



Consolidated Schoolwide Financial Checklist

The procedures listed below may vary for your specific LEA and may be contingent on the type of accounting software in use. This list is intended as a guide to ensure the Financial Office has considered the impact of consolidation on the budget and financial processes. Please modify as necessary for the local operations in place at your LEA.

1. Prepare the Budget for the Schoolwide Plans

During the regular budget preparation process, the district officials (Federal program directors, finance personnel, superintendent, principals, etc.) meet and discuss the schoolwide plans and the associated needs assessment. The Intents and Purposes Checklist as well as the Resource Allocation Methodology Plan. Together, these individuals will develop the consolidated budget for the schoolwide plans for each individual school participating in the schoolwide consolidation project in coordination with all planning documents to meet the requirements of the schoolwide plan.

The budget should follow the same timeline as the General Fund budget for preparation. For conservative purposes, 85% of the previous fiscal year's Title I budget may be utilized for the initial budget preparation since allotments for the next fiscal year are not yet awarded.

Once the final, approved allotments are received, the LEA may need to amend the schoolwide budget by increasing the amount of funds allocated to the schoolwide plan.

PROCESS IMPLEMENTATION DATE: _____

MEETING DATES: _____

PARTICIPANTS: _____

2. Upload the Schoolwide Budget into the Financial Accounting Software

Once the schoolwide budget for each school has been agreed upon by the district officials, the following will be required:

1. The finance office will enter the schoolwide budget into the accounting software.
2. The budget is required to be uploaded by school and will be submitted to GaDOE Financial Review Division via the DE 46 which is due annually, based on dates set by GaDOE.
3. The budget will also be uploaded in excel format into the Consolidated Application for the federal budget offices to review once the process begins for GaDOE Federal budget approval.

PREPARER SIGNOFF: _____

APPROVER SIGNOFF _____

DATE: _____

3. Board Approves Schoolwide Budget

The schoolwide budget in Fund 150 should be prepared for each school and included in the Fund 150 budget that is presented to the board for budget approval. O.C.G.A. Section 20-2-167 requires the board of education to approve a budget for all funds prior to July 1st of the next fiscal year. Even if Federal allotments are not yet known, the estimated revenues and expenditures for the Special Revenue funds should be presented to the board for approval. The schoolwide consolidated budgets will be presented in Fund 150.

To address the issue of expenditures presented twice (***once in the Consolidated Schoolwide Fund 150, and in the Federal Funds participating in the consolidation***), the district has several options:

1. Include a negative expenditure line item in Fund 150 that corresponds to the expenditure budgeted in each Federal funding source
2. Another option would be to report the Expenditures in the Federal funds as a Transfer Out, and report the Fund 150 expenditure detail along with an estimated Transfer In. This method would not require a negative expenditure balance but would not agree with the uploaded budget in the Consolidated Application, and it will not match the actual reporting of the activity.
3. If the LEA is utilizing the transferability option, the federal program budgets that are transferred into Title I will be budgeted to 5000-930. In Title I, you will budget the transferred funds as revenue to 5200. At that point, in Title I, you will budget for the expenditures that will be consolidated by coding to the appropriate functional category and object code 881 (1000-881).

Select the budget option that works best for your LEA's financial accounting software and budgetary policies and procedures. Modify this checklist for the option selected.

BUDGET APPROVAL DATE: _____

4. Ensure all personnel costs are reclassified into Fund 150 prior to the beginning of the fiscal year.

Prior to the beginning of the fiscal year, ensure that all personnel costs are correctly coded to Fund 150. Utilize the approved budget detail, along with the completed RAM/P allocation to serve as a guide for the employees that are now funded through the consolidation.

This step will only require amendments for changes in personnel and salary costs in the fiscal years after the initial implementation of the program.

SIGNOFF: _____

COMPLETION DATE: _____

5. Ensure purchase orders are updated to include Fund 150

Fund 150, during the first year of implementation, will have to be added to any existing purchase order templates utilized by the schools.

SIGNOFF: _____ COMPLETION DATE: _____

6. Ensure all new accounts are added to the accounting software

All new accounts to be utilized in Fund 150 are added to the accounting software prior to implementation as of July 1st.

SIGNOFF: _____ COMPLETION DATE: _____

7. Monthly Cash Drawdowns

The cash drawdowns for the month are documented by the expenditure allocation worksheet. *The LEA can utilize the format provided for in the Consolidation Manual or utilize an option that works best with their financial accounting software, provided that the expenditure detail that is used to calculate the allocations to each federal funding source can be tied back to the general ledger.* The amount allocated from each schools' consolidated budget is added to any expenditures for set asides or non-consolidated federal expenditures to determine the drawdown.

The total expenditures to date are provided to both the Federal Programs Director and the principal of each school for review. Ensure the Federal Programs Director approves the cash drawdowns before the request is submitted to GaDOE.

SIGNOFF: _____ COMPLETION DATE: _____

8. Monthly Journal Entries

A journal entry is posted to disaggregate the expenditure data from Fund 150 to each federal funding source based on the cash drawdown allocation. The journal entry reconciles to the amount calculated for the drawdown, and the expenditures posted to the federal funds will offset the revenue received. At all times, the federal funds have a zero-ending fund balance with this process.

