Interested in Consolidating in FY21?  
Here's what you need to know.  
Consolidation of Funds Webinar  
March 8, 2020

Georgia's Continuous Improvement Process

Consolidation of Funds
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THANK YOU!

This webinar was originally scheduled to be in person in Clayton County, but had to be rescheduled due to threat of Covid-19, which quickly became even more flexible after canceling schools through March 31.

Thank you to District staff teams and GaDOE staff who are joining us LIVE and to each staff team who made the time to watch this as a recording. You are amazing! We hope that what you find in this workshop will change the way you run school – for the better!

Consolidation of Funds Agenda

- Overview of Consolidation
- Step 1: Speaking to Stakeholders
- Step 2: School Selection
- Step 3: Reorganizing Resources
- Step 4: Picking Programs
- Step 5: Tackling a Timeline
- Step 6: Focus on Finance
- Next Steps and Feedback

Consolidation of Funds
What is Consolidation?

[Diagram showing the consolidation process]

Fund 150

School District
Consolidation of Funds

Timeline

- 2001 NCLB
- 2004 USDE Guidance
- 2006 GaDOE Consolidation of Funds
- 2008 USDE Guidance
- 2015 ESSA
- 2016 USDE Guidance
- 2016 GaDOE Consolidation Of Funds Initiative

Consolidation of Funds

Cohorts

Want to know how it’s going? Ask one of our cohort LEAs

- Cohort 1: Calhoun City, Cartersville City, Foothills Charter, Madison
- Cohort 2: APS, Dothan, Lang, Marietta City, Mitchell
- Cohort 3: Berrien, Bryan, Clarke, Coweta, Effingham, Fulton, Gainesville City, Lamar, Richmond, Scitilla Charter, Tattnall, Walker
- Cohort 4: Atkinson, Barrow, Ben Hill, Du Bois Charter, Griffin-Spalding, Miller, Montgomery, Muscogee, Oglethorpe, Stephens, Terrell

Consolidation of Funds

Criteria

The following criteria apply to all LEAs involved in the Initiative:

- Only Title I schoolwide schools can participate in the Consolidation of Funds Initiative.
- At least one federal program must be combined with state and local funds in order to participate.
- LEAs agree to abide by the guidelines set forth in the Consolidation of Funds Manual.
- LEAs that are designated by the GaDOE as high risk for FY20 are ineligible to participate in the Program.
Consolidation of Funds

Customizing Consolidation

• Determine which/ how many schools will consolidate.
• Determine which programs will be consolidated.
• Determine how much will be contributed from each source.
• Determine if/which staff will be paid from Fund 150.
• Determine what the planning and implementation process will look like.

Consolidation of Funds

U.S. Department of Education

Title I authorizes the Secretary to permit schoolwide programs to consolidate funds from any other noncompetitive, formula grant program or any discretionary grant program administered by the Secretary and to exempt schoolwide program schools from many statutory and regulatory provisions of the programs whose funds are consolidated, if the intent and purposes of the programs are met. All consolidated funds and services must support the school’s schoolwide plan.

2004 Federal Register

Consolidation of Funds

Flexibility with a purpose...
Consolidation of Funds

Why consolidate?

Students

Consolidation of Funds

USDE On Consolidation

Over the years, SEAs and LEAs have initiated changes and innovations to increase the quality of instruction and improve academic achievement for all students. For an LEA implementing these reforms and innovations, it is essential to use Federal education funds effectively and efficiently. Operating a schoolwide program under Title I can be beneficial to LEAs and schools as they explore how to most effectively leverage their local, State, and Federal funds in order to promote school reforms and raise student achievement.

2016 Non-Regulatory Guidance

Consolidation of Funds

U.S. Department of Education

- This authority affords a schoolwide program school significant flexibility to better serve all students by improving the entire instructional program, rather than only providing separate services to specific target populations.
- The Secretary emphasizes that a school operating a schoolwide program must address the needs of all students in the school, particularly the needs of the lowest-achieving students who are members of the target population of any program that is included in the schoolwide program.

2004 Federal Register
Consolidation of Funds

Benefits

- Consolidating promotes more school level autonomy.
- Consolidating shifts focus from compliance to school improvement.
- Consolidating removes time-consuming & frustrating allowability barriers.
- One activity/strategy can meet the intent and purpose of multiple programs.

