

Glossary of Wisconsin School Finance Terms and Acronyms



Compiled by the WASBO Accounting Committee

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Forward

This publication provides definitions of terms that are currently used in school finance discussions. The definitions used herein are written for the layperson. The definitions are appropriate for this intended purpose; however, in their simplification they lose some of their accuracy for the practicing administrator. This document should not be used as a technical guide for professionals with responsibility for implementing the many regulations associated with management of school district finances.

Each school district and school finance conversation is unique; therefore, every term that is encountered may not be included in this publication. In the event that you encounter a term for which you would like clarification, contact your local school district administrator, the Wisconsin Department of Public Instruction (DPI) website at <http://dpi.wi.gov/sfs> or feel free to contact the Wisconsin Association of School Business Officials at wasbo@wasbo.com or 608.249.8588.

The Wisconsin Association of School Business Officials (WASBO) Accounting Committee, currently co-chaired by Patty Sprang and Becky Hansen, and the Wisconsin Department of Public Instruction (DPI) produced this ***Glossary of Wisconsin School Finance Terms and Acronyms*** for the layperson.

Sincerely,



Michael Barry
WASBO Executive Director

Copies of this publication may be purchased from the

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Common School Finance Acronyms

Acronym	Acronym Description
220	Chapter 220 Program (Integration Transfer Program)
4K	Four Year Old Kindergarten
AAL	Actuarial Accrued Liability
ADA	Average Daily Attendance
ADM	Average Daily Membership
ACH	Automated Clearing House
AICPA	American Institute of Certified Public Accountants
AODA	Alcohol and Other Drug Abuse
APB	Accounting Principles Board
ARC	Annual Required Contribution
BAC	Benefit Adjustment Cost
BAN	Bond Anticipation Notes
CAFR	Comprehensive Annual Financial Report
CCDEB	County Children with Disability Education Board
CESA	Cooperative Educational Service Agency
CFDA	Catalog of Federal Domestic Assistance
CHOICE	Milwaukee Parental Choice Program
COA	Chart of Accounts
COOP	Cooperative
CPI	Consumer Price Index
DCF	Data Collection Form
DHS	Department of Health Services
DOE	Department of Education
DPI	Department of Public Instruction
EDGAR	Education Department General Administrative Regulations
EFT	Electronic Funds Transfer
ERRP	Early Retiree Reinsurance Program
ES	Education Services
ESEA	Elementary and Secondary Education Act
FTE	Full-Time Equivalency
FLSA	Fair Labor Standards Act
FMLA	Family Medical Leave Act
GAAP	Generally Accepted Accounting Principles
GAAS	Generally Accepted Auditing Standards
GAGAS	General Accepted Governmental Auditing Standards
GASB	Governmental Accounting Standards Board
GED	General Educational Development (GED)
GEPA	General Education Provisions Act
GPFS	General Purpose Financial Statements
GS	Government Services

Acronym	Acronym Description
HI	Hearing Impaired
HRA	Health Reimbursement Arrangements
HSA	Health Savings Account
IDEA	Individuals with Disabilities Education Act
IEP	Individual Education Plan
IPA	Independent Public Accountants
ITP	Integration Transfer Program (Chapter 220 Program)
LAB	Legislative Audit Bureau
LEA	Local Educational Agency
MD&A	Management's Discussion and Analysis
MOE	Maintenance of Effort
MPCP	Milwaukee Parental Choice Program
NAN	Note Anticipation Notes
NCES	National Center for Educational Statistics
NPEFS	National Public Education Financial Survey
NSLP	National School Lunch Program
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPEB	Other Post-Employment Benefits
OT	Occupational Therapy
P5	Preschool to Grade 5 Program
PARS	Personal Activity Reports
PCard	Purchasing Card
PILT	Payment in Lieu of Taxes
PLTW	Project Lead the Way
PO	Purchase Order
PT	Physical Therapy
QSCB	Qualified School Construction Bonds
QZAB	Qualified Zone Academy Bonds
REAP	Rural Education Achievement Program
RFP	Request for Proposal
RSI	Required Supplementary Information
SA	Single Audit
SAFR	State Aids Financial Reporting
SAGE	Student Achievement Guaranty in Education program
SAP	School Age Parent
SAS	Statement of Auditing Standards
SBS	School Based Services
SEA	State Educational Agency
SEFA	Schedule of Expenditures of Federal Awards
SFS	School Financial Services
SFSF	State Fiscal Stabilization Fund

Common School Finance Acronyms

Acronym	Acronym Description
SPED	Special Education Aid program
TEACH	Technology for Educational Achievement
TID	Tax Incremental District
TIF	Tax Incremental Financing
TOS	Transfer of Service
TRAN	Tax and Revenue Anticipation Notes
USDA	United States Department of Agriculture
WASBO	Wisconsin Association of School Business Officials
WIAA	Wisconsin Interscholastic Athletic Association
WICPA	Wisconsin Institute of Certified Public Accountants
WRS	Wisconsin Retirement System
WTCS	Wisconsin Technical College System
WUFAR	Wisconsin Uniform Financial Accounting Requirements
YCA	Youth Challenge Academy

School Finance Terms (Absence - Annual Report)

Term	Definition
Absence	Nonattendance of a student on a day or half-day when school is in session.
Account	A descriptive heading under which are recorded financial transactions that are similar in terms of a given dimension, such as fund, function, object, or source.
Accounting Period	A period at the end of which and for which financial statements are prepared (for example, July 1 through June 30). Wisconsin school districts prepare financial statements for a fiscal year beginning July 1 st and ending June 30 th .
Accounting Procedure	The policy and systematic arrangement of methods and operations for recording accounting information so as to provide internal control and produce accurate and complete records and reports.
Accounting System	The total process of recording, retrieving, and reporting information on the financial position and operations of an organization.
Accounts Payable	A liability account reflecting amounts owed to private persons or organizations for goods and services received. Accounts payable is a current liability on the balance sheet. (Amounts due to other funds of the same government or to other governments are not included here.)
Accounts Receivable	An asset account reflecting amounts due to the government by private individuals or organizations for goods or services rendered. Accounts receivable is a current asset on the balance sheet. (Amounts due from other funds of the same government or to other governments are not included here.)
Accrual	Basis of accounting under which revenues are recognized when earned and expenditures are recognized when incurred, regardless of the timing of related cash flows. Most formal financial statements prepared on behalf of school districts are prepared using the accrual or modified accrual basis of accounting as contrasted with the cash basis.
Actuary	A professional statistician that calculates and analyzes statistics, make forecasts, provide the most accurate information to clients. The actuary is most commonly used by school district to help calculate the post-employment benefits.
Adult/Continuing Education	Instruction designed to meet the unique needs of adults and youth beyond the age of compulsory school attendance. This may be provided by a school system, technical college district school, college, or other agency or institution through activities and media such as formal classes, correspondence study, radio, television, lectures, concerts, demonstrations, and counseling.
Advance Refunding	Debt issued to refinance existing debt where the proceeds are received by the school district more than 90 days prior to the date the existing bonds will be retired. These proceeds are put into a "trust" and invested until they are utilized to pay off the existing debt. These transactions are typically done to either save money by refinancing at lower interest rates or to restructure the payment streams of the existing issue to more favorable terms. NOTE: Tax-exempt municipal debt issued after 1986 may not be advance refunded more than once.
Aggregate Days of Attendance	The total numbers of days pupils are enrolled and actually present for all pupils for all days in session during a reporting period. For instance; if a school has 100 pupils who were enrolled the entire year, 180 days of school and perfect attendance, the aggregate days of attendance would be 1800. If the total number of absences for all pupils was 100 days, the aggregate days of attendance would be 1700. If 1 of the pupils did not enroll until the 5th day of school, the aggregate days of attendance would be reduced by 4.
Aggregate Days of Membership	The total numbers of days pupils are actually enrolled for all pupils for all days in session during a reporting period. A pupil may be counted in membership even if not in attendance. However, the first and last days of enrollment for any pupil are determined as the first and last days, respectively, of that pupil's attendance during a given reporting period. For instance; if a school has 100 pupils who were enrolled and present on the first and last days during a 180 day school year, the aggregate days of membership would be 1800. Membership would be unaffected by pupil absences that occur during the year, however, if 10 of those pupils did not enroll or were not present until the 11th day of school, the aggregate days of membership would be reduced by 100 (10 pupils times 10 days).
Amortization of Debt	Gradual payment of an amount owed according to a specified schedule of times and amounts.
Annual Report	A formal financial report filed with the DPI at the end of each fiscal year. The data in this report is used to calculate most state aids.

