

FINANCIAL RESOURCES FAQs

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Topics

- Manual Revisions
- Indirect Rates
- Supply Chain Assistance Accounting
- Federal Cross-Cutting Maintenance of Effort
- ABFR Update

Manual Revisions



Changing Your F-196

- Once your F-196 is accepted by OSPI, the data that is in the system is locked - this is why we use a manual revision system
 - The only exception is if changes affect the indirect rate
- The districts will need to adjust their reports for the following year

WORD Document

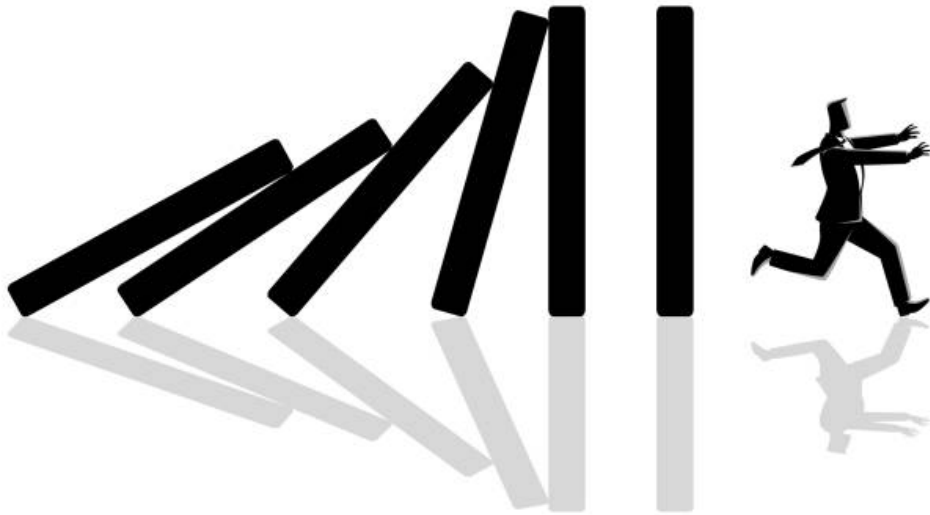
- Request a WORD version of the F-196 from us
- Use a **colored** font or **light highlight** color for all revisions
- Let us know where the changes are, **especially program 97 – Indirect Rates**

REPORT F196 Adna School District No. 226 RUN DATE: 12/2/2022
 E.S.D. 113 Schedule of Long-Term Liabilities RUN TIME: 1:14:35 PM
 COUNTY: 21 Lewis For the Year Ended August 31, 2022

Description	Beginning Outstanding Debt September 1, 2021	Amount Issued / Increased	Amount Redeemed / Decreased	Ending Outstanding Debt August 31, 2022	Amount Due Within One Year
Voted Debt					
Voted Bonds	5,985,000.00	0.00	305,000.00	5,680,000.00	315,000.00
LOCAL Program Proceeds Issued in Lieu of Bonds	0.00	0.00	0.00	0.00	0.00
Non-Voted Debt and Liabilities					
Non-Voted Bonds	0.00	0.00	0.00	0.00	0.00
LOCAL Program Proceeds	0.00	0.00	0.00	0.00	0.00
Leases	0.00	0.00	0.00	0.00	0.00
Contracts Payable	0.00	0.00	0.00	0.00	0.00
Claims & Judgements	0.00	0.00	0.00	0.00	0.00
Compensated Absences	199,005.00	44,584.97	34,178.04	209,411.93	209,411.93
Long-Term Notes	0.00	0.00	0.00	0.00	0.00
Anticipation Notes Payable	0.00	0.00	0.00	0.00	0.00
Lines of Credit	0.00	0.00	0.00	0.00	0.00
Other Non-Voted Debt	0.00	0.00	0.00	0.00	0.00
Other Liabilities					
Non-Voted Notes Not Recorded as Debt	0.00	0.00	0.00	0.00	0.00
Net Pension Liabilities:					
Net Pension Liabilities TRS 1	261,091.00	650,924.00	0.00	912,015.00	
Net Pension Liabilities TRS 2/3	0.00	976,713.00	976,713.00	0.00	
Net Pension Liabilities SERS 2/3	0.00	285,861.00	285,861.00	0.00	
Net Pension Liabilities PERS 1	82,473.00	151,773.00	0.00	234,246.00	
Total Long-Term Liabilities	6,527,569.00	2,109,855.97	1,601,752.04	7,035,672.93	524,411.93

Other postemployment benefits other than pensions (OPEB) liabilities are not presented in the Schedule of Long Term Liabilities.

