

Consolidation of Funds Initiative

April 2018

Website



Richard Woods,
Georgia's School Superintendent
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Consolidation of Funds

The Georgia Department of Education and school districts across Georgia are conducting the Consolidation of Funds Initiative to fully consolidate federal, state, and local funds in specific Title I schools that operate schoolwide programs. Once these funds are consolidated, the federal funds lose their identity as federal funds, and expenditures of those funds are no longer limited to the federal requirements for individual programs. A schoolwide program school that consolidates federal program funds "is not required to meet most statutory or regulatory requirements of the program applicable at the school level, but must meet the intent and purposes of that program to ensure that the needs of the intended beneficiaries are met."

If you are interested in more information regarding Consolidation of Funds, please reach out to Shaun Owen.

If you are interested in your LEA being part of the third cohort for the 2018-2019 school year, please complete the Declaration of Interest [online form](#) by January 26th, 2018.

Consolidation of Funds Manual

- [Consolidation of Funds Manual](#)

Consolidation of Funds Webinars

- [Consolidation of Funds Overview \(PPT\)](#)
- [Consolidation of Funds for Finance Directors \(webinar\)](#)
- [Consolidation of Funds for Finance Directors \(PPT\)](#)
- [March Webinar-Where Should We Be Now? Focus on Finance \(webinar\)](#)
- [Overview of Consolidation of Funds Initiative \(webinar\)](#)

Consolidation of Funds Video

- [Consolidation of Funds in Cartersville City Schools \(video\)](#)

Contact Information

Shaun Owen

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Financial Resources

[Budget and Allocation Template \(Example A\)](#)

[Financial Template \(Example B\)](#)

[Financial Template \(Example C\)](#)

[Tips for Fiscal Year Closing](#)

[Consolidated Schoolwide Financial Checklist](#)



CONSOLIDATION OF FUNDS
MANUAL FOR TITLE I
SCHOOLWIDE CONSOLIDATION
PROGRAMS



Richard Woods, State School Superintendent

April 2018



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- Revisions-
- 1st ed- 8/17/16
- 2nd ed- 7/20/17
- 3rd ed- 4/24/18

Allocating Funds To Schools

Georgia Department of Education

Allocating to Schools



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IA

IIA

IIIA

IVA



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SAMPLE # 1 - UNALLOWABLE

This explanation would not be okay. It allocates funds based on school levels rather than prioritizing to state identified and high poverty schools.

LEA Allocation	\$25,000			
Amount of Title II, Part A Funds Reserved at LEA Level	\$4,000			
Brief rationale for how the LEA allocated Title II, Part A funds	The XYZ School District reserved \$4,000 in support of the District Improvement Plan and LEA Equity Action Plan. \$6,000 was allocated to each elementary school, \$4,000 to each middle school, and \$1,000 to the high school.			
LEA School Name	State Identified (CSI/TSI)	Title I Status	Poverty Level	Amount of Title II, Part A Funds Allocated to School
ABC ES		X	80%	\$6,000
DEF ES			40%	\$6,000
GHI MS	X	X	75%	\$4,000
JKL MS			30%	\$4,000
MNO HS			60%	\$1,000

SAMPLE # 2 - ALLOWABLE

This explanation would be okay. It prioritizes funds by highest poverty schools and state identified schools.

LEA Allocation	\$25,000			
Amount of Title II, Part A Funds Reserved at LEA Level	\$9,000			
Brief rationale for how the LEA allocated Title II, Part A funds	The XYZ School District reserved \$9,000 in support of the District Improvement Plan, LEA Equity Action Plan, and GaTAPP fees for teachers in all schools who are not certified. Schools were provided allocations determined by poverty level with the highest receiving most and the lowest receiving least. The one state identified school received the same amount as the school with highest poverty.			
LEA School Name	State Identified (CSI/TSI)	Title I Status	Poverty Level	Amount of Title II, Part A Funds Allocated to School
ABC ES		X	80%	\$5,000
DEF ES			40%	\$2,000
GHI MS	X	X	75%	\$5,000
JKL MS			30%	\$1,000
MNO HS			60%	\$4,000

Prioritize to Schools Identified for **Targeted and Comprehensive**, particularly schools in **poverty**.

