

Q & A LEA Accounting

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May 4, 2023



TOPICS

- **BUDGET/FINANCIAL PROCESS FOR APPROVAL**
- **FINANCIAL STATEMENT DOCUMENTATION**
- **TITLE - I SET ASIDES**
- **INDIRECT COST ADJUSTMENTS**
- **STAARS PAYMENTS**
- **STATE FUNDS/CONTRACTS**
- **STATE SPED GRANTS AND MOE**

Budget Approval Process

Original Budget

- Due September 15th
- Clear all critical errors
- MOE must be met
- Salary Schedule must be correct
- All required documents must be included

Final Budget Amendment

- Due by June 15th
- Clear all critical errors
- Explain/correct warnings
- All E-Gap applications must be final approved for review

Financial Statements

- Due November 1st
- Final Budget Amendment must be approved for review
- Packet must be complete to be logged in
- Clear all critical errors and correct/explain warnings
- Check 10% variances and submit waivers with packet if needed to LEA Accounting
- Submit any refunds with packet

Approvals

- LEA Accounting is the last step in the approval process for your Budget Amendments. There are a lot of steps that take place prior to our review.
- Final Budget Amendments take priority over Original Budgets and Financial Statements. For example, a 2022 Final Budget Amendment received in November 2022 stopped the review of 2022 financial statements.

Financial Statement Documentation

- There is a checklist of required documents in the packet
- Submit explanations for any warnings that are valid – example
– expenditures coded to object 515 less than \$50,000
- Submit any audit adjustments from the prior year or any entries that reconcile beginning fund balance changes
- What edits are you receiving you feel you should not?

Title I Set-Asides

Are other set-asides in the e-GAP application budgeted using the following specified codes?

(Set asides should be under a central office cost center – exception: Parent and Family Engagement)

- a. Administrative Expenditures – Function Code 6XXX
- b. Indirect Cost – Function Code 6910, Object Code 910
- c. Professional Development – Function Code 2215
- d. Neglected – Program Code 1850
- e. Delinquent – Program Code 1890
- f. English Language Acquisition – Program Code 1851
- g. Parent and Family Engagement – Function Code 2190
- h. Migrant – Program Code 1852
- i. Homeless – Program Code 1750
- j. Comprehensive Support and Targeted Support – Program Code 1815
- k. Transportation for Public Choice and Foster Care – Function Code 4XXX

Title I Set – Asides Cont.

- Use Pooled Cost Center – exception 90% of 1% Parent and Family Engagement to local school cost centers
- Other District Initiatives should be coded to correct function – example – Preschool Function 9140

Indirect Cost Common Adjustments

- Audit Fees
- Legal Fees
- Advertising
- Flexed Expenditures
- State Supported Facilities
- CSFO Benefits
- Compensation for Unused Leave Benefits
- Miscellaneous

Audit Fees

- If 100% is paid from local funds – Indirect
- If split between local and federal funds – Direct (local portion moved to direct column)
- Verify function code and object code to determine if adjustment is needed (Function 6190 all paid from local move to indirect column)
- Should use object coded 323
- Functions 6200-6900 pulls indirect on Unrestricted
- Functions 6300-6900 pulls indirect on Restricted

Unrestricted Report

Notes

(A) - Expenditures Excluded:

Local School Funds (Public and Non-Public)
Capital Outlay - Real Property
Debt Service - Long Term
Other Fund Uses
Architect
Purchased Food
USDA Commodities
Food Processing Supplies
Equipment
Other Objects
Other Fund Uses

Fund Sources 7000-7999
Account Codes 7000-7999
Account Codes 8000-8999
Account Codes 9900-9999
Object Code 324
Object Code 461
Object Code 462
Object Code 464
Object Codes 500-599
Object Codes 600-619, 627, 690-899
Object Codes 900-997

(B) - Expenditures Not Allowed:

N/A for Unrestricted

(C) - Expenditures Indirect:

