

**SC DEPARTMENT OF EDUCATION**  
**CHIEF FINANCE OFFICE**  
**FEBRUARY 2018-19**



**Issue 8**

Please submit information and requested data to the Financial Services Section at the following email address: [financesvcs@ed.sc.gov](mailto:financesvcs@ed.sc.gov).

**FEBRUARY 2019** - 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 or Updated Payments for February**

<b>Revenue Code</b>	<b>Subfund</b>	<b>Description</b>
0720	200	Medicaid FY 18-19
3134	924	CERDEP Program
3156	956	Adult Education
3160C	100	Driver SLED Check
3180	100	Fringe Benefits
3518	318	Formative Assessment
3519A	319	College-Ready Assessments
3519C	319	IB Exams
3528	328	Industry Certificates
3541	924	CERDEP Programs
3571	371	CSI and Palmetto Priority Schools
3670	970	School Safety Upgrades

**CERDEP – 3134 & 3541**

Funding has been updated using the 90-day PowerSchool data collection adjusted to the pro rata student count.

**CFO Update**

**Office of Finance Contacts**

Financial Services – Nick Michael, Melanie Cooper, and Desiree Williams

Grants Accounting – Diane House

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

**Welcome New Staff Member**

The Office of Finance would like to take this opportunity to welcome Ashley Sturkie to our staff. Among many of Ms. Sturkie's duties, she will be responsible for generating official fiscal practices correspondence to LEAS declared in fiscal practices legislation; reviewing LEA Financial Recovery Plans; and visiting and inspecting districts under fiscal caution and fiscal emergency.

**Mileage Rate**

The General Appropriations Act in Proviso 117.20.J provides for mileage reimbursements at the standard business mileage rate established by the Internal Revenue Service. The IRS mileage reimbursement rate is 58 cents per mile for business travel taken on or after January 1, 2019.

The same proviso also directs a reimbursement rate of 4 cents per mile less than the standard business mileage rate when an employee chooses to use his or her personal vehicle when a motor pool vehicle is reasonably available. This rate changed to 54 cents per mile for reimbursement for trips taken on or after January 1, 2019.

### **School-Level Expenditure Reporting Under the Every Student Succeeds Act (ESSA)**

On July 19, 2018, district superintendents and school business officials were emailed a memo from Michael Thom regarding new requirements for school-level expenditure reporting under ESSA. Questions regarding school-level expenditure reporting and other financial accounting topics may be directed to Nick Michael at 803-734-8145. This [memo](#) has been posted on Finance's web page.

### **Recently Posted Correspondence/Data**

[FY 18-19 45-Day Financial Requirements Capped - \\$2,480](#)

[EFA Payments to Other Entities - February](#)

[Apple Tag List 2nd Quarter 2019](#)

[Revenue Per Pupil Report by School District – FY 18 – 19](#)

[FY 18–19 Funding Flexibility Form and Procedures](#)

[School-Level Expenditure Reporting Under the ESSA](#)

[Assurance Form for Meeting the Requirements to Employ Retired Individuals – School Year 2018 - 2019](#)

### **Proviso Billing Rate**

The daily rate for FY 2018-19 is \$4.14.

## **Financial Services**

### **FY19 EFA Base Student Cost**

BSC has been capped at \$2,480.

### **45-Day Funding**

The 45-day financial requirements have been updated and is available on our website. Although the face of the Financial Requirements reflects Total Base Student Cost as \$2,485, it has been capped at \$2,480 as of the FY 2019 45<sup>th</sup> day. The \$5 cap resulted in a \$3.50 state per pupil

reduction and a \$1.50 local per pupil reduction. The State Allocation and Local Required Support columns reflect this reduction.

### **Updates for PCS Users**

The 2018-19 PCS User Manual, Position Code list and PCS User Access form can be found at the following links:

[PCS User Manual – FY 18-19](#)

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

### **PCS and PowerSchool Certification IDs Drive Out-of-Field Teacher Reporting**

In completing the 2018 report cards, districts are reporting that numbers and percentages of teachers listed as not having the proper certification for what is being taught, or “out-of-field,” are incorrect. To develop the “out-of-field” teacher reports, data are pulled from the Professional Certified Staff system (PCS) as to which teachers are employed in the district. Those teachers’ certification areas are pulled from the Certification Portal System (CPS). The classes being taught are pulled from the student information system (SIS or PowerSchool). Course activity coding and teacher certification areas are compared to a look-up table which combines activity codes and required credentials for those courses.