Prioritize to meet the purpose of Title II, Part A – serving **at risk** and **underperforming** populations.

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SAMPLE # 3 - ALLOWABLE

This explanation would be okay. It prioritizes funds by highest poverty schools and state identified schools.

LEA Allocation	\$25,000			
Amount of Title II, Part A Funds Reserved at LEA	\$5,000			
Brief rationale for how the LEA allocated Title II, Part A funds	The XYZ School District reserved \$5,000 in support of the LEA Equity Action Plan. Schools were provided allocations determined by poverty with Title I and state identified receiving \$6,000. The remaining ES and MS were allocated \$2,000 and, given poverty level and academic achievement challenges, the high school was allocated \$4,000.			
LEA School Name	State Identified	Title I Status	Poverty Level	Amount of Title II, Part A Funds Allocated to School
ABC ES		X	80%	\$6,000
DEF ES			40%	\$2,000
GHIMS	X	X	75%	\$6,000
JKL MS			30%	\$2,000
MNO HS			60%	\$4,000

SAMPLE # 4 - ALLOWABLE

This explanation would be okay. It prioritizes funds by highest poverty schools and state identified schools.

LEA Allocation	\$25,000			
Amount of Title II, Part A Funds Reserved at LEA	\$15,000			
Brief rationale for how the LEA allocated Title II, Part A funds	The XYZ School District reserved \$15,000 in support of a contract for professional learning for all schools. The Title I and state identified schools received \$5,000 to consolidate to address school specific PL needs.			
LEA School Name	State Identified	Title I Status	Poverty Level	Amount of Title II, Part A Funds Allocated to School
ABC ES		X	80%	\$5,000
DEF ES			40%	
GHIMS	X	X	75%	\$5,000
JKL MS			30%	
MNO HS			60%	

Where Should You Be In The Process?

Georgia Department of Education

- **Audra Saunders**
- **Director of Curriculum & Accountability**
- **Title I & III Director**



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**Cartersville
City**

Georgia Department of Education

Financial Review

Georgia Department of Education

Consolidation of Funds Initiative

Amy Rowell, Director, Financial Review Division

Georgia Department of Education

April 25, 2018



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Changes to Manual to Streamline Process

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i. Available Accounting Methods

Per the Title I 2008 Non-Regulatory Guidance, State Education Agencies must modify or eliminate the State fiscal and accounting barriers so that schools can easily consolidate funds from federal, state, and local sources in the schoolwide programs. To achieve that consolidation, ~~LEAs can use any reasonable manner in which to consolidate the funds and allocate the expenditures to each participating funding source. For the purposes of this Pilot, t~~he participating school districts and state will utilize Fund 150 to consolidate all expenditures.

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made since those costs are charged to function 2700. ~~It is important to note that new federal rules under ESSA could require reporting of expenditures at the object level on a disaggregated basis. If this happens, Pilot Systems would be required to make additional journal entry lines at the object level for each school function.~~

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~~It is recommended that the LEAs transfer the expenditures allocated to the federal funding sources whenever the grant funds are drawn down. For most LEAs, that will require a monthly journal entry to reallocate the expenditures to the Federal funding sources. It has been determined that the transfer is easier to document and ensure it is correct when it is completed with the grant drawn down request for that federal program. For the purposes of the Pilot, LEAs have the option of performing the monthly transfer or the annual transfer. The LEAs will have to provide a subsidiary breakdown of the expenditures allocated proportionately to indicate the basis for the monthly cash drawdown requests. This documentation will be uploaded by the LEA each month into the password-protected MyGaDOE portal. The total amount of expenditures allocated to each funding source will constitute documentation of monthly cash management compliance. It should be noted that it is acceptable if an LEA chooses to prepare the allocation entries monthly on the general ledger. This may be necessary for local or internal reporting. However, the primary concern of GaDOE is that the annual financial analysis report submitted by each LEA is appropriately allocated, revenues and expenditures agree per each funding source, and cash management compliance can be supported by the LEA records. (See Table C for example of journal entry)~~

