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# Financial Management Training

April 2018





# Discussion



# Coding Cleanup

Questions will be structured into the following categories:

- General Ledger
- Fund Code
- Revenue Code
- Function Code
- Object Code





**General**



**Ledger**

## **Questions on General Ledger Codes**

# General Ledger

- Any Questions on General Ledger Codes?
  - ❑ Assets
  - ❑ Liabilities
  - ❑ Fund Balances and Reserves



Fund



Codes

## Questions on Fund Codes

# Fund Codes

- Fund codes will be designated by the following in the ASBR:
  - ❑ 1 – General Fund
  - ❑ 2 – Teachers Fund
  - ❑ 3 – Debt Service Fund
  - ❑ 4 – Capital Projects Fund
- Each vendor has a different format for the fund.
  - ❑ ASBR will collect only a one digit for fund.
  - ❑ There is no requirement to have the fiscal year represented in the fund code.



Revenue



Codes

## Questions on Revenue Codes

## New FY 2019 Revenue Codes

- 5174 - **Revenue From Enterprise Activities** - Revenue from vending machines, soft drink machines, miscellaneous district petty cash funds, and so on, not related to the regular food service program. These revenues are normally associated with activities at the building level that generate incremental local revenues for building/program/staff use, but may include revenue that benefits the general operations of the district.

## New FY 2019 Revenue Codes

- 5182 - Preschool Tuition – Local dollars received for preschool students' scholarships/tuition including Missouri Preschool Project scholarships/tuition.

## Revenue Codes that Must be Broken Out at a Building Level

- 5121 Regular Day School Tuition (K-12) Received from Individuals
- 5122 Summer School Tuition (K-12) Received from Individuals
- 5171 Admissions - Student Activities
- 5172 Bookstore Sales
- 5173 Student Organization Membership Dues and Fees
- 5179 Other Pupil Activity Income

## Revenue Codes that Must be Broken Out at a Building Level

continued:

- 5182 PK Tuition
- 5811 Tuition From Other LEAs - Regular Term
- 5812 Tuition From Other LEAs - Summer School
- 5821 Area Career Center Fees From Other LEAs
- 5831 Contracted Educational Services From Other LEAs

## Revenue Codes

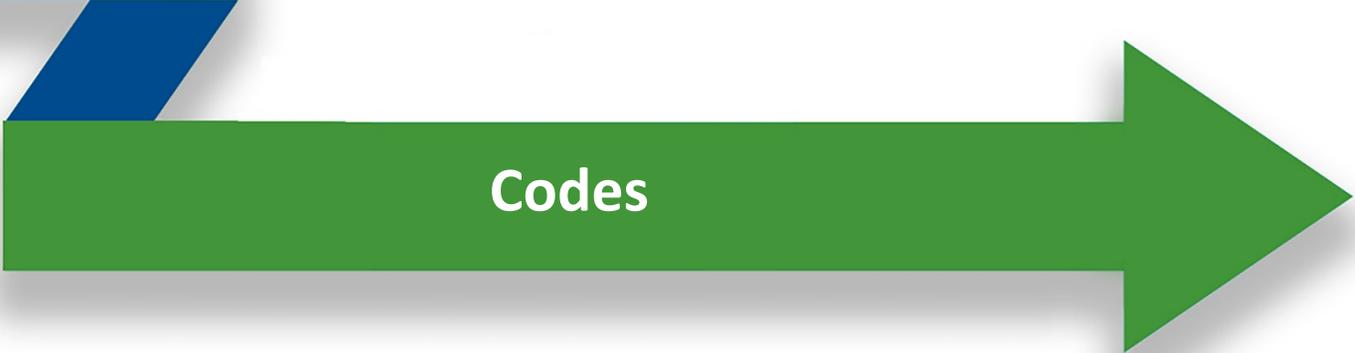
- Why do these revenue codes have to be broken out at a building level?
  - ❑ The revenue needs to offset the expenditures in those buildings so as to not inflate the Per Pupil Building Level Current Expenditure Calculation.

