GAINS

Georgia Department of Education
Financial Review

May 2, 2019
AGENDA

• Amended FY 2019 Budget
• Initial FY 2020 Budget
• 2019 Legislation
• Salary Schedule
• Medicaid Reimbursement
• Transparency/ESSA
• Chart of Accounts
• Financial Reporting

• GASB 68 and 75
• Deficit Reporting
• GASB 84 – Fiduciary Funds
• GASB 87 – Leases
• Regional Workshops
• Questions
FY 2019 Mid-Term Adjustments
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>HB 30 Signed by Governor</td>
<td>March 12, 2019</td>
</tr>
<tr>
<td>QBE Allotments</td>
<td>February 19, 2019</td>
</tr>
<tr>
<td>Funded enrollment growth</td>
<td>$58,488,524</td>
</tr>
<tr>
<td>Funded Hold Harmless</td>
<td>$15,712,348</td>
</tr>
<tr>
<td>State Charter Schools Hold Harmless</td>
<td>$12,194,931</td>
</tr>
<tr>
<td>Correction of Local Charter Schools</td>
<td>$1,073,373</td>
</tr>
<tr>
<td>Initial FTE Count</td>
<td>1,751,239</td>
</tr>
<tr>
<td>Amended FTE Count (related to HB 787)</td>
<td>1,749,147</td>
</tr>
<tr>
<td>Mid-Term FTE Count</td>
<td>1,753,422</td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Charter System Supplement Enrollment Growth</td>
<td>$566,559</td>
</tr>
<tr>
<td>State Commission Charters (includes T&amp;E based on 2019-1 CPI Report)</td>
<td>$42,116,564</td>
</tr>
<tr>
<td>Special Needs Scholarship (SB10) Increase</td>
<td>$822,191</td>
</tr>
<tr>
<td>Local Fair Share Increase related to State Charter School HB 787 Adjustment</td>
<td>$18,063,705</td>
</tr>
<tr>
<td>Increase in CTAE – Rural Middle School Coding Labs</td>
<td>$500,000</td>
</tr>
</tbody>
</table>
### Amended FY 2019 Budget – State Commission Charter Supplement

- **FY 2018 HB 787**

- Allows for projections if enrollment is estimated to increase at least 2%

- Allows for increased funding projections for T&E (If 2019-1 CPI was at least 2% greater than 2018-1 CPI, the growth was funded)

- If enrollment actually declined or growth was less than 2%, the State charters were held harmless and the Initial Allotments restored.

- If growth increase is more than 2%, enrollment growth was funded just as it is for all school districts.

- If there was growth more than 2%, just not at the level of the projections, then funding was allotted at the October 2018 level.
### Amended FY 2019 Budget – School Security Grants

- **$69,240,000** for School Security Grants
- **$30,000** for each school
- Email notification from GaDOE on March 18, 2019
- Districts must submit a budget using the Consolidated Application (Con App)
- Invoice Application will be utilized for reimbursement
- Grant award period: April 1, 2019 – June 30, 2020
- Email from Ted (GaDOE CFO) on April 12, 2019 with directives for submitting a budget within the Con App
### Rural Middle School Coding Labs