The principal of each consolidating school, in conjunction with LEA central office staff, has the discretion to:

- Identify the unique needs of the students, faculty, leadership & community
- Develop a targeted & tailored schoolwide plan to implement & enhance the school's instructional program
- Customize the instructional program of the school to address identified needs
- Develop a schoolwide plan that meets the intent & purposes of federal funding
- Streamline budgeting & purchasing through the Fund 150 budget
- Evaluate the success of the schoolwide plan

Consolidation of Funds

Cohort 4 Feedback On Consolidation

- We can finally purchase all parts of our curriculum – materials for students, materials for teachers, and PD for teachers.
- It is so nice to be able to say ‘yes’ instead of ‘no’.
- The money can be used in non-traditional ways to meet the pressing needs of students.
- Ability to think outside the box and know I will hear ‘yes’.
- This way of monitoring makes more sense than the old way.
- I love being able to schedule staff (para/professionals, coaches, teaching assistants) the way I need them to be used.
- All our money is closer to the students than it ever has been.
- Principals feel increased ownership and accountability for purchases – ‘Is that coming out of my budget?’
- We can change our practices right now to meet the needs of students.
- We can rest assured that the SWP is being implemented with fidelity.
- We are finally able to fund supplies and training for teachers in areas that have long been neglected.
- The teachers and students have noticed a difference and climate has improved.
Consolidation of Funds
Do you still have to serve subgroups?

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2004 Federal Register
Consolidation of Funds
Sources

Federal Accountability
- Federal Law:
  - ESSA
  - IDEA
- Federal Regulations:
  - 2004 Federal Register
  - 34 CFR Part 200.25-29
  - 34 CFR 800.206
- Federal Guidance:
  - 2008 Fiscal Issues
  - 2016 Schoolwide Programs

State Accountability
- State Law:
  - Charter and Strategic Waiver
  - Uniform Accounting System
- State Guidance:
  - Consolidation of Funds Manual
Consolidation of Funds

Resources - Guidance

Each State educational agency (SEA) must encourage schools to consolidate funds from Federal, State and local sources in their schoolwide programs, and must modify or eliminate State fiscal and accounting barriers so that these funds can be more easily consolidated.

2004 Federal Register

- GaDOE Supports Consolidation
  - Initiated a state initiative to support consolidation
  - One year of structured technical assistance
  - Added many Federal funding sources
  - Created ability to report in Fund 150
  - ConApp budget in 1000-881 (may use multiple functions if SEA wants)
  - Completion report matches ConApp budget function/object
  - Allow changes in budget
  - Defer CFM in first year of joining consolidation cohort

State Responsibilities

State Responsibilities in Supporting Consolidation of Funds

- 34 CFR 76.700-702
  - SEAs and LEAs shall comply with the plan and applicable statutes, regulations, and approved applications.
  - SEAs and LEAs shall directly administer or supervise the supervision of all projects.
  - SEAs and LEAs shall use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for Federal funds.
- 2 CFR Part 200.331
  - All pass-through entities must ensure subgrantees comply with
    - Collection of required financial and performance reports.
    - Monitoring the activities of the subrecipient to ensure that the subaward is used for authorized purposes and that subawardee performance goals are achieved.

2016 Dear Colleague Letter to Georgia

2016 Federal Register

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Consolidation of Funds

How does this change the role of GaDOE?

• CLIP
• Budget Review
• Monitoring
• Specialists
• Consolidation Staff

Consolidation of Funds

Key Components of Consolidation

<table>
<thead>
<tr>
<th>Guidance</th>
<th>Schoolwide Plan</th>
<th>Fund 150 Allocations</th>
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<tbody>
<tr>
<td>Intent &amp; Purpose</td>
<td>All Cohorts</td>
<td>LEA Sample</td>
</tr>
<tr>
<td>Schoolwide Plan</td>
<td>All LEA schools included</td>
<td>Coll-Fund 150 Budget</td>
</tr>
<tr>
<td>Fund 150 Budget</td>
<td>New Cohorts</td>
<td>LEA Sample</td>
</tr>
</tbody>
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Consolidation of Funds

Budget Attachments

<table>
<thead>
<tr>
<th>Attachment</th>
<th>Application</th>
<th>Cohort</th>
<th>Funding Allocation</th>
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<tbody>
<tr>
<td>Schoolwide Plan</td>
<td>All Cohorts</td>
<td>LEA Sample</td>
<td>Coll-Fund 150 Name of School</td>
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<tr>
<td>Intent &amp; Purpose Statement</td>
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<td>LEA Sample</td>
<td>Coll-Fund 150 Name of School</td>
</tr>
<tr>
<td>Fund 150 Budget*</td>
<td>All LEA schools included</td>
<td>Coll-Fund 150 Budget</td>
<td></td>
</tr>
<tr>
<td>Title I, Part A Supplemental Education Instruction Methodology</td>
<td>If applicable</td>
<td>All LEA schools included</td>
<td>See Title I, Part A Guidance</td>
</tr>
<tr>
<td>GA – District Level MMA/P</td>
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<tr>
<td>Program Specific Requirements</td>
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<td>See Appendix H</td>
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</tbody>
</table>
Consolidation of Funds

Key Components of Consolidation

- Needs of Students – Intent and Purpose Statement for each individual program must reflect the needs of the subgroup that program is designed to support. This includes Title I, Part A, Title I, Part C, Title I, Part D, Subpart 2, Title II, Part A, McKay, IDEA.