## Revenue Codes

- Career Education has provided a crosswalk that will be helpful in explaining their revenue code changes.
  - This has been linked to the School Finance Accounting Manual webpage at  
<https://dese.mo.gov/financial-admin-services/school-finance/fy-2019-accounting-changes>
- Any Questions on Revenue Codes?



**Function**



**Codes**

## **Questions on Function Codes**

## Function Codes

- A list of revenue and function codes that must be reported at a building level by the district/charter school is posted on the School Finance Accounting Manual webpage.
  - ❑ A copy is provided in the Financial Management Training Book Spring 2018.
  - ❑ <https://dese.mo.gov/financial-admin-services/school-finance/fy-2019-accounting-changes>

# Function Codes

- There are two worksheets in the excel workbook.
  - ❑ Revenue and Function Codes Districts and Charter Schools Must Report at a Building (Location) Level for the Current Expenditure by Building Calculation.
  - ❑ Function Codes DESE will Calculate at a Building (Location) Level for the Current Expenditure by Building Calculation.



## New FY 2019 Function Codes

- 1193 - **Alternative Programs** - Alternative education programs that focus on the educational needs of students at risk of failing or dropping out of school because of academic, behavioral, or situational factors.
- 1194 - **Residential** - Cost incurred by the district to provide instructional services to a residential facility. This includes hospitals and treatment facilities of various kinds.
- 1195 - **Virtual Instruction** - Cost incurred by the district to provide virtual instruction.

## New FY 2019 Function Codes

- 2161 - **Occupational Services Area Direction** - Activities concerned with directing, managing, and supervising occupational therapy-related services.
- 2162 - **Occupational Therapy-Related Services** - Activities that assess, diagnose, or treat students for all conditions requiring the services of an occupational therapist.

## New FY 2019 Function Codes

- 2171 - **Physical Therapy-Related Service Area Direction** - Activities concerned with directing, managing, and supervising physical therapy-related services.
- 2172 - **Physical Therapy-Related Services** - Activities that assess, diagnose, treat, or help students for all conditions requiring the services of a physical therapist.

## New FY 2019 Function Codes

- 2181 - Visually Impaired/Vision Service Area  
Direction - Activities concerned with directing, managing, and supervising vision related services.
- 2182 - Visually Impaired/Vision Services - Activities that assess, diagnose, treat, or help students for all conditions requiring vision services.

## Service Area Direction Function Codes

- Expenditures associated with the directing, managing and supervising of the functionality area.
  - ❑ Supervisors.
  - ❑ If no supervisor (or related position) do not use the service area direction code.

## Job Duties That Fall Under Various Function Codes

- Split salary out to multiple function codes if the time spent on the duty is at minimum  $\frac{1}{4}$  of total employment time.
  - Bookkeeper (2523), Payroll Clerk (2524), Superintendent Secretary (2321), and MOSIS Clerk (2125).

# Function Code 1411 - Student Activity

- 1411 - Student Activity
  - ❑ These codes are to be used only for student-related activity accounts.
  - ❑ Examples of student activities:
    - Art club
    - Archery club
    - Chorus club
    - Class of 2018
    - Class of 2019
    - Class of 2020
    - Class of 2021
    - Debate club
    - Drama club
    - Foreign language club
    - Journalism club
    - Marching band
    - National Honor Society
    - Orchestra
    - Photography club
    - Project Graduation
    - Student council

# Function Code 1421 - Student Athletics

- 1421 - Student Athletics
  - ❑ These codes are to be used only for student-related athletics.
  - ❑ Examples of student athletics:
    - Track and Field
    - Cross Country
    - Football
    - Soccer
    - Volleyball
    - Softball
    - Baseball
    - Basketball
    - Lacrosse
    - Hockey
    - Golf
    - Wrestling
    - Field Hockey
    - Cheerleading
    - Dance Team
    - Gymnastics
    - Swimming & Diving

## Function Code 1411 - Student Activity

- Should not be used for district petty cash funds, employee activity funds, expenditures associated with fundraising for community members or charity groups, or other staff miscellaneous activities.
- These expenditures should be coded to 3911 – Other Community Services.