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The amounts for the expenditure allocations will be based on each school's consolidated schoolwide budget. If the LEAs choose to draw down the funds using the Systemwide percentages as seen in Table D, use the Proportionality Table below and draw down funds based on the systemwide percentages, the amount of cash drawn will not equal the amount of expenditures incurred. In most cases, the variance will be insignificant, but Cash Management policies do apply, so we recommend

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~~allocating at the school basis. LEAs will have to make the determination whether or not to draw down funds using systemwide percentages or school percentages, and monitor the risk of noncompliance with Cash Management. Through monitoring, the LEA will be able to modify the cash drawdowns to ensure that the revenues and expenditures recorded for the fiscal year agree and funds in excess of expenditures are not requested from the federal programs. It is important that the LEA ensures that the federal programs do not incur a larger cash burden that is proportionally budgeted for those funding sources. If the LEA chooses the systemwide percentage, that methodology is acceptable but LEAs should implement controls to ensure cash transfers are managed in accordance with federal requirements.~~

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Summary of Allocation Process:

The following procedures are recommended by GaDOE if consolidating in Fund 150 with Journal Entries:

- Charge expenditures as incurred to Fund 150 for the schoolwide plan using the existing accounting structure of fund, function, QBE program, object, and facility/school codes.
- ~~Each month (optional), or annually~~ When draw downs are processed, the LEA will post the manual journal entries to reclassify the federal expenditures out of Fund 150 to the appropriate participating federal fund. The year-end reporting will utilize the total amount of expenditures in each separate funding source for submission of completion reports, maintenance of effort calculations, indirect cost calculations, etc.
- ~~Each month, the LEA will submit through the MyGaDOE portal a copy of the subsidiary report that will document the monthly cash drawdowns from each federal funding source. This subsidiary report will tie to the total expenditures reported in Fund 150, and to the budgeted revenue of each funding source contributing to the schoolwide program.~~
- Each LEA will maintain individual schoolwide budgets, ~~but can make the determination on whether to consolidate those budgets into one schoolwide allocation budget for purposes of cash drawdowns and allocations of expenditures. If using a district-wide schoolwide allocation process, the cash drawdowns and the expenditures totals will require additional analysis to ensure excessive funds are not requested from the federal programs. Both methods are acceptable for the purposes of this Pilot Project.~~
- To ease the accounting burden for the LEAs participating in the Pilot Project, the reclassifications of expenditures to the federal program funds can be made at the functional-school level. Should it be determined that the detail is needed to be separated at the object code

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Regardless of whether the expenditures are re-classified to each funding source on a monthly or quarterly basis, ~~basis or if the LEA determines that the reclassification will only be posted at year end,~~ the minimum proportional allocation of the federal programs will be completed manually at the aggregate function-school level. The function-school level breakdown should satisfy all reporting requirements at the state and federal level, unless federal rules require object level reporting. If there is a need for the expenditures to be detailed at the object level by funding source, the school level monthly budgets can be utilized to determine the appropriate breakdown by function, program, and object for each funding source. Additionally, in order to review the activities supporting the schoolwide programs, object level budgets and expenditure reports will be required for monitoring and reporting purposes.

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For the LEAs that will post the year-end allocation of expenditures to each federal program in the accounting system, the fund balance for Fund 150 and the federal programs should be zero after the allocation entry and the receivable is posted.

