



IASBO Region 10

Jonathan Wineinger

**Government Technical Assistance and
Compliance Director (GTAC)**

Contact Information



- Website - <https://www.in.gov/sboa/political-subdivisions/schools/>
- Phone – (317) 232-2512
- Email - Schools.Townships@sboa.in.gov

Annual Financial Report & ECA Risk Report



- IC 5-11-1-4
 - AFR Due Before 7/1/23 – Filed with the state examiner not later than 60 days after the close of each fiscal year
 - AFR Due on or After 7/1/23 – Filed with the state examiner as set forth in the uniform compliance guidelines
 - AFR Due 60 days after the close of each fiscal year
 - August 29, 2023

Financial Data By Fund



- Investment Funds – FAQs (#70 -#77)
 - https://gateway.ifionline.org/userguides/AFRguide#nav_FrequentlyAskedQuestions
- If you have an investment fund (or clearing account) that records bank transactions for investments already accounted for in other reported funds – do not include in the AFR!
- These investment funds are subsidiary accounts that account for investment transactions rather than the traditional funds that account for cash balances/transactions.

Financial Data By Fund



- Curricular Materials Fund and School Lunch Fund accounted for in the ECA records are to be reported in the AFR
- Maintain documentation to support the amounts from the ECA Records

Financial Data By Fund



- Recommended Procedures
 - Review Code Errors
 - Prohibits submission until errors are corrected
 - Example – Fund number used is unassigned per the Chart of Accounts
 - Interaction Errors
 - Warnings – will not prevent submission
 - Example – An expenditure code was used that was not considered allowable per the chart of accounts with that fund

Financial Data By Fund



- Recommended Procedures (Cont.)
 - Compare the ending balances of the funds in the AFR to the Fund Report
 - Compare the receipts reported in the AFR to the Detailed Revenue History Report
 - Compare the disbursements reported in the AFR to the Expenditure Report Detail
 - Perform a reconciliation of the reports if there are any variances

Financial Data By Fund



- Recommended Procedures (Cont.)
- Prior to AFR submission, document Preparer and Reviewer

Capital Assets



- Non-Depreciable Assets
 - Land
 - Construction in Progress
- Depreciable Assets
 - Infrastructure
 - Buildings
 - Improvement Other Than Buildings
 - Machinery Equipment and Vehicles
- Report at historical cost
 - Additions – A new asset has been acquired
 - Reductions – An asset has been disposed

Verify amounts reported in AFR agree with Capital Asset Ledger

Capital Assets



- Accumulated Depreciation
 - Total depreciation taken on each asset throughout the political subdivision's ownership
 - Represents how much of the useful life of each asset has passed
 - Additions – The annual amount of depreciation taken on each asset
 - Reductions – Occurs when an asset is disposed of (The amount of the reduction in accumulated depreciation will be the total accumulated depreciation on the asset at time of disposal)

Accounts Payable/Receivable



- Accounts Payable
 - Consists of amounts of goods and services that the school corporation has received or used during the year but hasn't paid for by the end of the fiscal year.
 - Examples – claims submitted in June, but not paid until July

Accounts Payable/Receivable



- Accounts Receivable
 - Amounts that are owed to the school corporation that haven't been received by the end of the year.
 - Example – reimbursable grants (reimbursement has been requested by the end of the fiscal year, but the funds weren't received)

Transfer Schedule



- Report all interfund transfers
- Must upload the Financial Data By Fund Section first
- Aggregate the transfers between the same funds
 - Example - \$500,000 monthly transfer from Education to Operation is to reported on one line and not twelve different transfers

Interfund Loan



- Temporary Loan – expected to be repaid
- Due To – the fund that loaned money
- Due From – the fund that received the temporary loan

Debt



- Long-term Debt

- Additions – New debt
- Reductions – Amount of principal paid on the debt in the reporting period
- Ending Principal Balance – Should agree to debt amortization schedules
- Principal Due Within One Year – Amount due in the next fiscal year per the debt amortization schedule

Debt



- Short-Term Debt
- Repayment of entire debt in less than one year
 - Additions – new debt
 - Reductions – principal debt payments

Leases



- Capital and Operating leases
 - Provide Lessor Name and Purpose
 - Annual Lease Payment Due within One Year
 - Beginning and Ending Lease Date
 - Will School retain ownership at end of lease?
- Include School Building Corporation Leases

Other Post Employment Benefits (OPEB)