# Function Code 1411 - Student Activity

- Includes expenditures for:
  - ❑ Student activity sponsor salary/stipends.
  - ❑ Cost of hotels and meals for staff and students on a trip for a student activity.
  - ❑ Entry fees associated with the student activity.
- DO NOT code Transportation cost to 1411.
  - ❑ Code Transportation cost to Function Code 2551 - District Contracted Transportation Services 2552 - District Operated or Function Code.
  - ❑ The hotel/meals for the bus driver would be coded to Function Code 2558 - Non-Allowable Transportation.

# Function Code 1421 - Student Athletics

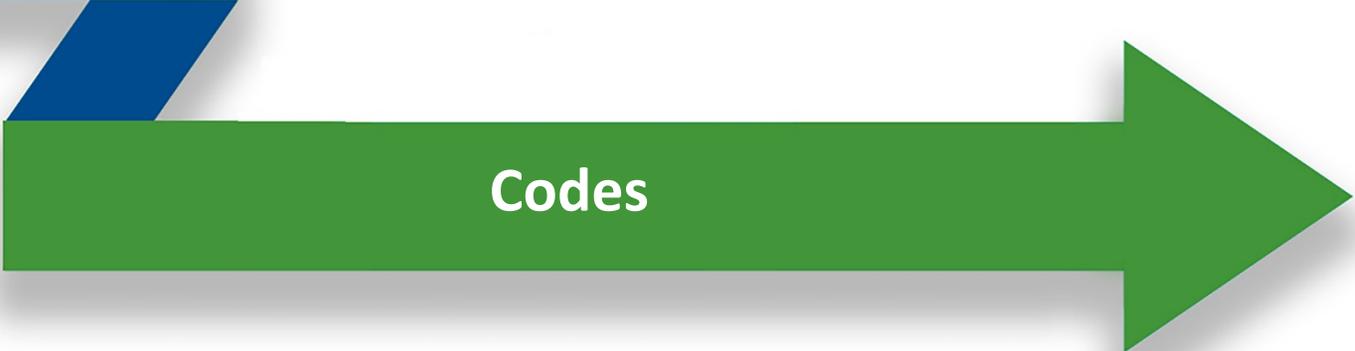
- Includes expenditures for:
  - ❑ Student athletic coaches and officials should be coded to Function Code 1421 – Student Athletics.
  - ❑ Cost of hotels and meals for staff and students on a trip for a student athletics.
  - ❑ Entry fees associated with the student athletics.
- DO NOT code Transportation cost to 1421.
  - ❑ Code Transportation cost to Function Code 2551 - District Contracted Transportation Services 2552 - District Operated or Function Code.
  - ❑ The hotel/meals for the bus driver would be coded to Function Code 2558 - Non-Allowable Transportation.

## Bulk Purchases

- Bulk purchases should be broken out to the appropriate functionality area. Ideas include:
  - ❑ Recode once it is known where the item is being used;
  - ❑ Know the replacement schedule on technology and equipment purchases and code when purchased;
  - ❑ Prior year usage numbers;
  - ❑ Other suggestions?



**Object**



**Codes**

## **Questions on Object Codes**

## New FY 2019 Object Codes

- 6112 - **Administrators** - Cost for work performed by regular administrative employees who manage, direct, or administer programs of the district. Examples include superintendent, assistant superintendent, supervisors, coordinators, principals, assistant principals, and administrators.
- 6122 - **Other Part-Time Salaries** - Certificated teachers who work less than full-time and perform work in positions of either a temporary or permanent nature.