School Finance Terms (Annual Required Contribution - Bond Anticipation Note)

Term	Definition
Annual Required Contribution	The employer's required contributions for the year, calculated in accordance with certain parameters, and includes (a) the normal cost for the year and (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period not to exceed thirty years.
Appropriation	A legal authorization granted by a governing body to make expenditures and to incur obligations for specific purposes.
Arbitrage	The difference between the combined interest rates on the investment of bond or note proceeds and the combined interest rates of the bonds or notes themselves. The ability of a school district to earn arbitrage is heavily regulated by federal income tax regulations.
Assessed Valuation	See "Property Valuation."
Assessment Ratio	See "Property Valuation."
Asset	<ol style="list-style-type: none"> 1. A resource with economic value that an individual or organization owns or controls with the expectation that it will provide future benefit. 2. A balance sheet item representing what an organization owns.
Attendance	See "Pupil Count."
Attendance Area	The geographic area wherein reside the pupils normally served by a particular school.
Audit	An examination of records and documents, and the securing of other evidence, for one or more of the following purposes. (a) To attest to the fairness of management's assertions in financial statements, (b) Evaluate whether management has efficiently and effectively carried out its responsibilities, (c) Determining the propriety of transactions, (d) ascertaining whether all transactions have been recorded, and (e) determining whether transactions are accurately recorded in the accounts and in the statements drawn from the accounts.
Auditor's Report	In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with GAAP or some other comprehensive basis of accounting.
Automated Clearing House (ACH)	An electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. ACH credit transfers include direct deposit payroll and vendor payments. ACH direct debit transfers include consumer payments on insurance premiums, mortgage loans, and other kinds of bills.
Average Daily Attendance (ADA)	See "Pupil Count."
Average Daily Membership (ADM)	See "Pupil Count."
Balance Sheet	A formal statement of assets, liabilities, and fund balance as of a specific date.
Bank Qualified Debt	A debt issued in a year where the school district issues less than \$10 million of general obligation debt. Because there are certain tax benefits for banks that purchase bank qualified debt, banks may offer a lower interest rate.
Basic Financial Statements	The basic financial statements as required by GASB Statement 34. Basic financial statements include: 1. Government- wide financial statements providing information about reporting government as a whole, except for its fiduciary activities; 2.) Fund financial statements providing information about the government's funds; and 3.) Notes to the financial statements. The basic financial statements should be preceded by a "management's discussion and analysis" that introduces the basic financial statements and provides an analytical overview of the government's financial activities.
Bond	A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.
Bond Anticipation Note	Short-term debt incurred to provide funds on an interim basis in anticipation of long-term debt being issued on a future date. This type of note is most commonly issued to provide interim funds for a capital project.

School Finance Terms (Bond Counsel - Chart of Accounts)

Term	Definition
Bond Counsel	A law firm experienced in the Wisconsin Statutes applicable to the issuance of school district obligations and federal income tax law applicable to debt transactions. Bond counsel usually prepares the documents for a debt transaction, and gives an opinion that the obligations are properly issued, are enforceable under state law, and are exempt from income taxation under federal tax law.
Bond Insurance	Insurance that protects the purchaser of the bonds in the event the school district defaults. This added security results in the bond issue receiving the highest possible credit rating, which results in lower interest rates on the bonds. School districts may decide to obtain bond insurance when the cost to do so is less than the interest savings.
Budget	A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given accounting period.
Budget Amendments	School boards may amend the adopted budget during the fiscal year with a two-thirds vote of the school board. Such amendments must be published in the district's official newspaper within 10 calendar days for common school districts.
Budget Report	A formal report filed with the DPI each fall that details the school board approved budget for the fiscal year. Also known as the Fall Budget Report.
Budgetary Control	The control or management of business affairs in accordance with an approved budget for the purpose of keeping expenditures within the authorized amounts.
Business Manager	A staff member performing assigned activities which have as their purpose the management of the organization's business administration functions.
Capital Assistance Formula	A reference in various proposals for school finance reform that provides state financial assistance for qualified capital projects.
Capital Expansion Fund	A fund that may be authorized at an Annual Meeting of Electors in a common school district or by the school board of a unified school district for the purpose of accumulating monies to be used for acquiring, remodeling or maintaining buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of the building and building components, sites and site components. Monies budgeted into this fund are included in the district's total revenue limit. Capital Expansion Fund expenditures are amortized over the number of year a tax is levied into the fund.
Capital Outlay	Expenditures that result in the acquisition of or addition to capital assets. Capital assets are generally characterized as those having a useful life of greater than one year and a cost greater than an amount established by the school district's business department.
Cash Balance	The actual cash on hand at a specific point in time. Many school districts will have a negative cash balance at some point in the year unless they borrow. Cash balance is contrasted to Fund Balance in that it includes only cash.
Cash Basis	The basis of accounting under which transactions are recognized only when cash changes hands. An example of cash basis is an individual's income tax return that reports only cash received and paid, but does not recognize future earnings or amounts owed to others.
Categorical Aid	State or federal aid which is intended to finance or reimburse some specific category of instructional or supporting program or to aid a particular target group of pupils. The district may use the aid only for the purpose for which it is paid. (Also see "General Aid.") Wisconsin categorical aids include special education, library (Common School Fund), driver education aid, integration aid, food service, bilingual/bicultural and other state aids. Federal categorical aids include No Child Left Behind, IDEA (special education), vocational education, food service, and other programs.
CCDEB	A county children with disabilities education board. (Formerly known as CHCEB.)
Certification	The general process by which the DPI provides a license to an individual indicating qualification and employability.
CESA	A cooperative educational service agency.
Chart of Accounts	A list of financial account names and numbers used to record financial transactions. The Department of Public Instruction prescribes the use of a chart of accounts called the Wisconsin Uniform Financial Accounting Requirements. (WUFAR). The WUFAR uses a multi-dimensional coding structure that allows for recording transactions in such a manner as to allow financial reporting and analysis based on several characteristics.

