEB liability will be recorded on the Statement of Net Position. Schools will also be required to record their share of the OPEB liability for cost-sharing, multiple employer plans.

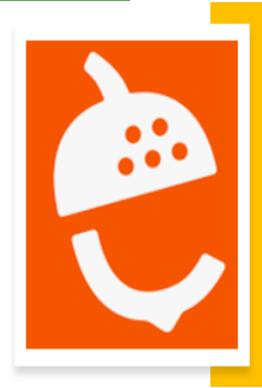


Indirect Cost Rates Updates

Indirect Cost Rate ...In A Nutshell

§200, Appendix VII

- **Indirect cost rate** is a device for determining in a reasonable manner the proportion of indirect costs each program should bear. It is the ratio of the indirect costs to a direct cost base.
- With an approved indirect cost rate (expressed as a percentage), LEAs can transfer the % of funds from each applicable grant (normally federal) to the district's General Fund as compensation for the indirect costs incurred in managing the federal grants for centralized functions such as accounting, auditing, payroll, mail room services etc.
- An indirect cost rate does not increase the grant award.



Indirect Cost Rate ...In A Nutshell

There are two rates calculated, **Restricted** and **Unrestricted**. These rates are calculated annually by Georgia Department of Education according to agreements between GADOE and the U.S. Department of Education.

Restricted Rates

Restricted rates apply to federal grants that are subject to the 'supplement-not-supplant' requirements. Under supplement-not-supplant, grant funds must only be used to enhance or support existing state and local funding activities; grant funds must not be used to replace state or local funds.

Unrestricted Rates

The unrestricted indirect cost rate allows for full recovery of indirect costs. It is used for federal and state grants not subject to the federal supplement-not-supplant statutory requirement. The Child Nutrition cluster through the United States Department of Agriculture, and the CARES Act are examples of federal grants not subject to supplement-not-supplant.



INDIRECT COST RATES



Richard Woods, Georgia's School Superintendent
"Educating Georgia's Future"

FY 2021 Indirect Cost Rates

	FINAL RESTRICTED IDC RATE	FINAL UNRESTRICTED IDC RATE
	1.59	9.35
	2.83	10.78
	N/A	N/A
	3.15	15.00
	2.64	12.60
	1.74	9.64
	2.62	12.12
	2.55	11.37
	2.07	11.16
	2.41	7.32
	6.65	15.00
	2.57	11.00
	3.48	15.00
	4.97	15.00
	1.36	8.42
	2.35	9.06
	2.58	12.30
	N/A	N/A
	8.00	15.00
	1.36	9.58
	3.40	13.26
	1.44	10.17

INDIRECT COST RATES

NORMAL CIRCUMSTANCES & APPLICATION:

- Indirect cost rates are applied by fiscal year and not by grant award year.
- Therefore 15-month grants, using FY 2020 for example, would extend from July 1, 2019 through September 30, 2020.
 - The FY 2020 Indirect Cost rates would apply to expenditures incurred July 1, 2019 – June 30, 2020 and
 - The FY 2021 rates apply to expenditures incurred July 1, 2020 – September 30, 2020

Normal application
of IDC rates; by
fiscal year

Grant Period July 1, 2019 – September 30, 2020	
July 1, 2019 – June 30, 2020	FY 2020 Indirect Cost Rates
July 1, 2020 – September 30, 2020	FY 2021 Indirect Cost Rates

INDIRECT COST RATES

COVID-19 PANDEMIC WAIVER

- OMB issued a letter dated March 19, 2020 that gave GaDOE and other State Education Agencies the flexibility to amend their policies for Indirect Cost Rates. GaDOE amended the IDCR procedures to allow LEAs to continue using their current FY 2020 Indirect Cost rates from July 1, 2020 through September 30, 2020 for the Title and IDEA grants.
- **For the FY 2020 grants**, LEAs have flexibility in applying the FY 2020 Indirect Cost Rates for the entire FY 2020 grant award period, July 1, 2019 – September 30, 2020
 - This waiver will allow LEAs to utilize only **one (1)** rate for all expenditures of the FY 2020 grant award period.
 - If an LEA prefers to follow the fiscal year as normally required, the LEA may submit a budget amendment within the Consolidated Application to apply the FY 2021 Indirect Cost Rates to budgeted expenditures for the period of July 1, 2020 through September 30, 2020.

INDIRECT COST RATES

DUE TO THE COVID-19 PANDEMIC

Indirect Cost Rate - Choice 1

Use only **one (1)** rate for expenditures for the entire FY 2020 grant award period *(July 1, 2019 – September 30, 2020)*.

Indirect Cost Rates - Choice 2

Submit a budget amendment within the Consolidated Application to apply the FY 2021 Indirect Cost Rates to budgeted expenditures for the period of July 1, 2020 through September 30, 2020.



INDIRECT COST RATES

- **The CARES Act ESSER Funds**

- The **Unrestricted Indirect** Cost rate is used for the fiscal year in which the expenditures were incurred.
- If the LEA has already budgeted the indirect cost recovery using the **Restricted Rate**, the budget will require amendment to utilize the **Unrestricted Rate**, if preferred.
 - However, if the **Restricted Rate is less than the Unrestricted Rate**, AND the LEA does not wish to increase the amount of recovery, a budget amendment is not needed.
 - **WHY IS A BUDGET AMENDMENT NOT NEEDED?**

FINAL RESTRICTED IDC RATE	FINAL UNRESTRICTED IDC RATE
1.59	9.35
2.83	10.78
N/A	N/A
3.15	15.00
2.64	12.60
1.74	9.64
2.62	12.12
2.55	11.37
2.07	11.16
2.41	7.32
6.65	15.00
2.57	11.00
3.48	15.00
4.97	15.00

- Because federal regulations allow an LEA to claim less, but not more, than the maximum approved rate.
- **A BUDGET AMENDMENT IS NEEDED FOR ONLY TWO (2) REASONS:**
 1. If the current budget using the Restricted Rate is claiming too much indirect cost recovery versus the proper Unrestricted Rate, OR
 2. If the LEA chooses to amend to maximize the recovery rate to the fullest percentage available using the Unrestricted Indirect Cost Rate.

INDIRECT COST RATES – FY 2021

NEW REQUIREMENT BEGINNING FY 2021:

- **Appendix VII to Code of Federal Regulations, Part 200** – requires the following documentation be included with each indirect cost proposal: *A copy of the financial data (financial statements, comprehensive annual financial report, executive budgets, accounting reports, etc.) upon which the rate is based. Adjustments resulting from the use of **unaudited** data will be recognized, where appropriate, by the Federal cognizant agency for indirect costs in a subsequent proposal.*
- **Section II of the 2017 US DOE Cost Allocation Guide for State and Local Governments** includes steps for calculating the Indirect Cost Rates. Section B, Step 5 indicates *the negotiator must reconcile amounts in the indirect cost rate proposal to the audited financial statements or final expenditure reports.*

Therefore, the DE 46 reports used to calculate the proposed rates must be reconciled to the audited financial statements in order to determine if the rate must be recalculated to be in compliance with the Federal requirements.

