

CHARTER SPONSOR- IHE

FINANCE BASICS

September 25, 2018

SOURCES OF FUNDING

- Local – Donations/Gifts/Private Grants
- State -Base Student Funding and Categorical Funding
- Federal- Title I, IDEA, etc.

STATE BASE FUNDING

Brick and Mortar

FY 18 Base Student Cost	\$2,485.00
Additional Funding	<u>\$3,600.00</u>
Total Per Pupil	\$6,025.00

Virtual

FY 18 Base Student Cost	\$2,485.00
Additional Funding	<u>\$1,900.00</u>
Total Per Pupil	\$4,325.00

Then multiply times weighted pupils units of the charter school.



DEFINITIONS

- **Average Daily Membership (ADM)**
 - The aggregate number of days in membership divided by the number of days school is in session at the reporting period
 - $39,546 \text{ days in membership} / 45 = 878.80 \text{ ADM}$
- **Weighted Pupil Units (WPU)**
 - The total ADM in a classification multiplied by assigned weight for that student classification.
 - $\text{ADM} - 74.96 \times \text{Speech weighting of } 1.90 = 142.42$

WHAT WEIGHTS TO USE?

- When developing a charter budget it is best to use the following:
 - 90% students in grade level you are serving
 - 5% Speech
 - 5% Learning Disabled
- If you are serving entire special education category, budget in categories of students you are serving.

DATES TO REMEMBER

- Funding Collection Periods
 - 45-day: available on district 45-day, due 11/20/18
 - 135-day: available on district 135-day, due 4/10/18
- Data Collection Schedule through Enrich SIS
 - <https://ed.sc.gov/scdoe/assets/File/DataCollectionSched/2018-2019DataCollectionSchedule.pdf>

MANUALS & GUIDANCE

- Pupil Accounting Manual – grades K-12
- Student Accountability Manual – 3&4 year olds
- <https://ed.sc.gov/finance/financial-services/>

Manuals, Handbooks, and Guidance

- Fiscal Practices Guidance
- Funding Manuals
- PCS User Manual
- ➔ • Pupil Accounting Manual
- ➔ • Student Accountability Manual

PUPIL CLASSIFICATIONS

- Base Programs: K-12
- Exceptional Programs: SPED classifications, Homebound
- Vocational Program: CATE courses
- Add-on Weightings: additional funding per pupil
 - High Achieving (HIAC)
 - Academic Assistance (ACAS)
 - Pupils in Poverty (PIP)
 - Dual Credit (DUAL)
 - Limited English Proficiency (LEP)

EFA CLASSIFICATIONS AND WEIGHTS

Kindergarten	1.00	EMH	1.74
Primary (1-3)	1.00	LD	1.74
Elementary (4-8)	1.00	Hearing	2.57
High School (9-12)	1.00	Visual	2.57
TMH	2.04	OH	2.04
Speech	1.90	Vocational	1.29
Homebound	1.00	Autism	2.57
EH	2.04		

BASE PROGRAMS

<u>Revenue Codes</u>	<u>Program Code</u>	<u>Classification</u>	<u>Weighting</u>
3311	K	Kindergarten	1.00
3312	P	Primary	1.00
3313	EL	Elementary	1.00
3314	HS	High School	1.00

Classification	Grade Span
Kindergarten	Kindergarten
Primary	1-3
Elementary	4-8
High School	9-12

KINDERGARTEN

- Pupil must be five years of age on or before 9/1 of the current year
- Maintain membership
 - 150 minutes daily instruction
 - Annual accumulation 27,000 minutes

GRADES 1-12

- Pupil must be six years of age on or before 9/1
- Maintain membership
 - Minimum of 200 minutes daily instruction
 - Annual accumulation of 36,000 minutes
- Membership will begin on first day of attendance