School Finance Terms (Chief State School Officer - Coop Educ Service Agency)

Term	Definition
Chief State School Officer	The chief executive of a school education agency (SEA). In Wisconsin, the State Superintendent of Public Instruction, which is a publicly elected position.
Children With Disabilities (CWD)	The official classification, specified by the federal government, to describe students requiring special education services.
Choice	See "Milwaukee Parental Choice."
Class	A setting in which organized instruction of course content is provided to one or more students for a given period of time.
Class Period	The portion of the daily session set aside for instruction in classes, when most classes meet for a single such unit of time.
Class Size	The enrollment in a class as of a given date. (Also see "Pupil Count.")
Classroom Teacher	A staff member, assigned to the professional activities of instructing pupils in classroom situations.
Common School Fund	It is one of the State of Wisconsin Trust Funds managed by the Board of Commissioners of Public Lands and available for loans to school districts and municipalities. The interest earned on the loans is disseminated as Library Aid each year to public school districts for the purchase of school library materials.
Competitive Sale	A sale of obligations where bids are received from interested underwriters at a certain time and date. Most of the terms of the obligations are set prior to the competitive sale, and are announced in an official notice of sale. The bids of each underwriter reflect the interest rates proposed by such underwriter, with the lowest combined interest rate being the winner.
Continuing Disclosure	Important information about a municipal bond that arises after the initial issuance of the bond that needs to be reported periodically. This information generally would reflect the financial or operating condition of the issuer as it changes over time, as well as specific events occurring after issuance that can have an impact on the ability of issuer to pay amounts owing on the bond, the value of the bond if it is bought or sold prior to its maturity, the timing of repayment of principal, and other key features of the bond. Each bond will have its own unique set of continuing disclosures, and not all types of continuing disclosures will apply to every bond.
Cooperative Educational Service Agency (CESA)	A grouping of school districts, headed by a board of control, charged with implementing and operating cooperative programs among member districts and insuring proper school district organization. Each school district in Wisconsin except Milwaukee, Racine and Kenosha is in a CESA area. (Also see "IEA.")

School Finance Terms (Cost - Day in Session)

Term	Definition
Cost	<p>In general, an expenditure for goods (supplies, materials, equipment, land, buildings) or services (salaries, benefits, utilities, professional fees). In determining costs, care must be taken to avoid double counting. For example, if a school building is financed from borrowed money, the total cost should include either the payment to the building contractor or the repayment of the borrowed money, but not both. Similarly, if a school district spends money for a school lunch program out of the food service fund and also transfers money from the general fund to the food service fund to help pay for the school lunch program, it should not count the transfer as an additional cost. Depending on the grouping being examined, a given expenditure can be a cost in one case but not in another. For example, if one looks at a single school district, payments by that district to other school districts are counted as costs, since they are not otherwise counted by that district. The various costs are as follows:</p> <ul style="list-style-type: none"> • Current Educational Cost (CEC) - This measure attempts to identify overall instructional and instructional support service costs attributable to district residents. It can generally be described as the cost of the district's General and Special Project funds, excluding transportation and facility acquisition expenditures, less inter - fund transfers and revenues for instructional services the district provides to non - resident pupils such as tuition receipts, CESA and cooperative agreements, and state inter - district integration aid. • Gross Cost - The sum of all non - duplicative expenditures and transfers out of a fund or a school district. • Net Cost - The gross cost of a fund or a school district minus costs paid for by certain receipts (typically federal aid, state categorical aid, and local non - tax receipts) of that fund or district. • Primary Cost - That portion of the shared cost which is within the primary cost ceiling, and in which the state shares using the primary guaranteed valuation per member. • Secondary Cost - That portion of the shared cost which is above the primary cost ceiling, but not more than the secondary cost ceiling, and in which the state shares using the secondary guaranteed valuation per member. • Shared Cost - The cost used as the basis for computing state general aid. This cost is funded by a combination of property taxes and state general aid. It is equivalent to the net cost of the general fund plus the net cost of the debt service fund. • Tertiary Cost - That portion of the shared cost which is above the secondary cost ceiling and in which the state shares using the tertiary guaranteed valuation per member. • Total District Cost (TDC) - This is the TEC plus food and community service costs. It should be noted that food and community service activities are usually funded with fees and other program revenue, requiring little or no property tax subsidy. • Total Education Cost (TEC) - This is the CEC plus transportation, expenditures for facility acquisitions charged to the General, Special Project, and Capital Expansion (Tax Levy Financed "Sinking") funds, and debt service principal and interest.
County Children with Disabilities Education Board (CCDEB)	A branch of county government that provides instructional and therapeutic services to pupils. (Also, see "IEA.")
Course	An organization of subject matter and related learning experiences provided for the instruction of pupils on a regular or systematic basis. Credit toward graduation or completion of a program of studies generally is given to pupils for the successful completion of a course.
Credit Rating	A rating that establishes the school districts relative risk to a purchaser of debt in comparison with other debt issued by other entities. Debt of public entities is rated by one or more of three rating agencies – Moody's Investors Service, Standard and Poor's and Fitch Investment Services.
Current Refunding	Debt issued to refinance existing debt where the proceeds are received by the school district less than 90 days prior to the date the existing bonds will be retired. These transactions are typically done to either save money by refinancing at lower interest rates, or to restructure the payment streams of the existing issue to more favorable terms. Unlike advance refunding issues, tax-exempt municipal debt may be current refunded as many times as deemed practical by the issuer.
Day in Session	A day on which the school is open and the pupils are under the guidance and direction of teachers. On some days, school may be closed and all pupils may be engaged in school activities outside school under the guidance and direction of teachers. Such days should be considered as days in session. Days on which the teaching facility is closed for such reasons as holidays, teachers' conventions, and inclement weather should not be considered as days in session.

School Finance Terms (Debt Limit - Expenditures)

Term	Definition
Debt Limit	The maximum amount of debt that a school district is legally permitted to incur. The school district debt limit is 10% of equalized value for K-12 school districts and 5% of equalized value for K-8 and union high school districts.
Debt Margin	The difference between the debt limit and total outstanding debt.
Debt Service	Expenditures for the retirement of principal and payment of interest on debt.
Defeasance	The irrevocable setting aside where a borrower sets aside cash or assets for repayment of a debt without actual retirement of the debt.
Deferred Income	Income received in a given fiscal year but not earned until after the fiscal year has ended. For example, monies collected from parents for their child's food service account that remain in the account for use in the next school year.
Deficit Spending	The amount by which total expenditures exceed total revenues for the fiscal year. Deficit spending results in a reduction of fund balance.
Department of Public Instruction (DPI)	The state agency, headed by an elected state superintendent, charged with the supervision and guidance of elementary and secondary education in Wisconsin. (Also see "SEA.")
Diploma	A certificate conferred by a high school Board of Education or similar agency as official recognition for the completion of a program of studies or for other attainment.
Disbursements	Payments in cash.
District Administrator	A staff member who is the chief executive of a school district; a superintendent of schools.
DPI	The Department of Public Instruction. (Also see "SEA.")
Due to Other Funds	Amounts owed by one fund to another. The recognition of interfund payables in one fund requires the recognition of an interfund receivable in another fund. Because of this relationship, the aggregate amount of interfund payables must equal the aggregate amount of interfund receivables at all times.
Due to Other Governments	Amounts owed to other units of government, including other school districts.
Electronic Funds Transfer (EFT)	The electronic payment or collection from one account to another, either within a single financial institution or across multiple institutions.
Elementary School	See "School."
Encumbrance	A budgetary procedure that reserves funds at the time a purchase order is issued or upon entering into a contract.
Enrollment	See "Pupil Count."
Entitlement	An apportionment, typically from the federal or state government, that is received based on specific qualifications rather than through a competitive process.
Equalization	<ul style="list-style-type: none"> • The process by which the Wisconsin Department of Revenue converts all local assessor-determined property values, by municipality, to a uniform level. (Also see "Property Valuation.") • The process of ensuring a minimum tax base (the guaranteed valuation) for the support of education for each pupil in Wisconsin, so that school districts which spend at the same level will tax at the same rate.
Equalized Aid	A component of general state aids distributed to school districts based on a formula that takes into consideration each individual district's equalized valuation, membership and costs.
Equalized Valuation	See "Property Valuation"
Erate	The eRate program was established by the Communications Act of 1996 and is administered by the Schools and Libraries Division (SLD) of The Federal Communications Commission (FCC). The erate program provides discounts on certain services and products that are essential for classrooms and libraries to receive voice, video, and data communications. The amount of the discount depends on the level of poverty and location of the school or library receiving service. The discount ranges from 20% to 90% of the cost of eligible services.
Escrow Account	An escrow account is one that is established to hold separate funds for the purpose of paying bills such as other post-employment benefits and note/bonds.
Expenditures	Decreases in net financial resources, including current operating expenses which require the current or future use of net current assets, debt service and capital outlay.