- Increase in CTAE – Rural Middle School Coding Labs - $500,000
- Same process as last year
- Notification on April 3, 2019
- Applications due May 1, 2019
- Grant Award Notifications – June 14, 2019
- Revenue should be reported as **unearned** (Revenue Code 0481) if not expended prior to June 30, 2019
FY 2020 Initial QBE and Other State Grants
# Initial FY 2020 Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>HB 31 – Sent to Governor</td>
<td>April 4, 2019</td>
</tr>
<tr>
<td>Enrollment Growth and T&amp;E</td>
<td>$133,652,437</td>
</tr>
<tr>
<td>TRS Increase 20.90% to 21.14%</td>
<td>$18,235,604</td>
</tr>
<tr>
<td>FTE Count</td>
<td>1,753,422</td>
</tr>
<tr>
<td>Reduction in Math and Science</td>
<td>($1,473,790)</td>
</tr>
<tr>
<td>• Charter System Supplement</td>
<td>$979,919</td>
</tr>
<tr>
<td>o Adjusted for Increased FTEs</td>
<td></td>
</tr>
<tr>
<td>• State Commission Charter Schools</td>
<td>$46,882,920</td>
</tr>
</tbody>
</table>
## Initial FY 2020 Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustment of the base salary schedule to increase salaries for certified employees, effective July 1, 2019.</td>
<td>$522,122,265</td>
</tr>
<tr>
<td>- Includes: teachers, media specialists, special education specialists, technology specialists, counselors, social workers, psychologists, superintendents, principals, assistant principals</td>
<td></td>
</tr>
<tr>
<td>FY 2020 Salary Scale includes an additional $3,000 <strong>added to each step</strong></td>
<td>New salary scale to be released after State Board approval</td>
</tr>
</tbody>
</table>
FY 2020 Salary Scale

• How does the adjustment in FY 2020 affect the state salary scale?

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

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

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

## STATE SALARY SCHEDULE

<table>
<thead>
<tr>
<th>Years of Creditable Service</th>
<th>Salary Step</th>
<th>T-1</th>
<th>T-2</th>
<th>PROV BT-4</th>
<th>PROV T-4</th>
<th>PROV BT-5</th>
<th>PROV T-5</th>
<th>PROV T-6</th>
<th>PROV BT-7</th>
<th>PROV T-7</th>
</tr>
</thead>
<tbody>
<tr>
<td>0, 1, 2</td>
<td>E</td>
<td>$32,217.00</td>
<td>$33,154.00</td>
<td>$32,217.00</td>
<td>$34,092.00</td>
<td>$36,308.00</td>
<td>$39,206.00</td>
<td>$41,754.00</td>
<td>$44,333.00</td>
<td>$47,163.00</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>$33,184.00</td>
<td>$34,149.00</td>
<td>$32,217.00</td>
<td>$35,115.00</td>
<td>$37,397.00</td>
<td>$40,382.00</td>
<td>$43,007.00</td>
<td>$45,632.00</td>
<td>$48,598.00</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>$34,180.00</td>
<td>$35,173.00</td>
<td>$32,217.00</td>
<td>$36,168.00</td>
<td>$38,193.00</td>
<td>$41,593.00</td>
<td>$44,297.00</td>
<td>$47,001.00</td>
<td>$50,065.00</td>
</tr>
<tr>
<td>5</td>
<td>3</td>
<td>$35,205.00</td>
<td>$36,228.00</td>
<td>$32,217.00</td>
<td>$37,253.00</td>
<td>$39,675.00</td>
<td>$42,841.00</td>
<td>$45,626.00</td>
<td>$48,411.00</td>
<td>$51,558.00</td>
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<tr>
<td>6</td>
<td>4</td>
<td>$36,261.00</td>
<td>$37,315.00</td>
<td>$32,217.00</td>
<td>$38,743.00</td>
<td>$41,262.00</td>
<td>$44,550.00</td>
<td>$47,515.00</td>
<td>$50,347.00</td>
<td>$53,620.00</td>
</tr>
<tr>
<td>7</td>
<td>5</td>
<td>$37,349.00</td>
<td>$38,434.00</td>
<td>$32,217.00</td>
<td>$39,950.00</td>
<td>$42,500.00</td>
<td>$45,892.00</td>
<td>$48,875.00</td>
<td>$51,857.00</td>
<td>$55,229.00</td>
</tr>
<tr>
<td>8</td>
<td>6</td>
<td>$38,469.00</td>
<td>$39,587.00</td>
<td>$32,217.00</td>
<td>$41,701.00</td>
<td>$44,418.00</td>
<td>$47,957.00</td>
<td>$51,074.00</td>
<td>$54,191.00</td>
<td>$57,714.00</td>
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<tr>
<td>9, 10</td>
<td>7</td>
<td>$39,623.00</td>
<td>$40,775.00</td>
<td>$32,217.00</td>
<td>$42,592.00</td>
<td>$45,745.00</td>
<td>$49,396.00</td>
<td>$52,600.00</td>
<td>$55,817.00</td>
<td>$59,445.00</td>
</tr>
<tr>
<td>11, 12</td>
<td>L1</td>
<td>$40,812.00</td>
<td>$41,998.00</td>
<td>$32,217.00</td>
<td>$44,241.00</td>
<td>$47,117.00</td>
<td>$50,878.00</td>
<td>$54,184.00</td>
<td>$57,492.00</td>
<td>$61,228.00</td>
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<tr>
<td>13, 14</td>
<td>L2</td>
<td>$42,036.00</td>
<td>$43,256.00</td>
<td>$32,217.00</td>
<td>$45,568.00</td>
<td>$48,531.00</td>
<td>$52,404.00</td>
<td>$55,610.00</td>
<td>$59,276.00</td>
<td>$63,065.00</td>
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<tr>
<td>15, 16</td>
<td>L3</td>
<td>$43,297.00</td>
<td>$44,566.00</td>
<td>$32,217.00</td>
<td>$46,935.00</td>
<td>$49,987.00</td>
<td>$53,976.00</td>
<td>$57,484.00</td>
<td>$60,994.00</td>
<td>$64,557.00</td>
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<tr>
<td>17, 18</td>
<td>L4</td>
<td>$44,596.00</td>
<td>$45,893.00</td>
<td>$32,217.00</td>
<td>$48,343.00</td>
<td>$51,487.00</td>
<td>$55,565.00</td>
<td>$59,209.00</td>
<td>$62,924.00</td>
<td>$66,766.00</td>
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<tr>
<td>19, 20</td>
<td>L5</td>
<td>$45,934.00</td>
<td>$47,270.00</td>
<td>$32,217.00</td>
<td>$49,793.00</td>
<td>$53,032.00</td>
<td>$57,263.00</td>
<td>$60,985.00</td>
<td>$64,709.00</td>
<td>$68,913.00</td>
</tr>
<tr>
<td>21+</td>
<td>L6</td>
<td>$47,312.00</td>
<td>$48,688.00</td>
<td>$32,217.00</td>
<td>$51,287.00</td>
<td>$54,623.00</td>
<td>$58,981.00</td>
<td>$62,815.00</td>
<td>$66,650.00</td>
<td>$70,980.00</td>
</tr>
</tbody>
</table>

