

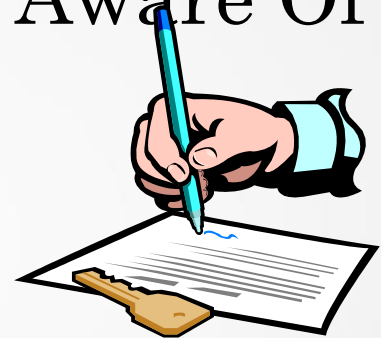


Preparing for Year End: Closing Out the Fiscal Year

2020-21

Non-Financial Matters To Be Aware Of

- Contracts (new or expiring)
 - Personal service contracts
 - Lawyers (service rate per hour)
 - Auditors (year-end audit, membership audit, management consultation)
 - Software support (human resources, payroll, financial, student management, content filtering, student and staff applications)
 - Hardware support (computers and servers)
 - Equipment leases (computers, postage machines, copiers, etc.)



Non-Financial Matters To Be Aware Of

- Contracts(new or expiring continued)
 - Union contracts (agreements must be implemented by October 1 of the following year)
 - CESA
 - Staffing (such as audiology, PT and OT, etc.)
 - Support services, consulting and expertise
 - Janitorial services
 - WASB
 - Maintenance agreements
 - Snow plowing
 - Lawn and grounds keeping



Non-Financial Matters (cont.)

- Account clean-up
 - Remove old account numbers (in order to keep history of an account, you may have to wait to delete)
 - Rollover accounts to next year
 - Add new accounts to next year (such as new grants)
- Insurance quotes and renewals
 - Notify insurance carrier about 90 days prior to renewal date
 - Health (what are the renewal rates, any change in coverage, percent increase)
 - Dental (self-funded, any change in coverage)
- Other Insurance Renewals
 - Property
 - Liability, Boiler, Crime
 - Life, short term disability and LTD



Non-Financial Matters (cont.)

- Summer projects
 - Repairs and maintenance in the school buildings
 - Summer cleaning projects
 - Hire temporary staff for lawn and maintenance work
- Purchases
 - Set a purchase cutoff date to the last days of April or mid-May as the deadline
 - It is important that invoices are in for payment prior to the summer break. If not, invoices are late and charged to next year's expense accounts
 - Goods received after June 30th will be charged to the new fiscal year
 - Enter purchases that are critical to the start of next year as soon as possible with delivery after June 30
 - Be watchful with the delivery location during the summer

Non-Financial Matters (cont.)

DPI Due Dates

| Status | Estimate Due Date | Fiscal Year | Data Collected | Form Number |
|---------------|-------------------|-------------|----------------------------------|---------------|
| Opens in May | June 30, 21 | 2021 | Foster Group Home (optional) | 1589 |
| Opens In May | July 17, 2021 | 2021 | Pupil Transportation | 1547 |
| Opens in May | August 14, 2021 | 2021 | School Calendar | 1505-Calendar |
| Opens in July | August 17, 2021 | 2021 | School Census/Common School Fund | 1505-Census |

More DPI due dates

| Status | Estimated Due Date | Data Collected | Form Number |
|--------------|--------------------|-------------------------------|-------------|
| Opens in May | | Transfer of Service Part B | 5000 |
| Opens in May | | Part A | 5000 |
| Opens in May | | Part C | 5000 |

Non-Financial Matters (cont.)



- School Calendar report
 - Districts need to annually schedule the following number of hours:
 - at least 437 hours of direct pupil instruction in kindergarten
 - at least 1,050 hours of direct pupil instruction in grades 1 to 6
 - at least 1,137 hours of direct pupil instruction in grades 7 to 12
 - Act 257 eliminated the 180-day requirement.

Non-Financial Matters (cont.)

Census Calculation

Use for Common School Fund Allocation (Library Aid)

Aid is based on the number of children between the ages of 4 and 20 living in each public school district. The 2020-21 library aid payment was \$33.35 (rounded) per census child. Library Aid funds should be expended in the current year. Technically, there is no carryover provision.

Example: As of the Prior 3rd Friday of September

| Description | Count |
|---|--------------|
| Resident school district enrollees (Head Count) | 1,604 |
| Resident private school enrollees (Head Count) | 86 |
| Resident home-based private educational programs enrollees (Head Count) | 54 |
| Resident children between the ages of 4 and 20 who are not accounted for in the counts listed above (Estimate) | 326 |
| Total to use for census count: | 2,070 |

Non-Financial Matters (cont.)

- Transportation
 - The number of pupils a school district claims for transportation aid is reported to DPI online through the School Finance Reporting Portal.
 - Have supporting documentation including:
 - A listing of pupils transported at least once during the school year from home to school
 - The distance to instructional site
 - The number of days enrolled.
 - A list of pupils pro rated if the pupil enrolled less than 91 days enrolled (this provisional will go away, it was hard to track)
 - Transportation contracts
 - Bidding bussing contracts or contract extensions
 - Special education bussing issues
 - Fuel escalator clauses



Non-Financial Matters (cont.)



- Time and Effort Reporting for Federal \$
 - Semi annual certification
 - Kept by individuals with a “single cost objective”
 - Completed at least every six months
 - Personnel Activity Reports (PARs)
 - Kept by individuals with “multiple cost objectives”
 - Completed at least monthly
- WISEDATA
 - Update the year end student information
 - Rollover student information to the new year

Non-Financial Matters (cont.)