- Discretionary & Competitive Grants - SELs who consolidate SIG(a) (formula and competitive), SIG(g), 21st Century, Title IV, Part A Competitive Grants and McKay/Metro must include components of the approved applications in the schoolwide plan and intent and purpose statement.

- Schools Meet Purpose Collectively (Title II, Part A and Title IV, Part A) – In 2019 communication with USOE and education law firm Brustein and Manasevit, GaDOE has verified that the intent and purpose of Title II, Part A and focus areas of Title IV, Part A may be fulfilled by the district collectively rather than at each individual school. Any school consolidating either or both grants will need to align their schoolwide plan and intent and purpose statements with at least one intent and purpose/ focus area.

- IEP Allowability – In 2019 communication with education law firm Brustein and Manasevit, GaDOE has verified that interventions/activities that would not be allowable under the grant may not be used to meet the intent and purpose of the grant.

Consolidation of Funds

Examples of Flexibility

Before

- Purchase & Use
- Competitive/Strategic Interventions
- Title I
- Instructional

- Title I
- Federal Support
- to Li & Students

- Title I
- Federal Support
- Specific to SWD

After

Move from Braiding Funds to Blending Funds

- Fund 150
- Budget
- Strategic

- Intervention
- Purchase & Use
- Competitive/Strategic Interventions
- Title I
- Instructional

- Title I
- Federal Support
- to Li & Students

- Title I
- Federal Support
- Specific to SWD

Consolidation of Funds

Examples of Flexibility

Inventory Meets State and Local Requirements

Before

- Inventory must be kept for 5 years and must include:
- Description, Serial #, Number, Fund Source
- A & N, Title, Vendor, Acquisition Date, Unit Cost, Location, Use, Condition, Disposition

After

- Not Federal

- Inventory bought with unconsolidated funds must be kept separate for 5 years.
- After 5 years of consolidation, inventory no longer needs to be kept.
- New items purchased under consolidation must follow local law and do not need to be a part of federal inventory.
### Consolidation of Funds
#### Examples of Flexibility

**Consolidation of Funds**

**Examples of Flexibility**

- **Time and Effort**
  - **Before**: Teachers, Instructional Coaches, Stipends, Subs, etc.
  - **After**: Periodic Certification, Personnel Activity Report

**Fund 150**

**Consolidation of Funds LEAs**

**Examples of Flexibility**

- Monitoring of federal programs is conducted to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education.
- Monitoring emphasizes accountability for using federal resources wisely.
- Monitoring serves as a vehicle for the Department to help LEAs achieve high-quality implementation of educational programs utilizing the LEAs' federal allocations.

§200.331
**Consolidation of Funds**

**Examples of Flexibility**

### Before
- Establish Evidence-Base
- Title I and Title III Notifications

### After
- Report Effectiveness
- OCR/DOJ Notification of EL Service

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**MONITORING**

1. LEAs must continue to meet LEA responsibilities:
   - CLIP Requirements, Monitoring Implementation & Effectiveness, Federal Reporting

2. Check LEA and School selection of expenditures for program allowability and federal regulations for each contributing program. Includes inventory and time and effort.

3. Check LEA for LEA requirements and LEA-level expenditures.

4. Check a sample of documentation from consolidating schools for implementation of Schoolwide Plan as aligned with the Intent and Purpose of each contributing program.

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**Time to Talk**

What questions do you have so far?
Consolidation of Funds
Step 1: Speaking to Stakeholders

- Superintendent
- Finance Director
- School Bookkeepers
- Federal Programs Director
- Data Collections Coordinator
- Principal School Leaders
- Parents
- Private Schools

Step 2: Selecting Schools

CONSIDERATIONS

- Is it best for students?
- Where are student populations supported by the grant you’re consolidating?
- How many title schools vs. non-title schools does your district have? Will you increase the number?
- Will you be able to implement district initiatives in schools?
- Do you want to consolidate in a pilot set of schools or all schools?
- What are the current challenges & opportunities in schools?
Consolidation of Funds
Step 2: Selecting Schools (**New** SWP Waiver)

- SEC. 1114. (20 U.S.C. 6314) SCHOOLWIDE PROGRAMS.
  (A) ELIGIBILITY.—A local educational agency may consolidate and use funds under Title I, Part A, together with other Federal, State, and local funds, in order to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the school are from such families.
  
- (B) EXCEPTION.—A school that serves an eligible school attendance area in which less than 40 percent of the children are from low-income families, or a school for which less than 40 percent of the children enrolled in the school are from such families, may operate a schoolwide program under this section if the school receives a waiver from the State educational agency to do so, after taking into account how a schoolwide program will best serve the needs of the students in the school served under this part in improving academic achievement and other factors.