**SCHOOL YEAR: 2018 - 2019**

*Base equals $34,002.00*
Comparison: FY 19 Salary Scale vs. FY 20 Salary Scale

<table>
<thead>
<tr>
<th>FY 2019 Salary Scale</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>T4, Step 0</td>
<td>$34,092</td>
</tr>
<tr>
<td>T7, Step L6</td>
<td>$73,980</td>
</tr>
<tr>
<td>Difference</td>
<td>$39,888</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2020 Salary Scale</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>T4, Step 0</td>
<td>$37,092</td>
</tr>
<tr>
<td>T7, Step L6</td>
<td>$76,980</td>
</tr>
<tr>
<td>Difference</td>
<td>$39,888</td>
</tr>
</tbody>
</table>
Salary Raise, Effective July 1, 2019

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

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

• Additional funding included in FY 2018 QBE allotment

• Record the revenue using the QBE program code 1450 – Indirect Cost – Central Admin

• QBE Allotment Sheet will include a note, identifying the additional funds allotted
Initial FY 2018 QBE (Flashback Slide)

<table>
<thead>
<tr>
<th>INDIRECT COST</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Admin and One Time QBE</td>
<td>12,895,659</td>
<td>1,755,536</td>
<td>14,651,195</td>
<td>3,175,556</td>
<td>11,475,639</td>
</tr>
<tr>
<td>School Admin</td>
<td>24,418,391</td>
<td>796,916</td>
<td>25,215,307</td>
<td>5,465,263</td>
<td>19,750,044</td>
</tr>
<tr>
<td>Facility M &amp; O</td>
<td>34,295,601</td>
<td>34,295,601</td>
<td>7,433,360</td>
<td>26,862,241</td>
<td></td>
</tr>
<tr>
<td>Sub Total (INDIRECT COST)</td>
<td>37,314,050</td>
<td>36,848,053</td>
<td>74,162,103</td>
<td>16,074,179</td>
<td>58,087,924</td>
</tr>
</tbody>
</table>

