

SC DEPARTMENT OF EDUCATION CHIEF FINANCE OFFICE

OCTOBER 2017-18

Issue 4

Please use the newly established e-mail for submitting information to Financial Services at financesvcs@ed.sc.gov.

October 2017 - A monthly update from the State Department of Education's (SCDE) Office of Finance to local school district business officials. If you have any questions about information in this issue, contact, Michael Thom at 803-734-5081, Nick Michael at 803-734-8145, Diane House at 734-8128, or Melissa Myers at 803-734-8453.

New Payments for October

Revenue	Subfund	Description
3118	928	EEDA Career Specialists
3155	955	DSS SNAP E&T Program
3507	307	Aid to Districts - Technology
3526	326	Science Kits Refurbishment
3528	328	Industry Certificates
3571	371	Palmetto Priority Schools
3589	389	MOE Tier II
3593	393	Capital Improvement Plan
3595	395	EEDA Supplies and Materials
3596	396	EEDA Career Specialists

General Budget and Finance Questions – Nancy Williams, Michael Thom, and Nick Michael

Grants Accounting Staff Listing

For questions regarding specific grants, please refer to the grants accounting staff listing located on the Grants Accounting Section's web page, [Grants Accounting Staff Listing](#).

Recently Posted Correspondence/Data

[FY 2018 Revised Career and Technology Education Allocations](#)

[InSite 2016](#)

[School Year 2017-18 Assurance Form to Employ Retired Individuals](#)

Proviso Billing Rate

The daily rate for FY 2017-18 is \$4.04.

FINANCIAL SERVICES

FY 2018 Revised Career and Technology Education Allocations

Reference Nancy Williams' email and memo dated October 11, 2017. Based on review and interpretation of Proviso 1A.68, allocations have been revised for FY 17-18.

Reading Coach List

On October 5, 2017, you were emailed an updated reading coach spreadsheet, revised list of eligible schools, and revised maximum funding amounts. SCDE is allocating funding in a manner that targets areas of greatest need. The deadline for submitting the completed reading coach list to [Nick Michael](#) is October 20, 2017.

CFO UPDATE

Welcome New Staff Member

Robert McCormack, Fiscal Analyst II, joined the Grants Accounting Section staff in the Office of Finance on October 17. Mr. McCormack comes to the agency from the SC Department of Employment and Workforce. We welcome Mr. McCormack to the Finance Office.

Office of Finance Contacts:

Financial Services – Nick Michael and Ann Castro

Grants Accounting – Diane House

Reading Coach List (continued)

Please make sure that your reading coach list has been submitted to Nick.

Reminder – Proviso 1A.84 (Aid to Districts – Technology) Requirements

As a reminder, Proviso 1A.84 requires that districts submit a technology plan to the K-12 Technology Committee for permission to expend its allocation on other technology-related uses. See paragraphs taken from proviso below:

Funds distributed to a school district may only be used for the following purposes: (1) To improve external connections to schools, with a goal of reaching at least 100 kilobits per second, per student in each school by 2017; (2) To improve internal connections within schools, with a goal of reaching at least 1 megabit per second, per student in each school by 2017; or (3) To develop or expand one-to-one computing initiatives.

A school district that has achieved each of the above goals may submit a plan to the K-12 Technology Committee for permission to expend its allocation on other technology-related uses; such permission shall not be unreasonably withheld and the K-12 Technology Committee must permit districts to appeal any process should a district not receive approval and must provide technical assistance to districts in developing plans should the district request such.

Funds appropriated may not be used to supplant existing school district expenditures on technology. By June 30, 2018, each school district that receives funding during Fiscal Year 2017-18 must provide the K-12 Technology Committee with an itemized report on the amounts and uses of these funds, using a form developed by the Education Oversight Committee. In this report, a school district must provide information on its efforts to obtain reimbursements through the "E-Rate" Schools and Libraries Program administered by the Universal Service Administrative Company. Within its available resources, the K-12 Technology Committee shall support school districts' efforts to obtain these reimbursements.

New Revenue Codes for FY 2018

Please use the following new revenue/sub fund codes to set up accounts for new revenue and updated EFA revenue to be received for FY 18.

