

## 2001-2002 Annual School Report Financial Section Instructions Table of Contents

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## Introduction and General Instructions

Attachment C provides instructions for completing the 2001-2002 ASR Financial Section. Revenues, expenditures, and FTE positions must be submitted following the valid account code combinations (i.e., function code, object code, etc.) provided on the spreadsheets. The Excel template provides all acceptable code combinations. Additional instructions for using the Excel template are provided in the template itself. Please read all of the instructions included in this document and those provided in the Excel template to ensure the accuracy of the 2001-2002 submission.

Please note that these instructions may reference both the “2001-2002 Annual School Report” as well as “fiscal year 2002.” The 2001-2002 ASR corresponds to the 2002 fiscal year (i.e., July 1, 2001, to June 30, 2002).

## Statutory Basis and Due Date

Per section 22.1-81 of the Code of Virginia, the 2001-2002 ASR Financial Section must be submitted to the Virginia Department of Education no later than September 15, 2002 (or the next business day thereafter).

**Figure 1. Section 22.1-81, Code of Virginia**

§ 22.1-81. Annual report.

Unless for good cause shown an extension of time not to exceed fifteen days is granted by the Superintendent of Public Instruction, each school board, with the assistance of the division superintendent, shall, on or before September 15 of each year, make a report covering the work of the schools for the year ending the preceding June 30 to the Board of Education on forms supplied by the Superintendent of Public Instruction.

(Code 1950, § 22-54; 1980, c. 559; 1987, c. 205; 1999, cc. 191, 492.)

## Definition of Modified Accrual Basis of Accounting

The modified accrual basis of accounting is required for compiling the Annual School Report. The school operating fund and any separate funds established to account for revenues and expenditures for purposes such as school food, textbooks, debt service, construction, and federal programs are considered to be government funds and should utilize the modified accrual basis of accounting for financial reporting in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

The modified accrual basis of accounting requires the recognition of certain revenue (e.g., fringe benefits, federal grants) when it becomes measurable and available to meet the operation of the current period. Therefore, for financial reporting purposes, revenue under certain programs will be recognized prior to being received in cash. Examples of revenue meeting these criteria would be unreimbursed expenditures incurred under federal programs, state funds allocated to a school division for current operations not received by June 30, 2002 (i.e., fringe benefit rollover payments for June 2002 received in early July, 2002) and charges for services rendered by the school board but for which

payments were not received by June 30, 2002. Similarly, accrued revenue receivable, received in fiscal year 2002 but attributable to the fiscal year 2003, will be excluded from this report.

The modified accrual basis of accounting, as it relates to expenditures, requires the recognition of expenditures in the accounting period in which the fund liability is incurred, if measurable. Expenditure recognition includes those amounts that normally would be liquidated with expendable available financial resources.

### Downloading the Excel Template

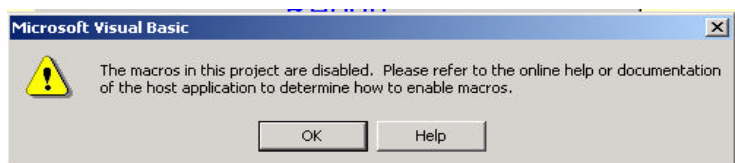
As with previous years, all divisions, including Governor's Schools, Regional Special Education, Regional Vocational Education, and Regional Alternative Education Programs are required to submit the 2001-2002 ASR using an Excel template. See [Attachment A](#) for specific instructions to download the Excel template.

To use the ASR Excel template, you must enable the macros contained in the file. If you get an error message like the one in Figure 2 below, then you either disabled the macros or you need to change the security setting in Excel. When you open the ASR Excel template, Excel should prompt you with an option to “Disable Macros” or “Enable Macros” and you must choose “Enable Macros” to be able to use the template. If you are not prompted with this option, your Excel security levels are set too high. To change your security options, first close the ASR Excel template. While still in Excel, click on “Tools” and “Macro” then select “Security.” You will see three options for security level. Choose the option labeled “Medium” and then click on “OK.” Once you have successfully changed your security level, open the ASR Excel template again and you should see the option to “Enable Macros.”

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### *Trouble Shooting: Macros Disabled Error Message*