Don't Forget the "Domino Effect"



- It does not self-calculate. If you make a change in a line-item detail, remember to also change any sub totals and totals
- If your revision involves fund balance changes, program, activity and/or object changes, or revenue changes, other ***revisions may be required on multiple pages***

Certification

- A new certification page will need to be created and signed
- Include the ESD – these can be signed and scanned
- Return the documents in an email with a brief description of why the revision was necessary

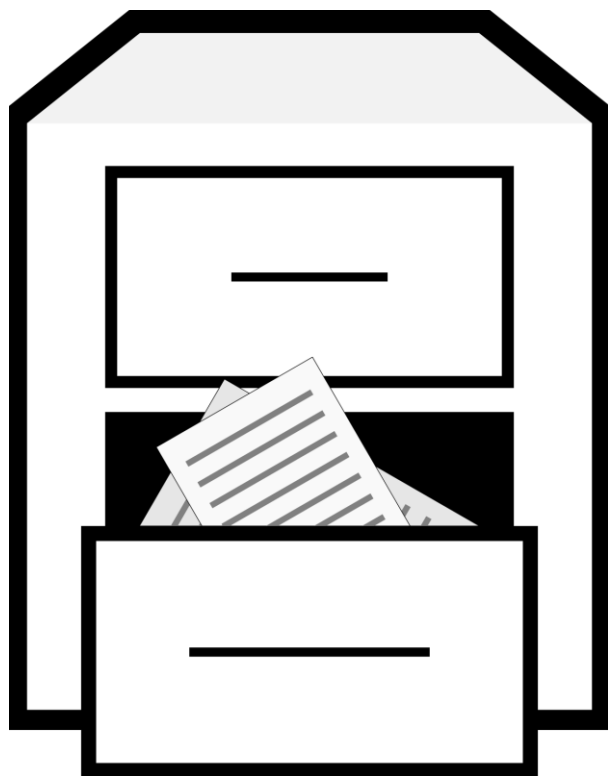
List Statements View Data Import Data Run Edits Deductible Revenue Edit Update Status **Print Reports** Certification

Print Reports (F-196)

Bellingham School District (Annual Financial Statement)
To print all or portions of the financial statement, make your selections below and click 'View Report'.

Combined Reports	<input type="checkbox"/> Financial Statement
Individual Reports	<input checked="" type="checkbox"/> Certification
	<input type="checkbox"/> Balance Sheet
	<input type="checkbox"/> Statement of Revenues, Expenditures, Changes in Fund Balance
	<input type="checkbox"/> Statement of Revenues, Expenditures, Changes in Fund Balance by Sub-Fund
	<input type="checkbox"/> Budgetary Comparison Schedule (GF)
	<input type="checkbox"/> Budgetary Comparison Schedule (ASB)
	<input type="checkbox"/> Budgetary Comparison Schedule (DS)
	<input type="checkbox"/> Budgetary Comparison Schedule (CP)
	<input type="checkbox"/> Budgetary Comparison Schedule (TVF)
	<input type="checkbox"/> Statement of Fiduciary Net Position
	<input type="checkbox"/> Statement of Changes in Fiduciary Net Position
	<input type="checkbox"/> Schedule of Long-Term Liabilities
	<input type="checkbox"/> Revenues and Other Financing Sources
	<input type="checkbox"/> Program Activity Object Report
	<input type="checkbox"/> NCES Object Expenditure Summary
	<input type="checkbox"/> District Expenditure Summary by Location

Filing the Revision



- Once we get the WORD document and the certification PDF, it gets filed at OSPI, please retain a copy at the District and ESD
- Remember, these changes will not be reflected on the original F-196 we post to the SAFS website or the F-196 database
- ***They are manual changes only***

Indirect Rates



Indirect Rates

- The costs of doing business not attributable to a particular program or activity
- Auditing, budgeting, payroll, HR, purchasing are examples
- Ensures that funds are used for the purpose and allows for the costs



The Base

Base = Direct Expenditures

- Effected by:
 - “Distorting Items,” and
 - “Indirect Expenditures”

