

## **Public Schools**

### Spreadsheets for auditing and Budgeting

#### **Food Service Federal Revenue**

By using the information from your monthly claims and also any accruals, the numbers will tie to both the grant section auditors report and your general ledger.

I also put the state breakfast payment on here just so the auditors can see where it comes from.

#### **General Long-Term Obligations**

This spreadsheet helps me figure out the notes to the financial statements, helps tie out to the GASB statements, and also shows the supplemental information for the financials.

The Gen long term obligations is used for many things. This year I color-coded it to match to my worksheet that helped me balance to the GASB statements (Info for St of Act 07).

The Install contra by yr worksheet is easy to update once you have it done the first time.

The bond & con payments by year worksheet is also easy to update once you have it done the first time.

#### **Info for St of Act 07**

Rev for St of Act – I start with the general ledger revenue for the governmental funds, break it into categories for the statement of activities, then put in the adjustments that will get me to the statement of activities.

Expenses – the expenses are off the governmental fund statements of revenues, expenditures and changes in fund balances. The adjustments are the same color-coding as the general long-term obligations worksheet.

#### **Interest earnings**

A simple worksheet that reconciles interest earnings to the various general ledger accounts.

Another simple worksheet that reconciles inventories to the general ledger accounts and the Schedule of Federal Awards (SEFA).

#### **State Aid Payments**

The first column on the state aid payments worksheet is from the June 20 Status Report. Depending on when your auditors come in, you can use the June, July, or August status report. I use the next column to show the auditors which general ledger accounts make up that amount. The received with AR worksheet helps me set up my accruals.

#### **First rev - state aid**

I use this worksheet for projecting my state aid payments for unrestricted and special ed revenues. By setting up different worksheets using estimated special ed and transportation costs, you can pre-figure your prior year adjustments. I did an estimate of special ed and transportation costs for the proposed

budget to figure both my proposed revenue and the prior year adjustment. At first revision I used the SE-4096 to put the actual costs and refigure both the first revision revenue and the prior year adjustment.

I also do a projection for 2 years out. Based on the current year budget, I then estimated the special ed expenses and figured the indirect cost rate (see next paragraph). Then I plugged in all my estimates and was able to get a better estimate than in past years.

### **Special Ed Indirect Cost Rate**

In the past, I always estimated the special ed indirect cost rate because I didn't know where it came from. Well, I finally figured it out. If you go to the State Aid and School Finance page on the Department of Education website, [www.michigan.gov/mde/0,1607,7-140-6530\\_6605---,00.html](http://www.michigan.gov/mde/0,1607,7-140-6530_6605---,00.html), you will see the Indirect Costs Rates link. On this page, look at the 2006-2007 Special Ed. Indirect Cost Rates. (The 2007-08 Special Ed Indirect Cost Rates will not come out until late spring). Find your district page and print it out.

Now, if you look at the 2006 FID Expenditure Report, you will be able to match up where the costs come from and calculate the rate! I did that, then used my 2007 FID Expenditure Report to figure my Indirect cost rate for the 2008 SE 4096. Using this rate helped me estimate special education costs to put into my projections for state aid and prior year adjustments for the next year.

### **2008 Cash**

I use this spreadsheet to look at my cash on a weekly basis. This helps me plan my investing. I balance it to the general ledger on a monthly basis.

### **65% rule**

I have a board that is always asking about the 65% rule. With information that was received by the ISD's and then given to each district, I was finally able to figure out how the 65% rule was calculated for our district. Once again, you will need your FID Expenditure report. The 65% rule does not include any capital outlay. You need to make sure you only subtract it once in your calculations. Sometimes you will be subtracting athletics, but make sure if you subtract all of athletics, don't subtract the capital outlay portion again, if you already subtracted capital outlay.

Athletics is included in the Instruction total. You need to subtract Community Services, and the Transfer out to other funds. Current Operating Expenditures (the denominator) includes both the Athletics and Food Service Programs along with what operating expenditures are left after the subtractions..

These are the only adjustments I needed. It did take a while to figure it out, but hopefully it will give you a start. There may be other adjustments different districts need to make.