GA SCHOOLWIDE WAIVER

- Georgia requires that the school's poverty percentage must be at least 30% to be eligible for a schoolwide program waiver
- Waivers must be submitted annually. The District/School desiring a waiver for the upcoming year must apply by April 15th of the previous year
- Attach a copy of the school's Schoolwide Program Plan (SWP)
- Agree to Assurances

GA's SCHOOLWIDE WAIVER FOR 2021

- Georgia is considering offering the Schoolwide waiver without a minimum poverty threshold
- Targeted Assistance Programs may become Schoolwide
- Schools below the 40% poverty level may become Schoolwide
- Schools must still have a year planning to become schoolwide unless prior approval is granted by Title I, Part A of GaDOE
- Waiver applications are available on the Federal Programs/Title I Schoolwide Programs website located here
Time to Talk

Use demographic data for this discussion.

CONSOLIDATION

Resource Allocation Methodology Plan
- Comparability remains in place for some districts
- Supplement not supplant remains in effect for all districts
- Program Restrictions
  - Several programs require that funds typically allocated at the district level take student subgroup populations and student academic performance into consideration when determining how to allocate to schools
  - Transferring Funds (Title II, Part A and Title IV, Part A) prior to consolidating
  - Does not restrict schoolwide schools from implementing any activities that were authorized under those programs
  - Transferring 100% may negatively impact schools that are not schoolwide
  - 85% Title I Carryover Restriction (Flex Waiver may alleviate this)
  - Impact on Private School Partnerships

CONSIDERATIONS

District Initiatives
What district expenditures can be allocated to schools that would benefit from being managed by principals (software licenses, personnel with set schedules)

Training and Support
- Do all bookkeepers have the training required for payroll and chart of accounts?
- Do principals understand what constitutes meeting the intent and purpose? Do they know what documentation should be kept to show implementation and effectiveness of the schoolwide plan?

Review Current Operations Budgets

Impact on Private School Partnerships

CONSOLIDATION

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Review Current Operations Budgets

Impact on Private School Partnerships
Consolidation of Funds Interest Workshop
Step 4: Picking Programs

CONSIDERATIONS

• Program Eligibility
  o Which programs are available in which schools?
  o In which schools are the subgroups the grant supports?
  o Do the grants outline how allocations must be distributed to schools?
• School Initiatives
  o How will consolidation support the school’s initiatives and subgroups?
• District Initiatives
  o Are some school’s plans set up to implement certain initiatives?
  o Will the COA Function codes allowed in Fund 150 allow all initiatives to be implemented?

Consolidation of Funds
Programs Available for Consolidation in Georgia’s Initiative

• State and Local Funds
  • Title I, Part A – Improving Basic Programs
  • Title II, Part A – Program (Funds Available for Any)
  • Title II, 1003(a) – School Improvement Grants (Education Rural SGI Grant)
  • Title I, Part C – Education of Migrant Children
  • Title I, Part D – Support 3 Year – Reducing & Dropout
  • Title I, Part A – Supporting Effective Instruction
  • Title II, Part A – English Support for English Learner
  • Title I, Part A – English Support for Immigrant Students
  • Title III, Part A – Student Support and Academic Improvement (Disables Chart Grant)
  • Title IV, Part B – 21st Century Community Learning Centers
  • Title IV, Part B – Rural Education Initiative
  • McKinney- Vento – Education for Homeless Children and Youth
  • IDEA 611 – Special Education Formula Funds (Contributions)
  • IDEA 619 – Special Education Formula Funds (Preschool)

Consolidation of Funds
Formula Grants

• SWP Components
  • Intents and Purposes
    • Title I, Part A
    • Title I, Part D – Subpart 2
    • Title II, Part A
    • Title III, Part A EL
    • Title III, Part A Immigrant
    • Title IV, Part A
    • Title V, Part B

Discretionary & Competitive Grants

• SWP must reflect State Plan
  • Title I, Part C (Implementation Plan)
  • Title I, Part C (Grant Application)
• SWP must reflect Application
  • Title I – SIG 3003(a) (Grant App.)
  • Title IV, Part B – 21st CLCC (Grant App.)
  • McKinney- Vento (Grant App.)
• SWP must reflect Statute
  • Title I – SIG 3003(a)
  • IDEA 611 & 619
Consolidation of Funds
Consolidating the Parent and Family Engagement Set-aside in FY21

The 1% is a federally mandated LEA set-aside for LEA schools. The set-aside occurs prior to consolidation.

Transferring Title II, Part A and/or Title IV, Part A into Title I, Part A impacts the calculation of the 1%.

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FIRST: Calculate the federally mandated set-aside.
SECOND: Schools determine set-aside use.

Option 1: Do not consolidate. Keep as a separate funding source at school level to support school activities or LEA level to support a district activity.

Option 2: Consolidate a partial amount. The remainder is kept as a separate funding source at school level to support school activities or LEA level to support a district activity.

Option 3: Consolidate the full amount.

Under Consolidation, the amount distributed for each school should be indicated in the Parent Involvement column on the School Allocation page.

