**OESD Year End Reminders**

***DUE DATES***

**October 25** **Due date for school districts to submit completed F-196 data to me.**

If there are extenuating circumstances that will cause the district to miss this deadline, the district’s superintendent must request an extension - in writing - from the ESD superintendent, Aaron Leavell ([aleavell@oesd114.org](mailto:aleavell@oesd114.org)). The request needs to include the extenuating circumstance and the date the district will be able to have the completed report to the OESD.

**NOTE: An extension will only delay the deadline by a few days.**

**November 15** **Deadline for electronic signed certification pages.**

Continuing this year, the F-196 will be electronically signed by the district in the OSPI EDS system. The user role in EDS is “SAFS Document Signer (F-196)”. Please work with the district’s EDS security manager to ensure the signer has proper security in EDS to fulfill this obligation (security may have been established in a prior year). The signer is the Superintendent or “Authorized Official”.

**November 30 SEFA due to State Auditor’s Office (SAO).**

If November 30th falls on a weekend, the SEFA is due the Friday before the deadline.

In addition to the F-196 report, I would like to receive an electronic copy of the calculation of the fund balance accounts using OSPI’s Fund Balance Reporting Tool (be sure to use the correct tool as often the prior year tool and the current year tool will be posted). Using this tool will assist the district in determining fund balances and is also used by me as a double check of what the F-196 should be showing for fund balances. Please fill out the spreadsheet for all funds and **be careful to not override the formulas**. (<https://www.k12.wa.us/policy-funding/school-apportionment/instructions-and-tools/tools-and-forms>).

***ANNUAL TIPS***

To easily identify year end journal entries (JE’s), use a unique naming convention such as YE1501, YE1502, YE1503, etc. It’s also a good idea to keep a list of annual JE’s and track the status of those that need to be reversed.

The SAFS applications have been developed to be viewed with Edge.  **Results may be unpredictable using other browsers.**

***\*\*NEW THIS YEAR\*\****

* **GASB 87 Lease Accounting** will be an audit emphasis. Refer to OSPI’s [Bulletin 056-21](https://www.k12.wa.us/sites/default/files/public/bulletinsmemos/bulletins2021/B056-21.pdf) for more detail and sample journal entries (cash and modified accrual). WASBO also has some on demand learning modules for the new lease accounting.

***Districts may experience edit warnings driven by new lease entries on the Schedule of Long-Term Liabilities (SLTL). These are expected; however, it is important to understand and be able to explain all edits.***

***CONTINUING THIS YEAR***

* NCES and Sub-Fund reporting included in the F-196
* Schedule of Expenditures of Federal Awards (SEFA)

Before finalizing the F-196, **it is strongly recommended** that you prepare your SEFA. By preparing the SEFA early, the district may discover corrections needed to the financial records.

School districts will upload their SEFA through SAO’s online services page. Here is the [link](https://portal.sao.wa.gov/SAOPortal/Login?appUrl=%2fLGCS%2f&returnUrl=%2fLGCS) to SAO’s portal (login required). Districts receive an annual communication from SAO regarding SEFA reporting.

***Additional reminders that may help you in your preparation of the F-196***

* **Miscellaneous Items**
* Remember to do final time & effort adjustments, grant reconciliations, revenue accruals and expenditure accruals.
* Remember to adjust inventories and book food service commodities.
* Reconcile all General Ledger trial balance accounts for each fund. Review the annual entries section in the Accounting Manual (Chapter 7 - General Journal Entries) for some common year end entries. <https://www.k12.wa.us/sites/default/files/public/safs/ins/acc/2021/2021_01_SDAM_Complete_Manual.pdf>
* Remember to adjust your taxes receivable.
* **County Treasurer (CT) Reports / F-197 Verification**

Remember to reconcile the CT reports monthly and document the reconciliation (auditors routinely review). Verify the F-197 data out of the EDS system agrees with the CT reports as entries in EDS are manual (if there is a discrepancy, notify me immediately so the amounts may be updated).

* **General F-196 Review**

Review the F-196 to make sure it matches your general ledger system and that all data correctly transferred. **Save often and run edits each time data is imported.**

***F-196 Manual Entries in the EDS Application***

* **Schedule of Long-Term Liabilities**

Remember to enter the amount due within one year.

* **Data Requirements for Supplemental Reports**

Most common entries are E-Rate, Impact Fees, Cost-of-Living Increase and Fire District Payment.

E-Rate dollars should be reflected under revenue 2910 (GFL, CPF).

* **Distorting Items**

Manually enter applicable distorting items coded to program 97. The most common item entered is election costs (#2).

* **Indirect Expenditures**

Manually enter applicable indirect costs coded to program 97. ***Do not include object 9 expenditures in any of the amounts.*** Be sure to reference the F-196 instructions to identify allowable expenditures. Many of these items have exclusions, restrictions and/or limitations.