**Figure 2. Macros Disabled Error Message**



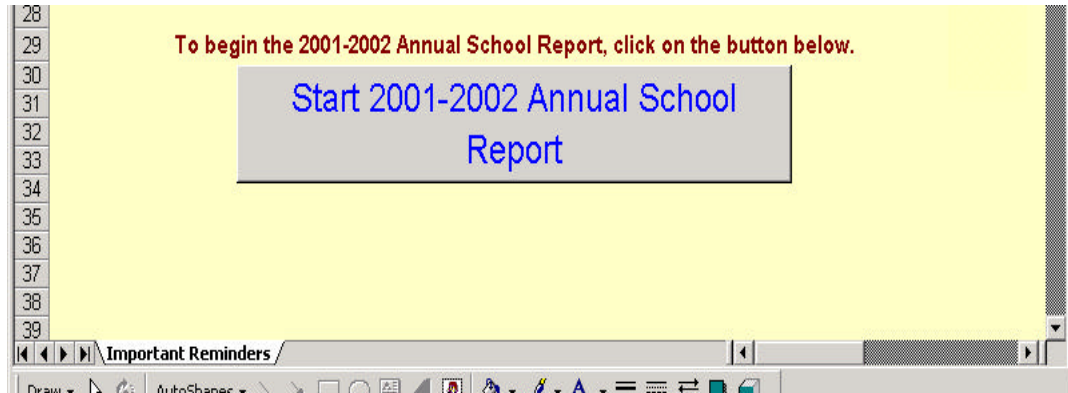
**Resolution:** Review the instructions provided above and select the option to “Enable Macros” when opening the Excel template.

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## Important Reminders Sheet

### “Start” Button

Figure 3. "Start" Button



The “Important Reminders” spreadsheet displayed after downloading the file. It provides important information regarding the 2001-2002 ASR submission including instructions for contacting the department. The spreadsheet also contains an Excel button to begin the ASR financial section report as shown in Figure 3 above. After this button is selected, the “Contact Information” sheet will appear.

## Contact Information Sheet

### Choosing School Division with Drop-Down Box

Figure 4. Drop-Down Box

The screenshot shows the "Contact Information" sheet in Excel. At the top, a blue header reads: "Person(s) responsible for completing the Financial Section of 2001-2002 ASR". Below this is a drop-down menu with the following options: <SELECT DIVISION>, 001 - ACCOMACK, 002 - ALBEMARLE, 003 - ALLEGHANY, 004 - AMELIA, 005 - AMHERST, 006 - APPOMATTOX, 007 - ARLINGTON, 008 - AUGUSTA, 009 - BATH, 010 - BEDFORD, 011 - BLAND. To the right of the drop-down is a text box labeled "Division/Center Number:". Below the drop-down is a text box with instructions: "Please enter a single last name only. Do not include a suffix such as 'Jr.' or 'III'. Do not include hyphens '-'." To the right of this is another text box with instructions: "These cells are preformatted. Please enter entire number without using spaces or additional characters. Example: 8042252025. Do Not include a '1' in front of your area code." At the bottom, there are four text boxes labeled "First Name:", "Last Name:", "Phone Number:", and "Fax Number:". The spreadsheet interface shows the "Contact Information" sheet selected in the bottom-left corner.

The “Contact Information” sheet contains information for the person responsible for completing the financial section of the 2001-2002 ASR. Select your division name using the drop-down box provided at the top left-hand corner of the sheet as shown in Figure 4 above. You will be asked to confirm your selection. After the correct division has been selected, the file will automatically be saved to your computer’s hard drive under **C:\DOE\_Data\ASRFIN\FY2002\ASRFINxxx\_02.xls** (where “xxx” is the division number and “02” is the beginning school year). **Please do not change the file name given by the Excel program. There are features used by the Excel file to help you avoid possible errors that rely on the file having the proper file name.**

### Return to Important Reminders Sheet

After the file has been saved, the contact information supplied for the 2000-2001 ASR will be loaded automatically. If any of the information is incorrect or needs updating, please enter the information following the formatting guidance provided for each cell. You must select the “Important Reminder” sheet after you have verified all of the information.

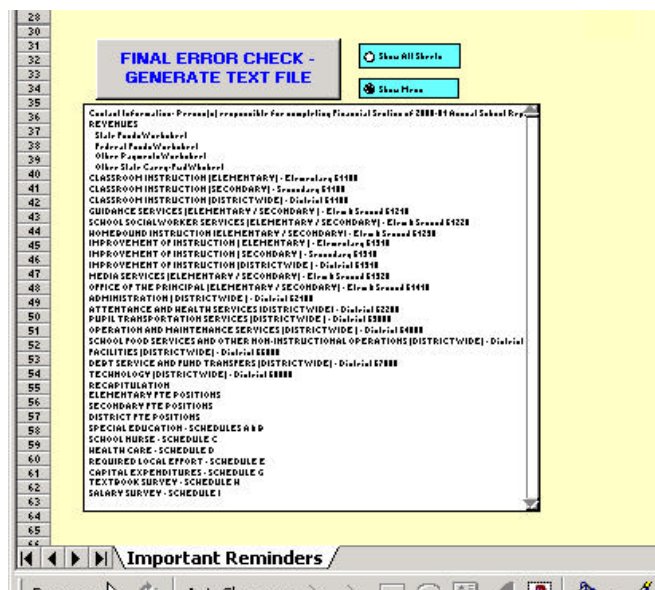
**Figure 5. Important Reminders Tab**

9	<b>Do not</b> include a prefix such as "Dr.", "Mr.", "Mrs.", or "Ms."		"Jr." or "III".
10	You may update the information that Excel automatically populates by clicking in the uncolored boxes below.		<b>Do not</b> include hyphens "-"
11			
12			
13			
14			
15	<b>First Name:</b>	<b>Last Name:</b>	<b>Phone Number:</b>
16			
17	John	Doe	(804) 555-5555
18			