Operation and Maintenance Services
Operation and Maintenance Services
Executive Administrative Services
Executive Administrative Services
Business Support Services
Business Support Services
System-Wide Support Services
System-Wide Support Services
Central Office Services
Central Office Services
Other General & Central Support Services
Other General & Central Support Services

Fund Type 11, Account Codes 3000-3999, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 3000-3999, Fund Sources 6000-6999
Fund Type 11, Account Codes 6200-6299, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6200-6299, Fund Sources 6000-6999
Fund Type 11, Account Codes 6300-6399, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6300-6399, Fund Sources 6000-6999
Fund Type 11, Account Codes 6400-6499, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6400-6499, Fund Sources 6000-6999
Fund Type 11, Account Codes 6500-6599, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6500-6599, Fund Sources 6000-6999
Fund Type 11, Account Codes 6900-6999, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6900-6999, Fund Sources 6000-6999

(D) - Expenditures Direct:

(E) - (A) - (B) - (C)

Includes Object Codes 325 (Legal) and 363 (Advertising) unless coded to Fund Sources 7000-7999 or Account Codes 7000-7999, 8000-8999, or 9900-9999.

(E) - Total All Fund Expenditures:

Exhibit F-II-A Expenditure Totals

Restricted Report

Notes

(A) - Expenditures Excluded:

Local School Funds (Public and Non-Public)
Capital Outlay - Real Property
Debt Service - Long Term
Other Fund Uses
Architect
Purchased Food
USDA Commodities
Food Processing Supplies
Equipment
Other Objects
Other Fund Uses

Fund Sources 7000-7999
Account Codes 7000-7999
Account Codes 8000-8999
Account Codes 9900-9999
Object Code 324
Object Code 461
Object Code 462
Object Code 464
Object Codes 500-599
Object Codes 600-619, 627, 690-899
Object Codes 900-997

(B) - Expenditures Not Allowed (costs which would constitute supplanting):

Technology Coordinator
Operation and Maintenance Services
Operation and Maintenance Services
Executive Administrative Services
Executive Administrative Services
Chief School Financial Officer
Chief School Financial Officer
Chief School Financial Officer

Fund Source 1221
Fund Type 11, Account Codes 3000-3999, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 3000-3999, Fund Sources 6000-6999
Fund Type 11, Account Codes 6200-6299, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6200-6299, Fund Sources 6000-6999
Object Code 116, Fund Type 11, Account Codes 6200-6299, Excluding Fund Sources 3000-5999 and 8000-9999
Object Code 116, Fund Type 11, Account Codes 6300-6399, Excluding Fund Sources 3000-5999 and 8000-9999
Object Code 116, Fund Type 11, Account Codes 6400-6499, Excluding Fund Sources 3000-5999 and 8000-9999

(C) - Expenditures Indirect:

Business Support Services
Business Support Services
System-Wide Support Services
System-Wide Support Services
Central Office Services
Central Office Services
Other General & Central Support Services
Other General & Central Support Services

Fund Type 11, Account Codes 6300-6399, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6300-6399, Fund Sources 6000-6999
Fund Type 11, Account Codes 6400-6499, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6400-6499, Fund Sources 6000-6999
Fund Type 11, Account Codes 6500-6599, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6500-6599, Fund Sources 6000-6999
Fund Type 11, Account Codes 6900-6999, Excluding Fund Sources 3000-5999 and 8000-9999
Fund Type 12, Account Codes 6900-6999, Fund Sources 6000-6999

(D) - Expenditures Direct:

(E) - (A) - (B) - (C)

Includes Object Codes 195 (Compensation for Unused Leave), 325 (Legal), 363 (Advertising), and 395 (Insurance Services) unless coded to Fund Sources 7000-7999 or Account Codes 7000-7999, 8000-8999, or 9900-9999.