- Check signers need to be kept up-to-date
 - Board requirements per WI statute:
120.16(2) “...no order check...is valid...unless signed by the school district clerk and school district treasurer and countersigned by the school district president.”
- Financial depositories need to be approved annually
 - 120.12(7) “Designate one or more public depositories in which the money belonging to the school district shall be deposited.”



Financial Matters To Be Aware Of

- Budget Changes/Amendments:
 - Changes in amounts of appropriation and the purposes (function) for which they are used must be approved by a two-thirds vote of the school board.
 - Publish a class one notice of the budget change/amendment within 10 days of approval.
- Review Grant Expenditures with DPI Approved Budget
 - Special Education
 - Flow-thru
 - Pre-school/early childhood
 - Title I
 - ESEA Title II, Carl Perkins, etc.
 - Youth Apprenticeship
 - 21st Century Grants



Financial Matters (cont.)

- Bids, Quotes and Other
 - Fuel for bussing
 - Food Service
 - Milk and bread
 - Transportation and shipping
 - Supplies such as such as food supplies, paper products, utensils, etc.
 - Food Service- Other
 - Set breakfast and lunch prices for next year
 - Check USDA calculator and paid lunch equity compliance
 - Record value of commodities on the books
 - Write-off old student/parent (food service) negative balances
 - Summer feeding programs
 - Record food service inventory value



Financial Matters (cont.)

- Maintenance of Effort (MOE)
 - The requirement placed upon many federally funded grant programs that the DPI and Local Education Agencies (LEA) demonstrate that the level of state and local funding remains relatively constant from year to year.
 - Failure to meet MOE requirements may result in the LEA losing eligibility to receive IDEA entitlement funding and requiring an LEA to repay funds. There are 4 tests.
 - List of exceptions (DPI) a district should review if MOE compliance has not been met.
- IDEA Excess Cost Calculation
 - (Supplement versus Supplant provision)
<https://dpi.wi.gov/sped/educators/fiscal/excess-cost>



Financial Matters (cont.)



- Fixed Assets
 - Review capitalization threshold such as:
 - 551/561 per unit **\$500.00 - \$4,999.99**
 - 553/563 per unit **\$5,000.00 and over**
 - 552/562 per group **\$10,000.00 and over**
 - Federal grant threshold cannot be greater than **\$5,000**
 - Account for fixed asset additions and disposals
 - Depreciation
- Accounts Receivables (A/R)
 - Follow-up on old A/R billings
- Record taxes receivable
 - Property taxes received after year-end need to be accounted for in the year that they were levied.
 - Auditor will send out a property tax confirmation.

Financial Matters (cont.)

- Record federal and state grants
- Prepaid Expenses
- Accrued Payroll
 - Record the teacher year-end payroll even though it is paid during the summer months.
 - Record in the year earned and not year paid.
 - Payroll taxes, WRS and other payroll related accruals need to be recorded in the proper payroll year.
 - Payroll (summer payroll cutoff on June 30th)



Financial Matters (cont.)



- Bank reconciliations-outstanding checks
 - Old outstanding checks in bank accounts should be considered unclaimed property (1 year for payroll checks and 5 years for most other types of checks).
 - Districts should not write these checks off and keep the money.
 - Try to locate the owners of the unclaimed property you have identified as abandoned if the value is \$50 or more.
 - Information on unclaimed property can be found at <https://www.revenue.wi.gov/ucp/index.html>.

Financial Matters (cont.)



- Other Post Employment Benefits (OPEB)
 - Post employment obligations includes such items as retirement health and dental insurance and supplemental stipends (should be 5 years or less)
 - Under GASB Statements 73-75, a new actuarial study is required every two years.
 - Any significant changes to the structure of district employee benefits should result in a new actuarial study to properly calculate actuarial accrued liability.

Financial Matters (cont.)

- Fund 73 - Employee Benefit Trust Fund
 - The DPI has a worksheet that provides sample accounting transactions
 - The DPI has special rules for Districts that have established an employee benefit trust and is accounting for Fund 73 OPEB activity which are included in an actuarial study, including both OPEB and Supplemental Pension Type Stipend Benefits.
 - Calculate Implicit Rate Subsidy on Retirees
 - Determine whether the contribution is eligible for state categorical aid

Financial Matters (cont.)



- Purchase Orders
 - Follow up on old unpaid purchase orders (done BEFORE teachers and building secretaries leave for the summer)
 - Check on status of unreceived goods and services
- Record year year-end accounts payables
- Student Activity Fund (Fund 60)
 - Clean out non-student activity accounts
 - Sunshine fund, coffee fund and faculty fund should not be on the district's books.
 - District may have agency funds for parent groups and booster clubs.
 - Bank reconciliations at each school location for student activity funds

Financial Matters (cont.)

- Allocate specific salary and fringe benefits to Fund 27, project 011 for categorical aid for:
 - School Nurses: 29%
 - School Social Workers: 59%
 - School Psychologists: 84%
 - School Counselors: 10%
- Inventory
 - Fuel
 - Food service



Financial Matters (cont.)

- Deferred Revenue (Food service accounts)
- Self-funded insurance plans adjustment
- Unspent funds go to fund balance
- Fund Balance reporting
 - Committed (specific purposes pursuant to constraints imposed by formal action)
 - Restricted (constraints placed on the use of resources)
 - Assigned (government's intent to be used for specific purposes)
 - Nonspendable
 - Unassigned



Questions?

Preparing for Year End:
Closing Out the Fiscal Year