In researching these concerns, we have identified several issues with coding that are resulting in findings that teachers are not properly certified for the courses being taught. Files with lists of these teachers are being created and uploaded to the secure ADT site for districts’ review. The errors include:

- PCS errors in certification identification numbers. These numbers are used to match to CPS and PowerSchool, so incorrect IDs can result in either identifying the wrong teachers’ certifications or a finding that a teacher has no certification record.

Please ask your PCS coordinators to review certification coding on teachers identified as out-of-field.

### **PCS and PowerSchool Certification IDs Drive Out-of-Field Teacher Reporting - continued**

- PowerSchool errors in course coding. For example, if homeroom is coded with something other than 0896, the program pulling courses may assume it is a core content area and indicate a teacher is not certified. Please ask your PowerSchool coordinator to check appropriate use of codes in the [Activity Coding System Manual](#).
- PowerSchool errors in teacher identification coding. Courses in PowerSchool should have the Educator ID number (formerly Tchr\_ID). This is distinct and different from the educator's certification number (StatePrid (Cert #)). (See [PowerSchool Manual](#) at 170 and Appendix F). If the certification number or educator ID are missing, then the teacher cannot be matched to certification areas in CPS, and may be identified as teaching out-of-field. Please have your PowerSchool coordinator check how educators' identification numbers are coded in PowerSchool.

Please note that the lists loaded to ADT will only list teachers identified as out-of-field for the 2017-18 school year. Other errors could exist related to data entry for the 2018-19 school year, which could impact reporting on the 2019 report cards and federal out-of-field reports.

### **Funding Flexibility Form and Procedures for FY 18-19**

The flexibility [form](#) and [procedures](#) for FY 18-19 have been posted on Financial Services' webpage.

### **Recording FY19 Assessment Revenue**

Reimbursements processed in FY19 that match expenditures and claims submitted for the 17-18 school year shall be recorded as a receivable in the prior fiscal year.

### **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. The revenue associated with the credit should be recorded in Revenue Code 3993 – PEBA On-behalf payments.

### **GASB 75 – Nonemployer Contributions**

To record the Nonemployer contributions on the fund financial statements for those nonemployer contributions made in the current financial statement reporting year, please use the following account codes:

Fund Code 994 - PEBA Nonemployer contributions

Revenue Code 3994 - Nonemployer contribution revenues

419-720 - Payments from Nonemployer Contributions

### **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 2018-19 school year. Refer to email and memo dated September 19, 2018. Questions should be directed to Valarie Byrd, Senior Consultant, Total Quality Management Services, [vbyrd@ed.sc.gov](mailto:vbyrd@ed.sc.gov), 803-734-1434.

### **Reminder – Proviso 1A.76 (Aid to Districts – Technology) Requirements**

As a reminder, Proviso 1A.76 requires that districts submit a written request to the K-12 Technology Committee for permission to expend its allocation on other technology-related uses after completion of the referenced three goals.

The following steps should be followed in order to request permission to utilize funds for “other technology-related uses.”

**Reminder – Proviso 1A.76 (Aid to Districts – Technology) Requirements - continued**

Develop a detailed request, which describes the following:

- How the three other proviso line items have been completed.
- How much of the allocated funds will be used?
- What the funds will be used for?
- How will this plan support the district k-12 technology infrastructure?
- How you are not supplanting other district funding with this request.

A signed request from the District Superintendent should be sent to the following address via email, fax, or mail correspondence:

Keith Osman, Chairman  
SC K-12 Schools Technology Initiative Committee  
4430 Broad River Road  
Columbia, SC 29210  
803-896-0789 (fax)  
[Keith.Osman@admin.sc.gov](mailto:Keith.Osman@admin.sc.gov)

**Requirements and Appropriate Use of Technology Funds (Proviso 1A.76)/E-Rate Category 2 Grants**

Please remember that under Proviso 1A.76, funds distributed as aid to districts – technology (Revenue 3507; subfund 307) must be used for:

- (1) Improving external connections to schools with a goal of reaching 100 kilobits per second, per student in each school;
- (2) Improving internal connections within schools, with a goal of reaching at least 1 megabit per second, per student in each school;
- (3) Developing or expanding one-to-one initiatives; or
- (4) With *prior approval* of a plan submitted to the K-12 Technology Initiative Committee, for other technology purposes *if a school district has achieved each of items (1) through (3).*

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.