- **NEW REQUIREMENT: Any adjustments to DE 46 for final financial statement preparation must be provided to Financial Review by Fund-Function-Object.**

INDIRECT COST RATES – FY 2021

Electronic Signature:						AMOUNTS USED TO CALCULATE INDIRECT COST RATES
Title:						
Date:						
				ADJUSTMENTS For LEA Input Only		
FUND DESCRIPTION	FUNCTION DESCRIPTION	OBJECT DESCRIPTION	Total	DEBIT	CREDIT	ADJUSTED EXPENDITURES
100 - General Fund	1000 - INSTRUCTION	110 - TEACHERS	98,843,156.48			
100 - General Fund	1000 - INSTRUCTION	113 - SUBSTITUTE/TEMPORARY EMPLOYEE	1,247,039.88			
100 - General Fund	1000 - INSTRUCTION	114 - SUBSTITUTE/TEMPORARY EMPLOYEE	248,824.22			
100 - General Fund	1000 - INSTRUCTION	115 - EXTENDED DAY - TEACHERS	250,917.41			
100 - General Fund	1000 - INSTRUCTION	117 - EXTENDED YEAR	133,215.41			
100 - General Fund	1000 - INSTRUCTION	118 - ART, MUSIC, PE	11,710,225.31			
100 - General Fund	1000 - INSTRUCTION	140 - AIDES AND PARAPROFESSIONALS	5,483,856.08			
100 - General Fund	1000 - INSTRUCTION	142 - Salary Of Clerical Staff	133,395.44			
100 - General Fund	1000 - INSTRUCTION	172 - ELEMENTARY COUNSELOR	1,572,308.25			
100 - General Fund	1000 - INSTRUCTION	173 - SECONDARY COUNSELOR	2,849,869.67			
100 - General Fund	1000 - INSTRUCTION	178 - Graduation Coach	70,353.96			
100 - General Fund	1000 - INSTRUCTION	191 - OTHER ADMINISTRATIVE PERSONNEL	44,885.68			
100 - General Fund	1000 - INSTRUCTION	199 - Other Salaries and Compensation	4,410.00			
100 - General Fund	1000 - INSTRUCTION	210 - State Health Insurance	18,036,905.97			
100 - General Fund	1000 - INSTRUCTION	220 - FICA	8,816,478.26			
100 - General Fund	1000 - INSTRUCTION	230 - Teachers Retirement System	25,409,850.67			
100 - General Fund	1000 - INSTRUCTION	250 - Unemployment Compensation	1,872.00			
100 - General Fund	1000 - INSTRUCTION	260 - Workmen Compensation	999,998.00			

Indirect Cost Rates – Audited Data

OPTION 1: By signing this document, I certify the information provided is accurate and complete, and the expenditures/expenses provided in the adjusted column are in agreement with the final financial statements presented for audit that are due on or before December 31 of each year to the Georgia Department of Education and the Department of Audits and Accounts.

OPTION 1

OPTION 2: By signing this document, I certify there are no adjustments to the DE 46 FY 2019 Financial Report transmitted to the Georgia Department of Education.

OPTION 2

REMINDER: If Option 3 was selected, a IDC rate was not calculated for FY 2021.

OPTION 3: By signing this document, I certify that the School District/State Charter/RESA will not utilize Indirect Cost in FY 2021 and therefore will not provide information in order to calculate a negotiated Restricted and Unrestricted Indirect Cost rate.

OPTION 3



Georgia Department of Education

Richard Woods, Georgia's School Superintendent
"Educating Georgia's Future"

FY 2021 Indirect Cost Rates

	FINAL RESTRICTED IDC RATE	FINAL UNRESTRICTED IDC RATE
	1.59	9.35
	2.83	10.78
	N/A	N/A
	3.15	15.00
	2.64	12.60
	1.74	9.64
	2.62	12.12
	2.55	11.37
	2.07	11.16
	2.41	7.32
	6.65	15.00
	2.57	11.00
	3.48	15.00
	4.97	15.00
	1.36	8.42
	2.35	9.06
	2.58	12.30
	N/A	N/A
	8.00	15.00
	1.36	9.58
	3.40	13.26
	1.44	10.17

PLEASE NOTE:
 LEAs are **not** required to recover indirect costs from any of federal programs and contracts; this is a local school district decision.



INDIRECT COST RATES

- **THE FY 2021 GRANT AWARDS**

- The 2021 grant awards beginning July 1, 2020 to June 30, 2021 will be required to utilize the FY 2021 indirect cost rates.
- For the FY 2021 grants for the period of July 1, 2021 – September 30, 2021, the FY 2022 rates will apply. (Normal)

Grant Period July 1, 2020 – September 30, 2021	
July 1, 2020 – June 30, 2021	FY 2021 Indirect Cost Rates
July 1, 2021 – September 30, 2021	FY 2022 Indirect Cost Rates





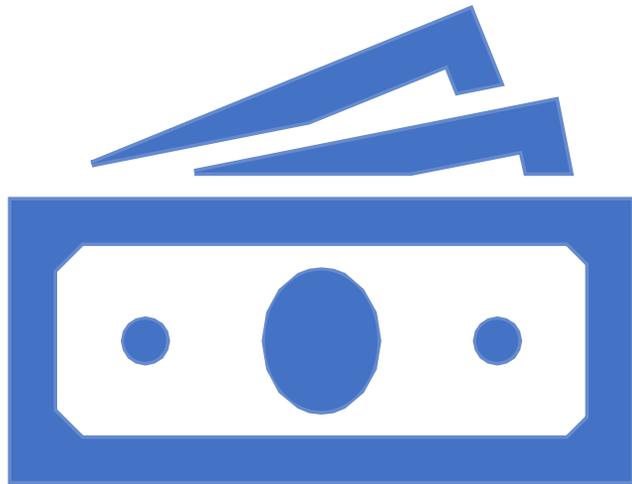
Miscellaneous Year End Procedures

Miscellaneous Procedures

At year end:

- Bank Reconciliations
- Investments
- Interfund Payables and Receivables
- Special Education Expenditures
- Transfers In and Transfers Out
- Fund 199 – Payroll Fund
- Purchase Orders
- School Food Service Inventory

- School Nutrition Comparison Report
- On-Behalf payments for TRS and PSERS
- School Activity Accounts
- CS1 Salary and Travel Expense Report
- DE46 Transmissions
 - Year End Actuals
 - Year End Final Budget
 - Initial Budget for next fiscal year



WHAT is a Bank Reconciliation?

- A **bank reconciliation** is a critical tool for managing the cash balance of a Local Education Agency (LEA).
- A bank reconciliation is the process of
 - matching the book balances for the cash account to the corresponding transactions on the bank statement
 - determining the differences (*Reconciling Items*) between the book balances and the bank statement and
 - booking changes to the GL, as appropriate.
- When an LEA reconciles the bank account, the ending book balance in the general ledger (GL) indicates how much money an LEA **should** have. However, a bank statement indicates how much money an LEA **does** have.
- Bank reconciliations are recommended to be completed after each month-end closeout period to ensure the integrity of the cash accounts.



Required for external auditor's review – *The external auditors will always examine the LEA's ending bank reconciliation & check the date performed as part of their testing procedures.*



Failure to reconcile MAY result in unposted or incorrect posting of revenues and expenditures transactions.



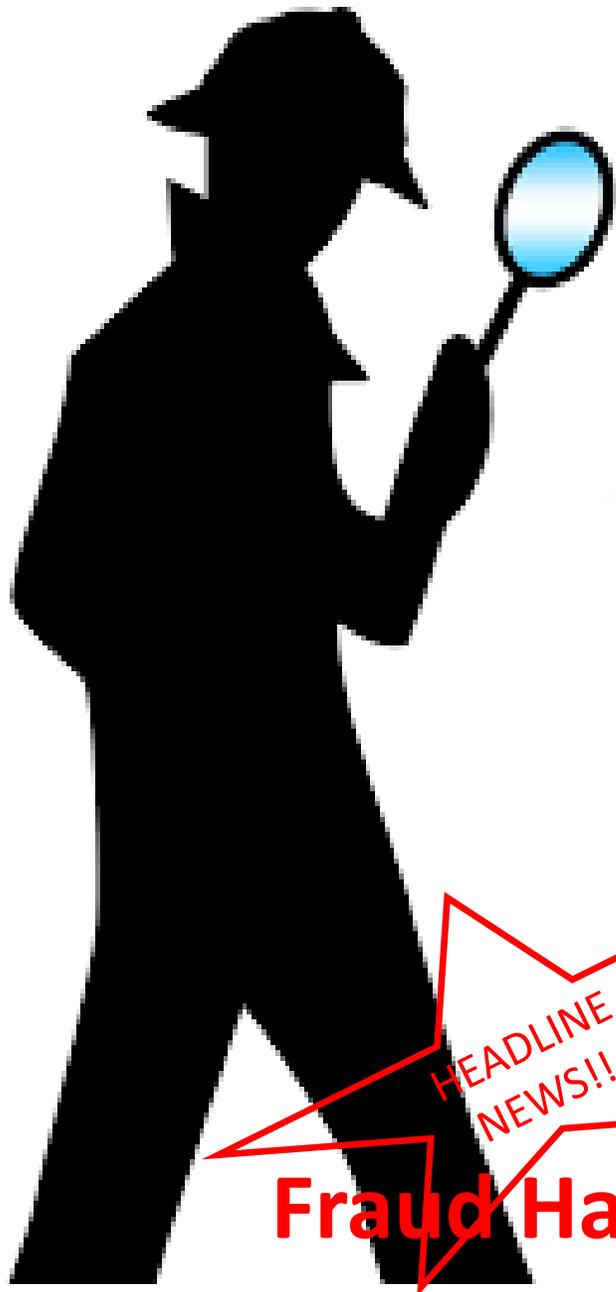
Failure to reconcile TIMELY can worsen the process of reconciliation making it more difficult and sometimes very problematic to complete.