## New FY 2019 Object Codes

- 6152 - **Instructional Aide Salaries** - Salary paid to teacher aides whether certificated or non-certificated. Certificated aides should be paid out of the Special Revenue (Teachers) Fund. Non-certificated aides should be paid out of the General (Incidental) Fund.
- 6153 - **Classified Substitute Salaries** - Salaries paid to substitutes for classified employees of the district.

# New FY 2019 Object Codes

- 6321 - **Subawards Under Subagreements – First \$25,000** For subagreements reported under Professional and Technical Services, record the first \$25,000 of each subaward. Subaward means an award provided by an LEA to a subrecipient for the subrecipient to carry out part of an award received by the LEA. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- 6322 - **Subawards Under Subagreements – In Excess of \$25,000** For subagreements reported under Professional and Technical Services, record all subawards in excess of \$25,000, regardless of the period covered by the grant or subcontract. Subaward means an award provided by an LEA to a subrecipient for the subrecipient to carry out part of an award received by the LEA. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

## Object Codes

- Equipment versus supply
  - ❑ Individual unit cost of \$1,000 or more.
  - ❑ Software per licenses cost of \$5,000 or more.



# Coding Expenditures at a Building Level Plan

# Coding Expenditures at a Building Level

- Expenditures should be reported to buildings in which student enrollment is reported.
  - Talk with your Core Data/MOSIS personnel to obtain the correct building numbers.
- Building/location codes are not required to match between the General Ledger and MOSIS files.
  - Expenditures may be reported with certain building/location codes and the Ed Core, Ed School, and Course Assignment files can be different.

# Coding Expenditures at a Building Level

- If the district/charter school has a building number for a career education center or alternative program.
  - ❑ Enrollment is not reported under that building number.
  - ❑ Expenditures will need to be reported back at the middle/high school level.
- Vendors have been notified this could cause an issue with MOSIS reporting of educators and should be addressed to help districts/charter schools track the cost of the program yet report the cost to the middle/high school level and report the educators at the career education center or alternative program building number.

## Coding Expenditures at a Building Level

- Students served in a location other than the district/charter's public school attendance center.
  - ❑ Costs should be reported under the same building/location number in which the student information is reported in MOSIS.

## Coding Expenditures at a Building Level

- The denominator for the Building Level Current Expenditure Calculation performed by DESE will be September Enrollment.
  - The count used by the district/charter school does not have to match this count.
    - It may not be feasible because the district/charter school will have expenditures prior to obtaining the September Enrollment.

# Questions on Expenditures Reported at a Building Level

- District/charter A has five elementary buildings and only has summer school for elementary students.
  - Building A
  - Building B
  - Building C
  - Building D
  - Building E
- Summer school is held in building E. Costs may be allocated:
  - Across all five buildings or,
  - Allocated to just building E.
- Districts/charter schools will need to determine the best method for their district/charter.
- Remember that the students and cost should be reported to the same buildings.

## Coding Expenditures at a Building Level Plan

- Each district/charter school will need to determine what the best method of allocation is for their district/charter school and for the program in question.
- Document the reasoning.
  - ❑ Remember the reason this is now occurring is to calculate expenditures per pupil at a building level.

# Coding Expenditures at a Building Level Plan

- Discussion
  - Has your district/charter school thought through this process yet?
    - Administration must be involved.
  - What time frame will you obtain your information?
    - Time served information?
    - Enrollment in the program?
    - District/charter school enrollment information?
    - Reasons?
  - Does your software vendor have the ability to help automate this process?
    - Who is your vendor?



## Source of Funds Allocation Plan

## Source of Funds Allocation Plan

- Revenue and expenditure amounts will not be required to match.
  - ❑ Expenditures by source of funds will not be tied back to the revenue received in the fiscal year.
  - ❑ Expenditures by project codes will not be tied back to revenue received in the fiscal year.