EXCEPTIONAL PROGRAMS

<u>Revenue Codes</u>	<u>Program Code</u>	<u>Classification</u>	<u>Weighting</u>
3315	TM	Trainable Mentally Handicapped ⁽¹⁾	2.04
3316	SP	Speech Handicapped	1.90
3317	HO	Homebound	1.00
3321	EH	Emotionally Handicapped	2.04
3322	EM	Educable Mentally Handicapped	1.74
3323	LD	Learning Disabilities ⁽²⁾	1.74
3324	HH	Hearing Handicapped	2.57
3325	VH	Visually Handicapped	2.57
3326	OH	Orthopedically Handicapped ⁽³⁾	2.04
3331	AU	Autism	2.57

CRITERIA

- Pupil must be five years old by 9/1
 - 4 year old exemption for visually and hearing disabled pupils
- Placed in a program in compliance with Procedures for Survey, Screening, Evaluation, Placement, and Dismissal of Children Into/Out of Programs for the Disabled
- Minute requirement update:
 - 1.92 (SDE: Special Education Minutes Requirement) For the current fiscal year the required two-hundred fifty minutes of specialized instruction a student is required to receive in order to qualify for the special education weighting in the EFA is waived. A special education weighting may be applied for any public school child with an Individualized Education Program in effect, regardless of the number of minutes of instruction.

VOCATIONAL WEIGHTING

<u>Revenue Codes</u>	<u>Program Code</u>	<u>Classification</u>	<u>Weighting</u>
3327	V	Vocational (Grades 9–12)	1.29

- Pupil assigned in grades 9-12
- Maintain membership:
 - Minimum of 250 minutes weekly in CATE course
 - Minimum of 200 instructional minutes daily

ADD-ON CATEGORIES

<u>Revenue Codes</u>	<u>Program Code</u>	<u>Classification</u>	<u>Weighting</u>
3332	HIAC	High Achieving	.15
3334	LEP	Limited English Proficiency	.20
3351	ACAS	Academic Assistance	.15
3352	PIP	Pupils in Poverty	.20
3353	DUAL	Dual Credit Enrollment	.15

ADD-ON WEIGHTINGS

- High Achieving Students - 0.15
 - To include students in gifted and talented programs, Advanced Placement and IB.
- Academic Assistance – 0.15
 - To include students who have not met standards in ELA, Math or both.

ADD-ON WEIGHTINGS

- Dual Enrollment – 0.15
 - Students must be identified in PowerSchool as taking a course that will lead to both high school credit and post-secondary credit.
- Limited English Proficiency – 0.20
 - To include students who need intensive English language instruction.
- Pupil in Poverty – 0.20
 - To include students in poverty.

IMPORTANT UPDATE FOR 2018-19

- Pupils in Poverty (PIP)
 - New methodology for 18-19
 - Proviso 1.3 = Students in poverty are students who qualify for Medicaid, SNAP, TANF, or are homeless, transient, or in foster care.

DATA VERIFICATION PROCESS

- Code students in PowerSchool
- Upload data to SCDE
- Verify membership and student accountability data reports on SCDE website
- Send in signed verification forms
 - Superintendent or designee form
 - School level PowerSchool reports (new step for 2018-19)
- SCDE will update EFA funding
 - 45 and 135-day updates

MEMBERSHIP COUNTS

Student Data

- Membership Counts
- Student Accountability Counts
- Revenues Per Pupil Report by School District - FY 17-18
- 135-Day Average Daily Membership By School District

Membership Counts

Fiscal Year: 2017-18 | Report Cycle: 45-Day | Status: **FINAL**

Report Type: Districts, Agencies, Charter

Report Options: School, District, State

District: 0160 - Abbeville 60

School: None selected

[View Report](#)