School Finance Terms (Expenses - Generally Accepted Accounting Principles)

Term	Definition
Expenses	The cost of goods or services, whether paid or unpaid, received by the district. Expenses do NOT include principal payments on outstanding debt and the cost of capital assets.
Financial Statements	The document, published at periodic intervals, such as monthly, that provides a summary of the financial transactions of the school district for the specified reporting period or as of the date of the financial report.
Fiscal Year	A 12- month accounting period at the end of which a school district determines its financial condition and the results of its operations and closes its books. Wisconsin school districts have a July 1 through June 30 fiscal year.
Food Services	Activities involved with the food service program of the school or local education agency (LEA). This service area includes the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities, including food for the elderly and food delivery.
Foundation Plan	A school funding system that, generally, allocates a uniform per pupil amount to local school districts. Proposals for a foundation plan often provide a process whereby a school district may obtain additional funding related to specific populations served or through local school board or elector approval. Also known as Basic Educational Grant.
Full-Time Equivalency (FTE)	The result of a computation that divides the amount of time for a less than full- time activity by the amount of time normally required in a corresponding full-time activity.
Function	A WUFAR account designation that categorizes a reason or purpose served by a particular expenditure or made possible by a particular receipt. See "Wisconsin Uniform Financial Accounting Requirement."
Fund Balance	Represents the cumulative of surpluses and deficits over the years. The fund balance is often equated with the financial condition of a school district, however, it does not take into consideration long-term obligations (see Net Assets). Fund Balance contrasts with cash balance in that it includes certain amounts that are owed to or owed by the school district.
Governmental Accounting Standards Board (GASB)	The Governmental Accounting Standards Board (GASB) was established to improve standards of state and local governmental accounting and financial reporting that ultimately is designed to result in a greater understanding by users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports. GASB has responsibility to establish accounting rules and standards used by governmental agencies. GASB is equivalent to the Financial Accounting Standards Board (FASB) which sets accounting standards for the private sector. The standards created by these bodies are referred to as generally accepted accounting principals (GAAP). GASB and FASB are not governmental agencies. The State of Wisconsin requires school districts to prepare financial reports in conformance with the GAAP. Source: Governmental Accounting Standards Board, mission statement.
General Aid	State aid which is not limited to any specific program, purpose, or target population but which may be used in financing the general educational program as seen fit by the recipient district. (Also see "Categorical Aid.")
General Aid Membership	The average of membership on the third Friday in September and the second Friday in January, plus: the prior year ADM for summer school, foster/group home equivalents and FTE for part-time high school pupils.
General Educational Development (GED) Test	An internationally recognized and norm test of academic attainment used primarily to determine the competency of an individual to deal with basic academic skills in writing, reading comprehension, mathematics, science, and social studies (Also see "High School Equivalency.")
General Obligation Debt	The debt incurred by a school district, the repayment of which is secured by the district's general taxing authority.
General Purpose Revenue (GRP)	The category of revenues raised by the state that is not designated for specific purposes. GPR generally includes revenues raised from sales and use taxes and state income taxes.
Generally Accepted Accounting Principles (GAAP)	Uniform minimum standards and guidelines to financial accounting and reporting which govern the form and content of the basic financial statements in an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. GAAP for governments is based on standards established by the Governmental Accounting Standards Board (GASB).

School Finance Terms (Graduate - Interscholastic Athletics)

Term	Definition
Graduate	A person who has received formal recognition from the school authorities for completing a prescribed course of study.
Gross Cost	See "Cost."
Guaranteed Valuation	The minimum tax base provided for support of a pupil's education.
Health Reimbursement Arrangements (HRA)	Internal Revenue Service (IRS) sanctioned employer-funded high deductible health plans that allow an employer to set aside funds to reimburse medical expenses paid by participating employees. Health Reimbursement Accounts must be funded solely by an employer," and contributions cannot be paid through a voluntary salary reduction agreement (i.e., a cafeteria plan).
Health Savings Account (HSA)	Health Savings Account is a tax-advantaged medical savings account available to individuals who are enrolled in a qualified high deductible health insurance plan. An individual tax-exempt trust account is setup to pay for routine medical expenses/and or provide savings for the future. Money put into the account can be used either during the year or accumulated in the account. Allowable medical expenses are defined by the IRS, and are much broader than most insurance carriers (i.e. includes dental, vision). Health Savings Accounts are owned by the individual, which differentiates them from company-owned Health Reimbursement Arrangements (HRA) that is an alternate tax-deductible source of funds.
High School	See "School."
High School Equivalency	A program designed to ascertain the ability of an adult who has not graduated from high school to deal with academic material on the level of a high school graduate. If a person presents evidence of having met established criteria (such as completion of a GED or STEP test or accumulation of credits), the state superintendent may grant her or him an equivalency certificate.
Home-Based Private Instruction	A program of educational instruction provided to a child by the child's parent or guardian or by a person designated by the parent or guardian. An instructional program provided to members of more than one family unit does not constitute home-based private instruction. Although home-based instruction does not occur in a "school," as defined above, it may be substituted for school attendance under Statute 118.15(4) if it meets the requirements for private schools under Statute 118.165(1).
Homebound Student	A student who is unable to attend classes, as attested to by a licensed medical professional, and for whom instruction is provided at home by a teacher whose program of instruction is under the direction and control of the district.
HVAC	Heating, ventilating, and air conditioning.
IEA	An intermediate educational agency; in Wisconsin, a cooperative educational service agency (CESA) or county handicapped children's education board (CCDEB).
Impact Aid	Federal funds (unrestricted) paid to districts predominantly based on the number of federally (usually military) employed parents in the district or students of Native American descent. Impact aid may also be received as a payment in lieu of property taxes for federal forest land.
Implicit Rate Subsidy	Difference between health insurance rates charged and expected retiree claims utilization rate. GASB 43 and GASB 45 require that the true cost for retiree benefits be identified. Currently, many employers provide benefits for actives and retirees under one rating structure. However, retirees use benefits at a greater rate than the active population, the active employees are "implicitly" subsidizing the retirees' cost of the plan of benefits. GASB 43 and GASB 45 require that an employer utilize actual experience or actuarial adjustments in order to calculate the present value of retiree benefits.
Indirect Cost Rate	The rate used to recover a portion of the general expenses of operating the district (overhead costs) to a specific grant or program. School districts may assess indirect costs to some state and federal grants.
Individual Education Plan (IEP)	An educational strategy designed to meet the unique educational needs of one child as defined by federal regulations. The IEP is intended to help children reach educational goals more easily than they otherwise would.
Integration Aid	A state aid provided to encourage racial desegregation.
Inter-governmental Cooperation Agreements	Agreements to provide joint services with other governmental entities. Agreements, formerly known as 66:30
Interscholastic Athletics	Organized athletic activities engaged in by pupils specifically trained for such purposes with similarly trained pupils from other schools.

