



SUPERINTENDENT OF PUBLIC INSTRUCTION

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April 30, 2018

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BULLETIN NO. 036-18 SCHOOL APPORTIONMENT AND FINANCIAL SERVICES

TO: Educational Service District Superintendents
School District Superintendents
School District Business Managers

FROM: Chris Reykdal, Superintendent of Public Instruction

RE: Revisions to the School District Accounting Manual for the 2018–19 School Year

CONTACT: Paul Stone, Supervisor, School District and ESD Accounting
360-725-6303, paul.stone@k12.wa.us

PURPOSE/BACKGROUND

The *Accounting Manual for Public School Districts in the State of Washington (Accounting Manual)* has been revised for the 2018–19 school year. The effective date of the revised Accounting Manual is September 2018, and the changes are applicable to the school district fiscal year beginning September 1, 2018.

The purpose of this bulletin is to advise school districts of the revisions and distribution of the *Accounting Manual*. The *Accounting Manual* is distributed electronically; printed copies are not mailed to school districts. The *Accounting Manual* can be accessed online by selecting “Instructions,” “Accounting Manual,” and “2018–19” from the SAFS website at <http://www.k12.wa.us/SAFS/default.asp>.

Direct access is at <http://www.k12.wa.us/safs/INS/ACC/1819/am.asp>.

An online “print version” is provided to produce double-sided copies. Hardcopies of the *Accounting Manual* can be ordered from School Apportionment and Financial Services (SAFS) for a fee by contacting Becky Dillon at 360-725-6300, becky.dillon@k12.wa.us, or OSPI SAFS, P.O. Box 47200, Olympia, WA 98504.

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SCHOOL DISTRICT ACCOUNTING ADVISORY COMMITTEE

The revisions to the *Accounting Manual* represent the work of the School District Accounting Advisory Committee that, by statute, is advisory to the Office of Superintendent of Public Instruction and the State Auditor's Office. Committee members are representatives of the Washington Association of School Business Officials, the Washington Association of School Administrators, the Washington Association for Career and Technical Education, the Washington School Information Processing Cooperative, the Association of Educational Service Districts, the State Auditor's Office, and Office of Superintendent of Public Instruction. All meetings are open to the public. Committee information including minutes are located on the SAFS website at <http://www.k12.wa.us/safs/pub/com/sdaac.asp>.

INFORMATION AND ASSISTANCE

For questions regarding this bulletin, please contact Paul Stone, Supervisor of School District and ESD Accounting at 360-725-6303 or by email at paul.stone@k12.wa.us. The OSPI TTY number is 360-664-3631.

This bulletin is also available on the OSPI website at <http://www.k12.wa.us/BulletinsMemos/bulletins2018.aspx>.

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The following are the revisions to the 2018–19 *Accounting Manual*:

CHAPTER 1 – Principles of Accounting

- Near **Page 1-4**, a sub-fund of the General Fund is established.

By the 2018–19 school year, a local revenue sub-fund of its general fund shall be established to account for the financial operations of a school district that are paid from local revenues per RCW 28A.320.330.

CHAPTER 3 – Accounting Guidelines

- Near **Page 3-11**, the definition of a Nonexchange Transaction is corrected to read as follows.

Nonexchange Transactions

In a nonexchange transaction, a government gives (or receives) value without directly receiving (or giving) equal value in return. These transactions are common in governments and described below.

CHAPTER 4 – General Ledger Accounts

- Near **Page 4-12**, minor narrative edits were made to correct accounting terminology. The term “Deferred Revenue” was replaced with “Unavailable Revenue” in the guidance for GL 310–Taxes Receivable, GL 330–Due From Other Governmental Units, and GL 340–Accounts Receivable.
- Near **Page 4-50**, the narrative for Other Financing Sources is modified to include the list of applicable revenue source codes.

965 Other Financing Sources

Applicable Fund: (GF, DSF, CPF, TVF, PF)

This account is used to record other financing sources in Revenue Category 9:

- 9100 Sale of Bonds
- 9200 Sale of Real Property

- 9300 Sale of Equipment
- 9400 Compensated Loss of Capital Assets
- 9500 Long-Term Financing
- 9600 Sale of Refunding Bonds
- 9900 Transfers

CHAPTER 6 – Expenditure Accounts

- Near Page 6-31, Activity 34, Professional Learning–State, will be added to the School District Accounting Manual. This activity is created to account for the use of state resources provided to school districts for this purpose. Activity 34 is open in Programs 01, 02, 03, 21, 22, 26, 31, 34, 45, 55, 56, 59, 65, and 74 only.

34 Professional Learning–State

This activity is used to record expenditures for state-funded professional learning for certificated instructional staff. Per RCW 28A.150.415, the funding provided under this section must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of this section. Expenditures related to the allocation must meet the definitions and standards provided in RCW 28A.415.430, 28A.415.432 and 28A.415.434.

The cost of state-funded professional learning support and activities may include, but is not limited to, courses, workshops, institutes, networks, studio residencies, virtual learning modules, and conferences provided by for-profit and nonprofit entities outside the school such as universities, educational service districts, technical assistance providers, networks of content specialists, and other education organizations and associations. Assigned certificated professionals providing support and activities can have their regular salaries charged to this activity.

Activity 34, Professional Learning–State, is similar to Activity 31, Instructional Professional Development, with the following exceptions. Activity 34 is only open in state-funded programs. Classified staff salaries are closed in Activity 34. All classified staff costs associated with professional development should be coded to Activity 31.

In state programs, the base salaries for certificated instructional staff should not be coded to this activity. Certificated instructional staff costs, such as: additional contract days;

supplemental contracts; and other related expenditures incurred for the expressed purpose of state-funded professional learning should be charged to this activity.

Activity 34 is closed to all programs that do not generate a funding allocation for this purpose. Additional contract days or supplemental contracts provided to certificated instructional staff in other programs for professional learning should record the expenditures in the applicable Program in Activity 31.