MEMBERSHIP REPORT

South Carolina Department of Education - Office of Finance																
Membership Report 045 Day															FINAL	
Fiscal Year 2017 - 2018																
District: 0160 - Abbeville 60																
District Summary - 999																
Base Category	PK	K	01	02	03	04	05	06	07	08	09	10	11	12	Total Days	ADM
Kindergarten	0	9,276	0	0	0	0	0	0	0	0	0	0	0	0	9,276	206.13
Primary	0	0	8,074	9,078	8,334	0	0	0	0	0	0	0	0	0	25,486	566.38
Elementary	0	0	0	0	0	9,937	9,405	9,027	8,809	9,315	0	0	0	0	46,493	1,033.18
High School	0	0	0	0	0	0	0	0	0	0	570	1,913	3,616	4,547	10,645	236.66
Educable Mentally Handicapped	0	0	0	0	90	45	45	90	0	0	0	45	128	90	533	11.84
Learning Disabled	0	113	45	100	450	905	804	886	707	865	722	405	321	225	6,348	141.07
Trainable Mentally Handicapped	0	0	0	0	0	0	45	90	0	0	90	90	45	45	405	9.00
Emotionally Handicapped	0	0	0	0	0	0	0	0	0	0	45	0	45	0	90	2.00
Orthopedically Handicapped	0	0	0	45	90	45	0	45	45	0	45	0	0	0	315	7.00
Visually Handicapped	0	0	45	0	0	45	90	0	0	0	0	0	0	0	180	4.00
Autism	0	0	45	0	90	180	45	90	45	0	45	45	45	90	720	16.00
Hearing Handicapped	0	0	0	0	0	0	0	0	0	45	0	45	0	45	135	3.00
Speech Handicapped	0	562	1,526	2,177	1,204	776	316	0	0	0	135	0	0	0	6,695	148.78
Homebound	0	0	0	0	0	0	0	0	45	0	0	0	0	45	90	2.00
Vocational	0	0	0	0	0	0	0	0	0	0	8,075	6,861	5,700	2,848	23,484	521.87
Total Days	0	9,951	9,735	11,400	10,258	11,933	10,749	10,028	9,651	10,225	9,727	9,404	9,899	7,935	130,895	
ADM	0.00	221.13	216.33	253.33	227.96	265.18	238.87	222.84	214.47	227.22	216.16	208.98	219.98	176.33	2,908.79	
Add-On Category	PK	K	01	02	03	04	05	06	07	08	09	10	11	12	Total	
High Achieving Students	0	0	0	0	945	1,215	2,025	2,133	1,935	2,025	0	0	0	360	10,638	236.40
Academic Assistance	0	0	0	0	135	6,205	5,337	6,147	4,981	5,962	4,437	1,493	90	160	34,988	777.61
Dual Enrollment	0	0	0	0	0	0	0	0	0	0	0	79	896	2,745	3,720	82.67
Limited English Proficiency	0	180	180	446	270	366	180	90	90	135	270	180	90	0	2,467	54.82
Pupils in Poverty	0	0	0	0	0	0	0	0	0	0	0	0	0	2,317	2,317	-
Total Days	0	180	180	446	1,360	7,777	7,542	8,370	7,006	8,142	4,707	1,762	1,076	3,285	51,813	

[1] Pupils in Poverty is not reflected in Total Days for the Add-On Categories.

STUDENT ACCOUNTABILITY

Student Data

- Membership Counts
- Student Accountability Counts
- Revenues Per Pupil Report by School District - FY 17-18
- 135-Day Average Daily Membership By School District

Student Accountability Counts

Fiscal Year

2017-18

Report Cycle

45-Day

Status

FINAL

Report Type

- Districts
- Agencies
- Charter

Report Options

- School
- District
- State

District

0160 - Abbeville 60

School

None selected

[View Report](#)

EDUCATION IMPROVEMENT ACT FUNDING CATEGORIES

- CATE Equipment
- Students At Risk
- Teacher Supplies
- National Board
- Science Kits
- Technology
- Student Health and Fitness
- Career Specialist
- Reading Coaches

MONTHLY PAYMENT SCHEDULE (EIA AND GENERAL FUND)

- July 20th
- August 22nd
- September 21st
- October 22nd
- November 16th
- December 14th
- January 22nd
- February 22nd
- March 22nd
- April 22nd
- May 22nd
- June 21st

CHART OF ACCOUNTS

- Become familiar with SCDE's financial accounting handbook.
 - Standard revenue and expenditure definition.
 - Revenue code and subfund provided for each source of funding
 - Expenditures maintained and tracked by source of funding