DISTORTING ITEMS		Description	Amount
		Program 01-89, 98 & 99	0.00
		Program 97, Activity 11, Board of Directors	18,250.53
		Program 97, Activity 12, Superintendents Office	0.00
		Program 97, Activity 13, Business Office	0.00
		Program 97, Activity 14, Human Resources	0.00
		Program 97, Activity 25, Pupil Management & Safety	0.00
		Program 97, Activity 61, Supervision	0.00
		Program 97, Activity 62, Grounds Maintenance	0.00
		Program 97, Activity 63, Operation of Buildings	0.00
		Program 97, Activity 64, Maintenance	0.00
		Program 97, Activity 65, Utilities	0.00
		Program 97, Activity 67, Building & Property Security	0.00
		Program 97, Activity 68, Insurance	0.00
		Program 97, Activity 72, Information Systems	0.00
		Program 97, Activity 73, Printing	0.00
		Program 97, Activity 74, Warehousing	0.00
		Program 97, Activity 75, Motor Pool	0.00
INDIRECT EXPENDITURES		Description	Amount
		Program 97, Activity 11, Board of Directors (audit)	36,549.18
		Program 97, Activity 11, Board of Directors (legal)	0.00
		Program 97, Activity 12, Superintendents Office	0.00
		Program 97, Activity 15, Public Relations	157,327.04
		Federally Supported Staff Termination Leave	42,096.93
		Program 97, Activity 72, Information Systems	516,660.46
		Program 97, Activity 25, Pupil Management & Safety	0.00
		Program 97, Activity 61, Supervision	0.00
		Program 97, Activity 62, Grounds Maintenance	0.00
		Program 97, Activity 63, Operation of Buildings	0.00
		Program 97, Activity 64, Maintenance	0.00
		Program 97, Activity 65, Utilities	0.00
		Program 97, Activity 67, Building & Property Security	0.00
		Program 97, Activity 68, Insurance	0.00

“Supplemental Reports” section of the F-196

The Pool

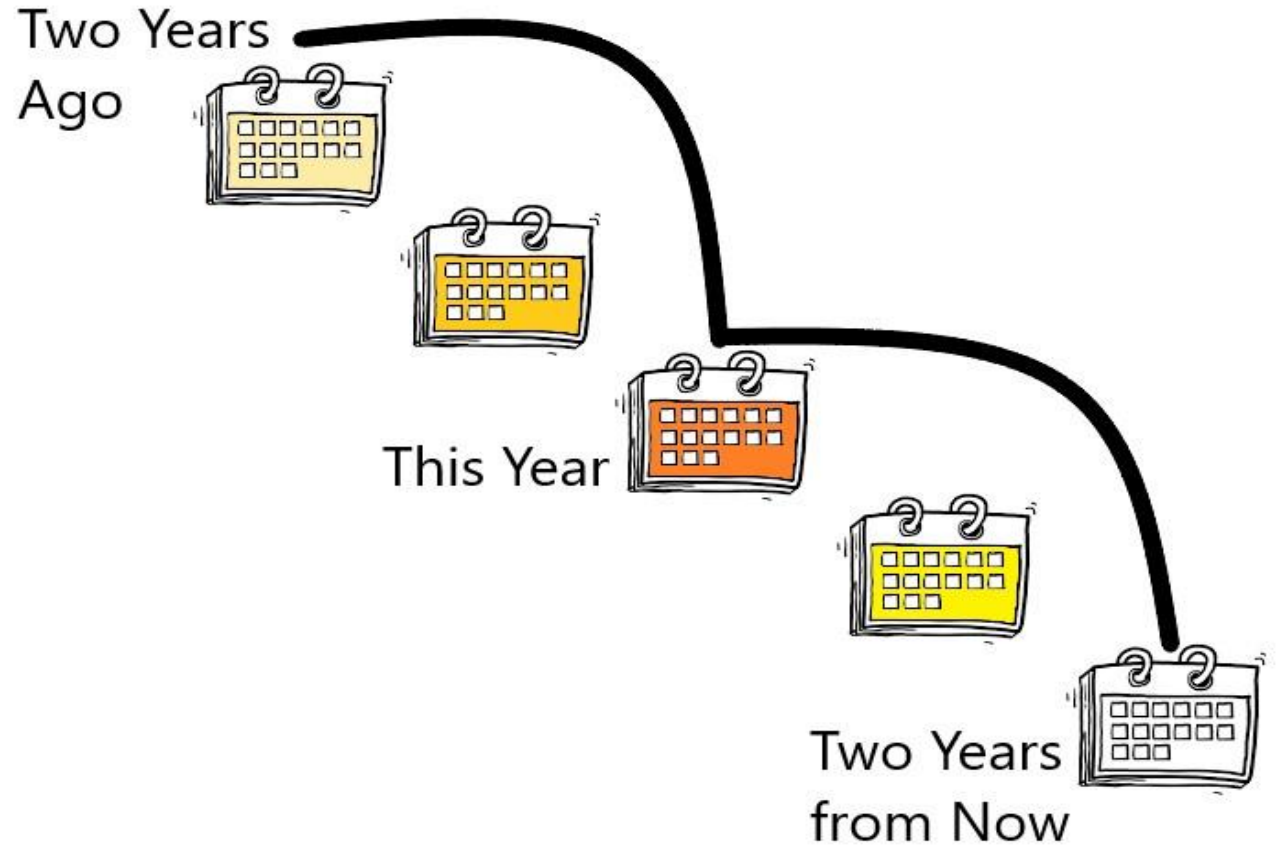
- Total Indirect Expenditures
 - Program 97
 - Excluding
 - Capital Outlay
 - Debt Service
 - Distorting Items
 - "Other" Costs

