

# Year End Reporting

Colorado Charter School Institute

April 24, 2018



# Agenda

- Audits.....Slides 3 - 4
- Assurances for Financial Accreditation.....Slides 5 - 16
  - Statute Reminders.....Slide 6
- Data Pipeline File.....Slides 17 - 50
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# AUDITS

# AUDITED FINANCIAL STATEMENTS

C.R.S. 22-30.5-112 (7)

A charter school shall comply with all of the state financial and budget rules, regulations, and financial reporting requirements with which the chartering school district is required to comply, including but not limited to annual completion of a governmental audit that complies with the requirements of the department.

**NOTE:** CSI will forward audits to the Office of the State Auditor. However, the State Auditor's office will tell you it is the school's responsibility to make sure it is submitted to OSA and submitted on time.

# ASSURANCES FOR FINANCIAL ACCREDITATION FORM

# Statute Reminders



Must report **TABOR 3%** equity reserve  
C.R.S. 22-44-105(1)(c.5)



Negative unassigned fund balance is not allowed  
C.R.S. 22-44-102(7.3)



Expenditures cannot exceed revenues and beginning fund balance on approved budget C.R.S. 22-44-105 (1.5)(a)



Must have board resolution to spend beginning fund balance  
C.R.S. 22-44-105(1.5)(a)&(c)



Actual expenditures cannot exceed last approved/appropriated budgeted expenditures plus any supplemental budgets C.R.S. 22-44-115(1)

# Charter AFA2018

## Assurances for Financial Accreditation

- Be sure to use the Charter Form AFA2018
  - <http://www.cde.state.co.us/cdefinance/accreditation>
- Choose school from dropdown: *8001: School Name*
  - Double click in the 'Header' in order to activate the dropdown menu.
  - *Sample:*



**COLORADO**  
Department of Education  
School Finance and  
Operations Division

CHARTER FORM AFA2018  
Assurances for Financial Accreditation [8001: Academy of Charter Schools]

Fiscal Year 2017-18

### Overview

A charter school is required to comply with all of the state financial and budget rules, regulations and financial reporting requirements pursuant to Section 22-30.5-112(7), C.R.S. This form is required pursuant to Section 22-11-206(4), C.R.S. when an authorizer does not provide assurances for the charter school(s) within the authorizer's FORM AFA2018 or to support compliance monitoring by the authorizer. The assurance form must be submitted certifying substantial and good-faith compliance with the a) School District Budget Law, b) Financial Policies and Procedures Act, c) Public School Financial Transparency Act, and d) accounting and reporting. The Colorado Department of Education monitors compliance by reviewing finance data pipeline submissions, audited financial statements, financial transparency websites, and responses from management to inquiries related to those reviews. Good-faith compliance is determined, in part, by the assurances provided below as certified by those charged with governance.

### Completion and submission

1. Open header and select entity from the drop down. Schools are ordered by authorizer numeric code then by school name.
2. Select the appropriate response for each assurance. Note: select "N/A" when item is not applicable.
3. Complete an Attachment A for each "No" response.
4. Scan to PDF the completed and signed CHARTER FORM AFA2018 with, if applicable, an Attachment A for each "No" response.
5. Forms executed by a charter school should be submitted to the authorizer. Forms executed by an authorizer should be submitted to CDE with the following items as PDF files via email attachments to: [schoolfinance@cde.state.co.us](mailto:schoolfinance@cde.state.co.us)
  - a. FORM AFA2018 for the authorizer
  - b. Audited financial statements for year ended June 30, 2018 (including audit reports for charter schools, if applicable)
  - c. Grant Revenue Reconciliation Report from data pipeline with responses for all differences in column 9
  - d. Finance December Error Detail Report - Rollup from data pipeline with confirmation or responses for all warning edits

# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

- Schools are required to adopt and appropriate a budget

44-1	Adopt budget and an appropriation resolution	22-44-103(1) 22-44-107	The board of education adopted a budget and an appropriation resolution prior to June 30, 2017. If no, please address compliance with Section 22-44-104, C.R.S., in an Attachment A. <i>Note:</i> the appropriation resolution <u>may by reference incorporate the budget as adopted.</u>	[Select One]
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- Appropriation resolution sample on CSI website:

[www.csi.state.co.us/school\\_resources/financial\\_services](http://www.csi.state.co.us/school_resources/financial_services) >Checklists and Templates >Sample Appropriation Resolution

- See the following slide for Sample Appropriation Resolution

- Detail of budget

44-2	Detail of budget	22-44-105(1)(c)	The budget for fiscal year 2017-18 itemizes expenditures by fund and by pupil.	[Select One]
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- Uniform Budget Summary Sheet

44-4	Uniform summary sheet	22-44-105(1)(d.5)	The budget for fiscal year 2017-18 includes a uniform summary sheet for each fund.	[Select One]
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- Link to Uniform Budget Summary Sheet:

- <http://www.cde.state.co.us/cdefinance>

- The FY2018-19 form has not yet been posted. As a work around, you can click on the most upper left hand corner of the spreadsheet to select it all and copy to a new file and it will remove any of the password restrictions so you can edit it.



# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

- Sample appropriation resolution

<b>APPROPRIATION RESOLUTION</b>			
Be it resolved by the Board of Education of _____ School District/BOCES in _____ County, that the amounts shown in the following schedule be appropriated to each fund as specified in the Adopted Budget for the ensuing fiscal year beginning July 1, 2017 and ending June 30, 2018.			
			<b>APPROPRIATION AMOUNT</b>
<b>FUND</b>			
1. General Fund		1	0
	1a. Charter School Fund	1a.	0
	1b. Insurance Reserve Fund	1b.	0
	1c. Pre-School Fund	1c.	0
Special Revenue Funds:			
	3. Food Service Special Revenue Fund	3	0
	4. Governmental Designated-Purpose Grants Fund	4	0
	5. Pupil Activity Special Revenue Fund	5	0
	6. Full-Day Kindergarten Mill Levy Override Fund	6	0
	7. Transportation Fund	7	0
	8. Other Special Revenue Funds	8	0

# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

- Notice of proposed budget

44-8	Notice of proposed budget	22-44-109	Notice <u>was made</u> in accordance with law that the proposed budget is available for public inspection.	Select One
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- Use of beginning fund equity- See following slide for sample resolution language

44-5	Use of beginning fund balance	22-44-105(1.5)(a)&(c)	For budgets that include the use of beginning fund balance, <u>a resolution was adopted by the board specifically authorizing this use and stating the district's plan to ensure that use will not lead to an ongoing deficit.</u>	Select One
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- Spending in excess of appropriations

44-12	Spending in excess of appropriations	22-44-115(1)	Spending did not exceed amounts appropriated for each fund.	Select One
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- Financial transparency

44-14	Financial transparency	22-44-304	Information required by the Public School Financial Transparency Act <u>was made</u> available on-line in a downloadable format. Note: Check the organization's website to ensure all required documents are posted and current.	Select One
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# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

### Sample Resolution Spending Beginning Fund Balance:

❖ BE IT RESOLVED: In accordance with C.R.S. 22-44-105, the Board of Education authorizes the use of a portion of the Fiscal Year 20xx-xx Beginning Fund Balance from the General Fund in the amount of \$xx,xxx for the following purposes:

❖ \$xx,xxx authorized in the General Fund for “\_\_\_\_\_.”

0

❖ BE IT FURTHER RESOLVED, that the use of this portion of the beginning fund balance for the purposes set forth above will not lead to an ongoing deficit, provided the use of funds from fund balance is one time only.