ADDITIONAL FINANCIAL RELATED SYSTEM ACCESS

- Professional Certified Staff System (PCS)
 - Contact: Ann Castro acastro@ed.sc.gov
- Grants Payment Processing System (GAPS)
 - Contact: Diane House dhouse@ed.sc.gov
- LEA Audit Reporting System (LARS)
 - Contact: Melissa Myers mmyers@ed.sc.gov

DUE DATES

- August 15th last day to submit expenditure reimbursement request for all federal expenditures through June 30th annually.
- November 2nd PCS staff records updates due
- November 20th Final day for 45 day membership verification
- December 1st annual audit due
- April 11th Final day for 135 day membership verification
- April 27th PCS 135 update

AUDIT REQUIREMENTS

SECTION 59-40-50 (3) adhere to the same financial audits, audit procedures, and audit requirements as are applied to public schools.

SECTION 59-40-60 (6) evidence that the plan for the charter school is economically sound, a proposed budget for the term of the charter, a description of the manner in which an annual audit of the financial and administrative operations of the charter school, including any services provided by the school district, is to be conducted.

Source-SC Code of Laws Title 59-Chapter 40

RISK ASSESSMENT (2 CFR PART 200.33 I)

Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward which may include consideration of such factors as:

- (1) The subrecipient's prior experience with the same or similar subawards;**
- (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part,**
- (3) Whether the subrecipient has new personnel or new or substantially changed systems; and**
- (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).**

SCDE'S RISK ASSESSMENT PROCESS

- Each federal program area that subawards grant funds to a subrecipient rates each subrecipient on selected criteria
- The SCDE Office of Finance and Office of Auditing Services also provide a rating on selected criteria
- Ratings from each area are averaged to formulate a total risk score for subrecipients of federal funds
- Based on ratings, LEAs are identified as high, medium, and low risk
- Risk scores will also be used to make federal award grant decisions for discretionary awards

SCDE'S LEA RISK CRITERIA

Criteria 1 – Key Personnel Turnover

- Experience of key personnel

Criteria 2 – Required Reporting

- Required program reporting submitted and timeliness of submission

SCDE'S LEA RISK CRITERIA (CONT.)

Criteria 3 - Programmatic Compliance

- Instances of programmatic noncompliance
- Minimal or significant deficiencies noted

Criteria 4 – Fiscal Compliance

- Level of fiscal deficiencies noted during monitoring visits

Criteria 5 – Performance

- Were performance requirements, expectations, and outcomes met?

SCDE'S LEA RISK CRITERIA (CONT.)

Criteria 6 – Technical Assistance

- Frequency and need for technical support and assistance

Criteria 7 – Financial Stability

- The percentage of general fund unassigned balance to general fund total expenditures

• Criteria 8 – Management Systems

- Internal control findings or federal award noncompliance findings noted in annual audit report

SCDE'S LEA RISK CRITERIA (CONT.)

Criteria 9 - Audit Report Submission

- Submission of annual audit in the LEA Audit Reporting System (LARS) by December 1st

Criteria 10 - Other Material Factors

- Accreditation
- Cheating/Test security violations

FISCAL PRACTICES LEGISLATION

On May 9, 2017, Governor McMaster approved the Act 23, which directs the South Carolina Department of Education (SCDE) to develop and adopt a statewide program on fiscal practices and budgetary conditions.

Section § 59-20-90 applies to all South Carolina school districts, including the South Carolina Public Charter School Districts.

- Fiscal Watch, the lowest level of concern;
- Fiscal Caution, an intermediate level of concern; and
- Fiscal Emergency, the most severe level of concern.

DOCUMENTS TO HELP YOU



Funding Manual –

<http://ed.sc.gov/finance/financial-services/manual-handbooks-and-guidelines/funding-manuals>

Accounting Handbook –

<http://ed.sc.gov/finance/auditing/manuals-handbooks-and-guidelines/financial-accounting-handbook>

Audit Guide –

<http://ed.sc.gov/finance/auditing/manuals-handbooks-and-guidelines/annual-audit-guide-and-lars-template>

CONTACT INFORMATION

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