(Flashback Slide)
<table>
<thead>
<tr>
<th>Position</th>
<th>Increase Details</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten Aides</td>
<td>• 1/3 of Teacher Salary</td>
<td>$1,161.23</td>
</tr>
<tr>
<td>Secretaries</td>
<td>• 2% Salary Increase</td>
<td>$283</td>
</tr>
<tr>
<td></td>
<td>• TRS Increase 20.90% - 21.14%</td>
<td></td>
</tr>
<tr>
<td>Accountants</td>
<td>• 2% Salary Increase</td>
<td>$423</td>
</tr>
<tr>
<td></td>
<td>• TRS Increase 20.90% - 21.14%</td>
<td></td>
</tr>
</tbody>
</table>
Initial FY 2020 Budget – Equalization and LFMS

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

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

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

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

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

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

NUTRITION

• Nutrition Funds - $24,534,332
  • 2% Salary Increase - $451,260

• Calculation set forth in O.C.G.A. §20-2-187

• Funding for increase based on current manager and non-manager staffing and estimated lunches serviced in FY 20

• State Board rule stipulates the amount of lunches to be served in an 8 hour day by each employee as 85

• Formula calculates the number of employees needed

• Divides number of employees needed by amount of funding appropriated to determine base salary.
## Initial FY 2020 Budget – Non-Categorical Formula Grants

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

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

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

Total RESA QBE Allotment: $14,568,010
Bonds – Initial 2020 Budget

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

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

- **No change for FY 2020**
TRS

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

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

- AFY19 Allotment Sheets were posted on February 19, 2019.
- AFY19 Site Level Allotment Sheets pending.
- FY 19 Accrual Sheets pending.
- FY 20 Allotments Sheets pending.
Legislation
FY 2019 – HB 527 – Sent to Governor
April 8, 2019

• To update the program weights in the QBE funding formula to the weights calculated with the FY 2020 appropriation

• Program weights change when a component of the formula has a change in the dollar amount appropriated

• Base Salary, TRS, additional positions, etc.
FY 2019 – HB 322 – Signed April 28, 2019

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

• Changes Procurement Registry Requirements

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

• Construction bids are required to be posted for 28 days
In the event of a fire or natural disaster, the district shall be able to concurrently apply for funding of portions of same facility that was not damaged or destroyed so long as the facility is at least 20 years old.

Added additional criteria to meet low wealth eligibility. Consolidation of educational facilities when the SPLOST over a 5 year period would not generate the required local contribution.
FY 2019 – HB 59 – Signed April 23, 2019

• Military students to enroll in the public school of the attendance zone prior to physically establishing residence.

• State charter schools with statewide attendance zones can hold board meetings by teleconference.
FY 2019 – SB 15– Sent to Governor 4.9.19

- Requires schools to conduct a site threat assessment
- Reperform assessment every 5 years
- Review and update annually as necessary
- School safety plans submitted to Department of Education
- GaDOE shall post a list on website showing:
  - all schools that have completed and
  - all schools that are delinquent in completing the school safety plan
FY 2019 – HB 182– Signed April 28, 2019

- Requires sales tax to be collected from any online retailer when gross revenue exceeds $100,000.00 in the previous or current year.

- Lowered threshold from $250,000

- Effective January 1, 2020
FY 2019 – SB 68 – **Did not pass**

- Requires School Board members to review financial information for their specific school district as part of finance training
- Requires **Superintendent** financial management training if high risk
- Requires GaDOE to establish a template for reporting financial information to the board
- Requires flexibility contracts to consider high-risk status
FY 2019 – SB 209 – **Did not pass**

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

- **SR 12** – To amend constitution to allow SPLOST funds for school security projects
- **SB 175** – amends 47-3-127.2 to require employers to pay the employer and employee TRS rates on retired TRS member that are employed 49% or less
- **HB 365** – exempt TAVT sales tax on vehicles used by ground transport services and apply an excise tax instead
- **HB 444** – Dual Enrollment
Federal School Improvement Grant
Federal School Improvement Grant Program Code 1770

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

What salary schedule has your local board adopted?