~~For the LEAs that will not physically post the expenditure allocation within the accounting system, but will use an automated process to disaggregate the expenditures for a second file upload, the original annual financial analysis report will include a positive fund balance in the federal programs, and a deficit fund balance in Fund 150. This is the result of the expenditures reported in Fund 150, and the revenues to offset those expenditures reported in the federal grant funds.~~

Consolidation Funds Initiative – REQUIRED VS RECOMMENDED



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REQUIRED	RECOMMENDED
<p>Consolidated Expenditures are to be reported using Fund 150.</p>	<p>Journal entries should be posted each time a cash draw down is requested in order to ensure the total amount of expenditures allocated to each federal program agree to the total draw downs posted.</p>
<p>Consolidated Budgets are to be submitted in the Consolidated Application as an attachment before Title I can approve the Title I budget.</p>	<p>Each amended budget should be applied to the year-to-date expenditures accrued by school. This will ensure the final amended budget percentages are applied to the entire fiscal year end budget.</p>
<p>The Fund 150 Budget is included in the DE 46 upload of both the Initial and Final Budget.</p>	
<p>The DE 46 Actual Financial Analysis Report should report all expenditures disaggregated as of June 30th. The disaggregation is at the Function level by School.</p>	
<p>The cash drawdowns should be based on each school's individual budgets and the percentages of allocated funding sources. Centralized combined percentages are not permissible.</p>	

Consolidation Funds Initiative – Draft Financial Checklist



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*See draft financial checklist for consolidation funds
initiative*



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**Ensure you are performing
the following:**

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Cash DrawDowns are Documented:

- 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, and not using a consolidated centralized budget percentage allocation.
- The drawdown is in total for the district.

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Budget Amendments:

- Ensure budget amendments related to the addition of carryover funds and/or changes in allotments are approved in a timely manner.
- The budget amendments will modify the budgeted percentage allocations of each federal funding source.
- Ensure the schoolwide consolidated budget for Fund 150 is updated as well. The detail by function and object should be maintained and amended with the budgeted revenue from each federal funding source is amended.

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Budget Amendments:

- If increasing the amount of funds a federal program is consolidating for the schoolwide plan, the budget will have to be amended in the Consolidated Application.
- The amended schoolwide budget detail does not have to be approved, but needs to be maintained to document how the funds are going to be spent.



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		Budgeted Expenditures in Support of Plan
Expenditures		
INSTRUCTION - Function 1000	110	Salaries - Teachers 776,990.00
	113	Salaries - Substitutes, for Certified Staff 9,000.00
	114	Salaries - Substitutes, for Non Certified Staff 4,000.00
	140	Salaries - Aides/Parapros 100,000.00
	161	Salaries - Technology Specialist -
	172	Salaries - Elementary Counselors -
	210	Group Health 31,200.00
	220	Social Security 12,258.00
	230	Teacher Retirement 16,500.00
	290	Other Benefits 2,000.00
	300	Contracted Services 8,000.00
	563	Tuition to Private Sources
	610	Supplies 28,500.00
	615	Equipment under \$5000 4,800.00
	616	Computers under \$5000 9,680.00
	642	Books and Periodicals 3,000.00
	730	Equipment 10,800.00
IMPROVEMENT OF INSTRUCTION - Function 2210	113	Salaries - Substitutes, for Certified Staff 1,600.00
	114	Salaries - Substitutes, for Non Certified Staff 300.00
	116	Salaries - Stipends 20,000.00
	142	Salaries - Clerical
	210	Group Health
	220	Social Security 1,250.00
	300	Contracted Services 6,000.00
	580	Travel of Employees 2,000.00
	610	Supplies 1,500.00

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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.