- Minimum requirements for resolution located in the Budget section of the FPP Handbook – Pages 9-10  
<http://www.cde.state.co.us/cdefinance/sfFPP.htm>
- Sample on CSI website
  - [www.csi.state.co.us/school\\_resources/financial\\_services](http://www.csi.state.co.us/school_resources/financial_services)  
>Checklists & Templates >Sample Use of BFB Authorization Res short version OR Sample Use of BFB Authorization Resolution

# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

- Board review of financial condition (quarterly reports)

45-3	Board review of financial condition	22-45-102(1)(a) & (b)	The board required the preparation of financial reports that included at a minimum the information required by state law. The board reviewed the financial condition of the entity at least quarterly during the fiscal year.	Select One
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- Link to sample quarterly report on CSI website:  
[www.csi.state.co.us/school\\_resources/financial\\_services](http://www.csi.state.co.us/school_resources/financial_services) >Checklists & Templates > Sample Quarterly Financial

- TABOR

44-3	TABOR	22-44-105(1)(c.5)	The three percent emergency reserve required by TABOR has been properly reported using a) unrestricted general funds, b) cash fund emergency reserves, or c) a statutorily approved alternative.	Select One
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- Use of FPP handbook and CDE chart of accounts

44-13	Use of handbook and chart of accounts	22-44-204(3)	The financial policies and procedures handbook and chart of accounts were used for budget development, maintaining financial records, and periodic presentation of financial information to the board.	Select One
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# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

- Budgetary reserves

44-6	Contingency reserve - operating reserve	22-44-106(2)	If applicable, the board of education adopted a board resolution committing fund balance, which is limited to 15% of total general fund budgeted expenditures, considered as a beginning general fund balance for the 2018-19 fiscal year and thereby unavailable for appropriation during the 2017-18 fiscal year.	Select One
------	--	--------------	---	------------

- Guidance:

- Only applies to a reserve that is intentionally not appropriated for use in the current fiscal year, but rather the next fiscal year. This should be specifically noted and coded to committed fund balance (6750) on the Uniform Budget Summary.

# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

Any “NO” answers must be explained in “Attachment A”  
(following slide)

Use “N/A” only if you know the indicated statute does not pertain  
to your school situation, such as interfund borrowing or  
enterprise fund accounting

Must be signed by Head of School, Board President and Business  
Leader

School submits report to CSI with final audit - CSI will submit to CDE

Select entity:

Charter school name, if applicable:

Select related assurance:

Explanation for non-compliance:

Plan to address non-compliance:

Actual or expected date of compliance MM/DD/YY:

Additional Comments:

# Charter AFA2018

## Assurances for Financial Accreditation (cont.)

Attachment A requires the following information for any “NO” answers:

1. Select entity 8001: Charter School Institute from dropdown
2. Type charter school name in box below entity name
3. Select related assurance from dropdown
4. Explanation for non-compliance
5. Plan to address non-compliance
6. Enter actual or expected date of compliance
7. Additional comments are optional



# DATA PIPELINE FILE

# Data Pipeline File Layout

- CSI provides a data file template (Sample Master Crosswalk) that has certain elements prefilled

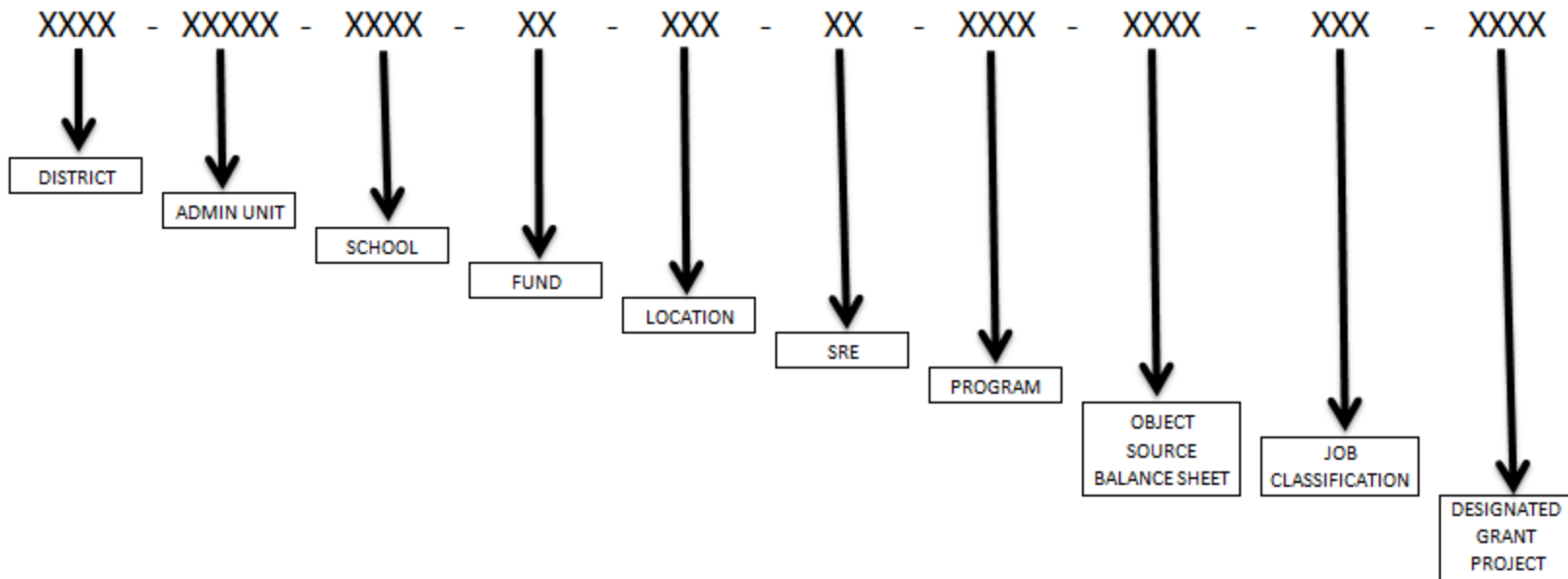
Field Name	Field Length	Required	Comments
District Code	4	Y	8001 – Prefilled on template
Admin Unit Code	5	Y	80010 – Prefilled on template (Optional)
School Code	4	Y	Codes listed on template
Fund Code	2	Y	School Enters
Location Code	3	Y	Template Auto fills based on selection
SRE	2	N	School Enters – Optional
Program Code	4	Y	School Enters
Object/Source/Balance Sheet	4	Y	School Enters
Job Code	3	Y	School Enters
Grant Code	4	Y	School Enters
Amount	13	Y	School Enters

# Financial Data Pipeline File

## CDE Account Code Structure

- Account elements and sequencing

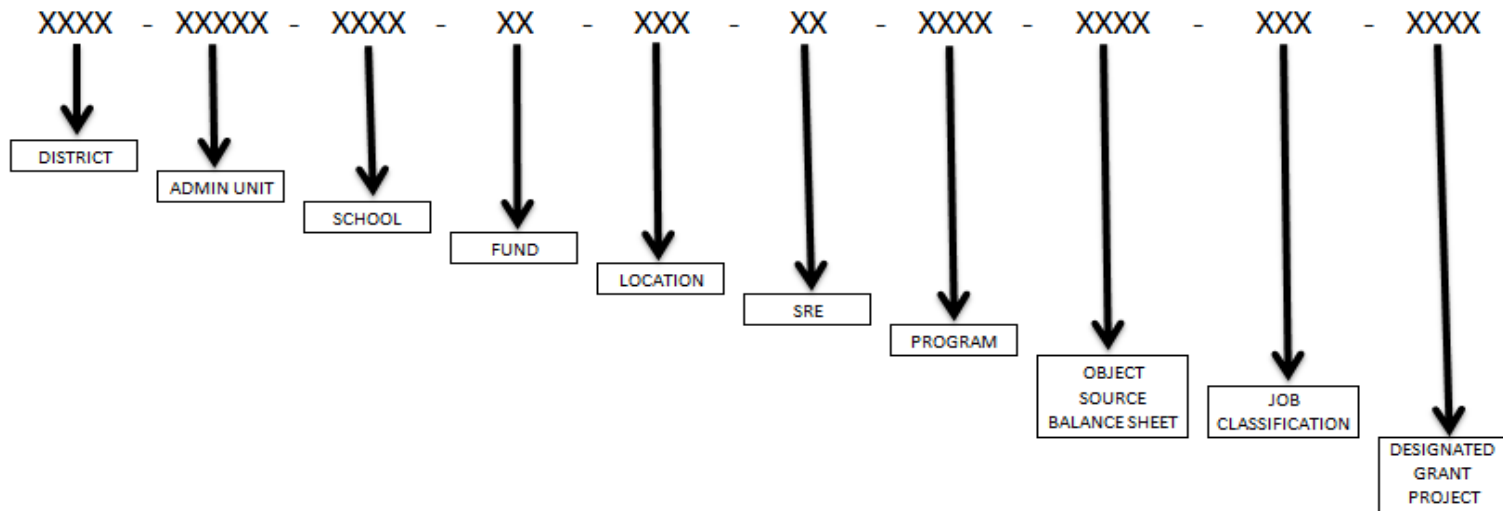
### ACCOUNT ELEMENTS



# CDE Account Code Elements

- **Fund** is used to distinguish a set of self balancing accounts designated for a specific purpose – 1st element.
- **Location** is used to distinguish each charter school-2<sup>nd</sup> element.
- **Program** is used to describe the activity that services or materials are acquired for 4<sup>th</sup> element.