Important Reminders | Contact Information

## Using the Menu of All Sheets to Navigate the Excel Template

Figure 6. Menu



After the “Contact Information” sheet has been completed, you must return to the “Important Reminders” sheet to view a menu of all sheets provided in the workbook (see Figure 6 above). This menu enables you to move easily among the sheets of the workbook by clicking on the sheet names within the list (this requires a single click of the left mouse button). This option displays only two sheets at a time, the “Important Reminders” sheet along with the specific sheet selected. You may either navigate through the workbook using this menu or choose to view all sheets by selecting the “Show All Sheets” button that appears to the right of the menu box. If you choose this option, the menu box will no longer be displayed and you must navigate through the workbook by selecting the sheet tabs that appear at the bottom of the screen. You may switch view options at any time by clicking on the “Show Menu” or “Show All Sheets” buttons.

### Entering and Editing Data

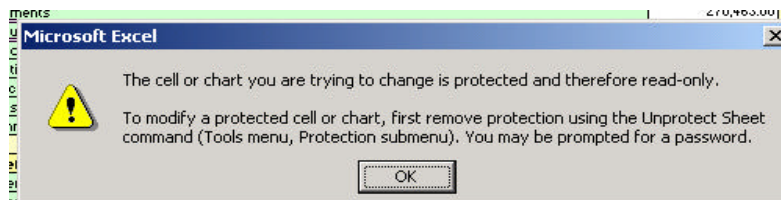
The Excel template limits the cells where data may be entered depending on the spreadsheet. Excel will provide an error message (as shown in Figure 7 below) if data entry is attempted in a cell that is locked. Cells in the revenue and expenditure sections may be left blank if there is no data to enter. You only need to enter zero amounts where instructed in the Excel template (primarily in Schedules C through I).

An error message will appear if an invalid entry is made (as shown in Figure 8 below). Certain errors will prevent data entry from continuing. Exceptions to this rule will be addressed in individual spreadsheets. Where required, summing of entries is performed by formula in the spreadsheets. All of the keys normally available in Excel are fully functional allowing movement around the sheets in the usual fashion.

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### ***Trouble Shooting: Protected Cell Error Message***

**Figure 7. Protected Cell Error Message**

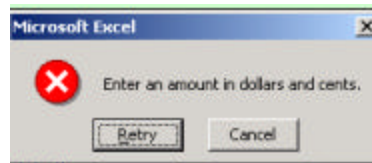


**Resolution:** Click OK and select a cell where data entry is allowed.

---

### ***Trouble Shooting: Invalid Format Error Message***

**Figure 8. Invalid Format Error Message**



**Problem:** You have entered an invalid character for a revenue amount (i.e., letter or other non-numeric character).

**Resolution:** Enter the amount in 0.00 format.

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## **Revenue Sheets**

The revenue sheets are provided for reporting state, federal, local, and other revenues received during fiscal year 2002. The Revenues spreadsheet is broken down by fund category and revenue source code. Please pay close attention to the revenue section for the 2001-2002 ASR as it has been rearranged and some revenue source codes have been added or revised. Revenue source codes for federal funds have also been updated to follow the Catalog of Federal Domestic Assistance (CFDA) coding system (without the decimal). No changes were made to the local revenue source codes. ([See Attachment D](#) for the complete code structure)

## **Retiree Health Care Credit**

The revenue for the Retiree Health Care Credit payment must be reported under revenue source code 240234 as shown in Figure 9 below. This information is provided to the department by the Virginia Retirement System (VRS) and will be posted to the

department's Web site in mid-August 2002 and can be downloaded from the following address:

[http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr\\_other.html](http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr_other.html)

School divisions will be notified in mid-August when the report can be accessed.

**Figure 9. Retiree Health Care Credit Revenue Source Code**

16				
17		<b>Fringe Benefits:</b>		
18	240223	Teacher Retirement Instructional	212,602.00	
19	240224	Teacher Retirement Non-Instructional	7,731.10	220,333.10
20	240221	Social Security Instructional	216,049.60	
21	240222	Social Security Non-Instructional	9,090.90	225,140.50
22	240241	Group Life Insurance Instructional	8,193.60	
23	240242	Group Life Insurance Non-Instructional	303.95	8,497.55
24	240224	Retiree Health Care Credit (Paid directly by the Dept. of Education to YFIS on local's behalf)		
		<b>TOTAL FRINGE BENEFITS:</b>		<b>454,370.75</b>

## Sales Tax

Based on guidance provided by the Virginia Auditor of Public Accounts (APA), the department is providing both the one-month and two-month accruals for State Sales Tax on the following Web site:

[http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr\\_other.html](http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr_other.html)