• If the local schedule includes the state salary + local supplement, the salaries are required to be split between the state and local QBE program codes.

• If the local schedule includes just one dollar amount per category (step, certification, level, etc.), the salaries should be reported in total to the state QBE program codes.
Local LEA Salary Schedule – Certified Employees

Flexibility Contracts waived O.C.G.A. §20-2-212(b)

“In any fiscal year in which such personnel receive an increase under the minimum salary schedule, a local unit of administration shall not decrease any local salary supplement for such personnel below the local supplement amount received in the immediately preceding fiscal year by those personnel of that local unit of administration unless such local unit of administration has conducted at least two public hearings regarding such decrease, notice of which hearings, including the time, place, agenda, and specific subject matter of the meeting, the local unit shall cause to be published in the legal organ of the county which is the legal situs of such local unit one time at least seven days prior to the date such hearings are to be held.”
Local LEA Salary Schedule – Bus Drivers and Food Service Employees

O.C.G.A. §20-2-220

“In any fiscal year in which school bus drivers or full-term school food service managers or food service employees receive an increase in state funds in their salaries, a local unit of administration shall not decrease any local salary supplement amount received in the immediately preceding fiscal year by those personnel of that local unit of administration unless such LUA has conducted at least one public hearing regarding such decrease.”
Medicaid Nursing Reimbursements
Medicaid Reimbursement

- Medicaid program to seek reimbursement for nursing services provided by school districts
- Services provided by licensed nurses DIRECTLY to students
- Will need to capture salaries/benefits for licensed nurses separately from the generalized nursing services and operating costs funded by QBE (Program Code 1500)
- More information coming soon
Medicaid Reimbursement

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

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

• Random Moment Time Study will be performed
Transparency/Every Student Succeeds Act (ESSA)
ESSA – School Level Reporting

“The per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual nonpersonnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the State for the preceding fiscal year.”
ESSA – School Level Reporting

Please select to refresh the report

* School Year
2017-18

* School District
State of Georgia

* School
All Schools

<table>
<thead>
<tr>
<th>School Year</th>
<th>School District</th>
<th>Institution Name</th>
<th>Financial Efficiency Star Rating</th>
<th>Expenditure Type</th>
<th>Amount</th>
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<tr>
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<td>All Schools</td>
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<td>State Local Per Pupil Expenditure</td>
<td>$8,617.31</td>
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</table>

Print · Export
Chart of Accounts
Updates
Amended FY 2019 Budget - School Safety Security Grants - COA

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

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

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

<table>
<thead>
<tr>
<th>Restriction Description</th>
<th>Code Number/Description</th>
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</thead>
<tbody>
<tr>
<td>Function/Object</td>
<td><strong>1000-181</strong> (Maintenance/Transportation Personnel)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>1000-715</strong> (Land improvements)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>2400-110</strong> (School Admin &amp; Teachers)</td>
</tr>
<tr>
<td>Function/Object</td>
<td><strong>2700-113</strong> (Transportation &amp; Subs); use Object 114 or 180</td>
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<tr>
<td>Function/Object</td>
<td><strong>Object 410</strong> only allowed with 2600, 2700, 3100, 3300</td>
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<tr>
<td>Fund/Function</td>
<td><strong>560-2230</strong> (Pre-K &amp; Federal Grant Administration)</td>
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<tr>
<td>Function/Program</td>
<td>QBE Instructional Program Codes with 2213</td>
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</table>
Financial Reports and Final Statements
Deadlines

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

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

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

Uses and Information

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

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

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

• **USEFUL TIP:** Use ![Chrome](chrome.png)
Errors and Warnings Transmission – NEW PORTAL LOCATION

‘Financial Review Application’
Transmission types:
- DE46 Actual
- DE46 Initial Budget
- DE46 Final Budget
- Error Checking
New Warning Code FY 2020 – Fund Balance for Federal Funds does not equal ZERO at fiscal year end.