Failure to reconcile timely results in unreliable monthly reporting to the Superintendent and Board. Are the expenditures correct? All receipts posted? What is the true bottom line?



Bank Reconciliations are Important



What Do Bank Reconciliations Detect?

Bank reconciliations help identify any unusual transactions that might be caused by:

- Fraud
- Cash manipulations
- Accounting errors (*double payments, missed payments, calculation errors etc.*)
- Technological inefficiencies
- Other unauthorized cash transactions

HEADLINE NEWS!!

Fraud Happens - Bank Recons Help

Investments



At year end:

- Redeem Investments that will mature as of 06/30/XX.
- Accrue interest earned as of 06/30/XX on investments that will mature in the future or next fiscal year.
- Use Balance Sheet Account '0114 - Interest Receivable' to record investment activity.
- Verify that available investment reports for each fund are in balance with General Ledger (GL) Balance Sheet Account '0111-Investments Fund'.
- Include Money Market checking accounts in GL '0101 - Cash Account'.
- Classify Local Government Investment Pool (LGIP) accounts as Cash - 0101.

Interfund Receivable and Payable Accounts

- **Interfund receivables/payables** are used for short-term loans to reflect one fund owing cash to another fund within the same LEA.
- The interfund receivable and interfund payable accounts are the Balance Sheet accounts to use when the loans between the funds will be repaid.
- **At year end:**
- Verify that **Interfund Accounts Receivable – Account 0132**, is in balance with **Interfund Accounts Payable - Account 0402** in Total for All Funds. These two accounts should equal.
- **ATTENTION:** Do not use Interfund Receivable and Payable Accounts for Debt Service activity in the Fund 2XX series.



Special Education Expenditures

At year end:

- Review expenditures for Special Education to verify they are coded to the correct program codes prior to the DE46 submissions. Correct account codes are important because:
 - The Special Education **Maintenance of Effort** test is calculated from the DE46 transmission.
 - The Special Education **Excess Cost** report is calculated from the DE46.
- Code Special Education expenditures that are NOT for direct instruction (QBE Program Codes) or paid with Federal Funds to Program Code 2081- *Non-Instructional State/Local Special Education Costs*.

Excess cost requires that an LEA must spend at least as much on the education of students with disabilities as it spends on students without disabilities (student-to-student comparison) before spending IDEA funds. MOE requires that LEAs spend at least as much of local or state/local funds on the education of students with disabilities as they did in the last year met (year-to-year comparison).

Transfers In and Transfers Out



The concept of "Transfer In" and "Transfer Out" relates to all interfund transfers, which are legally authorized transfers between funds.

TRANSFERS-IN	TRANSFERS-OUT
<u>Transfers-ins</u> are classified separately from revenues.	<u>Transfers-outs</u> are classified separately from expenditures.
Transfers-ins are coded to Revenue Account 5200.	Transfers-outs are coded to Expenditure Account 5000-930.
NOTE: Expenditure Account 5000-930 MUST balance with Transfers In Revenue Account 5200 in Total for All Funds.	

At year end:

- Ensure that Transfers-Ins and the Transfers-Outs equal.
- If one fund reports a Transfer Out, then another fund should report a Transfer In. If the interfund transfers are out of balance, this will be an **ERROR** on the DE46 that must be corrected prior to the transmission.

Fund 199 – Payroll Clearing Fund



- Fund 199 is the payroll clearing fund used in PCGenesis, but other software packages may have a similar function.

At year end:

- Some LEAs record the payroll activity in Fund 199 which rolls into the General Fund (Fund 100) for DE46 purposes.
 - If the payroll is recorded in a separate fund such as fund 199, verify that it is in balance as of 06/30/XX.
 - Revenue should equal expenditures and cash should equal payables to keep the fund in balance.
- If the Fund is out of balance, make necessary accounting entries to get the fund in balance.
- Set up Payables and/or Receivables to applicable Balance Sheet accounts, as necessary.

Purchase Orders

A purchase order (PO) is an official document that buyers send to sellers to document the sale of products and services to be delivered and paid at a later date.

Note: A purchase order "encumbers or sets aside" a portion of the budget and reduces the amount available for future use. When the shipment of goods is received, the purchase order should be liquidated, and an expenditure created.

At year end:

- Close open POs that should not be transferred to the new fiscal year. If budget for new fiscal year is increased by amount of "carry forward" purchase orders, take this into consideration when building the budget.
- Transfer open POs to new fiscal year using procedures applicable for type of software used by the LEA. This should be done after all current year POs have been entered.
- Verify that available purchase order reports by fund agree with GL Encumbrance accounts 0603-ENCUMBRANCES CONTROL and 0753-FUND BALANCE - NON-SPENDABLE FOR ENCUMBRANCES, as of 06/30/XX. Accounts should not report negative balances.



School Food Service Inventory



At year end, verify the following:

- Balance Sheet account 600-0171 - **Inventory for Consumption** reports an accurate balance that is not negative. Make corrections if necessary.
- Balance Sheet account 600-0173 - **Inventory USDA Commodities** reports an accurate balance that is not a negative. Make corrections if necessary.
- *Balance sheet account 0171 + Balance sheet account 0173 (should) = Fund Equity Account 0751 (Reserve for Inventory)*

School Nutrition Comparison Report

- Each month, the LEAs submit DE106 reimbursement requests for School Nutrition meal counts to the Georgia Department of Education. The expenditures, revenues and balance sheet account information is reported each month. This monthly financial information (DE106 Financials) is what is compared the DE46 Error Checking transmission each month or it is compared at year-end to the DE46 Actuals transmission.

At year end:

- It is important that the School Nutrition meal count claims match the expenditure data in the general ledger for Fund 600 (School Nutrition).

DE106 claims

=

**Fund 600 (School Nutrition)
via DE46 submissions**

- Utilize the ‘**School Nutrition (SN)-DE46 Comparison Report**’. This report extracts data from the DE106 reimbursement claims and compares it to the school district’s Trial Balance data as transmitted via the DE46 Error Checking or DE46 Analysis report to ensure the two amounts are in balance.

School Nutrition Comparison Report

- Each month, the LEAs submit DE106 reimbursement requests for School Nutrition meal counts to the Georgia Department of Education. Included on the requests are the expenditures, revenues and balance sheet account. This monthly financial information (DE106 Financials) is compared the DE46 Error Checking transmission each month or it is compared at year-end to the DE46 Actuals transmission.

At year end:

- It is important that the School Nutrition DE106 claims match the expenditure data via the DE46 submissions.

DE106 claims	=	Fund 600 (School Nutrition) via DE46 submissions
---------------------	----------	---

- Utilize the '**School Nutrition (SN)-DE46 Comparison Report**'. This report extracts data from the DE106 reimbursement claims and compares it to the school district's Trial Balance data as transmitted via the DE46 Error Checking or DE46 Analysis report to ensure the two amounts are in balance.