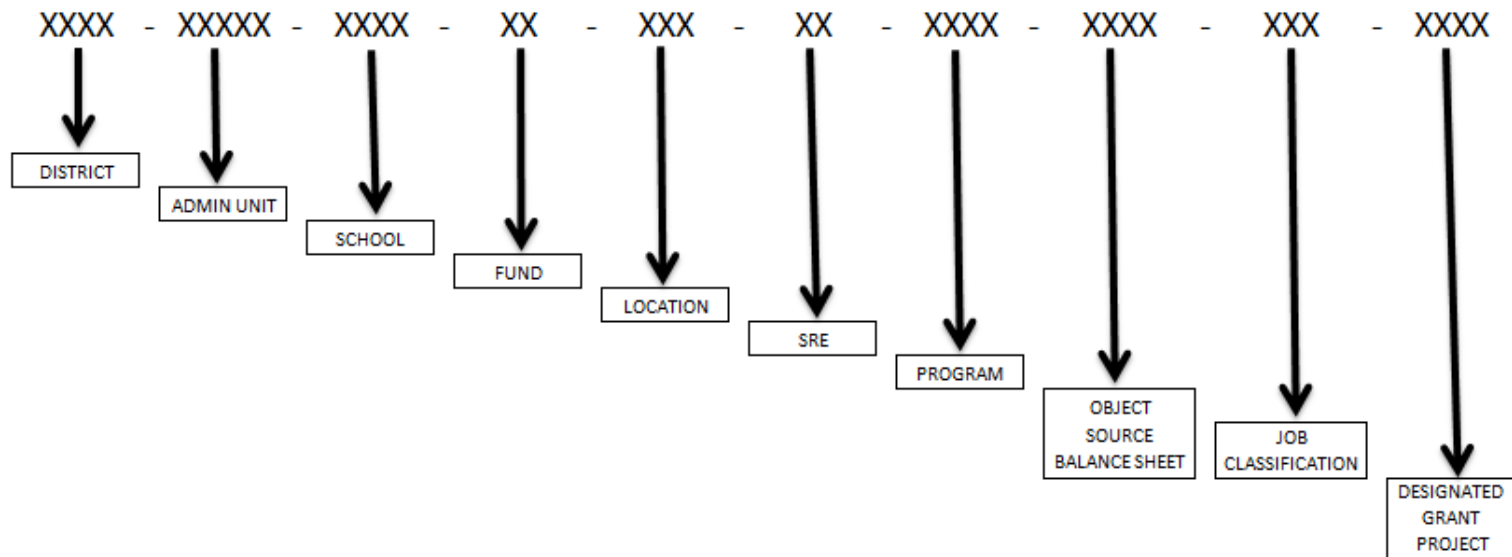
## ACCOUNT ELEMENTS



# CDE Account Code Elements cont'd

- **Object** is used to describe the service or goods obtained-5<sup>th</sup> element.
- **Source** is used to distinguish and describe the type of revenue received-5<sup>th</sup> element.
- **Balance Sheet** is used to distinguish and describe the type of balance sheet account, i.e. asset, liability, fund equity-5<sup>th</sup> element.

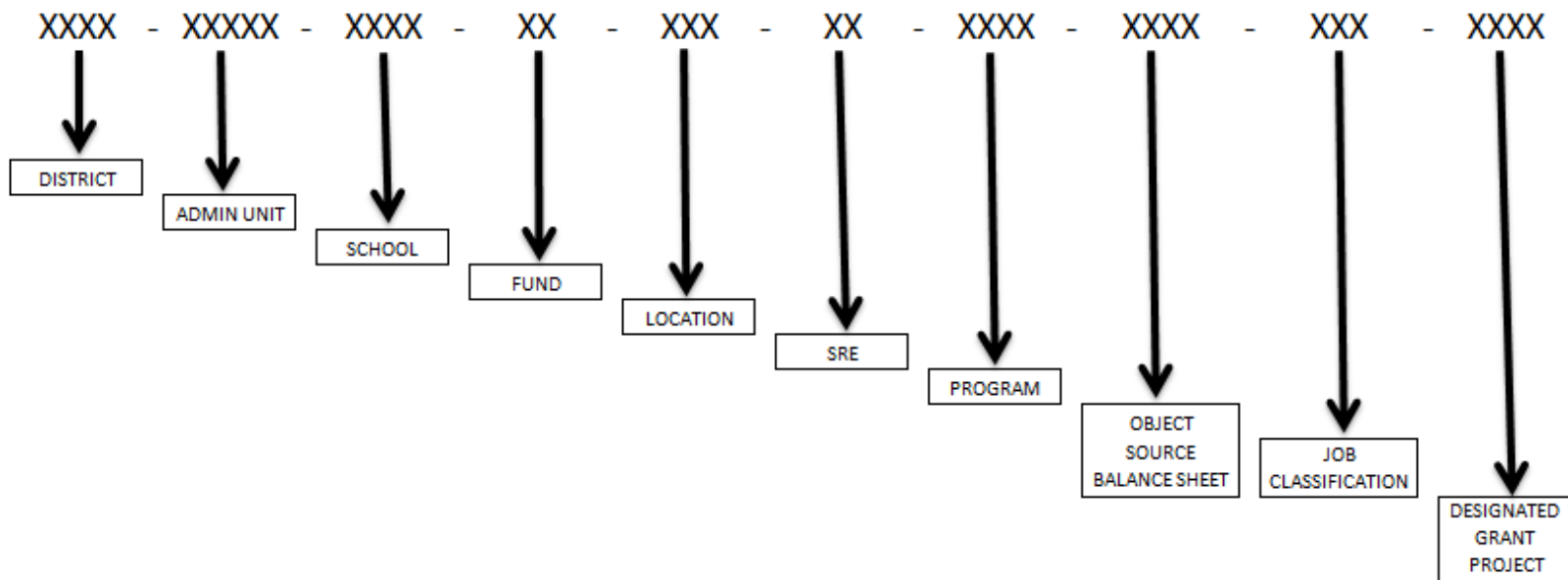
## ACCOUNT ELEMENTS



# CDE Account Code Elements cont'd

- Job** is only used for salary and benefit object codes and defines the type of job being paid, i.e., administrative, certified, clerical, maintenance, etc.-6<sup>th</sup> element.