Unlike other state and federal revenues, Sales Tax revenue is not preloaded into the ASR template. The APA stated that local school divisions may accrue one or two months of Sales Tax revenues (per GASB 33 and GASB 34). Because local school divisions have the option of reporting one or two month accrual, please use the Sales Tax reports noted above and enter your Sales Tax receipts on the "Revenue" sheet of your ASR template. **Please note that the August 2002 sales tax report from the Virginia Department of Accounts will not be available until mid-August and will be posted to the Web site referenced above.**

## Pre-loaded Revenues

Fiscal year 2002 state and federal revenues that are reported on your division's Locality Ledger and the accrual basis revenue for fringe benefits will automatically load to the revenue source code lines in the Revenues sheet of the Excel template. This feature greatly minimizes the need to make manual entries of revenue data into the template. Please compare the amounts that appear on the template with the documents described below. Please note that you may change these amounts but you will be required to provide an explanation for any change made. You may review and edit your explanations at any time by selecting the button that appears at the top of the Revenue sheet. All of the following reports can be downloaded from the Department of Education's Web site at the following address by clicking on the link named "Instructions, Attachments, and Other Reports":



[http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr\\_other.html](http://www.pen.k12.va.us/VDOE/Finance/Budget/cdc/asr_other.html)

- **Locality Ledger** - This report lists all receipts paid by the Department of Education to the school division in fiscal year 2002. This cash report has been modified for the adjustments and accruals mentioned below. The payments listed in the Locality Ledger are loaded to your ASR when you select your division name in the "Contact Information" sheet of the Excel template.
- **Basic School Aid** – Include the adjusted entitlement for Basic Aid from **line 3** of the End-of-Year Adjustment to Basic Aid report, which can be downloaded from the department's Web site on the previous page. The adjusted basic aid entitlement reflects reductions to the school division's basic aid payment where overpayments were made in other accounts during the fiscal year. This amount is loaded to your ASR when you select your division name in the "Contact Information" sheet of the Excel template.
- **Fringe Benefits** – Report the accrued fringe benefit entitlements from the Accrual Basis Fringe Benefits report, which can be downloaded from the department's Web site noted on the previous page. These amounts are loaded to your ASR when you select your division name in the "Contact Information" sheet of the Excel template.

### Itemizing Certain Revenues

In addition to the main Revenues spreadsheet, there are four sheets provided for itemizing revenue sources that are general in nature. These sheets are:

- **State Funds Worksheet** – Used to itemize state funds that are listed under revenue source code 240400 (Other State Funds) and not under separate revenue source codes on the Revenues sheet. This sheet can be accessed directly by selecting the button titled “Show Sheet” that appears on line 240400 (Other State Funds) of the Revenues sheet. Enter the description of the revenue in the description column (column C) and the amount of the revenue in the amount column (column D). Excel will sum the amounts entered in column D of the spreadsheet and will transfer the total to line 240400 (Other State Funds) on the Revenues sheet.
- **Other Federal Funds** – Used to itemize any federal revenues for which specific source codes are not provided. The functionality of this sheet is similar to the “State Funds Worksheet.”
- **Other Payments Worksheet** – Used to itemize funds received from another county or city. For example, funds received by a regional center to host a conference or seminar would be posted here. This sheet can be accessed directly by selecting the button titled “Show Sheet” that appears on line 1901020 (Other Payments from Another County or City) of the Revenues sheet. Enter the

description of the revenue in the description column (column C) and the amount of the revenue in the amount column (column D). Excel will sum the amounts entered in column D of the spreadsheet and will transfer the total to line 1901020 (Other Payments from Another County or City) on the Revenues sheet.

- **Carry Over State Funds from Other State Agencies** – Used to itemize any carry over state funds from state agencies other than the Department of Education.

**Beginning of Year Balances and Carry-Forward** - A revenue recapitulation section is provided at the end of the Revenues sheet. Please review these totals before proceeding to other sections of the workbook. There are also two sections provided to report balances carried forward from the previous fiscal year (2001).

- **Beginning of Year Carry-Forward Balances** - This section is provided for reporting beginning-year balances of state funds that divisions are authorized to carry forward. The balances reported here are a subset of the total balances reported in the "Balances at the Beginning of Year" section. Pursuant to section 22.1-100, Code of Virginia, all sums of money derived from the Commonwealth that remain unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. Pursuant to the appropriation act (Chapter 814, 2002 Acts of the Assembly), for fiscal year 2001, school divisions are only allowed to carry forward into fiscal year 2002 unexpended state funds for the School Construction Grants Program, Standards of Learning (SOL) Remediation, and SOL Teacher Training. School divisions were required to spend all other state funds in fiscal year 2001 or they should have been returned to the Department of Education for reversion to the Commonwealth's general fund. Please note that the department does not have discretion in this area and does not have the authority to grant exceptions to the requirements of the statute.