Accessing the DE46 School Nutrition Comparison Report on the MyGaDOE Portal

Once logged on the MyGaDOE portal select: *Financial Review Application > Reports*

- **Report Category** select 'Other Reports'
- **Report Name** select 'DE 46 School Nutrition Comparison Report' >
- **Report Level** select 'System' (*It will default to 'School Level' if it not changed*).
- **Transmission Type** select 'Error Checking' or 'DE46 Actual' dependent upon the time of the fiscal year.
- Click 'View Report'

Financial Review - Reports

Report Category	Other Reports ▾	Report Name	DE46 School Nutrition comparison report ▾
Report Level	System ▾		
Fiscal Year	2021 ▾		
System ID	Americus City - 760 ▾		
School	▾		
Transmission Type	DE46 Actual ▾		
<input type="button" value="View Report"/>			

School Nutrition Comparison Report – Example



SN-DE46 Comparison Report
Financial Comparison Report For the Fiscal Year 2019 - System Level

System Name : Bibb County - 611

Report Type : Actual

Account Description	Account Codes	School Nutr.DE106 - June	Financial Rep DE46 - June	Variance
REVENUES				
Lunch	1611	\$30.26	\$30.26	\$0.00
Breakfast	1612	\$0.00	\$0.00	\$0.00
Snack	1613	\$0.00	\$0.00	\$0.00
Special Milk	1614	\$0.00	\$0.00	\$0.00
Non-Reimbursable Sales	1621	\$36,077.04	\$36,077.04	\$0.00
Adult Revenue	1622	\$92,285.00	\$92,285.00	\$0.00
Contracted Sales	1623	\$737,069.76	\$737,069.76	\$0.00
Investments	1500	\$200,235.78	\$200,235.78	\$0.00
All Other Local Revenue	1700-1999	\$23,683.72	\$23,683.72	\$0.00
State:Salary Supplement	3510	\$415,210.00	\$415,210.00	\$0.00
Rev.from Other State Agencies	3995	\$0.00	\$0.00	\$0.00
Federal Reimb-Lunch	4510	\$10,827,090.21	\$10,827,090.21	\$0.00
Federal Reimb-Breakfast	4511	\$4,252,660.42	\$4,252,660.42	\$0.00
Federal Reimb-CACFP	4512	\$0.00	\$0.00	\$0.00
Federal Reimb-Snack	4513	\$131,151.02	\$131,151.02	\$0.00
Other Revenues	4520-4899,4995	\$0.00	\$0.00	\$0.00
Value-USDA (food) Received	4900(Note:Must Report)	\$1,061,321.43	\$1,061,321.43	\$0.00
Other Revenues:Transfer In	5200-5299	\$0.00	\$0.00	\$0.00
Other	5300-5995	\$143,160.96	\$22,211.49	\$120,949.47
Total Revenues & Other Sources		\$17,919,975.60	\$17,799,026.13	\$120,949.47
EXPENDITURES				
Labor	100-299	\$8,788,034.56	\$8,788,034.56	\$0.00
Purchased Food	630	\$5,716,322.70	\$5,716,383.50	-\$60.80
Value - USDA Received	635(Note:Must Report)	\$1,230,486.78	\$1,230,425.98	\$60.80
Equipment > \$5,000	730-735	\$0.00	\$0.00	\$0.00
All Other	300-735*	\$1,531,736.61	\$1,532,375.03	-\$638.42
Indirect Costs	880	\$1,180,719.47	\$1,180,719.47	\$0.00
Transfers Out	930	\$0.00	\$0.00	\$0.00
Total Expenditures & Other Uses		\$18,447,300.12	\$18,447,938.54	-\$638.42
Excess of Revenues over Expenditures		-\$527,324.52	-\$648,912.41	\$121,587.89
BALANCE SHEET				
Cash Balance	101-103	\$2,735,919.47	\$2,735,919.47	\$0.00

Georgia Department of Education
 Richard Woods, Georgia's School Superintendent
 Jul 15, 2020 - 07:05 AM



On-Behalf Payments – TRS and PSERS

- The State of Georgia makes payments on behalf of all LEAs to the Teachers' Retirement System of Georgia (TRS), and to the Public School Employees' Retirement System (PSERS) for certain non-classified employees.

At Year-End:

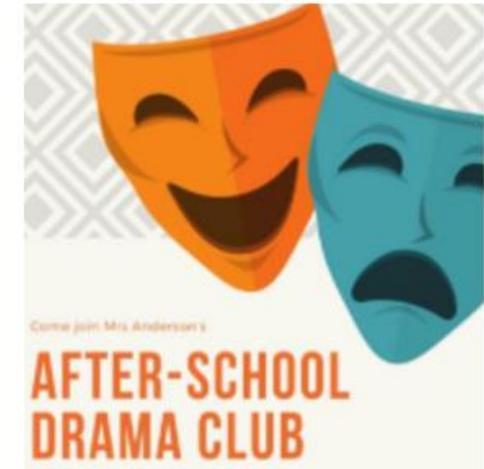
- Record On-Behalf payments for TRS and PSERS, as appropriate. Record in the General Fund only.
- Utilize the On-Behalf journal entry information provided by GaDOE (generally in July) to post to the general ledger.
- Disclose in the Notes to the Financial Statements the related amounts of the On-Behalf payments.
- **NOTE:** The DE46 Financial Analysis report will not be accepted if the journal entry for the On-Behalf payments is not posted.

School Activity Accounts

- School Activity Accounts are under the control of school principals or club advisors, and are established to account for monies used to support extra-curricular student activities.
 - District activity funds (500), which belong to the school district and are used to support district programs (i.e. Book fairs, field trips, etc.).
 - Student activity funds (705), which belong to the students and are used to support student organizations and clubs (i.e. Debate Club, Class of 202X, etc.).

At Year-End:

- Verify that school books are in balance if the school activity accounts are not maintained on same software as district office.
- Segregate activity into Governmental or Custodial/Trust, Funds 500, 705, etc.
- Enter financial activity into district's accounting records via journal entry prior to closing fiscal year.
- Report Expenditures by school code.
- Transmit School Activity data on the DE 46 Financial Report



CS1 - Salary and Travel Expense Report



- Georgia Code Section 50-6-27 requires the state auditor to “prepare each year a report showing the entire personnel of... every local board of education”.
- The Report of Salaries and Travel Expenditures, CS-1, is a report of all employees’ salaries and travel expenditures.

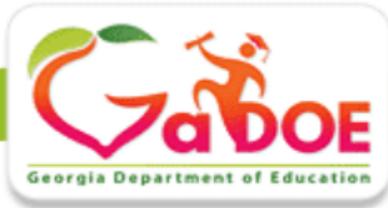
At Year-End:

- Reconcile General Ledger Salary and Travel to CS-1 Salary and Travel totals before closing the fiscal year or signing off on DE46.
- CS-1 is a cash basis report and the General Ledger is a modified accrual basis report. Therefore:
- To reconcile General Ledger Salary totals to the CS-1 Report:
 - **ADD** any prior year salary accruals and **SUBTRACT** any current year salary accruals to the General Ledger total
- To reconcile General Ledger Travel Expense totals to the CS-1 Report:
 - **ADD** any prior year travel expense accruals and **SUBTRACT** any current year travel expense accruals to the General Ledger total

DE46 Year End Transmissions – MyGaDOE Portal

Financial Review Application > Reports > Report Category > Analysis Reports

portal.doe.k12.ga.us/Finance.aspx?page=FRReports&acl=1018&oid=46046



You have (0) new messages.

Site Navigation

Home
Logout

Financial Review

Financial Review Application



Account Information
Add to Favorites
Help Desk Portal

Hide Navigation

Financial Review - Reports

Report Category	Analysis Reports	Report Name	
<input type="button" value="View Report"/>			

- Actual Analysis
- Budget Analysis
- Actual SignOff
- Budget SignOff

DE46 Year End Transmissions

LEAs are required to submit three different DE46 reports annually to the Georgia Department of Education.