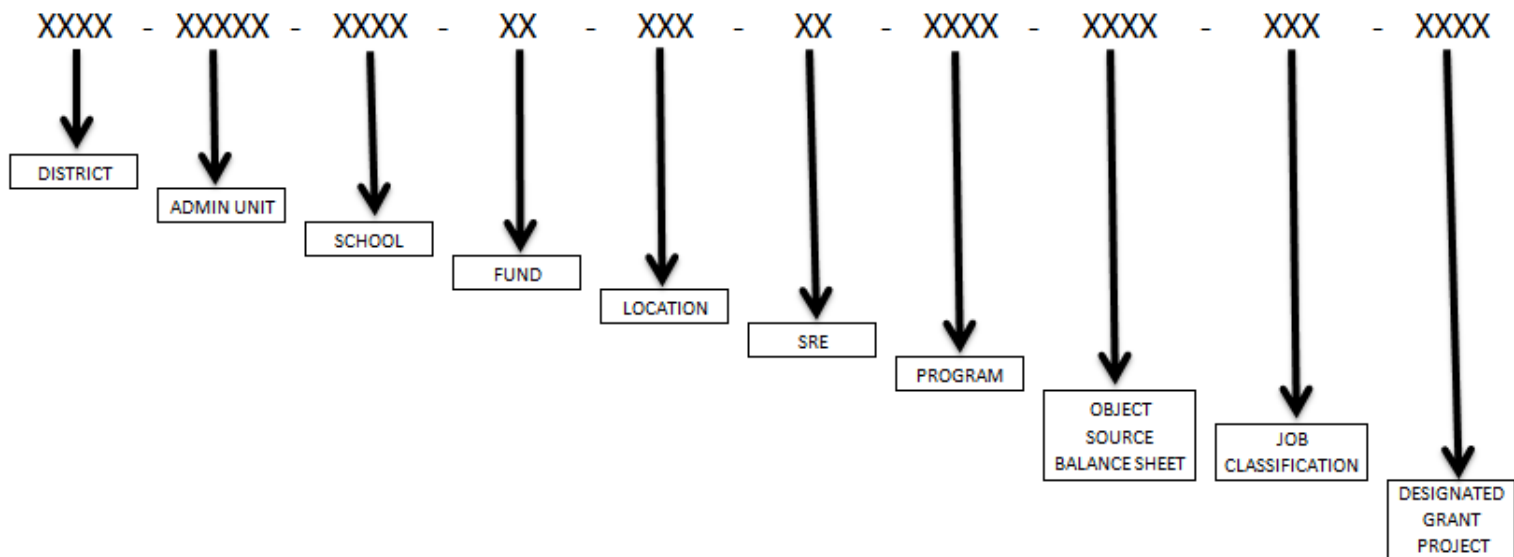
## ACCOUNT ELEMENTS



# CDE Account Code Elements cont'd

- **Grant** codes are used to track grant revenues, expenditures and in some cases, balance sheet accounts— 7<sup>th</sup> and final element
- **SRE** (Special Reporting Entity) is not required and is usually zero filled - 3<sup>rd</sup> element