Once the journal entry is posted to move the expenditures allocated to the federal funding sources, an entry is posted to transfer cash from the General Fund into the Consolidated Fund to offset the negative cash balance that results from the state/local portion of expenditures.

The journal entry is reviewed and approved by the Federal programs director.

SIGNOFF: _____ COMPLETION DATE: _____

9. Monthly Reconciliation

Each period that a drawdown of federal funds is requested, prepare a reconciliation that documents the amount of expenditures to allocate to each federal funding source. This reconciliation is the documentation that will be used to support each federal cash drawdown throughout the year.

It is recommended that the reconciliation allocates the consolidated expenditures on a year-to-date basis, applying the most updated budget allocation percentages to the year-to-date expenditures, and then subtracting the dollar amounts of funds already requested.

SIGNOFF: _____ COMPLETION DATE: _____

10. Budget Amendments

At any time during the fiscal year, it may be necessary to complete a budget amendment. When the schoolwide budget is increased for a federal carryover, an allotment adjustment, or additional state/local funds added, the percentages for the funding allocations are required to be amended.

A budget amendment is completed and approved by the Federal Program Director.

SIGNOFF: _____ COMPLETION DATE: _____

11. Year End Salary/Benefit Accruals

Before the fiscal year end close of June 30th, the salaries/benefits payables accrued as of June 30th must be posted as an accounts payable in Fund 150. The accruals have been posted for July and August, and a journal entry has been prepared to transfer the expenditures from Fund 150 to the participating Federal programs. The payable will remain in Fund 150, and the offset will be posted to cash.

The transfer for the payable expenditures will be reversed in July and August. This is necessary to ensure the cancellation of the claims is offset by the expenditure accrual reversal. The payment for the salaries/benefits will be posted in July and August as a debit to expenditures. The difference between the expenditures in July and August and the cancellation of the accrual will be posted to the July/August period of the fiscal year grant.

The journal entries for the payables have been approved by the Federal Program Director and posted to the general ledger.

SIGNOFF:_____ COMPLETION DATE:_____

12. Completion Reports

Completion reports are completed for the current grant period for all federal funding sources included in the schoolwide consolidation. The completion reports include expenditures by school on the completion report that tie to the total amount of expenditures transferred into the fund for the consolidation. The expenditures incurred in July – September of subsequent fiscal year are reports in the column, “July-September” of the completion report. Expenditures incurred prior to June 30th, including the accrued salaries and benefits that are paid in July and August, are reported in the column, “July-June.” *Please review the instructions for preparing Completion Reports provided on both the Financial Review and Federal Program websites.*

Completion reports are completed and approved by Federal Programs Director prior to superintendent sign off and submission to GaDOE.

SIGNOFF:_____ COMPLETION DATE:_____

13. Close-Out of Grant Period

At the close of the grant period, the total expenditures for each federal funding source have been allocated to each fund and the fund balance is zero.

SIGNOFF:_____ COMPLETION DATE:_____

14. Commencement of Next Fiscal Year's Activity

To ensure the grant period activity is not duplicated or co-mingled, the district flips funds that roll into Fund 150 and roll into the Federal funding sources. The next year's grant period budget process begins with the normal budget preparation cycle and is entered into an alternating fund number, that will be mapped to the state's chart of accounts codes. *An alternate fund number is suggested as a mechanism to distinguish between different grant periods that may cross fiscal years. If separate funds are not utilized, ensure your LEA can separate the grant activity to document cash drawdown allocations and completion reports. This may not be optimal for your district. Please identify a way to ensure your grant period funds are not comingled in Fund 150.*

SIGNOFF: _____ COMPLETION DATE: _____

BEST PRACTICES RECOMMENDED BY GADOE FINANCIAL REVIEW DIVISION

- The budget allocations for each schoolwide consolidated budget should be considered separately. Percentage allocations by school should be calculated and applied to each schools' expenditures during the allocation process.
- Alternate funds or have some sort of mechanism for identifying the separate activity in Fund 150 between grant periods that cross over fiscal years. Create a Fund 151 to use during odd-numbered fiscal years, similar to the odd-numbered federal program funds. These fund codes will be rolled into the defined accounts on the state chart of accounts. Using the alternate funds will ensure each separate grant period is not comingled and expenditures are not allocated using an incorrect percentage. Each grant period should completely zero out in the fund used.
- Apply the budgeted percentage allocations to the actual expenditures incurred year-to-date. This will ensure that the amended budget will equal the amount budgeted for each federal fund if the total amount is expended. Federal regulations only require a reasonable method for allocating the expenditures, so the budgeted percentages can be applied on the date changed, and not applied retroactively to previous months. However, in doing so, meeting the total amount of expenditures of 85% may be more difficult to monitor. Currently, LEAs are only allowed to carryover 15% of unspent grant funds to the next grant period. By applying the amended, year to date budgeted percentage allocations to the total expenditures, the LEA can more easily monitor the total amount charged to each federal program.
- Prepare the journal entries monthly to transfer the expenditure activity from Fund 150 to the Federal funding sources. This is the last step in the process of determining the allocations for the drawdowns. The expenditures are disaggregated by applying the budget percentages, and once allocated, the journal entry template can be updated for upload into the accounting software. This ensures the amount of expenditures allocated will tie in total to the cash drawdowns, and the federal funds balance each period.