Title I instructions for completing the School Allocation page must continue to be followed when consolidating.
Consolidation of Funds
Consolidating the Parent and Family Engagement Set-aside in FY21

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Traditional/Unconsolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21 Parent and Family Engagement Set-aside</td>
<td>1000-881</td>
<td>Budgeted in function code 2100 and expended at the district level (8010).</td>
</tr>
<tr>
<td>FY20 Parent and Family Engagement Carryover</td>
<td>1000-881</td>
<td>Budgeted in function code 2100 and expended at the district level (8010).</td>
</tr>
</tbody>
</table>

Whether consolidated fully, partially, or not at all, the Parent and Family Engagement Set-aside and the Parent and Family Engagement Carryover may be budgeted in the Consolidated Application Title I, Part B budget (i.e. Vertical Slicing budget).
Consolidation of Funds
Title I, Part C Allocations: GaDOE's Formula

In Georgia, LEAs with migratory student populations are allocated a portion of the funds to provide services to migratory students directly or through the MEP consortium. Allocations, which are approved by the State Board of Education, are based on a formula. The formula has three sections that include:

1. Number of migratory children, P3-21 years of age (.5 each)
2. Needs of migratory children
   a. Number of migratory children in grades three through eight who scored below proficiency on state assessments in Reading/Language Arts (.2 each)
   b. Number of migratory children in grades three through eight who scored below proficiency on state assessments in Mathematics (.2 each)
   c. Number of migratory children in grades nine through twelve who failed one or more of the Milestones End of Course Tests (.5 each)
   d. Number of migratory children classified as having "Priority for Service" (.75 each)
3. Number of migratory children classified as having "Priority for Service" (.75 each)

A fourth factor of the formula takes into consideration the availability of other federal, state, and local funds to meet the needs of migratory children.

Consolidation of Funds
Title I, Part C Allocations: Example of Data for FY20 Allocation

Consolidation of Funds
Title I, Part C Allocations: *New* Funding Flexibility

5. OPTIONAL Request for Flexibility: Based on a thorough review of migrant participant needs and enrollment trends by month, a district may seek flexibility in funding available to K-12 under consolidation, however, all commitments of supporting preschool children, K-12 students, and Out-of-School Youth must be met. For example, a district could seek flexibility to provide the salary of a staff member who serves K-12 for 7 months (May-Sept) and who serves out-of-school youth for 3 months (June-Aug). Please note that in this example, an individual would be responsible for comparing time and effort documentation to include funds 130 (state and local) and Title 1, Part C (federal).
**Consolidation of Funds**

**Time to Talk**

> Use budget data for the discussion.

**Consolidation of Funds**

**Step 5: Tackling a Timeline**

**Consolidating in FY21**

- March
  - Meet with Internal & External Stakeholders
  - Attend March 18 Training in Atlanta
  - Set-Up Fund 150 Account

- April - June
  - Include Fund 150 in LEA Budget to Local BOE
  - Attend June Cohort 5 Meeting 1

**Consolidating in FY22**

- Fall (October – December):
  - Fall (October – December):
    - Meet with Internal Stakeholders

- Spring (January-February):
  - Spring (January-February):
    - Meet with External Stakeholders (parents)
    - Review FY21 CLIP, School Needs and School and District Initiatives, and plans to transfer IIA/IVA

- Prepare Updates For FY22 CLIP & Intent to Participate

**To Do:**

- Assert Intent to Transfer IIA/IVA if applicable (during CLIP process)
- Prepare total district budget with Fund 150 for local board of education
- Submit FY21 CLIP & Migrant Plan (if applicable)
- Submit Intent to Participate (Due in April)
- Set-up Fund 150 Accounts and adjust payroll for individuals paid out of Fund 150
- Read consolidation of funds materials
- Begin to update internal controls
- Update Schoolwide Plan Template to increase scope of all programs
- Introduce and Complete an Intent and Purpose Form
- Finance Director must attend first Cohort Meeting following an FY21 Financial Review Session
- Federal Programs Director must attend first Cohort Meeting
**Consolidation of Funds**

**Step 5: Tackling a Timeline**

What does Year 1 of Consolidation of Funds Implementation look like?

- **May/June – Meeting 1 (Federal Programs/Finance)**
  - Large group verification of what should be complete by June, next steps with a specific focus on July – September.

- **September – Meeting 2 (Federal Programs/Finance/Select Principals)**
  - Large group – verification of what should be complete by September, next steps with a specific focus on September – February.

- **November – Principal Meeting (Select Principals)**
  - Small group – regional meeting, highlighting best practices and innovative practices for principals involved in Consolidation of Funds initiative.

- **February/March – Meeting 3 (Superintendent/Federal Programs/Finance/Select Principals)**
  - District specific – verification of what should be complete by February/March; Review of expenses and schoolwide plans; next steps with a specific focus on March – June.

- **June – Meeting 4 (Federal Programs/Finance)**
  - Large group – verification of what should be complete by June, next steps with a specific focus on growth/expansion and CFM monitoring.