## ACCOUNT ELEMENTS

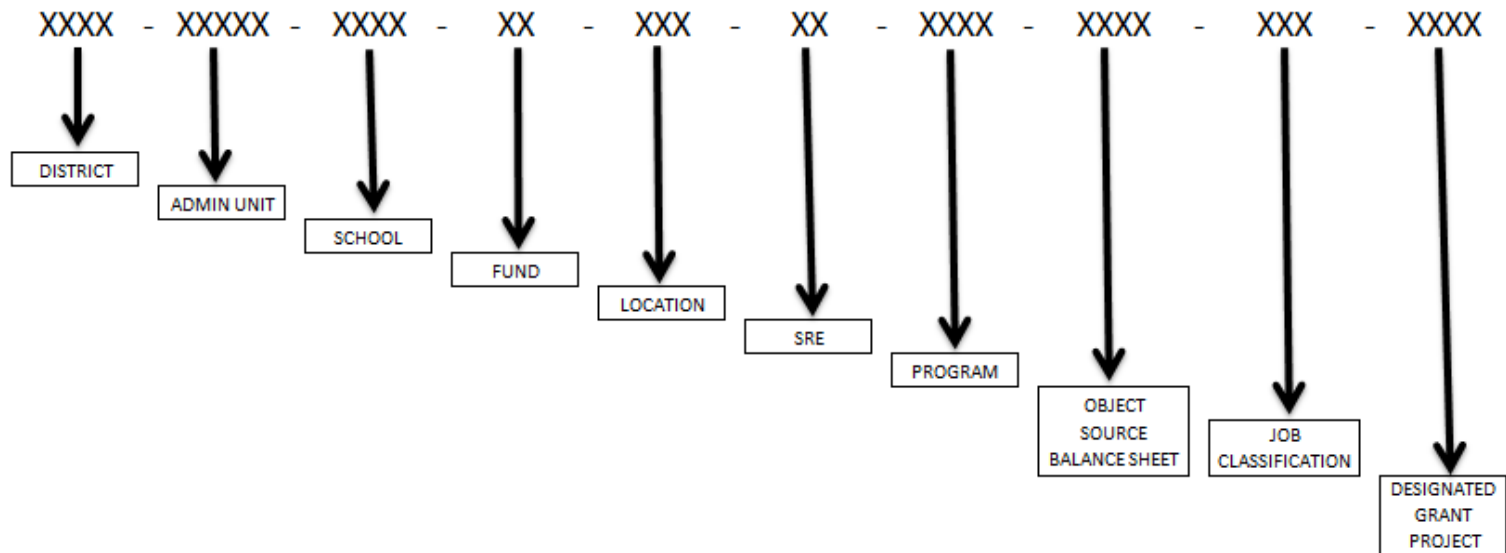


# Balance Sheet Account Structure

- Required elements

- Fund
- Location
- Balance sheet
- Grant

## ACCOUNT ELEMENTS

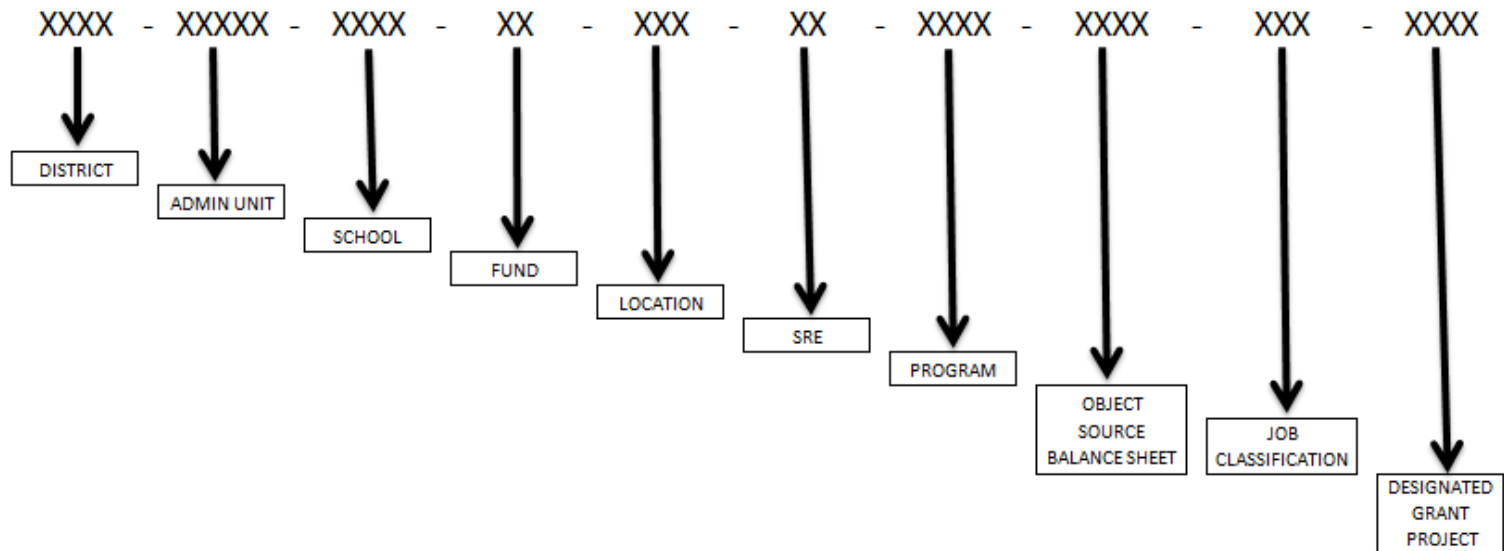




# Revenue Account Structure

- Required elements
  - Fund
  - Location
  - Source
  - Grant

## ACCOUNT ELEMENTS

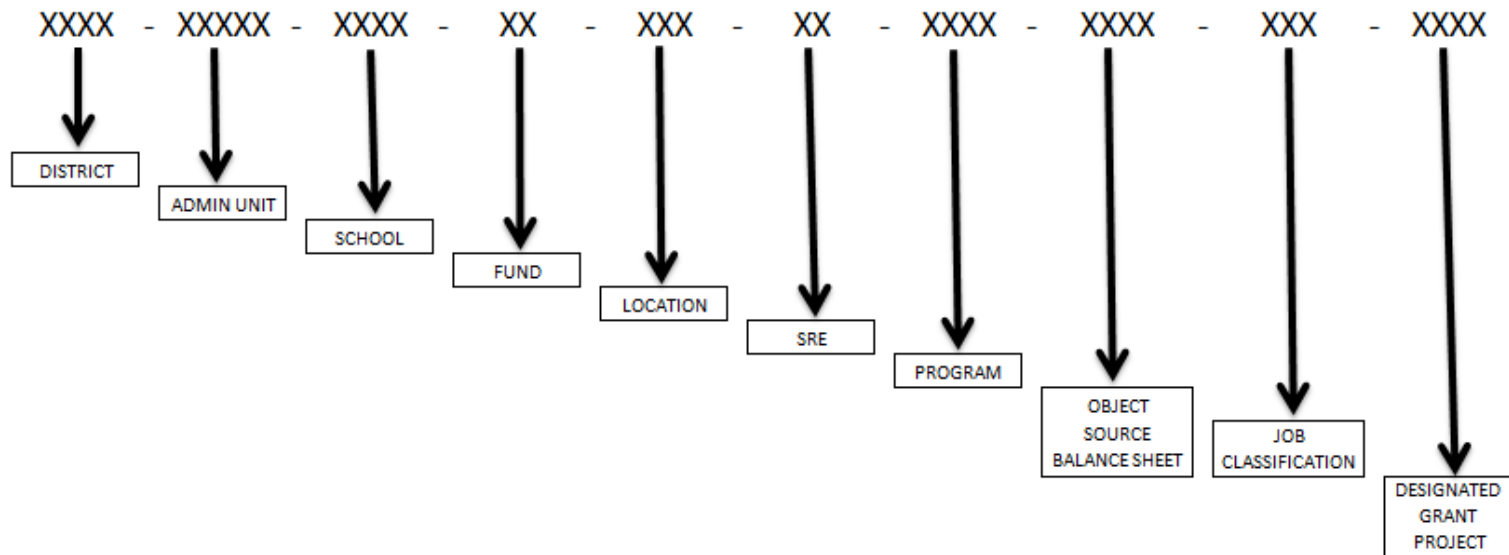


# Expenditure Account Structure

- Required elements

- Fund
- Location
- Program
- Object
- Job if object is 01xx or 02xx
- Grant

## ACCOUNT ELEMENTS



# CDE School Building Codes

**0075** Animas High School

**1279** Caprock Academy

**1633** Colorado Early Colleges Aurora

**2067** Colorado Early Colleges Fort Collins

**2196** Colorado Early Colleges Parker

**1505** Colorado Military Academy

**1791** Colorado Springs Charter Academy

**1795** Colorado Springs Early Colleges

**2035** Crown Pointe Academy

**2837** Early College High School At Arvada

**0035** Frontier Charter Academy

**3326** Global Village-Colo Spgs

**3399** Global Village-Ft. Collins

**3439** Global Village Academy – Northglenn

**0655** High Point Academy

**4277** Indian Peaks Charter School

**4403** James Irwin Charter

**5147** Launch High School

**5431** Monarch Classical Academy

**5957** Montessori Del Mundo

**5845** Monument View Montessori

**5453** Mountain Middle School

**5851** Mountain Song Community School

**5423** Mountain Village Montessori

**6219** New America School - Lowry

**4699** New America School - Thornton

**8929** Pikes Peak Prep

**7278** Ricardo Flores Magon Academy

**7512** Ross Montessori School

**8061** Salida Montessori

**0653** Stone Creek Elementary

**0657** TR Paul Academy of Arts and Knowledge

**0015** The Academy

**8825** Thomas Maclaren

**8821** Two Rivers Charter School

**9785** Youth and Family Academy

Schools with more than one CDE School Building Code	Elementary	Middle	High
Community Leadership Academy	1882	9040	9037
New Legacy Charter High School	3513 (Preschool)		6266
Pinnacle Charter School	0654	6913	6914

# Location Codes

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**901** Indian Peaks Charter School

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**902** Monument View Montessori

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**908** Ricardo Flores Magon Academy

---

**909** Global Village-Colo Spgs

---

**910** Global Village-Ft. Collins

---

**911** James Irwin Charter

---

**912** Montessori Del Mundo

---

**913** Mountain Song Community School

---

**914** New America School - Thornton

---

**915** Two Rivers Charter School

---

**916** Salida Montessori

---

**917** Crown Pointe Academy

---

**918** Mountain Village Montessori

---

**919** Global Village Academy – Northglenn

---

**920** Mountain Middle School

---

**930** Colorado Springs Early Colleges

---

**931** Colorado Early Colleges - Aurora

---

**932** Animas High School

---

**935** Colorado Early College - Fort Collins

---

---

**936** Colorado Early College – Parker

---

**937** New America School - Lowry

---

**939** Launch High School

---

**950** Colorado Springs Charter Academy

---

**951** Ross Montessori School

---

**952** Pinnacle

---

**953** TR Paul Academy of Arts and Knowledge

---

**954** High Point Academy

---

**955** Stone Creek Elementary

---

**956** Community Leadership Academy

---

**957** Pikes Peak Prep

---

**958** Caprock Academy

---

**959** Early College Arvada

---

**960** Monarch Classical Academy

---

**962** Thomas Maclaren

---

**965** Frontier Charter Academy

---

**966** Youth and Family Academy

---

**967** The Academy

---

**968** New Legacy High School

---

**969** Colorado Military Academy

---

# State Grant Codes

**3113** Charter School  
Capital Construction  
Funding

**3115** At-Risk  
Supplemental Funding

**3120** State Vocational  
Ed Funding

**3130** ECEA

**3139** English Language  
Proficiency Act Prof.  
Development

**3140** English Language  
Proficiency Act (E.L.P.A.)

**3141** CPP (Colorado  
Preschool Program) and  
ECare

**3150** Gifted and  
Talented (E.C.E.A.)

**3160** State  
Transportation

**3161** Food Service  
Matching

**3164** State Start Smart  
Nutrition

**3169** State K-2 Reduced  
Lunch

**3183** EARSS Grant

**3192** State School  
Counselor

**3206** READ Act

**3207** Library Grant

**3210** Board Certifies  
Teachers Grant

**3218** School Health  
Professional Grant

**3228** Gifted and  
Talented Grant

**3231** Student Re-  
Engagement Grant

**3232** Bullying  
Prevention Grant

**3235** At Risk Per Pupil  
Add'l Funding

# Federal Grant Codes

**4010** Title I, Program Improvement

**4027** IDEA Part B – Special Education

**4048** Perkins Grant

**4173** IDEA Part B – Special Education Preschool

**4365** Title III, English Language Acquisition

**4367** Title IIA, Teacher Quality (combined with Title I FY13-14)

**4553** Federal Nutrition - Breakfast

**4555** Federal Nutrition - Lunch

**4558** Federal Nutrition - Supper Program

**4559** Summer Lunch

**4582** Federal Nutrition – Fresh Fruit & Vegetable Program

**5010** Title I School Improvement-Connect for Success

**5282** Charter School Start Up Grant

**5287** 21<sup>st</sup> Century Grant

**5323** Multi-Tiered System of Supports

**5412** Race to the Top – School Readiness

**5413** Race to the Top – Content 2020

**6365** Title III, Supplemental Immigrant Grant

**7365** Title III, Set Aside Immigrant

**9202** Title I, Set-Aside Homeless

**9210** Title I, Set-Aside Supplemental Education Services (SES)

**9211** Title I, Set-Aside Parental Activities-School (PAS)

# Date Pipeline File Template

## Sample Master Crosswalk is a tool

- Add, change and delete as needed
- Be sure to check totals if you make any changes to spreadsheet
- All numbers are entered as positive unless they are contra balances
- Changes for FY16-17
  - Use 0913 instead of 0910 for payments of principle

## Link to template on CSI website

- [www.csi.state.co.us/school\\_resources/financial\\_services](http://www.csi.state.co.us/school_resources/financial_services)
- >Checklists & Templates >Sample\_Master\_crosswalk\_FY18

# Sample Master Crosswalk

School Name	Location	School Code(s)			
		Single Code	Elem	Middle	High
<Choose School Name>	0	0000	0	0	0