- **Pool** = Total Indirect Expenditures + Over/Under Recovery

- **Over/Under Recovery** = Adjusted Indirect Pool – Amount Recovered
- **Adjusted Indirect Pool** = Over/Under Recovery *from two years ago* – Current Total Indirect Expenditures

“Fixed with Carry Forward”

- *“A cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period”*



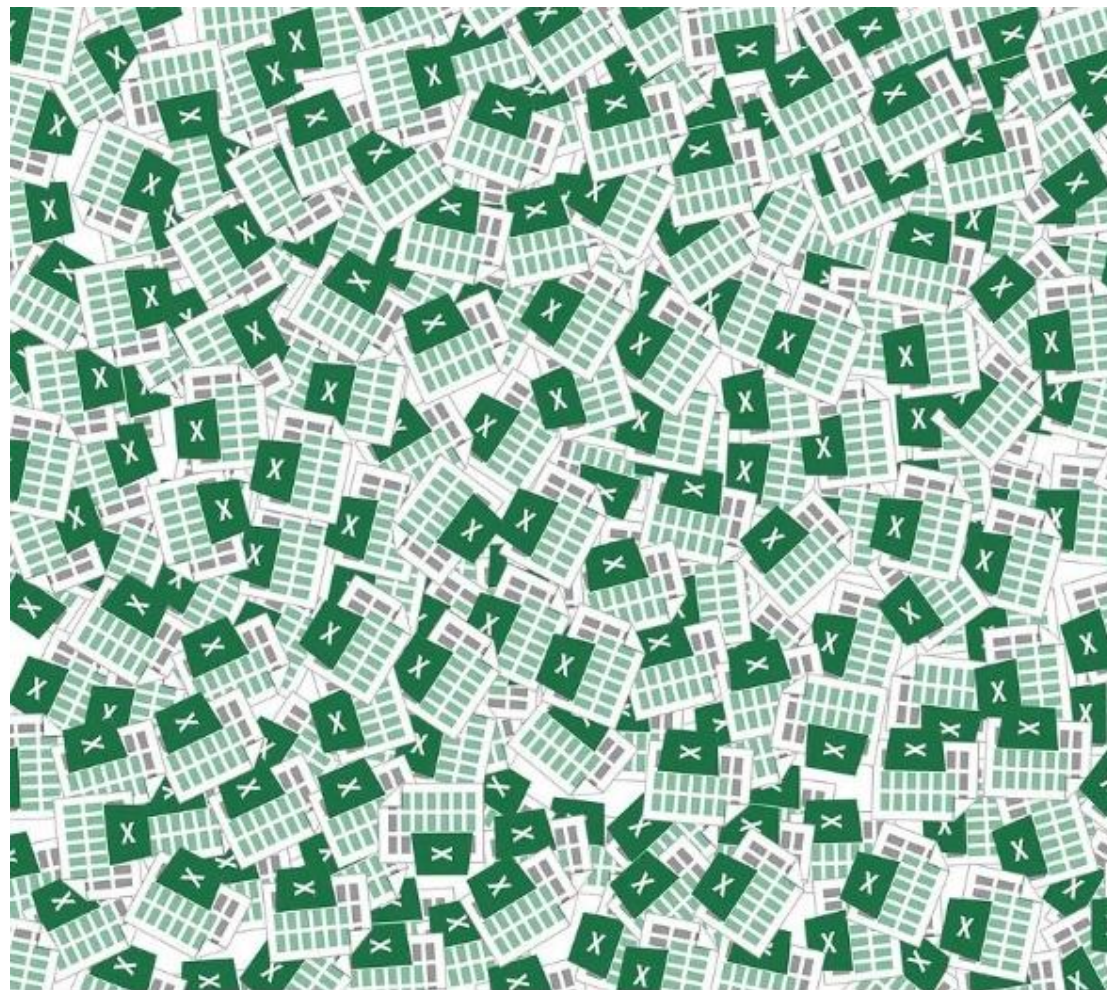
Restricted vs. Unrestricted Rates



- **Restricted** rates are for programs where funding is intended to "supplement and not supplant" other State or local funding
- **Unrestricted** rates are used with school food service programs and may also be used for certain direct-funded federal programs

OSPI Tracking/Verification

- OSPI maintains an independent workbook with calculations for each district/LEA back to 2001-02
- These are to ensure accuracy
- The rates in the EDS system are only changed when there are manual revision(s) in the calculation



Rates Posted

Washington Office of Superintendent of
PUBLIC INSTRUCTION

Home Student Success Certification Educator Support Policy & Funding Data & Reporting About OSPI

Home » Policy & Funding » School Apportionment

POLICY & FUNDING

- OSPI Reports to the Legislature
- School Buildings & Facilities ▶
- Special Education ▶
- School Apportionment ▼**
 - Apportionment, Enrollment, and Fiscal Reports
 - Apportionment Attachments
 - Budget Preparations
 - District Allocation of State Resources Portal
 - Election Results for School Financing
 - ESD Reports and Resources
 - Instructions and Tools ▶
 - School Apportionment Staff
 - School Publications ▶
 - Training and Presentations
- Legislative Priorities ▶
- OSPI Rulemaking Activity ▶
- Grants & Grant Management ▶
- Child Nutrition ▶
- School Technology ▶
- Student Transportation ▶
- Equity and Civil Rights ▶

Instructions and Tools
The following resources serve as instructional and informational guides for school districts and Educational Service Districts.

ABFR Guidelines
Find information pertaining to Administrative Budgeting and Financial Reporting (ABFR) Guidance.

Accounting Manual
See Accounting Manual materials organized by year and by section.