- OPEB
 - Other forms of postemployment benefits that are paid after employment
 - Examples – death benefits, life insurance, disability long-term care
 - May be a specified dollar amount; amount calculated based on factors such as age, years of service, and compensation; or a type or level of coverage such as prescription drug coverage or a percentage of health insurance premiums

Other Post Employment Benefits (OPEB)



- OPEB
 - Does not include pensions, termination benefits or termination payment for sick leave
 - COBRA benefits are considered a form of healthcare-related termination benefits and are not OPEB

Other Post Employment Benefits (OPEB)



- Types of Plans
 - Defined Contribution
 - Provides for an individual account for each participant
 - Benefits based on amount contributed
 - Single Employer Defined Benefit
 - Sponsored by one employer that promises a specified monthly benefit on retirement predetermined by a formula
 - Cost-Sharing Multiple Employer Defined Benefit
 - Sponsored by multiple employers and the OPEB obligations to the employees or more than one employer are pooled and the asset can be used to pay the benefits of the employees of any employer that provides benefits to the plan
 - Agent Multiple Defined Benefit
 - Sponsored by multiple employers in which OPEB plan assets are pooled for investment purposes but separate accounts are maintained for each individual employee so that each employer's share of the pooled assets is legally available to pay benefits of only its employees

Other Post Employment Benefits (OPEB)



- **Plan Administrator**
 - Company Name – company that handles the administration of the plan for the sponsor.
- **Employer Sponsoring the Plan**
 - Typically, the local government unit

Other Post Employment Benefits (OPEB)



- **Active Employees**
 - Individuals employed at the end of the reporting period
- **Inactive Employees**
 - Individuals no longer employed by an employer in the OPEB plan or the beneficiaries of those individuals

Other Post Employment Benefits (OPEB)



- Covered Payroll
 - Payroll on which contributions to the OPEB plan are based upon
- Contribution Rates
 - Employer – rate the employer contributes to the plan as a percentage of covered payroll
 - Total amount of contributions for the year from the school / covered payroll for the year
 - Plan Members – rate the employee contributes to the plan as a percentage of covered payroll
 - Total amount of contributions / premiums for the year from all plan members, both active and inactive of the covered payroll for the year

Tax Abatements



- An **agreement** between one or more governments and an individual or entity in which one or more governments promise **to forgo tax revenues to which they are otherwise entitled and** the individual or entity promises **to take a specific action** that contributes to economic development, or that benefits the government or its citizens.
- **Ask your County Auditor!**

Tax Abatements



- Direct Abatements

- Abatements approved by your governing board
 - Does NOT apply to schools

- Indirect Abatements

- Abatements approved by another unit's governing board that affect the school's tax revenue

Tax Abatement Calculation



- Need to determine the amount of taxes forgone as a result of the tax abatements.
- Example – the County Auditor provided information that a city approved an abatement, resulting in a reduction of \$100,000 of personal property.

<u>Fund</u>	<u>Fund Name</u>	<u>Certified Budget</u>	<u>Certified AV</u>	<u>Certified Levy</u>	<u>Certified Rate</u>
0061	RAINY DAY	\$2,000,000	\$4,048,020,220	\$0	\$0.0000

Budget approved for displayed amount.

0180	DEBT SERVICE	\$17,080,947	\$4,048,020,220	\$16,333,762	\$0.4035
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Budget has been reduced and approved for the displayed amt.

Rate reduced per unit request.

0287	REFERENDUM DEBT FUND - EXEMPT CAPITAL - POST 2009	\$6,619,000	\$4,358,433,173	\$5,905,677	\$0.1355
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Budget approved for displayed amount.

Rate reduced due to reduction of operating balance according to IC 6-1.1-17-22.

3101	EDUCATION	\$81,492,250	\$4,048,020,220	\$0	\$0.0000
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Budget approved for displayed amount.

3300	OPERATIONS	\$41,361,265	\$4,048,020,220	\$20,908,024	\$0.5165
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To fund the 2023 budget, this unit is authorized to transfer \$575,271.00 from the Levy Excess Fund.

Budget has been decreased because projected revenues are insufficient to fund the adopted budget.

Rate reduced to remain within statutory levy limitation.