Account Description	District	Admin Unit	School Code	Fund	Loc	SRE	Program	Source/ Object	Job Code	Proj/ Grant	Data Pipeline
											Amount
<b>Assets</b>	<b>Distri</b>	<b>Adr</b>	<b>Schc</b>	<b>Fu</b>	<b>L</b>	<b>Sl</b>	<b>Progra</b>	<b>/ Objc</b>	<b>b Co</b>	<b>Grā</b>	<b>DP Amount</b>
Cash and Investments	8001	80010	9037	11	000	00	0000	8100	000	0000	
Food Service Cash	8001	80010	0000	11	000	00	0000	8100	000	0000	
Investments	8001	80010	0000	11	000	00	0000	8111	000	0000	
Due from Other Funds	8001	80010	0000	11	000	00	0000	8132	000	0000	
Intergovernmental Receivable	8001	80010	0000	11	000	00	0000	8141	000	0000	
Grants Accounts Receivable - IDEA	8001	80010	0000	11	000	00	0000	8142	000	4027	
Grants Accounts Receivable - Title 1	8001	80010	0000	11	000	00	0000	8142	000	4010	
Grants Accounts Receivable - IIA	8001	80010	0000	11	000	00	0000	8142	000	4367	
Grants Accounts Receivable - Smart Start	8001	80010	0000	11	000	00	0000	8142	000	3164	
Grants Accts Receivable - PK-2 Reduced Lunch	8001	80010	0000	11	000	00	0000	8142	000	3169	
Grants Accounts Receivable - NSLunch	8001	80010	0000	11	000	00	0000	8142	000	4555	
Grants Accounts Receivable - NSBreakfast	8001	80010	0000	11	000	00	0000	8142	000	4553	
Grants Accounts Receivable - NSBreakfast	8001	80010	0000	11	000	00	0000	8142	000	4559	
Grants Accounts Receivable - Charter Start Up	8001	80010	0000	11	000	00	0000	8142	000	5282	
Accounts Receivable	8001	80010	0000	11	000	00	0000	8153	000	0000	
Food Service Accounts Receivable	8001	80010	0000	11	000	00	0000	8153	000	0000	
Food Service Inventories	8001	80010	0000	11	000	00	0000	8171	000	0000	
Prepaid Expenditure	8001	80010	0000	11	000	00	0000	8181	000	0000	
Deposits	8001	80010	0000	11	000	00	0000	8191	000	0000	
Other Current Assets	8001	80010	0000	11	000	00	0000	8199	000	0000	
Food Service Other Current Assets	8001	80010	0000	11	000	00	0000	8199	000	0000	
Deferred outflows of resources	8001	80010	0000	11	000	00	0000	8800	000	0000	
<b>Total</b>											<b>0.00</b>



# Sample Master Crosswalk cont'd

- In the Grant Summary tab you will be able to quickly see if grant revenues and expenditures equal.

**NOTE:** If the 'Revenues Less Expenditures' column has NA on that row, the expenditures do not need to be identified.

GRANT SUMMARY				
Grant Checks	Grant #	Revenues	Expenditures	Revenues Less Expenditures
Charter School Capital Construction Funding	3113	-	-	-
At-Risk Supplemental Aid	3115	-	-	-
State Vocational Ed Funding	3120	-	-	-
Exceptional Child Education Act (ECEA)	3130	-	-	-
English Language Proficiency Act - PD	3139	-	-	-
English Language Proficiency Act (E.L.P.A.)	3140	-	-	-
School Allocation CPP/Ecare	3141	-	-	-
Gifted and Talented (E.C.E.A.)	3150	-	-	-
State Transportation (Optional)	3160	-	-	NA
EARRS Grant	3183	-	-	-
State School Counselor	3192	-	-	-
Library Grant	3205	-	-	-
READ Act	3206	-	-	-
Library Grant	3207	-	-	-
National Board Certifies Educators	3210	-	-	-
School Health Professional Grant	3218	-	-	-
School CPR and AED Training	3224	-	-	-
Gifted and Talented Universal Screening Grant	3228	-	-	-
Student Re-Engagement Grant	3231	-	-	-
Bullying Prevention Grant	3232	-	-	-
At-Risk Per Pupil Add'l Funding	3235	-	-	NA
Title I	4010	-	-	-
IDEA Part B	4027	-	-	-
Perkins Grant	4048	-	-	-
IDEA Part B - PreSchool	4173	-	-	-
Title IIA, Teacher Quality	4367	-	-	-
Title III, Language Instruction for Limited-English	4365	-	-	-

# Data Integrity Checks

## Compare data file to Audited Financial Statements *by fund*

- Total revenues on file = Audit
- Total expenditures on file = Audit
- Total fund equity on file = Audit

## File check

- Assets = Liabilities + Fund Equity
- EFB - Revenues + Expenditures = BFB

## Data file should mirror audit except Student Activity Deposits

- Report Deposits held in Custody as fund balance on file instead of liability
- Report additions and reductions of deposits as revenues and expenditures

## Separate Fund Balance as reported on audit

- Governmental - Assigned, Unassigned, Non-spendable, Restricted, Committed
- Proprietary – Net Investment in Capital Assets, Restricted Net Position, Unrestricted Net Position
- TABOR

## Be sure to include audit adjustments/reclassifications on file

- Resubmit updated file if needed

# Reporting Per Pupil Revenue (PPR)

PPR is reported at the **GROSS** amount and excluding the rescission

Fees and intercept are reported as expenditures or as appropriate **NOT NETTED** to PPR

CDE administrative withholding is expensed **USE OBJECT 0399**

CSI administrative withholding is expensed **USE OBJECT 0595**

CSI Rebate is abated to the CSI Administrative Expense **USE OBJECT 0595**

# Other Tips

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## Don't use Government Wide Statement

Be sure to use the governmental fund or *by fund*, not government wide/statement of net assets and statement of activities presentation, when compiling the data pipeline file

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## CSI Monthly Payment Report and Check Figures

Use Monthly Payment Report to verify throughout the year

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Final check figures will be given to schools by 7/31 unless you turn in grant RFFS after the RFF deadline

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Revenues should match Check Figures provided by CSI

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If your audit is sooner, please let us know

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# Internal Service Fund Revenues

## Building Corporations

- Applies to charter schools using internal revenue funds 52-59, or 61-69
- Continue to record the rental expense in General Fund and revenue in the building corp as you normally would
- Add this eliminating entry to remove duplicate reporting:
  - Debit – xx.9xx.00.0000.1979.000.0000 -150,000.00
  - Credit – xx.9xx.00.2600.0529.000.0000 -150,000.00
  - Lines added to Data Pipeline file only – **DO NOT** record on books – Sample below
- For further information on internal service revenue, see the CDE Chart of Accounts – <http://www.cde.state.co.us/cdefinance/sfcoa>

Revenues	Distri	Adn	Scho	Fu	L	Sf	Progra	Obj	b Co	Gra	DP Amount
Eliminating Entry (shown as negative-should zero revenue received from other funds)	8001	80010	0000	61	000	00	0000	1979	000	0000	
Expenditures	Distri	Adn	Scho	Fu	L	Sf	Progra	Obj	b Co	Gra	DP Amount
Eliminating Entry-Contra Account Object for Offset of Internal Service Fund(s) Revenue (shown as negative) *May use program code 2600 or 4000	8001	80010	0000	61	000	00	4000	0529	000	0000	

# Data File Reminders

## School Code

- Required to use school code (assigned by CDE)
  - Sample Master Crosswalk will show school codes
  - Only required on expenditures
  - **If you have more than one school code, assigning school code is only required for allocable expenditures (school's may determine allocation basis, but there must be a valid attempt to allocate)**

## Grants

- Be sure to use grant codes for Revenues, Expenditures and Accrued/Unearned revenue
- Grant expenditures must be identified
- Accrue/Unearned revenue as necessary
  - Use 8142/7482 balance sheet respectively with corresponding grant code
- Use flow-through revenue codes
  - 3954 or 3956 (Food Service) – State
  - 4954 or 4956 (Food Service) – Federal
- Grant expenditures must match other expenditure reports submitted

# Data File Reminders cont'd

## Debt Service

- Use program **5100**
- Use object **0830** for interest paid on debt
- \*NEW\* Use object **0913** redemption of principal - Object 0910 can only be used for voter approved debt

## Student Activities

- Use fund equity code instead of deposits held in custody (liability)
- Expenditures
  - Use program **1900** for co-curricular activities
  - Use program **1800** for athletic activities
  - Use object **0800**
- Don't forget to include on the data pipeline file

## Job Codes

- Use with objects **01XX** and **02XX** (salaries and benefits)
- Do not use with objects **03XX – 09XX** (non-salary/benefits)



# Data File Reminders cont'd

## Interfund Payables/Receivables MUST equal across funds

- Use interfund payable 7402
- Use interfund receivable 8132

## Fund Transfers

- Use appropriate fund transfer codes
- Type of transfer determines first two digits
- Corresponding fund number determines last two digits

## Don't forget to include all funds on data file

- For example Student Activity



# Data File Reminders cont'd

Food Service (if you are receiving federal meal reimbursement revenue)

- Report in fund **11** (only Pinnacle can use fund 21 as reporting SFA)
- Use flow-through revenues **1956/3956/4956**
- Use program **3100** (only used for food service activity)
- Don't forget to record general fund subsidy (can't show loss or profit)
- Don't forget to record commodities revenue/expense

Use **5900** revenue source only if reported in audit

Code prior period adjustments using balance sheet **6880**

Rescissions are not coded separately; include with PPR

Avoid using object **0900** – not always accepted

# Coding for CPP and ECare Slots

## Revenues

- Grant code 3141
- Source code 5810
- Example - 11.9xx.00.0000.5810.000.3141

## Expenditures

- Grant code 3141
- Instructional program 0040
- Administrative program 2239
- Example – 11.9xx.00.0040.0100.200.3141

## Fund Balance

- Grant code 3141
- Balance Sheet 6724
- Example – 11.9xx.00.0000.6724.000.3141

# Coding CSI Rebates



The rebate to CSI schools is from current year fees.