Report Name	DE46 Report Description	Due Dates <i>(subject to change)</i>
DE46 Final Amended Budget	The DE46 Final, amended budget approved by the Board of Education for a given fiscal year. The final budget includes all the budget amendments throughout the previous fiscal year ended for all funding sources.	August 31, 202X
DE46 Actual Financial Analysis	The DE46 Actual, or Financial Analysis Report, is the submission of actual expenditures per the general ledger and accounting records of the LEA as of fiscal year ending June 30.	September 30, 202X
DE46 Initial Budget	The DE46 Initial budget approved by the Board of Education for the upcoming school year, which should occur on or before July 1. The initial budget upload should be the same amount as the adopted, initial budget published on the LEA's public website.	October 30, 202X

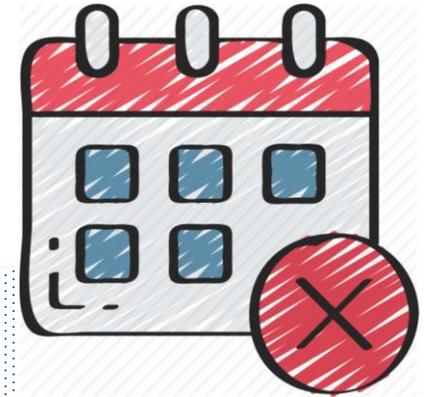
Uses of the DE46 Financial Analysis Report

Many reports and data are derived from the submissions of the annual DE46 Financial Analysis Report. Therefore, it is imperative that the data transmitted to GaDOE is accurate and timely. Below is a sample:

- Annual Census Reports to National Center for Education Statistics (NCES)
- Audit preparations
- Excess Cost for Special Education
- Financial Efficiency Star Rating (FESR)
- HB139 – Financial Transparency
- Indirect Cost Calculations (Restricted and Non-Restricted rates)
- Maintenance of Effort (for Special Education and Title-I)
- Minimum Direct Classroom Expenditures
- Requests from the General Assembly
- Scholarship Cap
- School level revenues and expenditures
- Some QBE Allotment Calculations



Missed DE46 Actual Deadlines Can Have Consequences



- Additional Federal Monitoring
- Can be deemed High-Risk per Single Audit Determinations = More Compliance Testing
- Auditors CANNOT begin engagement without prepared financial statements
- Risk of a deficit fund balance
- Risk losing federal dollar\$
- Delayed finalization of financial statements can stall budgeting process
- LEAs must respond to concerned citizens and constituents – “Why is there is no Financial Efficiency Star Rating? Where is the transparency with no data, per HB 139?”

Financial Review Transmission Dates for FY2020

The deadlines for the financial reporting due to the Georgia Department of Education are as follows:

FY 2020 Final Amended Budget

Transmissions Open - Monday, July 6, 2020

Initial Transmission – Friday, July 31, 2020

Final Transmission and Superintendent Sign-off - Monday, August 31, 2020

FY 2020 Financial Analysis Report

Transmissions Open - Monday, July 6, 2020

Initial Transmission – Friday, August 14, 2020

Final Transmission and Superintendent Sign-off – Wednesday, September 30, 2020

FY 2021 Initial Budget

Transmissions Open - Monday, July 6, 2020

Initial Transmission – Tuesday, September 15, 2020

Final Transmission and Superintendent Sign-off – Friday, October 30, 2020

These Dates
Have a
Purpose

1652 Twin Towers East • 205 Jesse Hill Jr. Drive • Atlanta, GA 30334 • www.gadoe.org

Richard Woods, *Georgia's School Superintendent*

An Equal Opportunity Employer



DE46 Year End Transmissions

At Year-End:

- **STRONGLY RECOMMENDED:** Upload a DE46 *Financial Analysis Report* to the **Error Checking** site before the fiscal year end. The Error Checking upload will report the same errors and warnings that are generated through the fiscal year end reporting process.
- Error Checking allows school districts to correct possible errors prior to closing the fiscal year. Uploads can be made until the Financial Review Data Collection Application for submission is opened normally around the first week in July of each year.
- Transmissions can be made as many times as necessary throughout the collection process.
- All Errors must be cleared and Warning Explanations approved in order to receive a “Ready for Superintendent Sign-off” message.
- Transmit the final DE46 reports after the books are closed – this ensures that GaDOE receives the **final** financial information.

Miscellaneous Year End Procedures

SUMMARY

- Bank Reconciliations
- Investments
- Interfund Payables and Receivables
- Special Education Expenditures
- Transfers In and Transfers Out
- Fund 199 – Payroll Fund
- Purchase Orders
- School Food Service Inventory

- School Nutrition Comparison Report
- On-Behalf payments for TRS and PSERS
- School Activity Accounts
- CS1 Salary and Travel Expense Report
- DE46 Transmissions
 - Year End Actuals
 - Year End Final Budget
 - Initial Budget for next fiscal year



DE 46 Financial File Upload and Errors and Warnings

DE46 Transmissions

The Financial Review Data Collection application allows Financial Review Coordinators to transmit financial data via a web browser to the Georgia Department of Education. LEAs are required to submit three DE (Department of Education) 46 reports to the Georgia Department of Education for financial and budget data transactions. The DE46 transmissions are annual reports.

Report Name	DE46 Report Description	Due Dates <i>(subject to change)</i>
DE46 Final Amended Budget	The DE46 Final, amended budget approved by the Board of Education for a given fiscal year. The final budget includes all the budget amendments throughout the previous fiscal year ended for all funding sources.	August 31, 202X
DE46 Actual Financial Analysis	The DE46 Actual, or Financial Analysis Report, is the submission of actual expenditures per the general ledger and accounting records of the LEA as of fiscal year ending June 30.	September 30, 202X
DE46 Initial Budget	The DE46 Initial budget approved by the Board of Education for the upcoming school year, which should occur on or before July 1. The initial budget upload should be the same amount as the adopted, initial budget published on the LEA's public website.	October 30, 202X

De 46 Data File Layout

- The DE 46 data files transmitted to GaDOE for the Financial Review Data Collection must meet the requirements as given in the file layout for the DE 46 Financial transmission or the DE 46 Budget transmission.
- Below is file layout for the DE 46 Actual Financial report.

DE046 Financial Transmission							
Position	Field Description	Type	Num of Bytes	Num of Pos	Dec Pos.	Edits	If Edit Fails...
1-2	Fiscal year	Alphanum	2	2	0	Must be for current fiscal year.	Reject Record
3-6	System Code	Alphanum	4	4	0	Must be a valid System code.	Reject Record
7-9	State Fund Code	Alphanum	3	3	0	Must be a valid Fund code.	Reject Record
10	DE046 Indicator	Alphanum	1	1	0	Must be a 1 - No blanks or zeros.	Reject Record
11-14	QBE Program Code	Alphanum	4	4	0	Must contain a valid program code. Program code field must be filled with "0000" for balance sheet. Use program code "9990" for undistributed programs.	Reject Record
15-18	Revenue Source, Function, or Balance Sheet Code	Alphanum	4	4	0	If Expenditure, must be a valid Function Code. If Revenue, must be a valid source code. If Balance Sheet, must be a valid balance sheet code. Use accounts 0001, 0002, and 0004 for Beginning Balances, Adjustments and Ending Balances. Fund equity beginning, adjustment, and ending balance records are required for each fund with activity.	Reject Record
19-23	Object Code	Alphanum	5	5	0	If Revenue or Balance Sheet, must be blank or zeros. If Expenditure, must be a valid object code. Sub-objects on employee benefits will be accepted but will be rolled up to the object level.	Reject Record
24-27	Facility Code	Alphanum	4	4	0	Valid State Facility or School number required. Facility codes are not used for balance sheet accounts. Fill this field with "0000" for balance accounts.	Reject Record
28	Building Code	Alphanum	1	1	0	N/A	No Edit
29-30	Special Reporting Data Element	Alphanum	2	2	0	Should be Zero unless participating in the Title I Consolidation of Schoolwide Program Pilot Project in FY 2017. For Pilot Project, report "11". All other entities report "00" in this location.	Reject Record
31-34	Additional Codes	Alphanum	4	4	0	N/A	No Edit
35-47	Amount Budgeted for this Record's account number. (Revenue, Expense, of Balance Sheet)	Alphanum	13	13	0	Must be blank or zero.	Reject Record
48	Budget Amount Sign	Alphanum	1	1	0	Must be blank.	Reject Record
49-61	Actual amount for this record's account number. (Revenue, Expense, of Balance Sheet)	Alphanum	13	13	0	Must contain the actual amount.	Reject Record
62	Actual Amount Sign	Alphanum	1	1	0	Must be "N" if negative, else blank if positive	Default Blanks
63-64	Filler	Alphanum	2	2	0	Always contain blanks.	Default Blanks