Education Foundation Supplement	3375	100
Aid to Districts – Technology	3507	307
Career and Technology Education	3529	329
Capital Improvement Plan	3593	393

Updates for PCS Users

The deadline for PCS staff updates is Thursday, November 2, 2017.

The 2017-18 PCS User Manual, Position Code list and PCS User Access form can be found at the following links:

[PCS User Manual - FY 17-18.](#)

[PCS User Access Form and Position Code List.](#)

Flexibility FY 17-18

The flexibility form and procedures for FY 17-18 is available on-line at the following link: [Flexibility Procedures and Form - FY 17-18.](#)

Recording the Retirement Increase

Both a revenue and matching expenditure should be recorded for the contribution credit received from PEBA based on the 1% increase in retirement paid directly to the Pension Trust Fund. Each district should recognize revenue equal to the amounts contributed by the state. The credit should be reported as revenue when used and all expenditures should be reported gross. The revenue associated with the credit should be recorded in Revenue Code 3993 – PEBA On-behalf payments. The expenditures should be recorded to 220 in the 100 Subfund.



In\$ite 2016-2017

Please email your FY 16-17 In\$ite file to Nick Michael, nmichael@ed.sc.gov, by December 1, 2017.

School District Website Requirements

The SCDE has created a document containing State and Federal requirements for school district websites and other public awareness resources for the 2017-18 school year. See [memo](#). Questions should be directed to Valarie Byrd, Senior Consultant, Total Quality Management Services, vbyrd@ed.sc.gov, 803-734-1434.

GRANTS ACCOUNTING

Notice - 2018 Title I Carryover From Prior Year(202) sub grant claims were due by October 13, 2017

The SCDE Title I program office required districts to submit their 18 Title I Carryover from Prior Year (202) claims no later than October 13, 2017, only if the Quarter 1 expenditures claimed were needed to get them below the maximum of 15% that the districts are allowed to carryforward. If an LEA was not below this maximum, they would have needed to request a waiver, if they didn't request one in the last three years. If a waiver is not possible, the amount remaining above the 15% limit after the Quarter 1 claim would be deobligated and the funds would be lost to the LEA.

GAPS - Zero Expenditures Listing

This is to be completed if you have an award and the total budget has been approved and you have not yet claimed all funds awarded to you, then you need to either enter a claim for the quarter or a "Zero Claim" indicating that you have no expenditures to claim for the funds remaining for this quarter.

Reports Menu

PLEASE REVIEW BUDGET AND EXPENDITURE STATUS REPORTS TO ENSURE THAT ALL ITEMS HAVE BEEN SUBMITTED TO THE SCDE. ITEMS MUST BE SUBMITTED TO SCDE, OFFICE OF FINANCE, BEFORE PAYMENTS CAN BE PROCESSED.

GAPS Role for External Auditors

Please request that your Web Access Coordinator assign the "Grants Acct External Auditor" role to your team of external auditors when they begin your audit. This will provide them full access to the reports related to your subgrant awards in lieu of the old project masters that were mailed each year.

QUARTERLY SUBMISSION OF CLAIMS IS REQUIRED ONCE AN APPROVED BUDGET IS IN PLACE.

INSTRUCTIONAL MATERIALS

Science Kit Refurbishment Allocations

The 2017-18 district allocations for the refurbishment of science kits are posted on the web: [Refurbishment of Science Kits - 2017-18 Allocations](#). Please share this information with your district science coordinators and finance managers.

AUDITING SERVICES

FY 2016-17 Annual Audit Guide

The FY 2016-17 Annual Audit Guide has been posted to the website at [FY 2016-17 Annual Audit Guide](#). The LEA Audit Reporting System (LARS) is not yet open for uploading of FY 2016-17 audited data. Wait for a notice from the Office of Auditing Services before uploading any data to LARS.

Indirect Cost Rate Calculations for FY 2017-18

Indirect cost rate calculations for each LEA have been distributed. If you have not yet certified your rates, please do so as soon as possible and submit the required signatures to auditingervices@ed.sc.gov.