School Finance Terms (Intramural Athletics - Non-Public School)

Term	Definition
Intramural Athletics	Organized athletic activities engaged in by pupils of a school with other pupils from the same school. The intramural program may be an integral part of the physical education program or a distinctive program of its own; in either case, the program must be confined to a single school.
Junior High School	See "School."
Levy	(verb) To impose taxes or special assessments. (noun) The total of taxes or special assessments imposed by a governmental unit.
Levy Rate	In property taxation, the amount of tax to be raised divided by the value of property to be taxed; often expressed in mills of the tax per dollar of property value, hence the term "mill rate." (Also see "Property Valuation.")
License	A document issued by the Department of Public Instruction granting authority and permission to practice in an education related profession (for example, teacher, superintendent, librarian, school nurse) in the public schools.
Local Educational Agency (LEA)	In Wisconsin, a school district. There is a numerical identification number assigned to each LEA.
Long-term Debt	Debt that is issued for extended periods of time. Most long-term debt is associated with capital projects, however, other purposes could include refinancing a district's prior year service liability with the Wisconsin Retirement System (WRS) or long-term operational debt in the event that a district has a negative fund balance.
Lottery Tax Credit	See "Tax Credits."
Maintenance of Effort (MOE)	Maintenance of Effort is a federal requirement that requires grant recipients and /or sub-recipients to maintain a certain level of state/local fiscal effort to be eligible for full participation in federal grant funding. Grant recipients or sub-recipients not meeting MOE requirements face loss of a portion of their federal funds.
Management	Those activities which have as their purpose the general direction, execution, and control of the affairs of an agency or an organizational unit within the agency.
Membership	See "Pupil Count."
Middle School	See "School."
Mill Rate	An amount, stated in "dollars and cents per thousand" that is calculated by dividing the total tax levy by the total value of property to be taxed.
Milwaukee Parental School Choice	Program for low income families residing in the Milwaukee School District only, that allows students to attend, at no tuition charge, a participating private, religious or non-religious, school rather than the public school. The state pays those private schools (through checks to the parents that must be signed over to the school) the equalization aid that the Milwaukee Public Schools would have received for those students or the private school's cost per student, whichever is less.
Modified Accrual	A method of accounting that recognizes most transactions on a cash basis with modification for specific types of transactions that are reported on an accrual basis. Most formal financial statements prepared on behalf of school districts are prepared using the accrual or modified accrual basis of accounting.
Municipality	A town, village, or city. For some specially identified purposes in Wisconsin Statutes, the term also includes counties, school districts, etc.
Negotiated Sale	A sale of obligations where the underwriter is selected by the school district prior to the sale of the obligations. In a negotiated sale, the underwriter provides financial advice similar to that given by a financial advisor and, in contrast to a competitive sale, is the sole bidder on the obligations. A negotiated sale may be appropriate where the complexity of the bond issue or rapidly changing market conditions make a competitive sale impractical or unwieldy for the school district.
Net Assets	The amount remaining after subtracting total liabilities from total assets on an accrual basis. Net assets are the most accurate indicator of a school district's financial condition.
Net Cost	See "Cost."
Non-Public School	A private school.

School Finance Terms (Non-referendum Debt - Promissory Notes)

Term	Definition
Non-referendum Debt	A special statutory provision that allows school boards to issue and have outstanding an amount of up to one million dollars of debt without referendum. The costs to repay the debt issued under this provision are within the district's total revenue limit. Debt issued to refinance other existing debts is not included in this category of debt.
Non-Revenue Receipts	Amounts received which either incur an obligation that must be met at some future date or change the form of an asset from property to cash and therefore decrease the amount and value of school property. Money received from loans, sale of bonds, sale of property purchased from capital funds, and proceeds from insurance adjustments constitute most of the non-revenue receipts.
Object	A WUFAR account designation that categorizes an article or service obtained from a specific expenditure. See "WUFAR."
Official Statement	A compilation of facts and figures relative to the school district which gives any potential purchaser of debt information in order to formulate a bid. The official statement provides a political, economic, demographic and financial overview of the school district along with a detailed explanation of the specific debt issue.
Open Enrollment	An school enrollment program that allows parents to apply for their children to attend school in a school district other than the one in which they reside.
Other Post-Employment Benefits	Benefits that an employee will begin to receive at the start of retirement, but excludes pension benefits paid to the retired employee. Examples of other post-employment benefits that a retiree can receive are health and dental insurance premiums, life insurance premiums and deferred-compensation arrangements.
Parochial School	See "School."
Partial School Revenues	The sum of state school aids and property taxes levied for school districts.
Part-time Attendance	Option whereby a private school or home based student attends classes at a public school. A maximum of two periods per day may be counted towards general aid membership. See "Pupil Count General Aid Membership."
Policy	A governing principle, plan, or guide for a course of action.
Primary Cost	See "Cost."
Principal	A staff member performing the assigned activities of the administrative head of a school (not school district) and who has been delegated major responsibility for the coordination and direction of the activities of the school.
Private School	See "School."
Professional	A term denoting a level of knowledge and skills possessed by an individual or required of an individual to perform an assignment and which is attained through extensive education and training, usually a minimum of a baccalaureate degree or its equivalent obtained through special study or experience.
Promissory Notes	A written obligation to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity. Notes generally carry interest at a fixed rate, but may carry variable rates. Principal and interest payments are usually payable periodically. A note can have a final maturity of no greater than ten years.

School Finance Terms (Property Valuation - Pupil Count)

Term	Definition
Property Valuation	<p>The dollar value placed on land and buildings for purposes of administering property taxes. There are two commonly used methods of describing property valuation: assessed and equalized. Equalized valuation may either include or exclude a TIF increment.</p> <ul style="list-style-type: none"> • Assessed Valuation - The property valuation determined by the municipal (city, village, town, or county) assessor as of January 1 in any given year. It is important that property of equal value be assessed at equal amounts, but it is not necessary that the amounts reflect the true sale value of the property. State law requires that total assessments within a municipality be within 10 percent of equalized valuation no less frequently than every five years. • Assessment Ratio - The ratio of assessed to equalized valuation. • Equalized Valuation - The assessed valuation multiplied by an adjustment factor computed by the Wisconsin Department of Revenue for each type of property in each taxing district, designed to cause each type of property to have comparable value regardless of local assessment practices. The objective is to have equalized valuation reflect the fair market value of each piece of property. (Fair Market Value-The value that would be agreed upon between a willing buyer and a willing seller in an "arm's length" transaction where neither is required to act.) • Tax Incremental Finance (TIF) Increment - The appreciation of equalized valuation of property within a TIF district above the base - level equalized valuation of the TIF district at the time it was created. Property taxes on the TIF increment which would normally go to school districts, counties, Technical College districts, and others, instead go to the municipality which created the TIF district to help that municipality pay for the cost of urban renewal within the TIF district.
Proprietary Fund	A fund that meets the criteria established by GASB as a business-type activity. Generally, charges for services would comprise a significant element of the total revenues in a proprietary fund. The Food Service Fund is the most common school district proprietary fund.
Public School	See "School."
Pupil	An individual for whom instruction is provided in an educational program under the jurisdiction of a school, school system, or other educational institution. No distinction is made between the terms "student" and "pupil". A pupil may receive instruction in a school facility or in another location, such as at home or in a hospital. Instruction may be provided by direct pupil-teacher interaction or by some other approved medium, such as television, radio, telephone, and correspondence.
Pupil Count	<p>One of the following methods of determining the number of pupils in a class, school, or school district. (Also see "School Census.")</p> <ul style="list-style-type: none"> • Attendance - The number of pupils present for instruction on a given school day. • Enrollment - The number of pupils officially enrolled as eligible to attend class, whether such pupils are actually in attendance on that day or not, plus pupils enrolled in home bound instruction. • Membership - Resident enrollment adjusted for full time equivalency (FTE) • Average Daily Attendance (ADA) - The aggregate days of attendance during a given reporting period (typically a school year) divided by the number of days school is in session during that period. • Average Daily Membership (ADM) - The aggregate days of membership during a given reporting period (typically a school year) divided by the number of days school is in session during that period. • Summer ADM Equivalent - The aggregate class minutes of membership for the summer session divided by 48,600. (The value 48,600 represents the number of class minutes in a typical school year). • General Aid Membership - The average of membership on the third Friday in September and the second Friday in January, plus the prior year summer FTE, foster/group home equivalents and FTE for high school pupils attending part - time.