**Consolidation of Funds**

**Step 5: Tackling a Timeline**

- **Planning**
  - Should describe the strategies the school will use to improve academic achievement for all students, particularly low-performing (2016 NRG p3).
  - Should describe how the strategies will
    - Strengthen the instructional program.
    - Increase amount and quality of learning time.
    - Help provide an enriched and accelerated curriculum.
    - Provide student with a well-rounded education (2016 NRG p3).
  - Should include benchmarks for evaluation of program results (2016 NRG p4).
  - May be integrated into an existing improvement plan (2016 NRG p4).
  - Must annually revise the plan based on student needs and evaluation (2016 NRG p4).

**Consolidation of Funds**

**Time to Talk**

Use calendar for this discussion.
Consolidation of Funds
Step 6: Focus on Finance (It's a Partnership)

PARTNERSHIP

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Consolidation of Funds
Step 6: Focus on Finance (The budgets)

DE46 Budget – Accounts for All LEA Funds
- State and local unconsolidated
- Federal Programs Unconsolidated
- Fund 150 – State, Local and Federal Consolidated

Fund 150 Budget
- Consolidated Funds budgeted - 1000.881
- Unconsolidated Funds & Set-asides - Regular Budget Process

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Consolidation of Funds
Step 6: Focus on Finance

- Flexibility: Setting up Fund 150 Budgets LEAs have flexibility in how budgets are set up, however, budget format MUST be consistent across DE46 Budget, ConApp Budget, Fund 150 Budget and Fund 150 Budget Allocations Attachment. Each Fund 150 Budget iteration requires a submission of Fund 150 Budget Allocations Attachment and delineation in the ConApp Budget.

Examples:
- Fund 150 - 12 Month Budget
  - No Carrying over
  - CARmover Budgeted in next fiscal year Fund 150
- Fund 150 - 15 Month Budget (12 month + 3 month)
  - 12 Month in Fund 150 + 3 Month Remainder budgeted in a new Fund 150, or
  - 12 Month in Fund 150 + 3 Month Remainder budgeted in a new Fund 400, or
  - 12 Month in Fund 150 + 3 Month Remainder Budgeted traditionally (not consolidated)
- Fund 150 Simultaneous 12 Month Budgets – For LEAs who receive funds traditionally allocated midway through the school year, it is possible to set up an additional Fund 150 account for those funds and additional local funds that runs the remainder of the year simultaneously and is delineated by object or fund code.
Consolidation of Funds
Step 6: Focus on Finance (ConApp Budget Entry)

Flexibility: Including Schools in the ConApp Budget –
- **Single Line Item** – All schools may be reported in one functional category line item (example: 1000-881). Individual school contributions/allocations can be verified for statutory compliance through the Fund 150 Allocations Attachment.
- **Multiple Line Items** – LEAs may choose to report each school on a separate line item using the functional categories that coincide with each school’s budget. When using multiple functional categories, each school must be referenced for consistency.

Federal funds by program that are not included in the Fund 150 Budget must be budgeted using the full LIA Chart of Accounts and must include budget descriptors in accordance with program requirements.

Consolidation of Funds
Step 6: Focus on Finance (ConApp Budget Entry)

Flexibility: Use of Functional Categories – LEAs may use single or multiple functional categories. In addition to relevant functional categories the “placeholder”, object code 881 (months 1-15) or 882 (months 16-31), indicates consolidation.
- **A single functional category is 1000-881.** The advantage to use of a single functional category is that there are fewer budget line item entries and it often requires fewer amendments due to variance across functional categories.
- **Multiple functional categories** may include any combination of the following functional categories:

<table>
<thead>
<tr>
<th>Months 1-12</th>
<th>1000-881</th>
<th>100A-881</th>
<th>1010-881</th>
<th>1210-881</th>
<th>1213-881</th>
</tr>
</thead>
<tbody>
<tr>
<td>Months 13-15</td>
<td>1000-882</td>
<td>100A-882</td>
<td>1010-882</td>
<td>1210-882</td>
<td>1213-882</td>
</tr>
</tbody>
</table>

The advantage to use of multiple functional categories is the alignment between functional categories in Fund 150 on the D446 and those in budget entry and the completion report; however, if there is a variance of more than 25% in a functional category, a budget amendment will be required prior to the submission of the LEA completion report.

Consolidation of Funds
Step 6: Focus on Finance (The budgets)

Budget approved by Board is required, by law, to include all anticipated revenues and expenditures

**MyGaDOE Portal ConApp Program Budgets**
- Indicate in Program Budget that funds will be consolidated – 1000 881
- Some districts may choose to use additional functions and object code 881. It is not required and may necessitate budget amendments. However, if everything is budgeted in 1000 881, the completion report will not align with general ledger. This is okay as long as the amount expended matches.
- All other non-consolidated expenditures will follow standard procedures
Consolidation of Funds
Step 6: Focus on Finance (The budgets)