(E) - Total All Fund Expenditures:

Exhibit F-II-A Expenditure Totals

Legal Fees

- All legal fees coded to object 325 pull Direct other than those paid from functions 7XXX, 8XXX and 9XXX or Fund sources 7000-7999
- Legal Fees using a different object code may need to be adjusted
- Adjustments depend on the type of legal expenditure paid

Legal Fees

- Retainers – Indirect
- Employee accused and found of wrongdoing – Excluded
- Administering Federal Programs not coded to federal – indirect (means no fault found – no settlement)
- Cases with Federal Government and LEA – Direct
- Capital Outlay related – Excluded
- Related to Board Member - Direct

Legal Fees

- Judgements, Settlements, Arbitrators, Desegregation related- Excluded
- Debt Service, fines, penalties, elections – excluded
- Employee matters are situational and depend on the specific situation.

Advertising Fees

- Object 363 is pulled into the Direct Column unless they are paid from functions 7XXX, 8XXX, 9XXX or Fund Sources 7000-7999
- Ads for financial statements – Indirect
- Ads for school registrations – Indirect
- Ads for issuance of Debt – Excluded
- Construction related – Excluded

Advertising Fees

- Ads for self promotion – Direct
- Ads to hire bus drivers – Indirect
- Ads for a surplus sale – indirect
- Ads related to administering federal programs that are not related to a lawsuit and not paid from federal funds can be indirect
- NOTE: Usually not material adjustments and do not affect the rates

Flexed Expenditures (Fund 14)

- Look at the function code to determine where the function code would pull to if paid from Fund 11.
- Utilities paid from Fund 14 and a 3XXX Function Code should be moved to indirect on the Unrestricted page 5
- Expenditures paid in fund 14 and coded to the 6300-6990 range function code can be adjusted on both the unrestricted and the restricted pages. Expenditures coded to function codes 6200-6299 can be adjusted to indirect on the Unrestricted page only.

State Supported Facilities (Flow Through)

- State Supported Facilities funded from Foundation should be excluded UNLESS the LEA handles the administrative duties.
- HIPPY Flow through coded to special use 0054 should be excluded

Miscellaneous

- CSFO Benefits should be moved to Not Allowed on the Restricted page 9 UNLESS the salary is coded to the 6200 Function Code Range
- If the CSFO Salary is NOT coded to object 116 – this needs to be adjusted to Not Allowed on the Restricted Page
- Compensation for Unused Leave, object 195, is pulled to the Direct Column on the Restricted page. You will need to adjust for the benefits if the benefits are not pulled into the Direct Column.

Miscellaneous

- Fines and Penalties not coded to object 961 need to be adjusted to Excluded on Unrestricted and Restricted
- Salaries split with federal funds should be Direct. Ex. Bookkeeper paid .50 from Federal and .50 from Local needs to be adjusted for the local salary and benefits portion
- Harris Maintenance Agreement is Indirect
- PowerSchool is considered Direct
- Bonuses to all employees if not split like the actual salary, then all Direct

Miscellaneous

- Bond Issuance Costs should be excluded if not already pulled there due to coding
- Extraordinary Events are excluded – this is for fire, hurricane, tornadoes, major flooding. This is not for wind damage or routine type damage.
- Consulting firm fees paid for CSFO, Payroll etc. should be adjusted to Not Allowed on the Restricted page 9.

STAARS Payments

- Education Payments are Department 008 – listed on the check
- LEA and SDE Accounting are working to get all our payments sent with the needed information (TEAMS)
- Contact paying agency for program/grant information
- Determine if state or federal funds
- Contact LEA Accounting for coding once you know the above information

State Funds

State Contracts

- Read contract to determine if paid from state or federal funds
- Make sure to request funds on Board Letterhead
- Contact person should be listed in the contract/RFP

ETF Appropriations

- Follow guidelines in the ETF Bill
- Contact the program person
- Contact your accountant