# Source of Funds Allocation Plan

- Discussion
  - Has your district/charter school thought through this process yet?
    - Administration must be involved.
  - What do you know already?
    - Already coding special education and federal programs in a way to show a source of funds.
    - Is revenue received specifically for a program?
      - ❖ Use that source code for expenditures associated with that program.

# Source of Funds Allocation Plan

- ❑ What methods can be used to allocate expenditures at a source level when the source is not known?
  - Discussion?
- ❑ What time frame will you obtain your information?
  - Current year information?
  - Prior year information?
  - Discussion.
- ❑ Does your software vendor have the ability to help automate this process?
  - Who is your vendor?
- ❑ Document your decisions!



# Project Code Plan

## Project Code Plan

- If DESE has assigned a project code then that project code must be used to track where those funds were spent.
- If DESE has not assigned a project code then the district/charter school may assign a project code for tracking purposes if they wish but utilize project codes in a range not reserved for DESE assignment.

# Project Code Plan

- Discussion
  - Has your district/charter school thought through this process yet?
    - How will you convert your project/program codes?
    - Who is your vendor?
    - Discussion



# ASBR

## ASBR

- The FY 2018 ASBR will be the same as prior year ASBRs.
- There will still be 5 upload files.
- There will no longer be codes ending in zero on the FY 2018 ASBR.

# ASBR

- The FY 2019 ASBR will look and feel the same.
  - ❑ All codes will be broken out separately on the ASBR.
    - No combined codes.
  - ❑ One file to upload.
    - Will have to manually enter Transfers and Restricted Balances.

# ASBR

- For FY 2019 there will now be an edit to check the “year” in the file upload compared to the “year” in the ASBR.

^ For detailed instructions on how to transfer your ASBR files, please click [here](#).

1. Ensure the year for which you are uploading is selected in the drop-down above.
2. **Browse** to find the specific file you wish to upload.
3. **You can upload one or all of the file types.**
4. Click the **Transfer** button to upload your files.

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File status: Success Uploaded On: 01/24/2018

# ASBR

- Part II, Part III-A, Part III-B, and Part III-C will be read only.

Amend

## Part II Local Revenue Detail

Revenue Code	Description	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund	Total All Funds
5111	Current Taxes	0.00	200.00	0.00	0.00	200.00
5112	Delinquent Taxes	0.00	0.00	0.00	0.00	0.00
5113	School District Trust Fund (Prop C)	0.00	8,373,123.32			8,373,123.32
5114	Financial Institution Tax	0.00	0.00	0.00	102,388.83	102,388.83
5115	M&M Surtax	0.00	0.00	0.00	1,216,729.19	1,216,729.19

# ASBR

- Manual changes will be made on one page.

Save Add

Filter

Revenue	Function	Object
<input type="text"/>	<input type="text"/>	<input type="text"/>
Location	Source	Project
<input type="text"/>	<input type="text"/>	<input type="text"/>

Filter

# ASBR

**Filter**

Revenue	Function	Object
5111 - Current Taxes	<input type="text"/>	<input type="text"/>
5112 - Delinquent Taxes		
5113 - School District Trust Fund (Prop C)		
5114 - Financial Institution Tax		
5115 - M&M Surtax		
5116 - In Lieu of Tax		
5117 - City Sales Tax		
5121 - Reg Day School Tuition (K - 12) from Individuals		
5122 - Summer School Tuition (K - 12) from Individuals		
5123 - Adult/Continuing Education Tuition - Post Secondar		
5131 - Transportation Fees From Patrons		
5141 - Earnings from Temporary Deposits		
5142 - Accrued Interest on Bonds Sold		
5143 - Premium on Bonds Sold		
5151 - Food Service - Sales to Pupils		
5161 - Food Service - Sales to Adults		
5165 - Food Service Non-Program		
5171 - Admissions - Student Activities		
5172 - Bookstore Sales		
5173 - Student Organization Membership Dues and Fees		
5179 - Other Pupil Activity Income		
5181 - Community Services		
5182 - PK Tuition from Parents		
5191 - Rentals		
5192 - Gifts		
5195 - Prior Period Adjustment		
5196 - Net Receipts From Clearing Accounts		
5198 - Miscellaneous Local Revenue		
5199 - Local - Subtotal		

Source	Project
<input type="text"/>	<input type="text"/>

## ASBR

- You will be able to select as many applicable fields as necessary.
- If a revenue code is selected and then a function code is selected, the revenue code will be unselected.