My GaDOE Portal ConApp Consolidation of Funds Attachments

- Fund 150 – Fund to capture the consolidated activity for each school’s schoolwide program. Includes allocations/ contributions and budget to function and object code level. In year 1 a budget for each school is required.
- The budget is the financial story of your schoolwide plan
- Districts have flexibility in the template submitted
- The schoolwide budget is loaded as assurance that the usage of the funds budgeted for the schoolwide plan have been considered
- The budget is the support that shows how the schoolwide comprehensive needs assessment and the intents and purposes of each funding source will be implemented

Consolidation of Funds
Step 6: Focus on Finance (The Role of the Board)

Board Approval of District Budget (Including Fund 150)

- Board Approval Process Varies by District. Format is at the discretion of each local board, per the board policy.
- Board is REQUIRED to approve the budget of all funds. Fund 150 does not have to be broken out.
- Board may approve Consolidated Activity as is, or it may be disaggregated between General Fund and Special Revenue Funds.

Consolidation of Funds
Step 6: Focus on Finance (Budget Template Example)
Consolidation of Funds
Step 6: Focus on Finance (Creating 150, Grant Period & Carryover)

• Create Fund 150 and all needed account codes within Fund 150.
  • If the schoolwide budgets overlap, determine how the activity will be maintained
    in Fund 150.
  • Determine personnel to be funded in the consolidated funds and set up salary costs in
    Fund 150.
• Modify Purchase Order templates to include the new account codes.

• Grant Period:
  • State/local Funds follow 12 month fiscal year – July-June.
  • Federal Funds follow 15 month grant period July-following September.
  • Fund 150 runs 12 months – LEAs have flexibility to determine how to handle remaining
    months.

• For purposes of Title I ensure at least 85% is spent by June 30th (includes salaries/benefit
  accruals).

• Carryover – Limits remain the same under consolidation. Carryover and any mid-year
  adjustments may be consolidated, but will adjust school level percentages.

Consolidation of Funds
Step 6: Prepare the Finances (Available Function Codes)

Function Codes Available In Consolidation
(Focus is on Instructional Program of a School)

• 1000 – Instruction
  • 2100 – Pupil Services
  • 2210 – Improvement of Instructional Services
  • 2213 – Instructional Staff Development
  • 2220 – Media Services
  • 2400 – School Administration
  • 2600 – M&O – Only for School Resource Officers
  • 2700 – Pupil Transportation

(Supplemental academic services only: for example field trips, after school programs and work placement)

Consolidation of Funds
Step 6: Focus on Finance

• LEA Finance System & Fund 150
  • Utilizes the QBE instructional codes.
  • Reported as a separate fund on the DE 46.
  • Expenditures allocated to Federal funding sources are disaggregated (moved out) using program code 8881, object code 881.
  • Depending on Budget Software, the allocation between the Federal Funds and the Consolidated Fund 150 will be shown as a Transfer or a Negative Expense (Expense-Credit) in object code 881.
Consolidation of Funds
Step 6: Focus on Finance (Applying Indirect Cost)

• Indirect Cost is Applied to Each Individual GRANT

• Apply the Indirect Cost Rate to the total expenditures in each Federal program AFTER the allocation entry is posted to allocate Fund 150 expenditures to each Federal program.

• Each Federal Program will budget for Indirect Cost in the individual fund – do NOT budget for indirect cost within the consolidated Fund 150

• If Indirect Cost is drawn down throughout the fiscal year, must apply the rate to the year-to-date expenditures.

Consolidation of Funds
Step 6: Focus on Finance (Budget Amendments)

Budget Amendments

• If increasing the amount of funds a federal program is consolidating for the schoolwide plan, the contributing program budget will have to be amended in the Consolidated Application (1000-881). This may happen for carryover.

• The amended Fund 150 attachment budget detail does not have to be approved, but needs to be maintained to document how the funds are going to be spent.

• Removing Funds – GaDOE encourages LEAs to only contribute what they know they will spend July 1 – June 30.

Consolidation of Funds
Step 6: Focus on Finance (Journal Entries)

Journal Entries

• Financial Review recommends posting the journal entries each period a cash drawdown is requested.

• The expenditures are allocated/disaggregated for the cash drawdown documentation, and the detail can be uploaded in a journal entry template for upload.

• This methodology ensures the journal entries agree with the cash drawdowns, and the federal funds maintain a balanced account.

• Journal Entries Allocated by Function and School Code
Consolidation of Funds
Step 6: Focus on Finance (Cash Drawdowns)

Drawdowns
- Each cash drawdown is documented with appropriate supporting worksheets that document the actual expenditures incurred for the period and the amount allocated based on the budgeted percentage allocations.
- These drawdowns should be calculated by SCHOOL percentage.
- Do not use a consolidated centralized budget percentage allocation.
- The drawdown is in total for the district, once each school’s drawdown is added with the centralized costs amount needed to draw down.