EHB 2242 Accounting Changes
This page will break down accounting changes as a result of Engrossed House Bill 2242 passed during the 2017 Legislative Session.

EHB 2242 Guidance
Find tools and resource materials to help navigate the required changes as a result of Engrossed House Bill 2242 passed during the 2017 Legislative Session.

Enrollment Reporting
Obtain enrollment reporting guidance by year, along with related enrollment bulletins, forms and instructions.

Federal Allocations
Federal Title I A, I C, II A, III A, and IV A allocations by school district.

Indirect Cost Rates
Find information pertaining to Federal and State school district indirect cost rates.

Personnel Reporting
This page contains the S-275 Reporting Process Instructions as well as the CIS Bargaining Agreement Data Collection tool.

Tools and Forms
Find a variety of non-authoritative tools and forms providing guidance in understanding and applying OSPI, State, and Federal requirements.

Contact Information

School Apportionment
360-725-6300
TTY: 360-664-3631
[Staff Contacts](#)

- Rates are Posted – these are the official rates
- Differ from F-196 report for
 - rates in review,
 - new schools, and
 - schools with manual revisions
- Starting in 2023
 - We will use the state’s average rate for new schools
 - Schools needing adjustments + 100% or negative rates will not be adjusted in EDS

Indirect Rates Conclusion

Questions?

Supply Chain Assistance Accounting

General Ledger 828
Restricted Fund Balance for
Carryover of Food Service Revenue



Supply Chain Assistance

- SCA funds must be used to purchase domestic, unprocessed, or minimally processed food products.
- No indirects, labor, or administrative costs allowed.
- A district-specific accounting identifier is recommended to segregate SCA expenditures in 98-42-5630.
- Annual reconciliation of SCA for GL 828 Restricted Fund Balance using the Fund Balance Reporting Tool.

Supply Chain Assistance

- SCA funds (Revenue Code 6198-11).
- Additional rounds of resources are coming.
- The Assistance Listing Number (ALN) for this funding is 10.555.

