

Supplemental Educational Services Fiscal Guidance

Documentation and ePeGS Reporting

If a school district or a building within a school district is an approved Supplemental Educational Services (SES) provider and they have provided services to their own district’s students, records must be maintained of the students served as well as hours and dates of services. This documentation must reconcile with the Title I payment requests through the ePeGS system.

The district must ensure that the district’s budget and final expenditure report in ePeGS shows all expenditures the district is eligible to claim for SES services through Title I that are coded under 1942 – 6300. This will not match the district’s actual books or the ASBR because the district cannot treat payments to employees and other expenditures as purchased services; however, ePeGS directs districts to show SES services as purchased services and does not account for the fact that some school districts have been approved to be a SES provider.

Determining if a Person can be Treated as a Purchased Service

The IRS has the following guidance on determining if a person is considered an employee or an independent contractor: <http://www.irs.gov>.

It is the district’s legal responsibility to determine if a person is considered an employee of the district or if they are considered an independent contract, but note that a person who is treated as an employee of the district (i.e. full time elementary teacher) can never be called an independent contract for other duties performed.

Coding Cost

If a school district or a building within a school district is an approved Supplemental Educational Services (SES) provider, it should code the SES expenditures in the same manner as the following examples. Please note that exact entries will depend on individual unique circumstances.

5451 – Revenue Code for Title I.A

1942 – Function Code for Supplemental Educational Services (SES)

Example of how to code salary and benefit costs for an employee of the district:

General Journal entries to record salary and benefit expenditures for certificated staff:

Teachers Fund Entry	A/C No.	Debit	Credit
Supplemental Educational Services / Supplemental Pay	1942-6131	\$450.00	
Supplemental Educational Services / Teachers’ Retirement*	1942-6211	\$50.00	
Cash in Banks	1111		\$500.00

General Journal entries to record salary and benefit expenditures for non-certificated staff:

General Fund Entry	A/C No.	Debit	Credit
Supplemental Educational Services / Classified Salaries - Regular	1942-6151	\$450.00	
Supplemental Educational Services / Non-Teachers Retirement*	1942-6221	\$45.00	
Supplemental Educational Services / OASDI*	1942-6231	\$5.00	
Cash in Banks	1111		\$500.00

*as applicable

Example of how to code the cost of an Independent Contractor:

General Journal entries to record salary and benefit expenditures for certificated / non-certificated staff:

General or Teachers Fund Entry	A/C No.	Debit	Credit
Supplemental Educational Services / Supplemental Pay	1942-6311	\$500.00	
Cash in Banks	1111		\$500.00

Example of how to code supply cost:

General Fund Entry	A/C No.	Debit	Credit
Supplemental Educational Services / General Supplies	1942-6411	\$600.00	
Cash in Banks	1111		\$600.00

Example of how to code transportation cost:

All cost of transportation for this program should be coded as normal and miles shown as Disapproved Route Miles on the Application for State Transportation Aid. Example of those entries would be:

Shuttle Routes between buildings:

District Operated (Disapproved Route Miles):

General Fund Entry	A/C No.	Debit	Credit
District Operated Non-Disabled Pupil Transportation Services / Classified Salaries – Part-Time	2552-6161	\$500.00	
District Operated Non-Disabled Pupil Transportation Services / OASDI	2552-6231	20.00	
District Operated Non-Disabled Pupil Transportation Services / Gasoline/Diesel	2552-6486	150.00	
Cash in Banks	1111		\$670.00

Contracted (Disapproved Route Miles):

General Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
Contracted Pupil Transportation Services / Other Contracted Pupil Transportation – Non-Route	2551-6342	\$800.00	
Cash in Banks	1111		\$800.00

Routes to take children home after SES services are provided:

District Operated (Disapproved Route Miles):

General Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
District Operated Non-Disabled Pupil Transportation Services / Classified Salaries – Part-Time	2552-6161	\$900.00	
District Operated Non-Disabled Pupil Transportation Services / OASDI	2552-6231	40.00	
District Operated Non-Disabled Pupil Transportation Services / Gasoline/Diesel	2552-6486	200.00	
Cash in Banks	1111		\$1,140.00

Contracted (Disapproved Route Miles):

General Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
Contracted Pupil Transportation Services / Contracted Pupil Transportation To and From School	2551-6341	\$1,500.00	
Cash in Banks	1111		\$1,500.00

If a school district or a building within a school district is an approved Supplemental Educational Services (SES) provider and the district transports another district’s students and then bills that other district for the cost, the revenue received would be coded as 5841 – Transportation Amounts Received from Other LEA’s for Non-Disabled Transportation and the miles will need to be provided back to the other district for reporting on the Application of State Transportation Aid as Disapproved Route Miles.

Billing Cost to Other Buildings

If a school district or a building within a school district is an approved Supplemental Educational Services (SES) provider and “bills” the different school buildings within the district for the cost of providing services, the SES provider will have to develop a method to do so that does not affect the official accounting system that is maintained in accordance to the Missouri Financial Accounting Manual. One such method would be to code expenditures using a project code that represents each building, although this may be difficult to determine how much of these expenditures should be applied to each building at the time the expenditure is posted.

Salary Cost for Elementary (project code 235)

Teachers Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
Supplemental Educational Services / Supplemental Pay	1942-6131-235	\$450.00	
Supplemental Educational Services / Teachers' Retirement*	1942-6211-235	\$50.00	
Cash in Banks	1111		\$500.00

Salary Cost Middle School (project code 236)

Teachers Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
Supplemental Educational Services / Supplemental Pay	1942-6131-236	\$450.00	
Supplemental Educational Services / Teachers' Retirement*	1942-6211-236	\$50.00	
Cash in Banks	1111		\$500.00

* As appropriate

Billing Cost to Other Outside Entity

If a school district or a building within a school district is an approved Supplemental Educational Services (SES) provider and they bill another public school district for services, an invoice detailing the services provided to each student and length of time services were provided will need to be created and sent to the other district. If the district is a cash basis district the invoice cannot result in any entries affecting the official accounting system that is maintained in accordance with the Missouri Financial Accounting Manual. Accrual based districts must follow all applicable accounting with the Missouri Financial Accounting Manual. When a public school district pays the invoice, the SES district will record that payment as follows (using an extension to tract the revenue as SES related):

Example of how to code revenue received from other public school districts when the district operates on a cash basis:

General or Teachers Fund Entry	<u>A/C No.</u>	<u>Debit</u>	<u>Credit</u>
Cash in Banks	1111	\$2,000.00	
Contracted Educational Services From Other LEA's	5831		\$2,000.00