										Total Debits/Credits	\$377,371.26	#####			
Act Type	1099	Fund	Fisc	Prgm	Blnc Srce	Object	Facility	B	Addl	DR Amount	CR Amount	Bank	Source Vendor	Percentages per budget	
1 E		100	0	9990	1000	88100	282	3		147175.59				0.8326	
2 E		100	0	9990	2100	88100	282	3		3585.67				0.8326	
3 E		100	0	9990	2213	88100	282	3		382.16				0.8326	
4 E		100	0	9990	2220	88100	282	3		5956.25				0.8326	
5 E		402	0	1750	1000	88100	282	4		24658.89				0.1395	
6 E		402	0	1750	2100	88100	282	4		600.77				0.1395	
7 E		402	0	1750	2213	88100	282	4		64.03				0.1395	
8 E		402	0	1750	2220	88100	282	4		997.95				0.1395	
9 E		414	0	1784	1000	88100	282	4		3022.7				0.0171	
10 E		414	0	1784	2100	88100	282	4		73.64				0.0171	
11 E		414	0	1784	2213	88100	282	4		7.85				0.0171	
12 E		414	0	1784	2220	88100	282	4		122.33				0.0171	
13 E		408	0	1847	1000	88100	282	4		1184.33				0.0067	
14 E		408	0	1847	2100	88100	282	4		28.85				0.0067	
15 E		408	0	1847	2213	88100	282	4		3.08				0.0067	
16 E		408	0	1847	2220	88100	282	4		47.93				0.0067	
17 E		462	0	1779	1000	88100	282	4		724.74				0.0041	
18 E		462	0	1779	2100	88100	282	4		17.66				0.0041	
19 E		462	0	1779	2213	88100	282	4		1.88				0.0041	
20 E		462	0	1779	2220	88100	282	4		29.33				0.0041	
21 E		150	0	9990	1000	88100	282	3			176766.25				
22 E		150	0	9990	2100	88100	282	3			4306.59				
23 E		150	0	9990	2213	88100	282	3			459				
24 E		150	0	9990	2220	88100	282	3			7153.79				
25 B		100			101						157099.67	AOP			
26 B		402			101						26321.64	AOP			
27 B		414			101						3226.52	AOP			
28 B		408			101						1264.19	AOP		Enter yellow only per account inquiry	
29 B		462			101						773.61	AOP			
30 B		150			101					188685.63		AOP		377371 \$0.00 Should be 0	

FY2017 ACCOUNT NUMBER	DATE		PERCENT
	DEBIT	CREDIT	
150-1-0101-000-0000-0000-0-0000-5900	✓ 20,883.12		
150-5-1000-881-0205-0000-0-9990-0000		1,712.13	
150-5-2100-881-0205-0000-0-9990-0000		5,132.24	
150-5-2210-881-0205-0000-0-9990-0000		14,018.75	
SCHOOLWIDE			
402-5-1000-881-0205-0000-0-1750-0000	1,348.92		
402-5-2100-881-0205-0000-0-1750-0000	4,037.49		
402-5-2210-881-0205-0000-0-1750-0000	11,028.45		
402-1-0101-000-0000-0000-0-0000-5900		✓ 16,412.86	43.83%
TITLE I-A			
414-5-1000-881-0205-0000-0-1784-0000	104.61		
414-5-2100-881-0205-0000-0-1784-0000	313.57		
414-5-2210-881-0205-0000-0-1784-0000	856.52		
414-1-0101-000-0000-0000-0-0000-5900		✓ 1,274.80	3.40%
TITLE II-A			
460-5-1000-881-0205-0000-0-1828-0000	2.32		
460-5-2100-881-0205-0000-0-1828-0000	6.96		
460-5-2210-881-0205-0000-0-1828-0000	19.01		
460-1-0101-000-0000-0000-0-0000-5900		✓ 28.29	0.08%
TITLE III-Immigrant			
460-5-1000-881-0205-0000-0-1816-0000	98.78		
460-5-2100-881-0205-0000-0-1816-0000	296.09		
460-5-2210-881-0205-0000-0-1816-0000	808.78		
460-1-0101-000-0000-0000-0-0000-5900	75	✓ 1,203.62	3.21%
TITLE III-LEP			
408-5-1000-881-0205-0000-0-1847-0000	159.51		
408-5-2100-881-0205-0000-0-1847-0000	478.13		
408-5-2210-881-0205-0000-0-1847-0000	1,306.01		
408-1-0101-000-0000-0000-0-0000-5900		✓ 1,943.65	5.19%
TITLE VI, PART B			
TOTALS			
	41,726.24	41,726.24	55.72%
TOTAL ALLOC TO TITLE PROGRAMS			
		20,863.12	



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**Where you should be right
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April



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- Carryover funds have been allotted. Any budget amendments should be submitted for approval in the Consolidated Application by Federal funding source. ****Carryover has to be spent in full****
- Overall schoolwide budget for each school should be amended for carryover funds if adding.
- The LEA should have a good idea if they are going to be able to expend at least 85% of the total grant award for FY 2018. Remember the grant period extends through September 2018.