## Expenditures Sheets

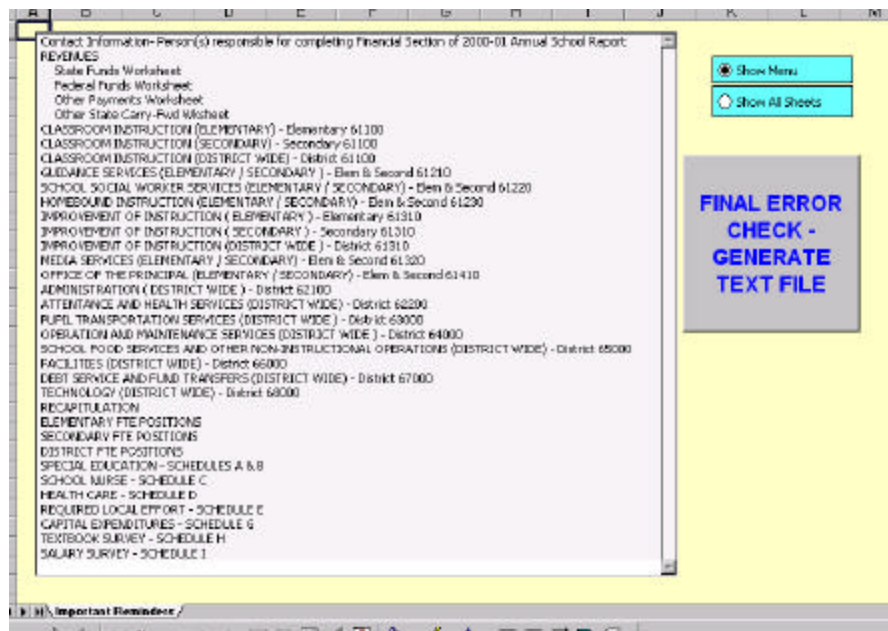
The spreadsheets titled "Elementary 61100" through "District 68000" comprise the set of 19 expenditure spreadsheets. Enter expenditure amounts in the appropriate expenditure category. Excel will calculate row and column totals for all of these sheets.

In order to complete the 2001-2002 ASR, the division should generate a trial balance of expenditures for the period of July 1, 2001, through June 30, 2002. This report should include amounts that are owed if services or goods were received by June 30, 2002, even if payments were not made until after June 30, 2002. This includes amounts that will be paid to teachers and other personnel during summer 2002 against active contracts for the 2001-2002 school year. Since this report is due to the Department of Education by September 15, 2002, it is understood that all audit adjustments may not be recorded in time to be reflected in the submitted report. The report should be submitted by this due date with as many adjustments as practicable. Auditors are aware of this time constraint and should consider this when reviewing the report.

## “Final Error Check - Generate Text File” Button

By clicking this button (shown in Figure 10 below), the error status of the ASR is displayed including whether the revenues, expenditures, and schedules are complete and pass all edit checks in the Excel template. Please note that there can be no errors identified for the “Final Check – Generate Text File” sheet to appear. After any errors found have been corrected and the file has been completed, this button produces the “Final Check-Generate Text File” sheet that is used to proof any remaining possible errors and includes the button to produce the text file that is transmitted to the department’s Web site.

Figure 10. Final Error Check – Generate Text File



Once the “Final Check-Generate Text File” sheet is opened, please review all of the potential errors that are listed. These "possible" errors only reflect entries that were outside the expected range of values, and does not necessarily mean they are incorrect. Please review the possible errors to see if you feel some need to be corrected. After you have completed your review of the possible errors and made revisions, you must again press the "FINAL ERROR CHECK - GENERATE TEXT FILE" button in the "Important Reminders" sheet. If you have reviewed the possible errors and feel confident they are correct without additional changes, press the button labeled **Possible Errors Reviewed and All Corrections Complete - Generate Text File** to produce your text file (see Figure 11). Please note that the department will review the list of possible errors and may contact you for further explanation.

Figure 11. Possible Errors Reviewed and All Corrections Complete – Generate Text File

FUNCTION	OBJECT	DESCRIPTION	AWS SALARY	FTE POSITIONS
<b>POSSIBLE ERRORS REVIEWED AND ALL CORRECTIONS COMPLETE - GENERATE TEXT FILE</b>				

### Coding Structure and Special Reminders

The following instructions have been developed for items that require special treatment and provide additional detail that will assist you in recording expenditures under the proper classifications. The function/object code structure document ([see Attachment D](#)) includes the codes required to complete the 2001-2002 ASR. Only those function/object codes listed on the Excel template will be accepted on the 2001-2002 ASR.