- See OSPI [Bulletin No 051-22](#) for SCA Details
- Attestation document.

SCA Accounting: Separate Column in Fund Balance Tool — GL 828

	NSLP Column	SCA Column
Revenues		
Federal Payment (Revenue 6X98 except 6998 and except SCA 6198-11)	\$ _____	
Supply Chain Assistance (SCA) Resources (6198-11)	XXXXX	\$ 5,000
Expenditures		
Food – Supplies (Do not include SCA Food)	\$ _____	
Supply Chain Assistance (SCA) Food	XXXXX	\$4,000
Carryover of Supply Chain Assistance Resources (GL 828)		\$1,000

SCA Accounting: Warning - Edit

- SCA expenditures cannot be greater than SCA resources.
- A warning appears in the Fund Balance Tool:
 - SCA CARRYOVER cannot be less than zero.
- Move excess Food Supply expenditures from
 - [Cell F-21] to [Cell B-19].
 - [Cell F-44] cannot be less than \$0.

MAINTENANCE OF EFFORT

Federal Cross-Cutting



What is the Federal Cross-Cutting Maintenance of Effort (Fed CC-MOE)?

A presumption that state and/or local resources spent on programs is consistent between years.

The Federal resources provided for a program should not lead to a decline in the amount of state or local resources provided for the same program.

What is Maintenance of Effort?

It applies to any Federal program with “supplement, not supplant” requirements.

There are potential financial consequences for failure to meet Maintenance of Effort (MoE) requirements.

MOE Tests

OSPI annually performs the MOE tests, based on final submission of F-196 data.

The results are communicated with program-related OSPI staff as well as districts who did not maintain effort.

A preliminary model is available on SAFS website at [Tools and Forms](#).

Maintenance of Effort on the F-196

Report F196			XXXXX School District			
E.S.D. ###			Preliminary Federal Cross-Cutting Maintenance of Effort			
County: ##			Fiscal Year 2022–2023			
Description	Operation	FY 22-23		FY 21-22		
		F-196	F-196	Food Services Deficit Calculation		
Total Expenditures	+ (plus)			Total Program 98 Exp'd	+	
Community Services (Program 80 Series)	- (minus)			All Food Service Revenues	-	
Debt Services (Activities 83, 84, 85: <u>Obj 7</u>)	- (minus)			Total Food Svcs Deficit	=	<u>\$A,xyz</u> <u>\$B,xyz</u>
Capital Outlay (All Object 9)	- (minus)			<p>Note: If Total Food Service Deficit is a positive amount, it is added to the total aggregate expenditures. If Total Food Service Deficit is a negative amount, zero dollars are displayed.</p>		
Federal Revenues (Rev 5XXX & 6XXX)	- (minus)					
Add Back <u>Food Service</u> Deficit	+ (plus)	<u>\$A,xyz</u>	<u>\$B,xyz</u>			
Add Back <u>Food Service</u> Federal Revenues	+ (plus)					
Add Back Federal & Comm Svcs <u>Capital Outlay</u>	+ (plus)					
Total Expenditures for Preliminary MOE	= (equals)	<u>\$A,xxx,xxx</u>	<u>\$B,xxx,xxx</u>			

Cross-Cutting Statutory Authority: Title 34 CFR § 299.5

What maintenance of effort requirements apply to ESEA programs?

(a) – The school district’s current year aggregate or per-pupil expenditures for state and local funds need to be at least 90% of the prior year expenditures to “maintain effort”.

Or: $(\text{FY 2022-23} / \text{FY 2021-22}) \geq 0.90$

34 CFR § 299.5 ¶(d)

Cross-Cutting Expenditures

Only expenditures from state/local funds may be used.

- Including administration, instruction, health services, pupil transportation, facility maintenance and operations, and net expenditures to cover food service deficits.

May not include:

- Community services,
- Capital outlay,
- Debt service,
- Expenditures from funds provided by the Federal government.

ESEA Programs tied to Fed CC MOE Rules

Title 34 CFR § 299.5 ¶ (b)

- 1. Part A of Title I**
 - (Improving Basic Programs Operated by Local Educational Agencies).
- 2. Part D of Title I**
 - (Prevention and Intervention Programs: Children/Youth Who Are Neglected, Delinquent, or At Risk).
- 3. Part A of Title II**
 - (Supporting Effective Instruction).
- 4. Part A, subpart 1 of Title III**
 - (English Language Acquisition, Language Enhancement, and Academic Achievement),
 - except for section 3112.
- 5. Part A of Title IV**
 - (Student Support and Academic Enrichment Grants).
- 6. Part B of Title IV**
 - (21st Century Community Learning Centers).
- 7. Part B, subpart 2 of Title V**
 - (Rural and Low-Income School Program).
- 8. Part A, subpart 1 of Title VI**
 - (Indian Education Formula Grants to Local Educational Agencies).