The complete file layout instructions are at the following link:

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Documents/DE46%20file%20layout%20FY%202016.pdf>

DE 46 Transmission User Guide

In addition to the File Layout instructions, the Financial Review Division provides a complete user guide for transmitting the DE 46 reports. The link and the Table of Contents of the user guide are below.

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Documents/Manuals%20and%20Guides/Data%20Transmission%20User%20Guide%20-%20District%20-%20September%202019.pdf>

FINANCIAL REVIEW – DE046 TRANSMISSION USER GUIDE (DISTRICT)	
Contents	
Overview	2
Accessing the Application	2
Uploading Files.....	3
Errors and Warnings	8
Warnings and Explanations.....	11
Request Revision.....	16
Audit Trail.....	20
Status Definitions	20

DE46 File Uploads – MyGaDOE Portal

Once the DE 46 reports are uploaded, they can be viewed through the portal.
Financial Review Application > Reports > Report Category > Analysis Reports

The screenshot shows a web browser window with the URL `portal.doe.k12.ga.us/Finance.aspx?page=FRReports&acl=1018&oid=46046`. The page features the Georgia Department of Education logo and a navigation menu. The main content area is titled "Financial Review - Reports" and contains a table with the following structure:

Report Category	Report Name
Analysis Reports	[Dropdown Menu]

The "Report Name" dropdown menu is open, displaying the following options:

- Actual Analysis
- Budget Analysis
- Actual SignOff
- Budget SignOff

Other elements visible on the page include a "View Report" button, a "You have (0) new messages" notification, and a "Hide Navigation" button.

DE46 File Uploads – MyGaDOE Portal, Actual Analysis Report Example

Financial Review - Reports

Report Category: Analysis Reports | Report Name: Actual Analysis

Fiscal Year: 2019 | System ID: [Redacted] | FundCode: ALL FUNDS | TransmissionType: DE46 Actual

View Report

EDFR0180-R1 | Transmission on 9/26/2019 8:48:32 AM for the month of June

Georgia Department of Education
 Financial Review Data Collection System
 FINANCIAL ANALYSIS REPORT - For Year Ending June 30, 2019

SYSTEM	DESCRIPTION	AMOUNT
FUND	100 General Fund	
ACCOUNT	DESCRIPTION	AMOUNT
0101	CASH IN BANK	\$4,010,433.80
0103	PETTY CASH	\$100.00
0111	INVESTMENTS	\$28,542,732.69
0114	INTEREST RECEIVABLE	\$2,892.40
0121	TAXES RECEIVABLE	\$5,758,490.06
0132	INTERFUND ACCOUNTS RECEIVABLE	\$3,721,999.83
0141	INTERGOVERNMENTAL ACCOUNTS RECEIVABLE - STATE	\$17,595,021.45
0142	INTERGOVERNMENTAL ACCOUNTS RECEIVABLE - FEDERAL	\$58.29



DE 46 Errors and Warnings

The Error Checking upload allows districts to correct errors on the DE 46 financial file uploads prior to closing the fiscal year.

Error Checking is accessed in the MyGaDOE portal and will report the same errors and warnings that are generated from the DE 46 Actual fiscal year end reporting process.

DE 46 ERROR CHECKING

Error Checking is used for the *DE 46 Financial Analysis Report* only; not for the budget uploads.

It is **STRONGLY RECOMMENDED** to upload a *DE46 Financial Analysis Report* to the Error Checking site monthly and definitely before the fiscal year end.

DE 46 Error Checking – MyGaDOE Portal Access



The screenshot shows the MyGaDOE portal interface. On the left, the 'Financial Review' menu is expanded, showing options like 'Consolidated Application', 'Data Collection', 'View Documents', 'Facility and School Registry', 'Finance Applications', 'Message Center', 'Grants Application', 'Security Administration', 'FOIA Reports', 'Financial Review Application', 'CLIP State Administration', 'Professional Learning Opportunities (PLO)', 'Reports', 'Financial Review', 'ESR', 'Transmission', and 'Financial Mapping'. The 'Financial Review Application' option is circled in red, and a red arrow points to the 'Error Checking' option in the expanded menu.

The screenshot shows the 'Financial Review - Search' page. The 'Transmission Type' dropdown menu is open, showing options like 'DE46 Initial Budget', 'DE46 Actual', 'DE46 Final Budget', and 'Error Checking'. The 'Error Checking' option is circled in red. The page also includes search filters for 'Fiscal Year' (2019), 'System' (All Systems), and 'Transmission Status'.

DE 46 Warnings Requiring Explanations

Normally, the DE 46 reports can be transmitted successfully if ‘Warnings’ exist. However, some Warnings require the LEAs to provide ‘Explanations’ before the report receive a “Ready for Superintendent Sign-off” message. Below is a sample of Warnings that require an Explanation (WE) codes.

CODE	Title	Explanation of Warning
W2006	Depreciation Expense Not Reported.	All brick and mortar sites must report depreciation expense.
W2014	An explanation is Required for variances in FIN0102 DE046 School Nutrition Comparison Report.	Due to timing, the variances must be identified and reported to the Nutrition Department.
W2015	An explanation must be written for salary and benefit information entered for Clerical staff in Function 1000. (1000-142)	Instruction function is for direct instructional services.
W2016	An explanation must be written for salary and benefit information entered for Administrative staff in Function 1000. (1000-191)	Instruction function is for direct instructional services.
W2045	An explanation is required if On Behalf Expenditures are not reported	All districts participating with PSERS and TRS state support are required to report On-Behalfs.
W2511	An Explanation is required for Fund 500 not reported on DE 46 - School Activity Governmental Funds.	To ensure school activity accounts are reported on the DE 46.

DE 46 Common Errors and Warnings

Below are a few common Errors and Warning Codes. The complete list of Errors and Warnings are available on Financial Review Website with possible causes and resolutions:

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Documents/Manuals%20and%20Guides/FY%2019%20DE46%20Errors%20and%20Warning%20Resource%20Guide%20%20-%20Updated%208.12.19.pdf>

CODE	Title	Explanation of Error or Warning
E979	Fund Level Equity Accounts – 700 Out of Balance	Control Record 0004 for Total Ending Fund Equity does not equal total of all 07XX accounts - These totals MUST equal
E2014	QBE Program Code not valid with Function Code	Example: Program Code 3011 (CTAE) is not valid with Function 2400. It is valid for Function 1000 (Direct Instruction) only.
W2001	All open FTE-reporting facilities should report budgeted expenses	Schools may have closed or facility code changed from construction.
W2054	Object 890 expenditures exceed 10% of the function	Use object 890 for limited, miscellaneous items only.