Time and Effort Requirements

The SCDE Terms and Conditions and Assurances require employees whose salary is charged in whole or in part to a federal cost objective must complete either the monthly personnel activity report (PAR) or the semi-annual certification. Certifications are required for those

Time and Effort Requirements (continued)

whose salary is charged 100% to a federal cost objective. The PAR is required for any employee whose salary is charged less than 100% to a federal cost objective or to multiple federal cost objectives.

Time and Effort Clarification for Food Service Employees

Food Service employees are exempt from the requirement to prepare personnel activity reports or certifications. However, if the food service employee also works on another federal cost objective, the employee must complete the required time and effort reporting.

Substitute System for PAR's

The USDE established guidance allowing an SEA to permit an LEA to use substitute documentation such as a teacher's course schedule as adequate documentation for the time and effort of an individual who works on a predetermined schedule.

An individual documenting time and effort under the substitute system would be permitted to certify time and effort on a semiannual basis, provided the LEA's substitute system meets requirements.

In order to use the substitute system, the LEA must certify to the SEA that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate.

Additionally, the certification must include a full disclosure of any known deficiencies with the system or known challenges with implementing the substitute system.

To review this guidance in full along with examples of acceptable substitute system, see <http://www2.ed.gov/policy/fund/guid/gposbul/time-and-effort-reporting.html>.



Miscellaneous Revenue Codes and Subfunds

When allocations to school districts exceed \$500,000 from a single source of funds, a unique revenue code and subfund are assigned to those funds and guidelines for those funds will appear in the Funding Manual produced by the Office of Finance.

<u>Source of Fund</u>	<u>Revenue Code</u>	<u>Subfund</u>
Misc. State Restricted	3199	800 series *
Misc. EIA	3599	399
Misc. State	3999	General Fund (100)
Misc. Lottery	3699	969
Misc. Federal	4999	800 series *
*Districts choose any subfund available for use in the 800 series.		

If total allocations do not exceed \$500,000, miscellaneous revenue codes and subfunds will be used as follows:

Financial Manuals

[FY 2017-2018 PCS User Manual](#)

[FY 2016-2017 Funding Manual](#)

Accounting Handbook

[FY 2016 - 2017 Financial Accounting Handbook Updates- South Carolina Department of Education](#)

Student Accountability Manual

<http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/studentaccountabilitymanual.pdf>

Audit Guide

[FY 2016-2017 Annual Audit Guide - South Carolina Department of Education](#)

EFA/State Funding Release Dates – 2017/2018

October 20	March 22
November – TBD	April 20
December - TBD	May 22
January 22	June 22
February 22	

OCTOBER 2017 FINANCIAL NEWSLETTER
PAGE 5

Due Dates for SCDE Reports 2017-2018

Listed below are reports required by the Office of Finance and their due dates for 2017-18. Reports listed below that are identified by a dollar sign (\$) indicate that allocations are based on the information submitted in these reports. To avoid delays in the distribution of the allocations, please ensure that all reports are received in the Chief Financial Office by the specified due date.

November 2	DEADLINE FOR PCS STAFF UPDATES (THIS IS A DUE DATE FOR FEDERAL REPORTS AND ACCREDITATION REPORTS)
November 2	INITIAL MEMBERSHIP/ATTENDANCE 45 DAY REPORT INITIAL STUDENT ACCOUNTABILITY 45 DAY REPORT
November 21	MEMBERSHIP/ATTENDANCE CERTIFY 45 DAY REPORT (\$) STUDENT ACCOUNTABILITY CERTIFY 45 DAY REPORT (\$)
December 1	2016-17 AUDITS AND IN\$ITE
April 4	INITIAL MEMBERSHIP/ATTENDANCE 135 DAY REPORT INITIAL STUDENT ACCOUNTABILITY 135 DAY REPORT
April 30	PCS UPDATES FOR 135 DAY FUNDING (\$)
April 30	MEMBERSHIP/ATTENDANCE CERTIFY 135 DAY REPORT (\$) STUDENT ACCOUNTABILITY CERTIFY 135 DAY REPORT (\$) HOME INSTRUCTION REPORT (\$)
June 29	FINAL CHANGES TO PCS/ TECHNOLOGY PROFICIENCY FOR FY 17-18
June 29	FUNDING FLEXIBILITY FORM 2017-18

Kimberly S. Moss
Financial Newsletter Editor