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- Each cash drawdown through current period should be documented with an expenditure detail by school, allocated based on the budget amendment percentages for each schoolwide plan.
- FY 2019 budget process should be underway. District officials, including principals, Federal Programs, Finance, and Superintendent should all be involved in discussing the school needs for next year.
- Remember that budgets are required prior to July 1st, the budget is an ESTIMATE, and will most likely be amended.

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- Review the non-consolidated expenditures charged to each federal program to determine if all federal requirements have been met for those expenditures. Ensure it does not appear any coding errors have charged a consolidated expenditure directly to a federal funding source.



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**Carryover is confusing....what
do we need to remember?**

**Do not include in total budget
when considering 15% for the
next year's carryover**

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EXAMPLE OF CARRYOVER APPLICATION:

Original Allotment: approved October 1st.	100,000.00
Cash Drawdowns October - March: applied for expenditures July-March	75,000.00
Carryover Awarded in March:	15,000.00
Budget Amended for Total	115,000.00
Cash Drawdowns April - June:	20,000.00
Total Expenditures for Fiscal Year:	95,000.00
Expenditures Applied to Carryover:	15,000.00
Expenditures Applied to Original Allotment:	80,000.00
Remaining Budget Allotment for Current FY:	20,000.00

Consolidated Schoolwide Financial Checklist

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If you are interested in more information regarding Consolidation of Funds, please reach out to Shaun Owen.

If you are interested in your LEA being part of the third cohort for the 2018-2019 school year, please complete the Declaration of Interest [online form](#) by January 26th, 2018.

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Consolidated Schoolwide Financial Checklist

The procedures listed below may vary for your specific LEA and may be contingent on the type of accounting software in use. This list is intended as a guide to ensure the Financial Office has considered the impact of consolidation on the budget and financial processes. Please modify as necessary for the local operations in place at your LEA.

Prepare the Budget



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1. Prepare the Budget for the Schoolwide Plans

During the regular budget preparation process, the district officials (Federal program directors, finance personnel, superintendent, principals, etc.) meet and discuss the schoolwide plans and the associated needs assessment. The Intents and Purposes Checklist as well as the Resource Allocation Methodology Plan. Together, these individuals will develop the consolidated budget for the schoolwide plans for each individual school participating in the schoolwide consolidation project in coordination with all planning documents to meet the requirements of the schoolwide plan.

The budget should follow the same timeline as the General Fund budget for preparation. For conservative purposes, 85% of the previous fiscal year's Title I budget may be utilized for the initial budget preparation since allotments for the next fiscal year are not yet awarded.

Once the final, approved allotments are received, the LEA may need to amend the schoolwide budget by increasing the amount of funds allocated to the schoolwide plan.

PROCESS IMPLEMENTATION DATE: _____

MEETING DATES: _____

PARTICIPANTS: _____

Upload the Schoolwide Budget



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2. Upload the Schoolwide Budget into the Financial Accounting Software

Once the schoolwide budget for each school has been agreed upon by the district officials, the following will be required:

1. The finance office will enter the schoolwide budget into the accounting software.
2. The budget is required to be uploaded by school and will be submitted to GaDOE Financial Review Division via the DE 46 which is due annually, based on dates set by GaDOE.
3. The budget will also be uploaded in excel format into the Consolidated Application for the federal budget offices to review once the process begins for GaDOE Federal budget approval.

PREPARER SIGNOFF: _____

APPROVER SIGNOFF _____

DATE: _____



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3. Board Approves Schoolwide Budget

The schoolwide budget in Fund 150 should be prepared for each school and included in the Fund 150 budget that is presented to the board for budget approval. O.C.G.A. Section 20-2-167 requires the board of education to approve a budget for all funds prior to July 1st of the next fiscal year. Even if Federal allotments are not yet known, the estimated revenues and expenditures for the Special Revenue funds should be presented to the board for approval. The schoolwide consolidated budgets will be presented in Fund 150.