Consolidation of Funds
Step 6: Focus on Finance
(Applying Year to Date Budget Percentages – Example)

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>This Allocation</th>
<th>15.38%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>100,000.00</td>
<td>15,000</td>
</tr>
<tr>
<td>Expenditures</td>
<td>20,000.00</td>
<td>2,150</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>120,000.00</td>
<td>17,150</td>
</tr>
</tbody>
</table>

Consolidation of Funds
Cash Drawdowns

Ensure the amount requested for each cash drawdown is supported by each schoolwide consolidation allocation of expenditures, plus the expenditures for the federal fund that are not consolidated.
Consolidation of Funds
Step 6: Focus on Finance
(Accounting– Fund 402 Completion Report)

<table>
<thead>
<tr>
<th>Function</th>
<th>Object</th>
<th>Annual (Budget)</th>
<th>7/1/2016-6/30/2017</th>
<th>7/1/2015-6/30/2015</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>School 1</td>
<td></td>
<td>$345,123.45</td>
<td>$344,123.45</td>
<td>$343,123.45</td>
<td>-100</td>
</tr>
<tr>
<td>School 2</td>
<td></td>
<td>$346,123.45</td>
<td>$345,123.45</td>
<td>$344,123.45</td>
<td>-100</td>
</tr>
<tr>
<td>School 3</td>
<td></td>
<td>$347,123.45</td>
<td>$346,123.45</td>
<td>$345,123.45</td>
<td>-100</td>
</tr>
</tbody>
</table>

Consolidation of Funds
Step 6: Focus on Finance (Completion Reports)

- Expenditures are reported on each participating Federal program’s completion report separately.
- Accruals are reported in the July-June column of the completion report.
- Ensure Receivable is posted on general ledger for revenue earned on each Federal program through June 30.
- Consolidated Expenditures should follow fiscal year.
- Federal grant award can include 15-month grant period for unconsolidated activity.
- If 15-months used for consolidation, there should be separate consolidated Fund 150 for each grant award period to maintain separate expenditures.

Consolidation of Funds
Step 6: Focus on Finance
(Year End Salaries and Benefits Accruals)

- Accrue Salaries/Benefits for contracted employees in Fund 150.
- Allocate the accrual to all Federal funding sources via journal entry.
- Consider the accrual when considering if a receivable needs to be posted as of June 30th in each federal fund.
- Ensure accrual includes the appropriate TRS and other Benefit rates.
- In next fiscal year, reverse journal entry used to allocate the salaries/benefits accruals.
- Run payroll as usual for July/August.
- Reallocate the expenditures to each Federal Program.
- Determine cash drawdown necessary for payroll cash payment.
- If a difference between the accrual and actual expenditures, apply difference to the NEXT fiscal year.
- If no difference, the entries to reverse and reallocate may not be necessary.
Consolidation of Funds
Step 6: Focus on Finance (Audits)

The following unique features may affect the conduct of an audit:

Schoolwide Programs
Eligible schools are able to use their Title I, Part A funds, in combination with other Federal, State, and local funds, in order to upgrade the entire educational program of the school and to raise academic achievement for all students. Except for some of the specific requirements of the Title I, Part A program, Federal funds that a school consolidates in a schoolwide program are not subject to most of the statutory or regulatory requirements of the programs providing the funds as long as the schoolwide program meets the intent and purpose of those programs. The Title I, Part A requirements that apply to schoolwide programs are identified in the Title I, Part A program-specific section. If a school does not consolidate Federal funds with State and local funds in its schoolwide program, the school has flexibility with respect to its use of Title I, Part A funds, consistent with Section 1114 of ESEA (20 USC 6314), but it must comply with all statutory and regulatory requirements of the other Federal funds it uses in its schoolwide program.

• Ensure local internal controls are up-to-date
• Ensure auditors have a copy of the consolidation of funds manual
Consolidation of Funds
Step 6: Focus on Finance (CPI & T&E)

**CPI Job Codes**

• Supplement not Supplant is still applicable for all programs under consolidation.
  • However, traditional supplement not supplant presumptions to not apply to a schoolwide program school.
  • LEAs should have enough non-federal funds to provide a basic education program in all schools.
  • If required by state or local law, LEAs must provide funding for specific purposes for all students.
  • Districts with multiple schools per grade level band can demonstrate compliance with SNS through the RAM/P.
• Districts with one school per grade band do not have to have a Title I RAM/P.
• SNS will be considered to be ‘met’ by most other programs if the Intent and Purpose statements do not reflect supplanting.
• Comparability continues to be a requirement and may also be demonstrated through the RAM/P.

Consolidation of Funds
Step 6: Focus on Finance (RAM/P, Comparability, SNS)

**Time to Talk**

Use internal controls and budget for this discussion.
GCEL - Consolidation of Funds
Join Cohort 5

http://tiny.cc/51rbcz

Consolidation of Funds
Feedback - consolidation@doe.k12.ga.us

Please provide us with feedback by completing our short survey.
The survey can be access by QR code or the abbreviated link below.


Open your phone’s camera and hold up until you can see QR code. Your phone will prompt you to access a website – allow access.