First Consequence of Failure

If a district does not meet the 90% threshold and no waiver is granted, the district's current year Federal allocations for applicable programs will be reduced by the failure percentage.

For example, a district's higher cross-cutting test (aggregate vs. per-pupil) is 87%. Their Federal allocations must be reduced by 3% (90% - 87%).

Second Consequence of Failure

In the year following the failure, the district must maintain effort compared against the level of effort the district *would have needed* to maintain effort in the year of failure.

Example:

Year 1, MoE aggregate value \$1,000,000.

Year 2, MoE aggregate value \$870,000 (87%).

Year 3, MoE aggregate is tested against \$900,000.

Waivers

A waiver **may** be granted for either of the following:

- Exceptional or uncontrollable circumstances such as a natural disaster.
- A precipitous decline in the financial resources of the district.

Maintenance of Effort?

Any Questions?

Administrative, Budgeting, and Financial Reporting (ABFR)

Posting Documents and
Guidance on the SAFS Webpage



ABFR History

- The ABFR began over thirty years ago as a publication.
- The publication was larger than the Accounting Manual and contained documents and forms for manual data entry.
- Sample letters and board resolutions.
- Items necessary for Budget Prep and Financial Reporting.

ABFR Today

- OSPI reformatted its website and many of the older ABFR forms and documents were dropped.
- Some sections have been kept and maintained.
- Some sections were obsolete.
- There is a need for some of the older sections.
- We are reviewing and reviving the ABFR sections.
- The plan is to repost applicable guidance.

ABFR Chapter Sections

- * F-195 Budget Document
- Budget Preparation
- * F-200 Budget Extension Document
- * F-197 Cash File and County Treasurer Report
- F-196 Annual Financial Statements
- * Budgeting Receivables and Binding Conditions
- * Apportionment Advances and Redirections
- * Maintenance of Effort
- Schedule of Expenditures of Federal Awards (SEFA)
- Appendix: PP-AA-O-NCES, PP-AA-O-Duty Codes

ABFR Chapter Section

- The F-195 Budget Document (The User Guide) is embedded in the EDS.
- We are recreating other ABFR—F-195 items for the website:
 - The Budget Calendar
 - Sample Resolution Document (To Fix and Adopt the Budget)
 - Budget FAQs
 - F-195 Forms with Item Numbers
 - Edits
 - Item Number Dictionary

ABFR Chapter Section

- We are rewriting the F-200 Budget Extension Documents
 - The Budget Extension Introduction is a working draft;
 - Some of the procedures need to be rewritten because of electronic filing
 - Budget Extension Calendar
 - Sample Resolution Document
 - Summary of Certified Excess Levy Collections
 - F-200 FAQs
 - F-200 Form with Item Numbers
 - Edits
 - Item Number Dictionary

ABFR Chapter Section

- The documents for the F-197 Cash File and County Treasurer Report are updated.
- Still working on:
 - We will build a complete PDF.
 - F-197 Treasury Forms will be posted as Excel Docs.
 - Build a home to post the forms on the SAFS webpage.

ABFR Chapter Section

- The introduction section for the F-196 Annual Financial Statement is rewritten.
- We are recreating some of the older ABFR—F-196 items for the website:
 - The Financial Reporting Calendar
 - F-196 FAQs
 - F-196 Forms with Item Numbers
 - Edits
 - Item Number Dictionary

ABFR Chapter Section

Budgeting Receivables and Binding Conditions

- The section is rewritten
- The narrative guidance is under review.
 - Sample Petition to Budget Receivables
 - Sample Board Resolution
 - Sample OSPI Response and Binding Conditions
 - Sample OSPI Release from Binding Conditions
 - Scenarios, Questions and Answers
- Finding a place to post on the SAFS webpage

ABFR Chapter Section

Apportionment Advances and Redirections Maintenance of Effort

- The sections are rewritten
- Documents are under review
- Finding a place to post on the SAFS webpage

ABFR Document Update

Any Questions?

Contact Us!



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