- Therefore, **reduce** current year CSI admin **expenditures**

**DO NOT record as a revenue**

# Coding CDE Audit Findings

All CDE Audit Findings are made to revenues (positive or negative)

## 3200 Adjustments to Categorical Revenue.

- All positive or negative adjustments (besides Equalization Adjustment) due to Colorado Department of Education (CDE) audit findings. i.e. if you have a Transportation audit finding use Source 3200 with Grant Code 3160.

## 3210 Equalization Adjustment.

- Positive or negative adjustments to state equalization funding due to Colorado Department of Education (CDE) audit findings. No grant code.

# New for 2016-17

- Must use **object 0913** for debt principle payments. 0910 can only be used for voter approved debt.
- OTHER REMINDERS ON CODES:
  - ONLY USE **0630 OBJECT CODE** FOR FOOD SERVICE PROGRAM FOOD PURCHASES. IF NOT FOOD SERVICE CHOOSE A SUPPLY OR OTHER CODE
  - BE CAREFUL WHEN USING **0851-0859 OBJECT CODES** UNLESS THEY OFFSET EACH OTHER IN THE DATA FILE. (ISSUE FOR NETWORK/COLLABORATIVE DATA FILES) INTERNAL CHARGE/REIMBURSEMENT ACCOUNTS

# Coding Correctly for Indirect Cost Calculation

- During the April, 2015 on-site visit of the Indirect Cost Rate Group from the US Department of Education, in order to have the Indirect Cost rate methodology approved, CDE was asked to isolate “executive/cabinet level” positions and treat those positions similar to how Superintendents are treated for the Indirect Cost rate calculation.
- 
- After discussion and effective FY2015-16, the Department recommended that adding 4 new bolded Program Codes, and revising the roll up rules for 8 existing unbolded Program Codes caused the least impact to the Chart of Accounts, and the least amount of work for districts.
- 
- Defining Cabinet level positions:
- **Cabinet level positions meet the following three criteria:**
  - Chief Executive Officers (heads of departments)
  - On the Superintendent’s executive team,
  - Report directly to the Superintendent

# Coding Correctly for Indirect Cost Calculation

## 2300 Support Services - General Administration.

Activities concerned with establishing and administering policy for operating the school district. Do not include the Chief Business Official here, but in Support Services - Business (Program 2500). Included in the Unrestricted pool, but not the restricted pool.

## 2303 Support Services –General Administration Indirect Cost

Roll-up: unbolded program codes below, 2314-2319, 2322, 2323 roll to program 2303. These activities are included in the indirect cost pool for the restricted and unrestricted indirect cost rate calculation. If allowable activity is not coded to Program 2303, or the unbolded codes which roll to 2303, the calculated indirect cost rate will be affected.

## 2304 Support Services –General Administration Cabinet Level Positions

NOT treated like the Superintendent for indirect cost purposes, including their immediate staff – EG never included in the indirect cost rate. Ensure that the appropriate Program coding is used.

# Coding Correctly for Indirect Cost Calculation

## 2500 Support Services -Business.

Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the school district. Included are the fiscal and internal services necessary for operating the school district. Include the Chief Business Official and the activities of the Chief Business Official here, unless reportable under 2501.

2501 Support Services – Business: Cabinet Level Positions and Immediate Staff to Cabinet Level Positions: these activities are considered restricted costs for indirect cost rate calculation: meaning these activities are treated like the Superintendent, and are a part of the unrestricted pool, but not the restricted pool.

Immediate Staff to Cabinet Level Positions should also be coded to Program 2501.



# Coding Correctly for Indirect Costs

## 2800 Support Services - Central.

Activities, other than general administration, which support each of the other instructional and supporting services programs. These activities include planning, research, development, evaluation, information, staff, data processing, and risk management services.

## 2801 Support Services –Central:

Cabinet Level Positions: these activities are considered restricted costs for indirect cost rate calculation: meaning these activities are treated like the Superintendent, and are a part of the unrestricted pool, but not the restricted pool.

Cabinet level positions meet the following three criteria:

- Chief Executive Officers (heads of departments)

- On the Superintendent's executive team,

- Report directly to the Superintendent

Immediate Staff to Cabinet Level Positions should also be coded to Program 2801.

# Coding Correctly for Indirect Costs

## CSI Charter Schools

For General Admin Expenditures use program 2303 or one of the program codes that roll to 2303

- 2314-2319
- 2322 – 2323

Continue to use 2500 and 2800 program codes

Do Not Use

- 2304
- 2501
- 2801

# AUDIT EXEMPTIONS

# New Schools Filing Audit Exemption – YEAR 0

Due September 28, 2018

Don't wait until last minute

- Only eligible if neither revenues or expenditures exceed \$750,000 – short form if neither exceed \$100,000
- Must be prepared by an independent accountant with knowledge of governmental accounting (long form); person skilled in governmental accounting (short form)
- Must include a board resolution and be signed by a majority of the board members
- Not required if school did not receive federal or state monies
- Link to forms: <http://leg.colorado.gov/agencies/office-state-auditor/forms>

Submit to Office of the State Auditor

- OSA must receive by September 28<sup>th</sup>
- Submit a copy to CSI along with Data Pipeline File to match

# MODIFIED ACCRUAL BASIS ACCOUNTING

# Modified Accrual Basis Accounting

## Cash Accounting

- Recognizes revenues when **cash is received** and expenses when bills are paid
- Focus on cash movement