School Finance Terms (Pupil Count-Membership - Purchased Services)

Term	Definition
Pupil Count – Membership	<p>Pupil membership count is noted in the following groups:</p> <ul style="list-style-type: none"> • Pre - School - Special Education: Typically a self - contained 3 or 4 year - old Special Education program for special education pupils who are a minimum of age 3 on or prior to the membership count date. If the district does not offer a 4 - year old kindergarten program, then 4 - year old special education pupils would be counted here. • 4 - Year Old Kindergarten (437 Hours): The number of pupils present, age 4 on or before September 1, of the current school year, or admitted under s. 115.28(8) in a program that schedules at least 437 hours of direct pupil instruction, exclusive of Title 1 or Special Education time during the school year. The school may substitute 87.5 hours of the schedules 437 hours in outreach activities. • 4 - Year - Old Kindergarten/437 Hours plus at least 87.5 Hours of Outreach: The number of pupils present, age 4 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that schedules at least 437 hours of direct pupil instruction, plus at least 87.5 hours of outreach activities for a minimum total of 524.5 hours, exclusive of Title 1 time, during the school year. The school CANNOT substitute instructional time for outreach activities. • 5 - Year Old Kindergarten/Half time program: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that schedules at least 437 hours of direct pupil instruction during the year. A program of this type usually meets for half a day every day but other configurations can be utilized. • 5 - Year Old Kindergarten/3 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 3 full days each week, but less than 4 full days, for the entire school year. • 5 - Year Old Kindergarten/4 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 4 full days each week, but less than 5 full days, for the entire school year. • 5 - Year Old Kindergarten/5 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 5 full days each week, for the entire school year. • 5 - Year Old Kindergarten/Blended Program: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s.120.12 (25) in a program that meets for the entire school year, but structurally varies from the first semester to the second semester. NOTE: A full - day is one in which the length of the kindergarten class is the same length as the first graders of the district. • Grades 1 - 12: The number of pupils present, age 6 on or before September 1, of the current school year, or admitted under s. 120.12(25) in grades 1 - 12. (Note: First grade pupils must be at least six years old on or prior to September 1 to be counted.)
Pupil Transportation Services	<p>Activities concerned with the conveyance of pupils to and from school as provided by state law.</p>
Pupil Weighting	<p>A method of distributing funding according to the individual characteristics of each pupil. Weights or ratios are assigned for categories of pupil need or special costs and funds are allocated to districts based on their total weighted pupil count. Wisconsin does not weight pupils at this time, but an example of weighting might be:</p> <p>A school has 100 students; 10 of them are special needs, 20 of them qualify for free lunch. The state adopted a weighting formula that adds .3 FTE to each free lunch student and .7 FTE to each special needs student. Therefore; the weighted pupil count for this school is 113 (70 students weighted as 1 each plus 10 students weighted as 1.7 each plus 20 students weighted as 1.3 each).</p>
Pupil/Staff Ratio	<p>The enrollment of a school district, as of a given date, divided by the total full-time equivalency of all staff assignments in the school system on the same date.</p>
Pupil/Teacher Ratio	<p>The enrollment of a school district, as of a given date, divided by the total full-time equivalency of classroom teaching assignments serving those pupils on the same date.</p>
Purchase Order (PO)	<p>A contract issued by a buyer to a seller for products or services. Sending a purchase order to a supplier constitutes a legal offer to buy the seller's products or services. It will specify payment terms, delivery dates, item identification, quantities, shipping terms and all other obligations and conditions.</p>
Purchased Services	<p>Services rendered by personnel who are not on the payroll of the district, including all related expenses covered by the contract.</p>

School Finance Terms (Purchasing Card - School Based Services)

Term	Definition
Purchasing Card (PCard or P-Card)	A type of commercial card that allows organizations to take advantage of the existing credit card infrastructure to make electronic payments for a variety of organization expenses (e.g., goods and services). P-Cards are also known as Procurement Cards, Payment Cards, Purchase Cards or similar terms.
Real Property	Property consisting of land, buildings, minerals, timber, landscaping, and all improvements thereto.
Receipts	Cash received.
Refinance	To pay off an old debt with newly borrowed money and thus incur a new debt.
Refund	Noun - An account paid back or credit allowed because of an over collection or due to the return of an object sold. Verb <ol style="list-style-type: none"> 1. To pay back or allow credit for an amount because of the return of an object sold 2. To refinance.
Requisition	A written demand or request, usually from one department or its purchasing officer or to another department, for specified articles or services.
Revenue Bonds	Debt incurred, the repayment of which is secured by anticipated future revenues, such as food service sales.
Revenue Limit	The maximum amount of revenue that may be raise through state general aid and property tax for the General, Non-Referendum Debt (authorized after August 12, 1993), and Capital Expansion Funds, also referred to as Funds 10, 38, and 41 respectively. (Prior to 01-02, the Community Service Fund levy was included in the revenue limit.) Wisconsin Act 16 implemented revenue limits beginning with the 1993-94 school year. Definitions: <ol style="list-style-type: none"> (1) "Number of pupils" means the number of pupils enrolled on 3rd Friday of September (1m) "Revenue" means the sum of state aid and the property tax levy. (2) "State aid" means aid under ss. 121.08, 121.09, 121.10 and 121.105 and sub ch. VI, as calculated for the current school year on October 15 under s. 121.15(4), except that "state aid" excludes any additional aid that a school district receives as a result of ss.121.07(6)(e) and (7)(e) and 121.105(3) for school district consolidations that are effective on or after July 1, 1996, as determined by the department.
Revenues	Increases in fund balance from sources other than expenditure refunds, operating transfers out, debt proceeds, or operating transfers-in.
Reverse Referendum	A process where an action of a school board can be forced to referendum. For example, if the school board passes a resolution to borrow money the law could require that this action be posted in the official newspaper and, depending on collection of a specified number of signatures, the taxpayers could force the action to be placed on a ballot for a binding vote by the general electorate. Also known as Permissive Referendum.
Salary Schedule	A pay matrix that shows fixed compensation paid to employees for work or services based on job classification, years of service, and/or levels of education.
School	An administrative unit dedicated to and designed to impart skills and knowledge to students. A school is organized to efficiently deliver sequential instruction from one or more teachers. In most cases, but not always, a school is housed in one or more buildings. Also, multiple schools may be in one building. By statute, a home-based private educational program is not a school. Schools are described in the following ways: <ul style="list-style-type: none"> • By Administration • By Grade Level • By School Type
School Based Services (SBS)	Primary medical and mental health care provided to special needs and at-risk students. School Based Services benefit defines the services that can be reimbursed by Wisconsin Medicaid for medically necessary services provided to Medicaid-eligible children in Wisconsin schools. An integral component of the SBS benefit is the Medicaid Administrative Claiming (MAC). School employees in participating districts are required to complete random time studies designating Medicaid edible activities.