- Pupil Transportation:** The Annual Pupil Transportation Report will be mailed to school divisions in August 2002 under separate cover. Divisions must report expenditures under the Pupil Transportation function (63000) and Technology Pupil Transportation sub-function (68300) of the ASR that balance to the expenditures that are reported in the Annual Pupil Transportation Report.
- Part-time Personnel** - Combine the salary and wage expenditures of part-time personnel with those of full-time personnel and include these expenditures on the object code line with regular salaries and wages. (Calculate the corresponding portion of an FTE for part-time personnel and include this with the other FTEs under the appropriate object code.) For additional guidance on how to prorate FTEs for part-time personnel, see “Definition of an FTE” on page 15.
- Object Code 2800 (Other Fringe Benefits)** - Include annual and sick leave payments for personnel who terminate employment. Also, report pension/retirement plans that are specific to your locality under this object code in the appropriate functions.

- **Object Code 2750 (Retiree Health Care Credit)** – Prorate this expenditure across functions based on the salaries of eligible professional instructional and support positions.
- **Functions 66100 through 66600, Object Code 8100 or 8200 (Facilities)** - Do not record payments for school construction or renovation under the purchased services object codes. Use the 8100 or 8200 object codes in Facilities (66000) only.
- **Function 68000, Object Code 5100 (Miscellaneous)** - Include telephone charges for line service for the Electronic Classroom program and Internet access.
- **School Construction and Renovation** – Include all expenditures related to school construction and renovation under function 66000 (Facilities) only.
- **Function 61100, Object Code 3000 (Purchased Services)** - Report state payments to mental health/mental retardation institutions and tuition payments for the Schools for the Deaf and the Blind made by the department on behalf of the school division here.
- **Function 61100, Object Code 1120** – Report salaries for speech therapists who are considered instructors under this category in the elementary or secondary cost center as appropriate.
- **Function 61310, Object Code 1110** – Report the Assistant Superintendent for Instruction’s salary under the “Improvement of Instruction” category in the elementary or secondary cost center as appropriate.
- **Debt Service** - Debt service payments made by the local governing body on behalf of the school division (i.e., the funding is not appropriated to the school division budget) should not be reported as debt service payments on the ASR. Only the debt service/capital funds appropriated to and paid directly by the school division should be reported on the ASR.
- **Leases** - Payments for operating leases should be treated differently than payments for capitalized leases such as with a lease-purchase agreement. Operating lease payments should be coded under object code 5400 (Leases and Rentals) under the applicable Function/Activity category. Capitalized lease payments for lease-purchase agreements should be coded under object code 9000 (Other Uses of Funds) under the applicable Function/Activity category.
- **Reporting Balances from “Other” Funds** – All funds controlled by the local school board must be reported on the 2001-2002 ASR including textbook funds, Lottery and School Construction escrow funds, school food fund, etc., regardless of how these funds are accounted for at the local level. Beginning-of-year and year-end balance lines have been added to the ASR template to account for

balances from the textbook fund, Lottery and School Construction escrow funds, and school food fund. The balance sections of the revenues and recapitulation sheets in the template contain new lines for these funds.

- **Reporting Expenditures Made from “Other Fund” Revenues** – Any funds that were actually expended for goods or services that originated from the special funds noted above should be reported among the appropriate object codes within the expenditures section. For example, if funds from the division textbook fund were used to purchase textbooks, the expenditure should be recorded in object code 6020 in the appropriate function.

### **“Elementary” and “Secondary” Proration of Expenditures**

Expenditures and FTE positions should be prorated between kindergarten through grade 7 (as elementary) and grade 8 through grade 12 (as secondary).

### **Jointly Operated Centers**

Expenditures for Regional Alternative Education Centers must be reported under “special” programs. Expenditures for Regional Academic Year Governor’s Schools must be reported under “gifted and talented” programs. All tuition payments to Regional Vocational Education Centers, Regional Special Education Centers, Regional Alternative Education programs, and Regional Academic Year Governor’s Schools for tuition in fiscal year 2002 should be reported under object code 7000 (where applicable). Please remember that, in addition to this object code, two new object codes were added in 1999-2000 to report deferred and pre-paid tuition. Tuition payments made in fiscal year 2002 that prepaid tuition for fiscal year 2003 must be reported under object code 7050. Any payments that were made for tuition in a previous fiscal year (i.e., fiscal year 2001) must be reported under object code 7060. All other payments (other than tuition payments) to these regional programs should be reported under object code 3810 (where applicable). Report payments to state mental health/mental retardation institutions for the education of handicapped pupils and/or tuition payments to the Schools for the Deaf and the Blind that are made by the department on behalf of the school division under Function 61100 (Classroom Instruction), object code 3000 (Purchased Services).

### **Recapitulation Sheet**

#### **Review Expenditure Summary**

The Recapitulation Sheet summarizes the data provided in the expenditure sheets and provides a section for reporting end-of-year carry over balances. The expenditure recapitulation is automatically summed by category based on the data entered in each of the expenditure worksheets. Please review these category totals before continuing with the workbook.