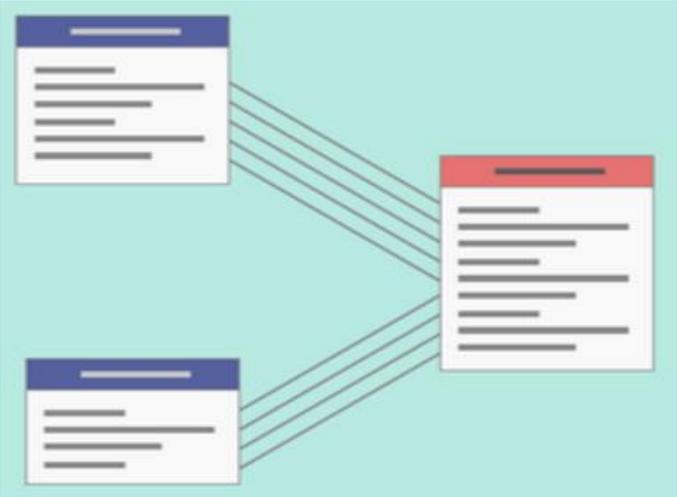
DE 46 File Transmissions Messages Received Definitions

DE 46 File Transmissions - Status Definitions

Financial Review - Annual DE 46 Transmission Status Detail

DE 46 Transmission Status	Definition
Not Transmitted	There has been no attempt at a file upload
Suptd. Signed Off (No WE)	The transmission process is complete. No Warnings with Explanations were generated that needed approval. Superintendent has signed off.
Admin Approved - READY FOR SUPT SIGN OFF	Warnings with Explanations have been entered by the district/LUA and a member of the Financial Review Team has reviewed and approved the explanation. NOTE: No additional uploads can be made at this time unless the Superintendent changes the Status to "Request Revision".
Supt. Signed Off	The transmission process is complete. Warnings with Explanations have been approved by Financial Review Team and supt has signed off.
Financial Cord. Signed Off (Ready for Financial Review approval of Warning Explanations)	The LUA Financial Coordinator has signed off on an error free DE 46 report and is awaiting approval of explanations by the Financial Review team of Warnings with Explanations.
Transmitted	The LUA has successfully uploaded a DE46 file at least once. However, the file/report does contain errors. Please review Errors and Warnings listing.
Request Revision	A Financial Review Team member has reviewed a Warning with Explanation and has rejected the explanation and sent back for revision. The Superintendent may also Request Revision which enables the process to start over once Warning Explanations have been entered and approved by Financial Review.
Waiting for Cord. To Submit	The LUA has successfully uploaded a DE46 file at least once And the DE file is submitted without errors but there are warnings needing explanations and approval by a Financial Review team member before Superintendent Signoff/submit.
Financial Cord. Signed Off (No WE) - READY FOR SUPT SIGN OFF	The LUA Financial Coordinator has signed off on an error free DE 46 report and there are no warning needing explanations. The report is now ready for Superintendent Sign off. NOTE: No additional uploads can be made at this time unless the Superintendent changes the Status to "Request Revision".
Waiting for Cord. To Submit (No WE)	The LUA has successfully uploaded a DE46 file at least once And the DE file is submitted without errors and no warnings needing explanations. The report can be "submitted" by the Financial Review Coordinator for Superintendent Signoff/Submit.
Request Revision (No WE)	A Financial Review Team member has reviewed the DE 46 and there are no warnings needing approval; however a Financial Review Team member has requested a revision to the report. The Financial Review Team member will enter the reason in the comment box provided.

Georgia Department of Education (GaDOE) Mappings



Georgia Department of Education (GaDOE) Mappings

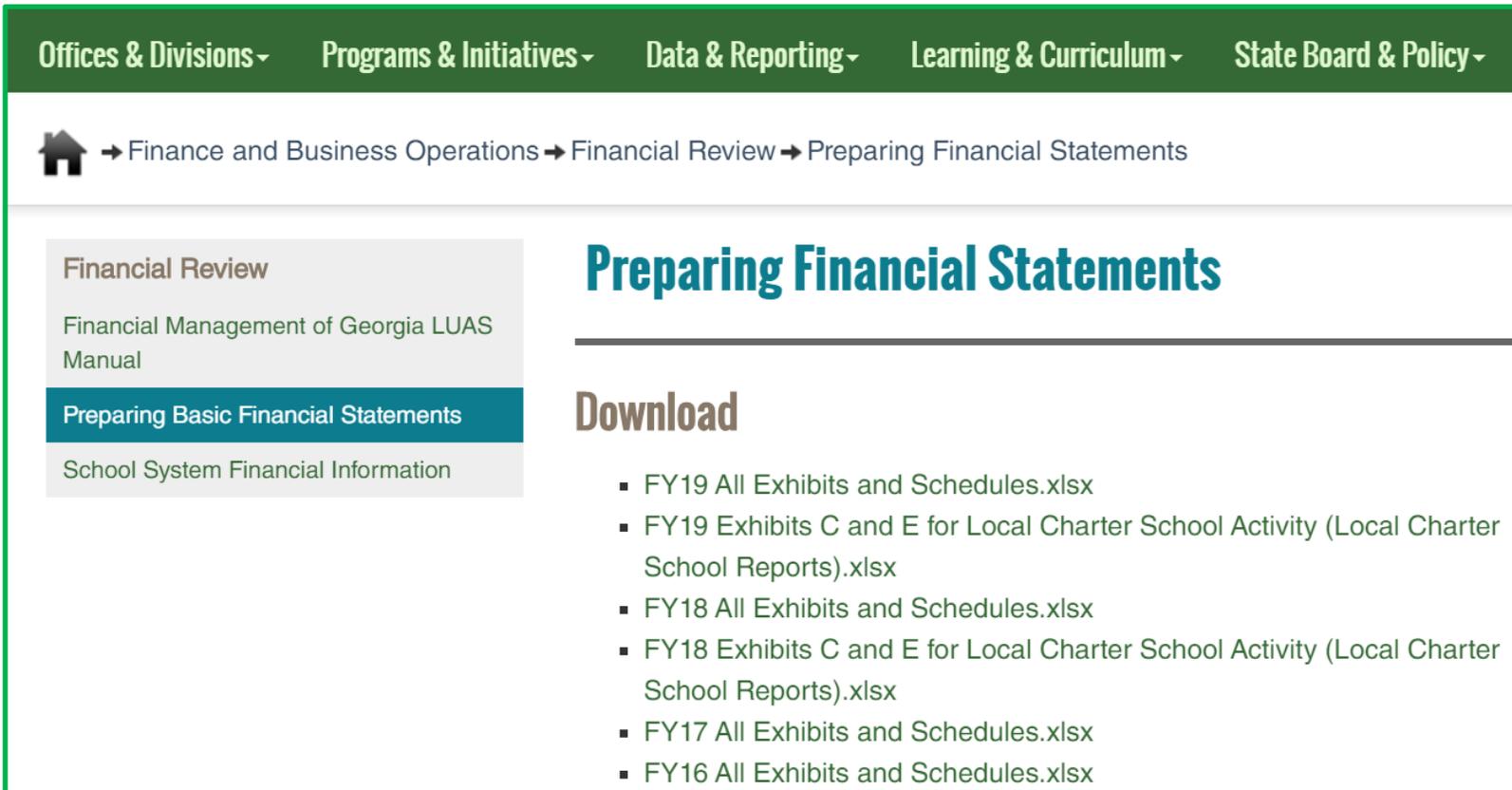
- Each year, LEAs must submit the completed Financial Statements and the Notes to the Financial Statements by December 31 to the Department of Audits and Accounts (DOAA).
- To assist in the preparation of the financial statements for the external audits, the Georgia Department of Education (GaDOE) uses 'mappings' of the data from the DE 46 Financial Analysis reports to create basic financial statements and exhibits for each LEA such as *Exhibit A-Statement of Net Position*, *Exhibit B-Statement of Activities*, *Exhibit C-Balance Sheet*, etc. The DE 46 actuals are the beginning point for preparing financial statements.
- Mappings is a concept of grouping every Fund, Program, Function, Object, and Revenue Code into the categories as required by the external auditors for the Financial Statements according to GASB and GAAP.
- Below is an example of the mappings to create Exhibit A, and the link to the full report is on the following slide.