FY 2023 STATE PROGRAM INFORMATION							
GRANT/PROGRAM	SDE PROGRAM OFFICE	SDE PROGRAM CONTACT	SDE CONTACT INFORMATION	Accounting Contact for payments	STAARS CODING	PAYMENT INFO	LEA Coding - Fund source
ARI - Reading Coaches	ARI	Bonnie Short	694-4632; bonnie.short@alsde.edu	Nancy/Brady	123023, 4691000223	Quarterly with foundation	1230
ARI - Regional Specialists	ARI	Bonnie Short	694-4632; bonnie.short@alsde.edu	Nancy/Brady	123023, 4691000123	Monthly with foundation depending on MOA	1228
ARI - other	ARI	Bonnie Short	694-4632; bonnie.short@alsde.edu	Robin Levins	123023, other	Various times per year	1226; 1227
At-Risk	Prevention & Support	Ayanna Long	694-4717; along@alsde.edu	Brady Vaughn	141023, 2591001523	Monthly with foundation after appr by prog. Office	1410
Bullying Prevention	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Nancy/Brady	006023, 2391000523	2 x per year (Apr & July)	1273
CALT	ARI	Bonnie Short	694-4632; bonnie.short@alsde.edu	Robin Levins	006823, 4622000123	Various times per year	1133
Career Tech - Agriscience	Career Tech	Jerad Dyess	694-4765; jerad.dyess@alsde.edu	Nancy Smith	001523, 2391000123	2 x per year (Apr & July)	1280
Career Tech Middle Grade Innovation	Career Tech	Mark McGhee	694-4760; mark.mcghee@alsde.edu	Nancy Smith	001523, 2391000223		
Career Tech Coaches - Contracts	Career Tech	Mark McGhee	694-4760; mark.mcghee@alsde.edu	Gary Watson	001543, 2391001723	2 x per year (Feb & July) (1st pmt was March)	1281
Career Tech O & M	Career Tech/A & F	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	001523, 2362300323	Various times per year	1284
Career Tech Equipment grant	Career Tech	Ken Sealy	694-4767; ken.sealy@alsde.edu	Brady Vaughn	122223, 2591001023	Monthly with foundation	1222
Contracts	Admin & Finance	Robin Levins	694-4493; rlevins@alsde.edu	Nancy Smith	001523, 2391000323	Per reimbursement report appr by Ken	1283
Current Units	Admin & Finance	Ethan Taylor	694-4493; rlevins@alsde.edu	Robin Levins	001123, 2420700123	Various times per year	1810
Cybersecurity	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	111123, 2591000723	August or September	1120/1110
Early Childhood Assessment	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Nancy Smith	122123, 2491000123	Quarterly	1287
English Second Language	ARI	Bonnie Short	694-4632; bonnie.short@alsde.edu	Robin Levins	005523, 2591201723	Various times per year	1262
Feminine Hygiene Products	Federal Prog.	Molly Killingsworth	694-4711; mkillingsworth@alsde.edu	Brady Vaughn	125223, 1591000223	Monthly with foundation	1252
Foundation	Prevention & Support	LaBrenda Marshall	694-4725; lmarshall@alsde.edu	Robin Levins	005523, 2591201723	Various times per year	1416
Foundation - Specialized Treatment Ctrs	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	111023, 2591000623	Monthly with foundation	1110
Foundation - Student Growth	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	111023, 2591002323	Monthly with foundation	1126
Future Teachers (FTA)	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	007923, 2591000523	Monthly with foundation	1121
Gifted Competitive- Formula	Career Tech	Kayla Cantley	694-4996; kayla.cantley@alsde.edu	Nancy Smith	005823, 2391000723	1 payment (May or June)	1254
Gifted Competitive- State grant	Special Ed	Ashley Strickland	694-4782; ashley.strickland@alsde.edu	Brady Vaughn	002823, 1691000223	Monthly with foundation	1275
High Hopes	Special Ed	Ashley Strickland	694-4782; ashley.strickland@alsde.edu	Nancy Smith	002823, 1691000323	2 x per year (Feb & Apr)	1286
JAG	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Robin Levins	001223, 2420700323	Various times per year	1240
Math Coaches	Career Tech	Mandy Nichols	694-4752; mnichols@ALSDE.edu	Thu Nguyen	003223, 2391000523	Monthly per reimbursement report	1540