School Finance Terms (School Board - School System)

Term	Definition
School Board	<p>The governing body of a school district, comprising 3, 5, 7, 9, or 11 publicly elected members. Wisconsin law permits four different methods of election.</p> <p>At large by district.</p> <ul style="list-style-type: none"> (a) A candidate may reside anywhere in the district. (b) He or she runs against all other candidates. (c) Everybody in the school district may vote for any candidate. (d) Those elected represent the entire district. <p>At large by apportioned area.</p> <ul style="list-style-type: none"> (a) A candidate must reside in a particular designated area within the district, as determined by a plan of appointment under Statute 120.02(2). (b) He or she runs against all other candidates from that area. (c) Everybody in the school district may vote for any candidate. (d) Those elected represent the entire district. <p>At large by numbered seat. Statute 120.42(1)(b) requires Madison to use this method.</p> <ul style="list-style-type: none"> (a) A candidate may reside anywhere in the district. (b) He or she runs against all other candidates who have declared they are running for a particular numbered seat, as provided by Statute 120.02(4). (c) Everybody in the school district may vote for any candidate. (d) Those elected represent the entire district. <p>By sub district. Statute 119.08 requires Milwaukee to use this method for eight of its nine board seats. The remaining seat is elected at large by district.</p> <ul style="list-style-type: none"> (a) A candidate must reside in a particular sub district (a designated area within the school district, as determined by Statute 119.08). (b) He or she runs against all other candidates from that sub district. (c) Only residents of a sub district may vote for candidates from that sub district. (d) Those elected represent their sub districts.
School District	<p>A geographical area established for administering, financing, and determining attendance eligibility for elementary and/or secondary education. (Also see "LEA.") School districts may be categorized in many ways, two of which are of interest here:</p> <ol style="list-style-type: none"> 1. By Scope. Based on grades operated. The three permissible categories are: <ul style="list-style-type: none"> • pre - kindergarten to Grade 12 (PK - 12); • elementary (PK - 8); and • union high school or UHS (9 - 12); <p>The latter two categories share the same territory, with multiple elementary districts for each high - school district.</p> 2. By Kind. Based on method of governance: <ul style="list-style-type: none"> • Common - Budget is presented to, and tax levy is voted on, by an annual meeting of citizens, who also have other more rarely used powers; however, the school board may subsequently alter the levy, and it makes most of the operating policy decisions. Covered in Subchapter I of Chapter 120 of the statutes. • Union High - Just like a common district, except it operates only Grades 9 - 12. • Unified - A structure in which all the duties and powers of the annual meeting are vested in the school board. Covered in Subchapter II of Chapter 120 of the statutes. • First Class - A structure applying only to the Milwaukee School District, which is conterminous with the City of Milwaukee, the state's only first class city, in which some fiscal authority and responsibility of the schools is vested in city officials; however, the school board has final authority to adopt a budget and set a tax levy. Covered in Chapter 119 of the statutes.
School District Reorganization	Any alteration, dissolution, consolidation, or creation of a school district. Chapter 117, Wi Stats.
School Levy Tax Credit	See "Tax Credits."
School Lunch	Any lunch served by a school, approximating the minimum nutritional standards of the US Department of Agriculture, regardless of who pays for it.
School Plant	The site, buildings, and equipment constituting the physical facilities used by a school.
School Site	Land owned and managed by a school or district, including all nonstructural components of the land, such as grading, drainage, drives, parking areas, walks, plantings, play courts, and play fields.
School System	All the schools and supporting services controlled by a school board or by any other organization which operates one or more schools.

School Finance Terms (School Types - Shared Cost)

Term	Definition
School Types - By Administration	<p>Generally based on who makes the decisions and pays the bills. These terms are in common use:</p> <ul style="list-style-type: none"> • Parochial School - A private school operated by a religious organization or in which religious instruction is offered. • Private School - An institution with a private educational program that meets all of the criteria under Statute 118.165(1) or is determined to be a private school by the state superintendent under Statute 118.167. • Public School - A school operated by publicly elected or appointed school officials, in which the program and activities are under the control of those officials, and which is supported primarily through public funds.
School Types - By Grade Level	<p>Elementary school - A school which generally offers undifferentiated instruction to a self - contained class, usually involving grades not higher than eight.</p> <p>Middle school - A school with a program designed specifically for the early adolescent learner, usually beginning with grade 5 or 6.</p> <p>Junior high school - A school between the elementary - and high - school levels, usually offering at least some separate classes in different subjects and usually covering grades 7, 8, and 9.</p> <p>High school - A school offering separate classes in different subjects and usually covering grades 9, 10, 11, and 12.</p> <p>Elementary/secondary combined school - A school which generally offers instruction at all grade levels through grade 12 in one location due, in most cases, to the size of the district. Although offered at one location, instruction is differentiated as elementary, middle/junior high school, and high school.</p>
School Types - By School Type	<p>Regular school - A regular school is a public elementary/ secondary school that does not focus primarily on vocation, special, or alternative education.</p> <p>Special education school - A special education school is a public elementary/secondary school that:</p> <ul style="list-style-type: none"> • Focuses primarily on special education, including instruction for any of the following: hard of hearing, deaf, speech - impaired, health - impaired, orthopedically impaired, mentally impaired, seriously emotionally disturbed, multi - handicapped, visually handicapped, deaf and blind; and • Adapts curriculum, materials, or instruction for students served. <p>Vocational education school - A vocational education school is a public elementary/secondary school that focuses primarily on vocational education, and provides education and training in one or more semi - skilled or technical operations.</p> <p>Alternative education school - An alternative education school is a public elementary/education school that: Addresses the needs of students that typically cannot be met in a regular school; Provides non - traditional education; Serves as an adjunct to a regular school; or Falls outside of the categories of regular, special education, or vocational education.</p> <p>Charter school - A charter school is a school operating under provisions of a contract with a local public school board as required under s.118.40, Wis. Stats.</p>
School Year	The time commencing with July 1 and ending with the next succeeding June 30.
SEA	A state educational agency.
Secondary Cost	See "Cost."
Secondary School	See "School."
Segregated Revenues	Revenues raised by the state for a specific purpose. For example, gasoline taxes are segregated for road construction. Various proposals for changes in school finance regulations propose segregating a portion of sales taxes for school purposes.
Self-Contained Class	A class having the same teacher or team of teachers for all or most of the daily session.
Sequential Test of Educational Progress (STEP)	A nationally recognized and norm test of educational attainment. (Also see "High School Equivalency.")
Session	The time during a school term that the schools of a school district are operated for the attendance of pupils.
Shared Cost	See "Cost."

School Finance Terms (Short-term Debt - Tax Exempt Debt)

Term	Definition
Short-term Debt	Debt that is issued for short periods of time. Most short-term borrowing is in the form of Tax and Revenue Anticipation Notes for cash flow purposes or Bond Anticipation Notes as an intermediary step to issuing long-term debt for capital projects.
Site Based Budgeting	A method of allocating resources to individual schools within a school district. Most frequently, funds are allocated based on the number of pupils at each school site and a site governance council that determines how the budgeted amount will be allocated within the site. There are a number of methods for allocation of amounts to sites, such as the number of special needs students, grade levels served, nature of the physical facility, special programming offered, or other equalizing factors. There are several variations to site based budgeting, for instance, some districts only allocate non-personnel costs and continue to budget personnel centrally while other districts allocate the number of positions and allow the site some discretion as to how they are utilized.
Small Pupil Transportation Vehicle	A pupil transportation vehicle with a manufacturer's rated seating capacity of fewer than 12.
State Educational Agency (SEA)	In Wisconsin, the Department of Public Instruction.
Student	A pupil.
Student Activity Fund	Activity funds are established to direct and account for monies used to support co-curricular and extra-curricular student activities. As a general rule, co-curricular activities are any kinds of school-related activities outside the regular classroom that directly add value to the formal or stated curriculum.
Student/Staff Ratio	See "Pupil/staff ratio."
Student/Teacher Ratio	See "Pupil/teacher ratio."
Summer ADM Equivalent	See "Pupil Count."
Superintendent of Schools	A district administrator.
Supervisors of Instruction	School personnel who have been delegated the responsibility of assisting teachers in improving the learning situation and instructional methods.
Supplanting	The process of substituting funds or services to a project that would otherwise be provided during the time period. Federal funds should only be used to provide supplemental services.
Support Staff	A staff member who works under the direction of a professional staff member and assists that staff member, but who does not have full professional status (for example, a teacher's aide).
System wide	Activities which extend or apply to all of the schools in the local education agency (LEA) or to all of the schools in the LEA where activities apply.
Tax and Revenue Anticipation Notes (TRAN)	Debt that is issued by school districts for cash flow purposes. This debt must be repaid within thirteen months of issuance. Most school districts must borrow because expenditures of the fiscal year begin on July 1st, but state aid and property tax revenues are not received until later in the fiscal year.
Tax Credits	Programs designed to provide property tax relief. Lottery Credit - The lottery property tax credit, created in 1991 Wisconsin Act 39, is a below - the - line property tax relief program; that is, it is shown on the individual property tax bill as a reduction from the gross tax which would otherwise have been paid on the taxpayer's principal residence. The lottery credit was applied to homeowners' property tax bills from 1991 through 1995. In October 1996 this credit was determined to be in violation of the state constitution's tax uniformity clause. School Levy Tax Credit - The school levy tax credit, created in 1985, is a below - the - line property tax relief program; that is, it is shown on the individual property tax bill as a reduction from the gross tax which would otherwise have been paid. The amount of the school levy credit paid to a municipality is based on the municipality's share of a three - year average of the total statewide levy. Each municipality's total credit is divided by the total value of the municipality's taxable property to determine a rate which is applied to the individual tax bill. The school levy credit applies to all taxable property.
Tax Exempt Debt	Obligations issued by the school district where interest payments are exempt from federal income taxation. Wisconsin school district debt is usually exempt from federal income taxes, but not from state income taxes. Double exempt debt is exempt from both federal and state income taxes.