The Education Oversight Committee reports annually on the use of these funds and highlights which districts have used the funds for purposes outside of items (1) through (3) without receiving prior approval of the K-12 Technology Committee.

Procedures for submitting a plan for prior approval of the K-12 Technology Committee is listed in the [Funding Manual](#) at pages 18-19.

Please also note that [some of those items are eligible for expenditure](#) of e-Rate category 2 funds: internal broadband connection components, cabling, caching, firewalls, racks, routers, switches, UPS, access points, wireless controllers, etc. (see page 10 of the linked document). Districts must make category 2 applications and provide state or local match; however, the K-12 Technology Initiative is making available to districts, grants to cover the state match. State funds are available so that school and libraries can cover the portion of these C2 expenditures not covered by E-rate funds. Information about C2 budgets and funding can be found on the [USAC website](#). Contact Andrew Epting ([Andrew.Epting@admin.sc.gov](mailto:Andrew.Epting@admin.sc.gov)) at the SC Department of Administration, Division of Technology; to apply for matching funds, or for information on how much C2 budget remains for your district.

**New Poverty Definition – Coordinate with PowerSchool Staff**

Please remember that the new poverty definition includes data taken from PowerSchool related to migratory students, homeless students, and students in foster care. For the November 2018 report cards (reporting on this SY 2017-18), those designations in PowerSchool will be used to disaggregate assessment and survey data of pupils in poverty. For reporting this disaggregated data, the SCDE will use the PowerSchool fields for “Foster Home” (reset to blank each school year), “Migrant” (check box; three-year certificate of eligibility), and “Homeless” (Primary Night Time Residence, Served by McKinney Vento, and Unaccompanied Youth fields; these fields are reset to “blank” at the start of each school year). The current school year’s data will be reported on the November 2018, report cards. Therefore, it is important that these fields are accurate and up-to-date on this year’s 135th day and 180th day data collections. When we transition to the new poverty definition, this designation will also have financial consequences, because it will add a .20 weighting for those students in EFA.

### **New Poverty Definition – Coordinate with PowerSchool Staff - continued**

As noted above, some of these fields revert to “blank” and therefore must be updated at the start of each school year. We recommend that business officials coordinate with PowerSchool staff now to ensure that in the future students are properly coded for funding purposes.

## **Grants Accounting**

**QUARTERLY SUBMISSION OF CLAIMS IS REQUIRED ONCE AN APPROVED BUDGET IS IN PLACE. THIS IS A KEY COMPONENT IN RISK ASSESSMENT RATING FROM GRANTS ACCOUNTING.**

### **Time and Effort Reporting**

The Grants Accounting Section has created a new section on the web page for documents related to Time and Effort Reporting. The documents are located under the [Time and Effort Reporting](#) Feature box.

### **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.**

Quarterly submission of claims is required once an approved budget is in place. This is a key component in risk assessment rating from Grants Accounting.

### **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.

### **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](#).

### **From the Office of Federal and State Accountability**

Title I supplement, not supplant requirements have changed with the Every Student Succeeds Act (ESSA). The [changes](#) with ESSA is intended to alert local education agencies (LEAs) to the new requirement as they design their 2018-19 budgets and to generate discussion with LEA on implementation. The Office of Federal and State Accountability (OFSA), Finance, and Auditing worked with stakeholders during 2017-2018 on the implementation of Title I supplement, not supplant. The OFSA will collect methodologies during September 2018. A letter will be sent to Superintendents, CFO’s and Title I Coordinators requesting this information.

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### **Consolidated Grants Application System for School Year 2018-2019**

The Office of Federal and State Accountability (OFSA) will be implementing a consolidated grants application system for the 2018-19 school year. The new system will be called the Grants Electronic Management System, or GEMS for short. The initial implementation will include the following grants: Title I Part A, Title I N&D – LEA, Title I N&D – State Agency, Title II Part A, Title III EL, Title III, Immigrant, Title IV Part A, and Title V. Regional LEA training for these grants were held in June. OFSA will be adding other grants to the system this summer and fall.

The major effort this fall will be to move the District Strategic Plan and the School Renewal Plans from its current platform to the planning tool platform in GEMS. This “One Plan” system will provide both the agency and LEA’s with increased efficiencies that include having common data elements flow automatically between grants, enhanced planning tools, and eventually automated financial functions. OFSA is excited about this endeavor and how it will assist the agency and LEA’s better manage the complex myriad of plans and grants.