Mental Health Service Coord	OMI	Karen Anderson	694-4967; kanderson@alsde.edu	Brady Vaughn	002123, 6991000123	Monthly with foundation	1225
Middle School Computer	Prevention & Support	Kay Warfield	694-4717; kaw@alsde.edu	Robin Levins	006023, 1720730123	Various times per year	1271
National Board Certified Teachers	Ed Tech/Career Tech	Amanda Dykes (Career Tech)	694-4671; amanda.dykes@alsde.edu	Nancy Smith	001823, 2321040123	2 x per year (Mar & July)	1414
Preschool	Exec Office	Patricia Freeman	694-4905; pfreeman@alsde.edu	Robin Levins	001423, 0522000123	Various times per year	2901
PSF Endowment Interest	LEA Acctg	Randy Holman	694-4617; rholman@alsde.edu	Brady Vaughn	002423, 1691000123	Monthly with foundation	1520
PSF GAP insurance	LEA Acctg	Randy Holman	694-4617; rholman@alsde.edu	Thu Nguyen	601023, 2591000323	September	2130
PSF to LEAs	LEA Acctg	Barry Kachelhofer	694-4629; barryk@alsde.edu	Robin Levins	601023, 2533000123	January to State Finance	2120/8411
Robotics	LEA Acctg	Nancy Smith	694-4630; nsmith@alsde.edu	Thu Nguyen	601023, 2591000123	Usually Apr & Sep	2120/2120
School Nurses	AMSTI	Jennifer McCrary	694-4744; jmccrary@alsde.edu	Nancy Smith	004723, 4791000223	Usually Feb or March	1415
Special Ed Catastrophic Support	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	122023, 2591000823	Monthly with foundation	1220
Special Ed High Needs	Special Ed	Erika Richburg	694-4811; erichburg@alsde.edu	Subrena Davis	650023, 1691001323	Monthly per reimbursement report	2240
Special Ed - Certified Behavior Analysts	Special Ed	Erika Richburg	694-4811; erichburg@alsde.edu	Subrena Davis	006123, 1620700123	Monthly per reimbursement report	2241
Teacher Mentoring	Special Ed	Erika Richburg	694-4811; erichburg@alsde.edu	Subrena Davis	007823, 1691001623	Monthly per reimbursement report	1256
TEAMS	SDE Acctg	Robin Levins	694-4493; rlevins@alsde.edu	Robin Levins	001923, 0922000323	Various times per year	1279
Technology Coordinators	Teacher Cert/A&F	Connie Dobbins	TEAMSfunding@alsde.edu				
Transportation - Operations	Teacher Cert/A&F	Sonja Peaspanen	TEAMSallocations@alsde.edu	Lynn Shows	250023, 2591001823	Various times per year	1132
Transportation - Fleet Renewal	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	122123, 2591000923	Monthly with foundation	1221
	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	131023, 2591001123	Monthly with foundation	1310
	Admin & Finance	Ethan Taylor	694-4553; etaylor@alsde.edu	Brady Vaughn	132023, 2591001323	Monthly with foundation	1320
Paid by LEA Acctg, but not with foundation							
Paid by LEA Acctg in foundation transfer							
Paid by SDE Acctg							

State SPED Grants and MOE

- Expenditures coded to program codes 2200-2499 and 2900-2999 under non-federal fund sources may increase your total non-federal expenditures. The total must equal the benchmark year's amount for MOE. The benchmark year only changes when meeting MOE on that particular calculation.
- 4 calculations are performed to see if the LEA meets MOE
- LEA only required to meet 1 of the 4 calculations

MOE Calculations

- 1 – determines the aggregate expenses from state funds + local fund sources.
- 2 – looks at the per pupil expenditures from state sources + local fund sources
- 3 – determines the aggregate expenses from local fund sources only
- 4 – looks at the per pupil expenses from local fund sources only

IDEA - MOE

- Manage the MOE
- The state awards should be applied for as they are for a specific student's need
- Helps keep spending from state fund sources level
- Exception can be applied for if a high-cost student leaves the system and decreases the local expenditures

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QUESTIONS

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