## Enter Federal Capital Expenditures and End-of-Year Carry Forward Balances

The recapitulation sheet requires additional information for the federal capital expenditures section and the end-of-year carry forward balance sections. The final section of the spreadsheet is for reporting year-end balances. This section contains two parts: “Balances at Close of Year” and “End of Year Carryover Balances.” **Section 1, “Balances at Close of Year” is used to calculate your official year-end balance. This section must include all of your year-end balances, including the carryover balances itemized in Section 2. If you do not include your carryover balances in Section 1, your ASR will not balance.**

Report the total balances that will be carried forward into the next fiscal year from the school operating fund, school debt fund, school construction fund, textbook fund (new requirement in 2000-2001), Lottery escrow fund (new requirement in 2000-2001), school food fund (new requirement in 2000-2001), district funds, federal funds, and other funds in this section. Also new in 2000-2001 is a category for reporting state funds that divisions received from state agencies other than the Department of Education that are authorized to be carried forward from one fiscal year to the next. Please note that specific authority, usually provided in the appropriation act, for carrying state general funds forward must be granted.

Section 2, “**End of Year Carryover Balances,**” requires you to report the portion of your year-end balances that consists of state and/or local carryover funds. Pursuant to section 22.1-100, Code of Virginia, all sums of money derived from the Commonwealth that remain unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. As communicated in Regulatory Superintendent's Memorandum No. 1, dated March 15, 2002, budget language was added allowing any unexpended balances of state funds on June 30, 2002, that are not required to be spent for the state share of Standards of Quality (SOQ) programs to be carried forward to be appropriated to school divisions in fiscal year 2003 “for any school purpose” and for these funds to continue to be counted as state funds. Please note that this carry-over provision remains in the final fiscal year 2002 budget adopted by the General Assembly and signed by the Governor (Chapter 814).

This budget language has the effect of allowing school divisions to carry-over, for appropriation in fiscal year 2003, state fund balances for any Direct Aid to Public Education account with the exception of the SOL Algebra Readiness program and those required to meet the Standards of Quality (i.e., Basic Aid, Textbooks, Vocational Education–SOQ, Gifted Education, Special Education–SOQ, Remedial Education–SOQ, VRS Retirement, Social Security, and VRS Group Life). Please note that the SOL Algebra Readiness program has a separate carry-over provision that requires carried-over funds to be appropriated to the school division in fiscal year 2003 for use in the SOL Algebra Readiness program only.

## Full-Time Equivalent (FTE) Positions Sheets

### “Elementary” and “Secondary”

As with expenditures, FTE positions should be prorated between kindergarten through grade 7 (as elementary) and grade 8 through grade 12 (as secondary).

### Definition of Full-Time Equivalent (FTE)

For each FTE spreadsheet enter the number of full-time equivalent (FTE) positions for the applicable classification. Enter all positions to the hundredth place (2 decimal places). There is no need to enter zero when there are no positions to report for a given classification.

Reported FTEs must correspond to reported personal service expenditures. If an expenditure has been entered on an expenditure sheet, the corresponding FTE sheet will prompt you to enter the number of corresponding FTEs. Similarly, if an FTE position is reported on an FTE sheet, and there is no corresponding expenditure reported, an error message will be displayed until an expenditure is entered or the FTE position is removed.

When there are both personal service expenditures and FTE positions reported, the average salary for the FTE classification will automatically be calculated in column E. If the average salary calculation appears unusually high or unusually low, an error message (as shown in Figure 12) will be displayed to the right of the classification line. This notification is provided for your information only; it will not prohibit you from continuing.

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### *Trouble Shooting: Out of Normal Range Error Message*

Figure 12. Out of Normal Salary Range Error Message

3			
4	AVG. SALARY	FTE POSITIONS	
5	1,000,000.00	5.00	Average salary appears out of normal range. Please correct or continue if correct.
6	N/A		

**Problem:** The calculated average salary for the FTE classification in question is unusually high or unusually low.

**Resolution:** Adjust the expenditure or FTE entry accordingly.

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At the bottom of the “District FTE Positions” spreadsheet, enter the number of positions paid from federal funds, for all cost centers, districtwide.

For school division instructional employees who work additional hours outside the regular work day or contract day, report these positions as greater than one FTE position at the same proportion of the additional hours of work for the year to 1,100 hours (1,100



hours is used as the number of hours worked annually by one instructional FTE and is based on a 200-day contract multiplied by 5.5 hours of instruction per day). This adjustment is necessary to proportionally offset any compensation paid for working additional hours beyond the regular work or contract day with a corresponding partial FTE. For example, if a school division employee worked 110 hours during the year in addition to their regular work or contract day and they were compensated for these additional hours, then the FTE position for that employee would be reported as follows:

$110 / 1100 = .10$  (additional hours worked during the year in proportion to 1,100 hours for one FTE)

$1 + .10 = 1.10$  (number of FTE positions to be reported for this employee on the ASR)

For summer school and substitute teachers, use the same methodology described above to determine the FTE. If your school division does not track substitute teacher hours and/or pay a standard hourly rate, the following method can be used to calculate a proxy number of substitute FTEs:

1. Average Daily Rate of pay = \$42.00
2. 5.5 Instructional Hours Daily
3.  $\$42 / 5.5 = \$7.64$  Hourly Rate
4. Your total substitute teacher cost = \$19,000
5.  $\$19,000 / \$7.64 = 2,486.91$  Total Hours
6. 1,100 Instructional Hours = 1 FTE
7.  $2,486.91 / 1,100 = 2.26$  FTEs.