To address the issue of expenditures presented twice (***once in the Consolidated Schoolwide Fund 150, and in the Federal Funds participating in the consolidation***), the district has several options:

1. Include a negative expenditure line item in Fund 150 that corresponds to the expenditure budgeted in each Federal funding source
2. Another option would be to report the Expenditures in the Federal funds as a Transfer Out, and report the Fund 150 expenditure detail along with an estimated Transfer In. This method would not require a negative expenditure balance but would not agree with the uploaded budget in the Consolidated Application, and it will not match the actual reporting of the activity.
3. If the LEA is utilizing the transferability option, the federal program budgets that are transferred into Title I will be budgeted to 5000-930. In Title I, you will budget the transferred funds as revenue to 5200. At that point, in Title I, you will budget for the expenditures that will be consolidated by coding to the appropriate functional category and object code 881 (1000-881).

Select the budget option that works best for your LEA's financial accounting software and budgetary policies and procedures. Modify this checklist for the option selected.

BUDGET APPROVAL DATE: _____

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Reclassify Personnel Costs



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4. Ensure all personnel costs are reclassified into Fund 150 prior to the beginning of the fiscal year.

Prior to the beginning of the fiscal year, ensure that all personnel costs are correctly coded to Fund 150. Utilize the approved budget detail, along with the completed RAM/P allocation to serve as a guide for the employees that are now funded through the consolidation.

This step will only require amendments for changes in personnel and salary costs in the fiscal years after the initial implementation of the program.

SIGNOFF: _____

COMPLETION DATE: _____

Purchase Orders & New Accounts



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5. Ensure purchase orders are updated to include Fund 150

Fund 150, during the first year of implementation, will have to be added to any existing purchase order templates utilized by the schools.

SIGNOFF: _____ COMPLETION DATE: _____

6. Ensure all new accounts are added to the accounting software

All new accounts to be utilized in Fund 150 are added to the accounting software prior to implementation as of July 1st.

SIGNOFF: _____ COMPLETION DATE: _____



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Monthly Cash Drawdowns

7. Monthly Cash Drawdowns

The cash drawdowns for the month are documented by the expenditure allocation worksheet. *The LEA can utilize the format provided for in the Consolidation Manual or utilize an option that works best with their financial accounting software, provided that the expenditure detail that is used to calculate the allocations to each federal funding source can be tied back to the general ledger.*

The amount allocated from each schools' consolidated budget is added to any expenditures for set asides or non-consolidated federal expenditures to determine the drawdown.

The total expenditures to date are provided to both the Federal Programs Director and the principal of each school for review. Ensure the Federal Programs Director approves the cash drawdowns before the request is submitted to GaDOE.

SIGNOFF: _____ COMPLETION DATE: _____

Monthly Journal Entries



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8. Monthly Journal Entries

A journal entry is posted to disaggregate the expenditure data from Fund 150 to each federal funding source based on the cash drawdown allocation. The journal entry reconciles to the amount calculated for the drawdown, and the expenditures posted to the federal funds will offset the revenue received. At all times, the federal funds have a zero-ending fund balance with this process.

Once the journal entry is posted to move the expenditures allocated to the federal funding sources, an entry is posted to transfer cash from the General Fund into the Consolidated Fund to offset the negative cash balance that results from the state/local portion of expenditures.

The journal entry is reviewed and approved by the Federal programs director.

SIGNOFF _____ COMPLETION DATE _____



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Budget Amendments

10. Budget Amendments

At any time during the fiscal year, it may be necessary to complete a budget amendment. When the schoolwide budget is increased for a federal carryover, an allotment adjustment, or additional state/local funds added, the percentages for the funding allocations are required to be amended.

A budget amendment is completed and approved by the Federal Program Director. _

SIGNOFF _____ COMPLETION DATE: _____

Year End Salary/Benefit Accruals



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11. Year End Salary/Benefit Accruals

Before the fiscal year end close of June 30th, the salaries/benefits payables accrued as of June 30th must be posted as an accounts payable in Fund 150. The accruals have been posted for July and August, and a journal entry has been prepared to transfer the expenditures from Fund 150 to the participating Federal programs. The payable will remain in Fund 150, and the offset will be posted to cash.