# ASBR

**Filter**

<b>Revenue</b> 5111 - Current Taxes	<b>Function</b> 	<b>Object</b> 
<b>Location</b> 1050 - ADAIR CO. HIGH 4020 - ADAIR CO. ELEM.	<b>Source</b> 	<b>Project</b> 

Filter

# ASBR

**Filter**

<b>Revenue</b>	<b>Function</b>	<b>Object</b>
<input type="text"/>	1111 - Elementary	6111 - Certificated - Regular Salaries
<b>Location</b>	<b>Source</b>	<b>Project</b>
4040 - WOODLAND ELEM.	<input type="text"/>	<input type="text"/>

Location	Source	Project	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund
4040	1 - Local Funds			1124593.66		

# ASBR

Filter

Revenue	Function	Object
<input type="text"/>	3912 - Parental Involvement	6211 - Teacher's Retirement
Location	Source	Project
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="button" value="Filter"/>		

Location	Source	Project	General (Incidental) Fund	Special Revenue (Teachers) Fund	Debt Service Fund	Capital Projects Fund
	1 - Local Funds		5411.00			
1050	1 - Local Funds		152860.36			
1050	1 - Local Funds	12210 - Special Education	399544.57			
1050	1 - Local Funds	44100 - IDEA Entitlement Funds, Part B IDEA	74868.00			
1050	1 - Local Funds	45100 - Title I	191424.00			
1050	2 - County Funds		349.99			
1050	2 - County Funds	45100 - Title I	113816.00			
1050	2 - County Funds	46500 - Title II.A	220.03			
3000	1 - Local Funds		7856.74			
3000	2 - County Funds	46500 - Title II.A	855.10			
4040	1 - Local Funds		107923.00			
4040	1 - Local Funds	12810 - Early Childhood (3 & 4 Year Old) Special Education (ECSE)	97031.00			
4040	1 - Local Funds	45100 - Title I	17459.67			
4040	2 - County Funds	45100 - Title I	165474.11			

## ASBR

- Do districts want to be able to print the ASBR by:
  - ❑ Location Code?
  - ❑ Source of Funds?
  - ❑ Project Codes?



# Implementation Plan for Software Update

## Implementation Plan for Software Update

- Option 1 - Have information technology department copy the program into a test environment.
- Option 2 – Shut all users out of the program while updates are being processed.

## Implementation Plan for Software Update

- What is the most efficient order to process the changes to the 18-19 file set?
  - ❑ Renumber accounts to new structure then create file set?
  - ❑ Create file set then renumber accounts to new structure?

## Implementation Plan for Software Update

- Where is the best place to start?
  - ❑ Review codes?
  - ❑ Expenditure codes?
  - ❑ Location codes?
  - ❑ Source codes?
  - ❑ Project codes?

## Implementation Plan for Software Update

- Discussion.
  - Has your district processed the software update?
    - Who is your vendor?
  - What was the easiest part?
  - What do you wish you had done differently?

## Implementation Plan for Software Update

- If you add any new revenue, function, or object codes that do not start until FY 2019 do not code expenditures to those codes yet.
- Do not change how you are coding special education expenditures until FY 2019.
  - ❑ Keep your expenditures in 1221, and 1281, and 2559 for FY 2018.
  - ❑ This will change for FY 2019.



## School Finance (573) 751-0357

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