The most common item numbers entered are:

* #18. Activity 11 audit costs
* #19. Activity 11 legal costs (these are very restrictive)
* #20. Activity 12 costs for Superintendent, Deputy Superintendents, or Assistant Superintendents whose responsibilities are allocable to indirect cost Activities 13, 14 and 72-75 (very small districts)
* #21. Activity 15 public relations
* #22. Termination leave for federally supported staff charged to a state or local program (excluding leaves charged to Program 97, Activity 13 or 14)
* #23. Activity 72 districtwide information systems (excluding student records)
* **Resource to Program Expenditure Report (program expenditures are auto populated)**

When preparing the Resource to Program Expenditure report in the F-196, reconcile your grand totals for State Resources and Federal Resources to your revenue totals (plus or minus carryover-over and recovery for State). Check to make sure Federal programs are funded only by Federal resources. **NOTE: there is no prescribed method to complete this report.**

**OSPI year-end tools located under** [**Tools and Forms**](https://www.k12.wa.us/policy-funding/school-apportionment/instructions-and-tools/tools-and-forms) **(click on Tools)**

* **Recovery and Carryover Spreadsheet (allocations as of August updated 9.2.22)**

Be sure to use the final 2021-22 Recovery and Carryover Spreadsheet that is provided by OSPI to determine if you have carryover or recovery of state revenues to be booked.

***Note: Professional Learning Day (PLD) allocations (activity 34) are not on this tool but reported on the Fund Balance Reporting Tool under GL 821 Restricted for Carryover (not subject to recovery).***

* **Transportation To-From Short Method Template and Long Method Template (21-22 not posted)**

Run your Transportation calculations to split transportation costs between State funded (to-from) and non-State funded transportation. First Class districts must use the Long Method. Second Class districts may use either the Short Method or the Long Method (the short method **may not** be used if calculating and allocating non-state-funded costs monthly).

For both the long and short method, calculations must be done prior to closing the books, and the 21-22 non to-from transportation costs removed from program 99 by using the debit/credit transfer process. The long method tool also allows districts to project to/from costs for the upcoming year based on inflation rates.

* **Fund Balance Reporting (21-22 not posted)**

Use the Fund Balance Reporting Tool to determine the appropriate fund balance amounts and accounts (remember to send this when you submit the F-196). Refer to the first paragraph below the due dates (on the first page of this document) for important information.

* **Special Education Maintenance of Effort**

Link to *OSPI’s Special Education Funding in Washington State* webpage.

<https://www.k12.wa.us/policy-funding/special-education-funding-and-finance/special-education-funding-washington-state>

* \*LEA MOE Calculator **(posted 7.20.22)** and IDEA, Part B LEA MOE Guidance Handbook
* Federal Excess Cost Guidance Handbook and Federal Excess Cost Template

\*Although the F-196 has a Maintenance of Effort test, it is not the complete test. Districts will need to complete the Special Education Maintenance of Effort Test using the LEA MOE calculator (**tab 43. SEA Guidance** has an abbreviated version of steps along with submission information). It is strongly suggested districts retain the MOE calculator for compliance purposes as it is highly probable the auditors will want to see this tool.

* **2021-22 Pension Contribution** **Reconci****liation Tool (posted 8/30/22)**

Pension contributions amounts as reported by DRS for plan year ending June 30, 2022. Districts will need to provide assurance that the annual contribution amounts presented are reasonably accurate.

* **2021-22 Final F-196 Pension Reporting Tool (not posted – OSPI waiting on DRS to provide data)**

Independent Employer Verification of pension data on the tool provided by OSPI is required.

District specific data from this tool will be entered in the F-196 schedule of long-term liabilities under Net Pension Liabilities (be sure to read the instructions on the first tab) **AND** in the Pension Note.

**OSPI year-end tools located under** [**ABFR Guidelines**](https://www.k12.wa.us/policy-funding/school-apportionment/instructions-and-tools/administrative-budgeting-and-financial-reporting-guidance)

* **Notes to the Financial Statements (21-22 not posted)**

Although the notes to the financial statements are not due until the auditors arrive, it is strongly suggested that districts prepare the notes that tie into financial data on the F-196 prior to finalizing the F-196. As the notes change from year to year, it is also recommended to download the most current template found in the ABFR manual. Most districts use the F-196 basis (OCBOA Modified Accrual) and adjust the template, as appropriate.

* **Pension Note (21-22 not posted)**

Although there is a pension note in the Notes to the Financial Statements template, most years OSPI posts standalone notes for Cash, OCBOA and GAAP statements. This standalone template is to be used instead of the pension note in the full note template.

* **HCA District-Specific Retiree Census Data (21-22 not posted)**

This tool has the district specific number of retirees to enter in the Annual Other Post-Employment Benefit Cost and Net OPEB Obligations note.

* **Schedule of Expenditures of Federal Awards (SEFA) – verify effective date (updated tool will be effective 9/1/21)**

ABFR Chapter 11 – SEFA Guidance is posted at the bottom of the ABFR webpage. These instructions also include the sample Notes to the SEFA (referred to as “SEFA notes” or “footnotes”).

Below are additional resources to help prepare the year end financials:

* In EDS – SAFS F-196 User Manual (find this under the “Info Center” tab)
* [Link](https://www.k12.wa.us/sites/default/files/public/safs/ins/acc/2122/2122_20_SDAM_Appendix_B_AAG.pdf) to the 2021-22 Accounting Manual Appendix B – Additional Accounting Guidance

Includes To-From Transportation, Food Service Program Guidance and Compensated Absences

* [Link](https://cdn.ymaws.com/www.wasbo.org/resource/resmgr/networking_groups/2021-22/abc/qa_document_-_final.pdf) to WASBO’s New Accounting Lease Requirements Q&A (panelists = WASBO/SAO/OSPI)
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