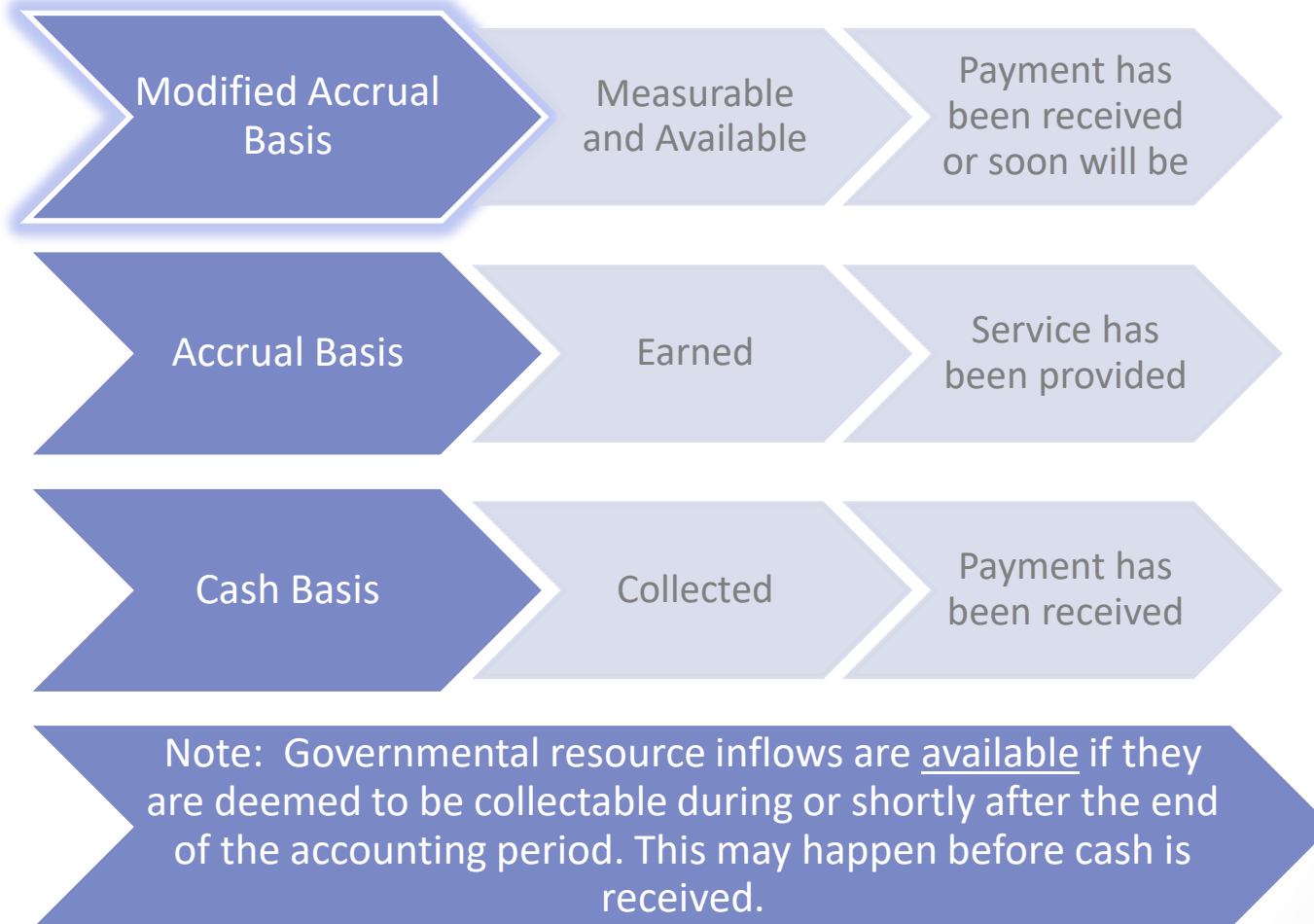
## Accrual Accounting

- Recognizes revenue when goods or services have been provided and recognizes expenses when resources have been used
- Focus on when revenues are earned or resources are consumed

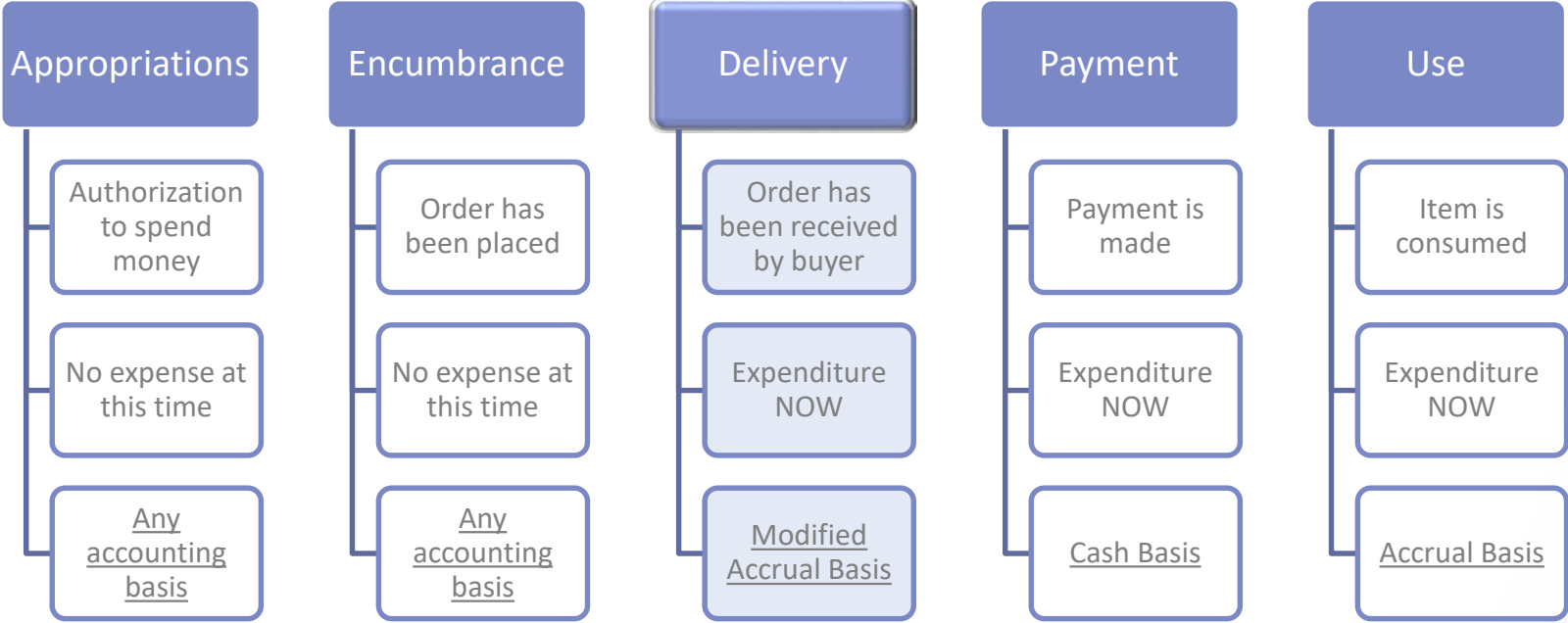
## Governmental funds use **Modified Accrual Accounting.**

- **Expenditures** are recognized when resources are received.
- Revenues are recognized when they are measurable and available within the accounting period or shortly afterwards
- Focus on financial resources
- Financial resources are cash or assets that can be translated to cash, less current liabilities

# Modified Accrual: Revenues



# Modified Accrual: Expenditures





# Modified Accrual Basis Accounting

## No long-term assets

- Long-term acquisitions such as buildings and equipment are recognized as expenditures when acquired.
- There is no recognition of depreciation.

## No long-term liabilities

Principal (repayment of debt) and interest are recognized as expenditures when paid.

## Loan proceeds not liability

Proceeds from borrowing are treated as a nonrevenue source of fund balance rather than as a liability.

# CRITICAL DATES AND DEADLINES

# Critical Dates for EOY

June 30, 2018 –  
YEAR END

- Make sure your books are in good shape for close
- Accrue expenditures incurred by June 30<sup>th</sup>
- Accrue revenues earned by June 30<sup>th</sup> (payments in transit from CSI)
- Request grant reimbursements early enough to receive by June 30<sup>th</sup>

July 31, 2018

- Final “must match” numbers provided

September 28, 2018

- Audit Exemption request is due 90 days from 6/30
- Only applies to start up schools receiving state or federal dollars, but not yet receiving PPR
- Send form to state auditor and a copy to CSI – link on slide 49

September 28, 2018

- Draft Audit and Data Pipeline File due

October 15, 2018

- Final Audit and Assurances for Financial Accreditation Form due

# Upcoming Deadlines

Consolidated Application	May/June
Enrollment projections confirmation	March
Board adopted budget	June 30
Capital construction expenditures report	July 24
Transportation reimbursement report	August 3
Data Pipeline submission file	September 28
Draft audit	September 28
New Schools Audit Exemption Request	September 28
Final audit	October 15
Assurances for Financial Accreditation	October 15

# Resources

Financial Policies and Procedures

<http://www.cde.state.co.us/cdefinance/sffpp>

FPP Handbook: [http://www.cde.state.co.us/sites/default/files/docs/cdefinance/FPP Handbook 2017\\_mod.pdf](http://www.cde.state.co.us/sites/default/files/docs/cdefinance/FPP%20Handbook%202017_mod.pdf)

CDE Chart of Accounts

<http://www.cde.state.co.us/cdefinance/sfcoa>

Financial Transparency

<http://www.cde.state.co.us/cdefinance/sfFinancialTransparency>

Audit Exemption form (OSA)

<http://leg.colorado.gov/agencies/office-state-auditor/forms>

Sample Master Crosswalk for FY18

[http://www.csi.state.co.us/school\\_resources/financial\\_services](http://www.csi.state.co.us/school_resources/financial_services)

> Checklists & Templates>Sample Master Crosswalk FY18

Accreditation Report

<http://www.cde.state.co.us/cdefinance/accreditation>

CDE-18 (with links to Uniform Budget Summary)

<http://www.cde.state.co.us/cdefinance/sfadministrate>

Complete form is not required. Use the AppropRes tab for a template. May copy to a new excel spreadsheet.

Other

Colorado Revised Statutes: <http://leg.colorado.gov/laws>

GASB 68: <https://www.copera.org/employers/gasb-reporting-standards/gasb-qa>

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# Questions