Unit Total:		\$148,553,462		\$43,147,463	\$1.0555
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Tax Abatement Calculation



- Multiply the reduction in the assessed value (the amount abated) by the tax rate (as a percentage per \$100 of value)
 - $\$100,000 \times .010555 = \$1,055.50$

Grant Schedule



- Accounting for Federal Grants
 - Excel spreadsheet
 - Reimbursement Requests
 - Program Directors

Grant Schedule



- Accurate Grant Identification
 - Assistance Listing Number (formerly CFDA)
 - Grant Agreement or Award Letter
 - Grant Application
 - Program Title
 - Sam.gov
 - Compliance Supplement
 - Pass-through or Direct
 - Grant Agreement or Award letter
 - Pass-through ID Number
 - Grant agreement or Award letter
 - Reimbursement Report
 - ACH

Gateway Entry Preparation



- Implement controls and procedures
- Separate grant funds
 - Each grant year should have its own fund
- Transaction History Reports
 - Compare to your records
- Program Directors
 - Compare to their records

Grant Schedule



- Before You Submit
 - Print Grant Schedule for Annual Report Output
 - Compare the grant schedule to your records and documentation
 - Revenue History Report
 - Reimbursement Reports
 - Excel Spreadsheets
 - Grant Identification support

Commodities – Reporting



- Commodities are a form of federal non-cash assistance; therefore, they are required to be reported on the SEFA
- How to determine the amount to report on the SEFA:
 - Step 1: Log in with your credentials on CNPWeb
 - Step 2: Click on “FDP” Food Distribution Program
 - Step 3: Click on “Continue”
 - Step 4: Select the program year you want to obtain data for
 - Step 5: Click on “Summary” in the top left corner of your screen
 - Step 6: Click on “R/A Summary Tab”
 - Step 7: Click on the “Entitlement” tab

Recipient Agency Summary

Indianapolis Public Schools (5385)

Applications	Entitlement	Surveys	Allocations	Inventory	Orders	Invoicing
Current Year	Prior Year	Total Entitlement	Entitlement Used	Remaining Balance	No Charge Used	Bonus Used
1,313,674.02	0.00	1,313,674.02	1,339,671.05	-25,997.03	173,740.05	3,156.42



Recipient Agency Allocations

Allocation Code	Allocation Date	Entitlement Used	No Charge Used	Bonus Used	Action
SVY103269	9/16/2016	1,770.00	0.00	0.00	View
SVY103304	10/07/2016	4,034.04	0.00	0.00	View
SVY103313	10/14/2016	578.36	0.00	0.00	View
SVY103353	11/03/2016	1,770.00	0.00	0.00	View
SVY103432	1/06/2017	3,169.34	0.00	0.00	View
SVY103515	2/01/2017	14,605.68	0.00	0.00	View
SVY103526	2/10/2017	1,770.00	0.00	0.00	View
Bonus103560	3/02/2017	0.00	0.00	808.00	View
SVY103631	3/03/2017	6,358.13	0.00	0.00	View
SVY103748	3/09/2017	1,409.32	0.00	0.00	View
SVY103749	3/09/2017	13,196.36	0.00	0.00	View
Alloc103772	3/30/2017	0.00	3,371.96	0.00	View
Req106643	5/04/2017	0.00	35,599.80	0.00	View
Req106644	5/04/2017	0.00	933.10	0.00	View



Commodities - Reporting



- Only use the numbers BELOW the “Recipient Agency Allocations”
- The amount to be reported on the SEFA for each year is the total of the “Entitlement Used,” “No Charge Used,” and “Bonus Used” columns.
- Additional Resource:
<https://www.in.gov/sboa/files/2018-March-School-Bulletin.pdf> - pp. 7-8

Special Education Cooperative



- Allocation Sheet from LEA
 - Report amount of Reimbursements
 - Do not report the Grant Allocation amount
 - Ask the LEA – should be able to provide supporting documentation

ECA Risk Reports



- Due August 29th
- If an ECA is combined or closed, you must notify SBOA
- ECA Risk Reports should be filed for each year financial activity occurred
- In the final year of operation, **the ECA should report \$0 cash balance in every fund in Gateway**

Resources



User Guide

<https://gateway.ifionline.org/userguides/AFRguide>

Bulletin Articles

OPEB - <https://www.in.gov/sboa/files/2020-September-School-Bulletin1.pdf> (page 4)

Commodities - <https://www.in.gov/sboa/files/2018-March-School-Bulletin.pdf> (page 7 -8)

Commodities - <https://www.in.gov/sboa/files/2019-June-School-Bulletin.pdf> (page 6)

Questions?