The transfer for the payable expenditures will be reversed in July and August. This is necessary to ensure the cancellation of the claims is offset by the expenditure accrual reversal. The payment for the salaries/benefits will be posted in July and August as a debit to expenditures. The difference between the expenditures in July and August and the cancellation of the accrual will be posted to the July/August period of the fiscal year grant.

The journal entries for the payables have been approved by the Federal Program Director and posted to the general ledger.

SIGNOFF: _____ COMPLETION DATE:|_____



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Completion Reports

12. Completion Reports

Completion reports are completed for the current grant period for all federal funding sources included in the schoolwide consolidation. The completion reports include expenditures by school on the completion report that tie to the total amount of expenditures transferred into the fund for the consolidation. The expenditures incurred in July – September of subsequent fiscal year are reports in the column, “July-September” of the completion report. Expenditures incurred prior to June 30th, including the accrued salaries and benefits that are paid in July and August, are reported in the column, “July-June.” *Please review the instructions for preparing Completion Reports provided on both the Financial Review and Federal Program websites.*

Completion reports are completed and approved by Federal Programs Director prior to superintendent sign off and submission to GaDOE.

SIGNOFF: _____ COMPLETION DATE: _____

Close-Out of Grant Period



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13. Close-Out of Grant Period

At the close of the grant period, the total expenditures for each federal funding source have been allocated to each fund and the fund balance is zero.

SIGNOFF: _____ COMPLETION DATE: _____

Commencement of Next Fiscal Year's Activity



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14. Commencement of Next Fiscal Year's Activity

To ensure the grant period activity is not duplicated or co-mingled, the district flips funds that roll into Fund 150 and roll into the Federal funding sources. The next year's grant period budget process begins with the normal budget preparation cycle and is entered into an alternating fund number, that will be mapped to the state's chart of accounts codes. *An alternate fund number is suggested as a mechanism to distinguish between different grant periods that may cross fiscal years. If separate funds are not utilized, ensure your LEA can separate the grant activity to document cash drawdown allocations and completion reports. This may not be optimal for your district. Please identify a way to ensure your grant period funds are not comingled in Fund 150.*

SIGNOFF: _____ COMPLETION DATE: _____

BEST PRACTICES RECOMMENDED BY GADOE FINANCIAL REVIEW DIVISION

- The budget allocations for each schoolwide consolidated budget should be considered separately. Percentage allocations by school should be calculated and applied to each schools' expenditures during the allocation process.
- Alternate funds or have some sort of mechanism for identifying the separate activity in Fund 150 between grant periods that cross over fiscal years. Create a Fund 151 to use during odd-numbered fiscal years, similar to the odd-numbered federal program funds. These fund codes will be rolled into the defined accounts on the state chart of accounts. Using the alternate funds will ensure each separate grant period is not comingled and expenditures are not allocated using an incorrect percentage. Each grant period should completely zero out in the fund used.
- Apply the budgeted percentage allocations to the actual expenditures incurred year-to-date. This will ensure that the amended budget will equal the amount budgeted for each federal fund if the total amount is expended. Federal regulations only require a reasonable method for allocating the expenditures, so the budgeted percentages can be applied on the date changed, and not applied retroactively to previous months. However, in doing so, meeting the total amount of expenditures of 85% may be more difficult to monitor. Currently, LEAs are only allowed to carryover 15% of unspent grant funds to the next grant period. By applying the amended, year to date budgeted percentage allocations to the total expenditures, the LEA can more easily monitor the total amount charged to each federal program.
- Prepare the journal entries monthly to transfer the expenditure activity from Fund 150 to the Federal funding sources. This is the last step in the process of determining the allocations for the drawdowns. The expenditures are disaggregated by applying the budget percentages, and once allocated, the journal entry template can be updated for upload into the accounting software. This ensures the amount of expenditures allocated will tie in total to the cash drawdowns, and the federal funds balance each period.



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