School Finance Terms (Tax Incremental District - Tuition Waiver)

Term	Definition
Tax Incremental District (TID)	A financing mechanism available only to municipalities to provide incentives for economic development in a specified geographic area. Taxes collected within the TID are restricted to pay the cost of infrastructure related to development of the TID until such costs have been paid.
Tax Incremental Finance (TIF)	The amount of appreciation of equalized valuation of property within a designated geographical area that is above the base-level equalized valuation of the area at the time it was created. Property taxes on the TIF increment which would normally go to school districts, counties, technical college districts, and others, instead go to the municipality which created the TIF district to help that municipality pay for the cost of economic development within the district.
Taxable Debt	Obligations issued by the school district where the interest payments are NOT exempt from inclusion on federal income tax returns. School districts rarely issue taxable debt obligations, however, the refinancing of the Wisconsin Retirement System Prior Years Service Obligation is an example of a type of debt issue that is considered taxable.
Taxes	Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.
Teacher	A licensed person employed to instruct pupils in a situation where the teacher and the pupils are in the presence of each other. This term is not applied to principals, librarians, or other instructional or support personnel.
Teacher Aide	A person who assists a teacher with routine activities associated with teaching, those activities requiring minor decisions regarding pupils (such as monitoring and conducting rote exercises), operating equipment, and clerking.
Teacher's Contract	The formal agreement, represented by a legal signed document entered into by a teacher and the officials of the school system, stating the salary and benefits to be paid the teacher, the length of term of the agreement, and the general duties to be performed by the teacher.
Teacher-Training Institution	A college or university recognized by the DPI for the training of teachers.
Teaching Intern	A person who instructs pupils without having fulfilled all the requirements for a professional in the teaching field. The person usually has a professional level of competencies in a field other than education and is allowed to teach while obtaining the necessary knowledge and skills in education and educational psychology.
Team Teaching	An organization for classroom instruction which involves two or more teachers who are jointly responsible for planning, instructing, and evaluating a given group of pupils at any instructional level or in a selected subject-matter area or combination of subject-matter areas. A teaching team may or may not include assistants.
Technical College District	A geographical area established for administration, financing, and determination of attendance eligibility for post-secondary vocational, technical, and adult education.
Tertiary Cost	See "Cost."
TIF	Tax incremental financing. See "Property Valuation."
Transcript	An official record of student performance showing all schoolwork completed at a given school and the final mark or other evaluation received in each portion of the instruction.
Transfer	Verb-To leave one class, grade, school, or district and move to another class, grade, school, or district or Noun- <ol style="list-style-type: none"> 1. A pupil who transfers. 2. Payment of money from one fund to another within a school district or from one governmental unit (such as a school district) to another.
Transfer of Service	An exception allowed within the revenue limit computation that permits a school district to increase its revenue limit by the amount by which the district must assume responsibilities formerly provided by another unit of government. All transfers must receive approval from the DPI.
Transit of Aid	Federal or state aid that is transferred by the fiscal agent for reimbursement of expenditures made directly by the participating organization.
Tuition Waiver	A waiver process that allows children to continue to attend the district after the families have moved out of a district and wish to have their children to remain in the non-resident district. The waiver is only temporary and the student must apply for open enrollment at the first opportunity following the move.

School Finance Terms (Underwriter - Zero-based Budgeting)

Term	Definition
Underwriter	A financial firm that initially purchases the bonds or notes in a competitive sale or a negotiated sale, and then resells them to the public.
Underwriter's Fee	A fee charged for the purpose of managing and administering the initial purchase and resale of the debt. The amount of the fee is based on the complexity of the debt issue and the sophistication of the issuer. Fees are usually expressed as a percentage of the size of the total debt incurred. Fees are negotiable.
Underwriter's Spread	The difference between the amount paid by the purchaser(s) to the school district and the amount received by the purchaser(s) on resale of the bonds.
Ungraded Class	For reporting purposes, this definition is specific to private schools. A class which is not organized on the basis of grade and has no standard grade designation. This includes regular classes, special classes for exceptional students, and many adult/continuing-education classes. Such a class is likely to contain students of different ages who frequently are identified according to level of performance in one or more areas of instruction rather than according to grade level or age level.
Ungraded School	For reporting purposes, this definition is specific to private schools. A school which has no grade designations or grade-level standards. In such a school, pupils are reclassified frequently according to individual progress. Aspects of subject matter taught are designed for the various abilities of individual pupils. Frequently, provision is made for independent study and research by pupils as well as for permissive self-selection of problems and materials. Achievement standards vary with the rate of learning for different pupils, and pupil achievement can occur at any time.
Valuation	The process of appraising or estimating the worth of something having economic or monetary value.
Vertical Equity	A term used in various proposals for school finance reform that attempts to create equity by weighting students according educational need.
Voucher	A document which authorizes the payment of money and usually indicates the accounts to be charged.
Wisconsin Retirement System (WRS)	A State of Wisconsin retirement program that covers employees of the State of Wisconsin, employees of local government employers who elect to participate, and Milwaukee Public School District teachers.
Wisconsin Technical College System	A system of technical colleges which enables eligible person to acquire the occupational skills training necessary for full participation in the work force and to enable participants to obtain the knowledge and skills necessary for employment at a technical, paraprofessional, skilled or semiskilled occupation.
Wisconsin Uniform Financial Accounting Requirement (WUFAR)	A system of classification of financial transactions using uniform definitions and code numbers, as prescribed by the DPI for school districts under Statute 115.28 (13). The dimensions common to all school districts in Wisconsin are: Fund - An independent fiscal and accounting entity, with its own set of assets, liabilities, revenues and expenditures, used to account for financial transactions in accordance with laws, regulations, or restrictions. The DPI requires reporting of various revenues and expenditures within specified funds. Function - An account designation that categorizes a reason or purpose served by a particular expenditure or made possible by a particular receipt. Location - An account designation that categorizes financial transactions by the building, department or operating unit given cause for the transaction. Object - An account designation that categorizes an article or service obtained from a specific expenditure. Source - An account designation that classifies revenues and other receipts according to their origin, such as local, state, or federal. Project - An account designation that categorizes the funding source of an expenditure or receipt. This coding is most often associated with projects that are funded with state or federal grants.
Withdrawal	An individual who has left a class, grade, or school by transferring, completing school work, dropping out or because of death.
WTCS	Wisconsin Technical College System.
Zero-based Budgeting	A method of budgeting that assumes all past expenditures are optional and must be re-authorized in the new budget in competition with all other budgetary requests.

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