**Consolidated Grants Application System for School Year 2018-2019 - continued**

The following links provide training for GEMS:

[Title I](#). All training modules are listed under Additional Resources and Information.

Or

[Grants Electronic Management System \(GEMS\)](#). This link should take you straight to the modules in SCDE Resources.

**Instructional Materials**

**Science Kit Refurbishment Allocations**

The 2018-19 district allocations for the refurbishment of science kits are posted on the web: [Refurbishment of Science Kits - 2018-19 Allocations](#). Please share this information with your district science coordinators and finance managers.

**Caravan and Training Registration**

Registration must be completed prior to the event for the Office of Instructional Materials (OIM) staff and publishers to adequately plan for the number of attendees. A separate registration form is required for each individual attending. To register for one of the sites listed below, please use the [caravan and training registration](#) link.

The agendas with specific meeting times for each location will be sent to registered participants closer to the date of the meeting and will be posted on the SCDE’s website at [instructional-materials-and-district-selections](#). Districts and schools should order examination samples for the caravan areas using their normal process.

For questions or additional information, please contact the OIM (803-832-8210; [textbookorder@ed.sc.gov](mailto:textbookorder@ed.sc.gov)).

Caravan Information:

LOCATION	DATE	MEETING FACILITY
Columbia	Friday, February 22	Saluda Shoals – River Center, 5605 Bush River Road, Columbia, SC 29212
Clemson	Monday, February 25	Madren Conference Center, 230 Madren Center Drive, Clemson, SC 29634
Greenville	Tuesday, February 26	Embassy Suites Hotel, 670 Verdae Boulevard, Greenville, SC 29607
Spartanburg	Wednesday, February 27	Summit Pointe Conference Center, 805 Spartan Boulevard, Spartanburg, SC 29301
Rock Hill	Thursday, February 28	Holiday Inn, 503 Galleria Boulevard, Rock Hill, SC 29730
Columbia	Friday, March 1	Saluda Shoals – River Center, 5605 Bush River Road, Columbia, SC 29212

**Auditing Services**

**Annual Subrecipient Risk Assessment**

The Office of Auditing Services is in the process of averaging risk ratings received from SCDE offices for each of the agency’s subrecipients as part of the required risk assessment process under 2 CFR Part 200, commonly referred to the Uniform Grant Guidance. Once scores are averaged, each subrecipient will receive a composite risk score. Risk scores that equate to a rating of low or medium will be distributed to each subrecipient by the Office of Auditing Services. High-risk entities will be notified by the Office of the State Superintendent of your risk score.

**SCDE FY 2018-19 Financial Accounting Handbook**

The SCDE Financial Accounting Handbook will be posted to the website at [SCDE Financial Accounting Handbook](#).

**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.

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

Source of Fund	Revenue Code	Subfund
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*

\*District choose any subfund available for use in the 800 series

**Financial Manuals**

[FY 2018-2019 PCS User Manual](#)

[FY 2018-2019 Funding Manual](#)

**Student Accountability**

[Student Accountability Manual 2017](#)

**Audit Guide**

[FY 2017-2018 Annual Audit Guide - South Carolina Department of Education](#)

**EFA/State Funding Release Dates – 2018/2019**

February 22	April 22	June 21
March 22	May 22	

**Due Dates for SCDE Reports 2018-2019**

Listed below are reports required by the Office of Finance and their due dates for 2018-19. 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.

DUE DATE	REPORT/ACTIVITY
<b>March 25</b>	MEMBERSHIP/ATTENDANCE 135 DAY REPORTING PERIOD OPENS  STUDENT ACCOUNTABILITY 135 DAY REPORTING PERIOD OPENS
<b>April 29</b>	PCS UPDATES FOR 135 DAY FUNDING (\$)
<b>April 30</b>	MEMBERSHIP/ATTENDANCE CERTIFY 135 DAY REPORT (\$)  STUDENT ACCOUNTABILITY CERTIFY 135 DAY REPORT (\$)  HOME INSTRUCTION REPORT (\$)
<b>June 28</b>	FINAL CHANGES TO PCS/TECHNOLOGY PROFICIENCY FOR FY 18-19
<b>June 28</b>	FUNDING FLEXIBILITY FORM 2018-19