XXXXX COUNTY BOARD OF EDUCATION STATEMENT OF NET POSITION JUNE 30, 2019			Column 1 Fund 100 - 600 +690 + 800 + 801 +900+902	Column 2	Exhibit "A"
	Not 359, 599, 505, 659, 859, 959		Not 505, 359, 659, 859, 959	Fund	
			Not 693	693	Column 1 & 2
	Governmental Activity Column		GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS	Funds	Objects			
Cash and Cash Equivalents	100 - 600 + 690, Not 599, 505 or 359	0101 - 0104-0105	Reclassify 0105 to Restricted Assets - Cash and Investments with Fiscal Agent or Trustee		
Investments	100 - 600 + 690, Not 599, 505 or 359	0111			

GaDOE Mappings

- The Financial Review website has a section on resources for preparing financial statements.
- Below is the link and the web page for the mappings, Exhibits and Schedules. The Excel files which can be downloaded detailing where each Fund, Function, Object, and Revenue Source Code is mapped for Financial Statement preparation.

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/Financial-Statements.aspx>



The screenshot shows the GaDOE website navigation menu at the top with categories: Offices & Divisions, Programs & Initiatives, Data & Reporting, Learning & Curriculum, and State Board & Policy. Below the menu is a breadcrumb trail: Home → Finance and Business Operations → Financial Review → Preparing Financial Statements. A left sidebar contains a 'Financial Review' section with links to 'Financial Management of Georgia LUAS Manual', 'Preparing Basic Financial Statements' (highlighted), and 'School System Financial Information'. The main content area features the title 'Preparing Financial Statements' and a 'Download' section with a list of Excel files for fiscal years 2016 through 2019, including all exhibits and schedules, as well as specific exhibits C and E for local charter school activity.

Mapped Financial Statements – MyGaDOE Portal

The Financial Statements and Exhibits derived from the DE 46 Actuals upload can be viewed in the portal. Below are the steps to access the portal. An example of Exhibit A is on the following page.

STEP 1: Financial Review Application > Reports

Site Navigation

- Home
- Logout

Financial Review

- Consolidated Application
- Data Collection
- View Documents
- Facility and School Registry
- Finance Applications
- Message Center
- Grants Application
- Security Administration
- EOPA Reports
- Financial Review Application **Reports**
- CLIP State Administration
- Professional Learning Opportunities (PLO)

Surveys

New (0) Saved (0)

No new surveys available

STEP 2: Report Category > Basic Financial Reports > Report Name

Site Navigation

- Home
- Logout

Financial Review

- Financial Review Application

Viola Darrington

- Account Information
- Add to Favorites
- Help Desk Portal

Hide Navigation

Financial Review - Reports

Report Category: Basic Financial Reports

Report Name: [Dropdown]

View Report

- Exhibit A
- Exhibit B
- Exhibit C
- Exhibit D
- Exhibit E
- Exhibit F
- Exhibit G
- Exhibit H
- Exhibit J
- Exhibit K

Mapped Financial Statements - Exhibit A Example

Financial Review - Reports

Report Category: Basic Financial Reports | Report Name: Exhibit A

Fiscal Year: 2019 | System ID: []

View Report

1 of 1 | Find | Next

EXHIBIT "A"

**COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2019**

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	Fund Total
ASSETS			
Cash and Cash Equivalents	<u>\$13,514,219.34</u>	<u>\$110,322.15</u>	\$13,624,541.49
Investments	<u>\$56,777,027.82</u>	<u>\$29,727.00</u>	\$56,806,754.82
Accounts Receivable - Interest	<u>\$6,689.97</u>	-	\$6,689.97
Accounts Receivable - Taxes	<u>\$8,486,024.07</u>	-	\$8,486,024.07
Accounts Receivable - State Government	<u>\$23,883,205.88</u>	-	\$23,883,205.88
Accounts Receivable - Federal Government	<u>\$227,924.29</u>	-	\$227,924.29
Accounts Receivable - Local	<u>\$81,005.53</u>	-	\$81,005.53
Accounts Receivable - Other	<u>\$5,783,363.67</u>	-	\$5,783,363.67
Inventories	<u>\$658,212.98</u>	-	\$658,212.98
Prepaid Expenditures	<u>\$386,746.15</u>	-	\$386,746.15
Capital Assets - School Nutrition Fund	<u>\$7,975,119.63</u>	<u>\$15,424.71</u>	\$7,990,544.34
Capital Assets, Non-Depreciable	<u>\$49,431,218.13</u>	-	\$49,431,218.13

If the amount is underlined, select to retrieve the detail for each category.



Financial Statements for Audits

The Georgia Department of Audits and Accounts website has resources for Georgia school districts for financial reporting and financial statements at the following link:

<https://www.audits.ga.gov/EAD/SchoolDistrictResources.html>

Financial Statements for Audits

- Once the DE 46 Actual report is finalized, the basic Financial Reports from the MyGaDOE portal can be downloaded to Excel. LEAs can use these to start creating the final financial statements for the Department of Audits and Accounts (DOAA) and other external auditors.
- Below is the Excel spreadsheet from the DOAA website required for LEAs to input adjustments for the specified funds.

General Fund Trial Balance						Index
Journal Entries						
Financial Statement Account	Per DOE FS	Debit	JE	Credit	Final Bal	
ASSETS						
Cash and Cash Equivalents					\$ -	
Investments					\$ -	
Unamortized Premiums/Discounts on Investments *Reclassify*					\$ -	
AR - Interest					\$ -	
AR - Taxes					\$ -	
AR - State Government					\$ -	
AR - Federal Government					\$ -	
AR - Local					\$ -	
AR - Interfund *Reclassify*					\$ -	
AR - Other					\$ -	
Notes Receivable					\$ -	
Due from Other Funds					\$ -	
Inventories					\$ -	
Prepaid Items					\$ -	
Restricted - Cash and Investments held with fiscal agent or trustee					\$ -	
Other Current Assets					\$ -	
Capital Assets *Reclassify*					\$ -	
DEFERRED OUTFLOWS OF RESOURCES						
Accumulative Decrease in Fair Value of Hedging Derivatives					\$ -	
LIABILITIES						
Cash Overdraft					\$ -	
Accounts Payable					\$ -	
Salaries and Benefits Payable					\$ -	
Payroll Withholdings Payable					\$ -	
Due to Other Funds					\$ -	
Compensated Absences Payable - Current **Reclassify**					\$ -	
Claims Incurred but not Reported (IBNR)					\$ -	
Short-Term Debt *Reclassify*					\$ -	
Interest Payable *Reclassify*					\$ -	
Construction Contracts Payable					\$ -	
Construction Retainages Payable					\$ -	
Bonds Payable - Current **Reclassify**					\$ -	

Input this column directly from the Financial Statement Exhibits in the GaDOE portal.

Add all debits and credits that occurred after the upload of the DE 46 Actual to determine the final balance for the audit report.



SUMMARY

- LEAs are required to submit three DE 46 reports annually to the Georgia Department of Education - *DE 46 Actual Financial Analysis, DE 46 Final Amended Budget, and DE 46 Initial Budget.*
- All DE 46 data files transmitted to GaDOE for the Financial Review Data Collection must meet the requirements as given in the file layout for the DE 46 Financial transmission or the DE 46 Budget transmission.
- The Error Checking upload allows districts to correct errors on the DE 46 financial file uploads prior to closing the fiscal year. Error Checking is used for the *DE 46 Financial Analysis Report* only; not for the budget uploads.
- Utilize Error Checking Monthly.
- The Georgia Department of Education (GaDOE) uses ‘mappings’ of the data from the DE 46 Financial Analysis reports to create basic financial statements and exhibits for each LEA. The DE 46 actuals are the beginning point for preparing financial statements.
- The Financial Statement mappings document is on the Financial Review website along with the DE 46 Transmission User Guide.

Any
Questions?