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

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

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</tbody>
</table>
GASB 68 and GASB 75
GASB 68 Resources Available on Financial Review’s webpage:

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

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

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

• Packets in SHBP SHRT Tool; Check with your Payroll Coordinator.
School District Deficit Reporting
School District Deficit Reporting

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

• *Deficit Elimination Plan* signed by Board Members

• Publication of *Statement of Actual Operations* in legal news organ

• Monthly reporting of deficit balance to GaDOE
School District Deficit Reporting

How is Law Applied:

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

- Monthly Reporting until GaDOE is satisfied deficit is eliminated

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

- If DE 46 reports a deficit, GaDOE will investigate to determine if Deficit Elimination Plan and monthly reporting is necessary
GASB 84
Fiduciary Funds
GASB 84 – Fiduciary Funds, page 1 of 4

**Effective July 1, 2019 (FY 2020)**

- Clarifies definition of custodial funds (agency funds through FY 2019)
- Activity must meet **all** of the following criteria (per GASB Statement No 84):

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

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

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

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

- The assets are for the benefit of organizations or other governments that are not part of the financial reporting entity. Additionally, the assets are not derived from the government’s provision of goods or services to those organizations or other governments.
Effective July 1, 2019 (FY 2020)

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

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

• ALL fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.

• Statement of Changes in Net Position to include Custodial Funds

• Summarized – Additions and Deletions
GASB 84 – Fiduciary Funds

How does this change school district reporting?


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

3. Revenues for Club Dues recorded to 1215.

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

Review your district’s school activity policy manual

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

Effective July 1, 2020 (FY 2021)

• Draft Implementation Guide released for comments through April 30, 2019
• Changes criteria for leases, essentially eliminates operating leases and considers all leases capital
• Applied to exchange and exchange-like transactions
• Must capitalize the lease as an asset, but not subject to capitalization thresholds
• Additional costs for maintenance and supplies are not included when determining lease liability
GASB 87 - Leases

How to Start Preparing for Lease Standard:

- Evaluate all lease agreements entered by the district and schools
- Determine what portion of the lease is not for the actual lease agreement but for maintenance, toner, paper, etc.
- Work with vendors to separate the components of the lease agreement
- Be prepared to track so the liability can be posted in FY 2021
Regional Workshops
# Regional Workshops

<table>
<thead>
<tr>
<th>DAY / DATE</th>
<th>PLACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday, May 16</td>
<td>Calhoun City BOE</td>
</tr>
<tr>
<td>Friday, May 17</td>
<td>Clarke County BOE</td>
</tr>
<tr>
<td>Monday, May 20</td>
<td>GaDOE – Twin Tower East, 15\textsuperscript{th} Floor, Suite 1566</td>
</tr>
<tr>
<td>Wednesday, May 29</td>
<td>Houston County BOE</td>
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<tr>
<td>Thursday, May 30</td>
<td>Tift County E-911 Center</td>
</tr>
<tr>
<td>Friday, May 31</td>
<td>Candler County BOE</td>
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Regional Workshops

• Agenda
  • FY 19 Budget
  • Legislative Updates
  • Chart of Accounts
  • Federal Fund Balances
  • Transferability
  • Schoolwide Federal Funds Consolidation
  • GASB Updates
  • School District Deficit Reporting
  • Department of Audits Topics
Contact Information

• **Atlanta**
  - Viola Darrington (404-651-8176) – vdarrington@doe.k12.ga.us
  - Steve Lyle (404-656-6769) – slyle@doe.k12.ga.us
  - Debara Montgomery (404-656-2344) – dmontgomery@doe.k12.ga.us
  - Russ Swindle (404-463-0513) – rswindle@doe.k12.ga.us

• **Naylor** (229-241-9915)
  - Rhonda Metts – rmetts@doe.k12.ga.us

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