For classified 12-month personnel, one FTE equals 2,080 hours worked in a year (based on 52 40-hour weeks). To calculate an FTE for 12-month personnel, change the 1,100 hours in the above methodology to 2,080 hours. If your division superintendent also acts as the director of a regional center, then follow the applicable example below to adjust your Superintendent FTE:

**Special Case: School Division Superintendent Also Serving as Program Director of a Regional Center:**

- a. If the regional center pays a portion of the Superintendent's total salary, go back and code the payment as a "Transfer Payment" from the regional center to the school division and enter FTE Positions on this sheet as "0" on the regional center's ASR report (report the division superintendent FTE on the school division's ASR report).
- b. If the regional center pays the division superintendent a salary amount in the capacity as program director that is above the full-time salary as the division superintendent, code the Superintendent as a partial FTE on the regional center's ASR report using either hours

of service provided or as a portion of the Superintendent's total salary (i.e. \$4,000 divided by \$90,000 equals 0.04 FTE to be reported on the regional center's ASR report).

## **Supplemental Schedules**

### **Schedules A & B: Special Education**

Provide the amount of funds expended in your school division specifically for special education and related services during fiscal year 2002. Your report must include all costs associated with providing special education and related services to children and youth with disabilities that are above and beyond the costs of providing regular education programs to non-disabled students. Do not include costs associated with capital outlays or regular education programs and services.

Expenditures for special education and related services must be reported by source of funds (federal, state, and local). Each entry must represent actual expenditures and be consistent with federal and state definitions of special education and related services.

Once you have determined your total federal, state, and local expenditures for special education and related services in Schedule A, allocate this total across all disability categories listed in Schedule B. Note that the grand total in Schedule A must equal the grand total in Schedule B.

Expenditure data provided for lines 24 through 38 should include professional personnel, para-professional personnel, indirect personnel costs, travel, materials, equipment, tuition payments, transportation, and any other expenditure that can be attributed to a particular disability area. Line 39 should include all expenditures associated with the administration of special education programs, student testing and evaluation, delivery of related services, and all other expenditures that cannot be attributed to a specific area in lines 24 through 38.

### **Schedule C: School Nurses**

Instructions are included on the spreadsheet in the Excel template.

### **Schedule D: Health Care Costs**

Instructions are included on the spreadsheet in the Excel template.

### **Schedule E: Required Local Effort**

The former Schedule E on Additional Teachers is eliminated from the ASR.

The new Schedule E on Required Local Effort is included in the 2001-2002 ASR for informational purposes only. Data for this new schedule will not be required to be submitted until the 2002-2003 ASR.

### **Schedule F: Regional Centers Only**

Schedule F is to be completed by regional centers (or fiscal agents on behalf of regional centers) only. For fiscal year 2002, enter the amount of tuition revenue received from each participating school division. The total revenue reported on Schedule F should correspond to the total revenue reported under revenue source codes 1901010, 1901030, and 1901040. Please coordinate with the participating school divisions as necessary to ensure that you are accurately recording tuition revenues paid for fiscal year 2002 tuition.

### **Schedule G: Capital Outlay**

The information provided in this schedule will be used to revise the methodology used in calculating Table 15 of the *Superintendent's Annual Report for Virginia* (Total & Per Pupil Expenditures for Operations). As noted in Informational Supts. Memo No. 55, dated April 5, 2002, Table 15 illustrates per pupil spending for operational costs and should exclude federal or state funds expended for capital purposes. The capital expenditures reported in your 2001-2002 Annual School Report in object code 8100 (Facilities Only, Functions 66100-66600) that were paid from federal or state funds in addition to the capital expenditures reported in object code 8200 (all functions) that were paid from federal or state funds should be excluded from Table 15. As noted in Informational Supts. Memo No. 89, dated June 21, 2002, object code 8100 in the Facilities function only was not excluded from this calculation for fiscal year 2001; however, this correction will be made to subsequent Table 15 and Required Local Effort calculations.

### **Schedule H: Textbook Revenues and Expenditures**

Instructions are included on the spreadsheet in the Excel template.

### **Schedule I: Salaries**

Instructions are included on the spreadsheet in the Excel template. Per the instructions noted in Attachment B and C, this data is required by September 15, 2002 with the rest of the ASR in order for the department to meet the December 1, 2002 reporting requirement to the General Assembly (Chapter 899, 2002 Acts of Assembly).

## **Final Error Check – Generate Text File**

### **Error Checking Process**

The “Important Reminders” sheet contains a button called “Final Error Check – Generate Text File.” This button displays the error status of the ASR including whether the revenues, expenditures, and schedules are complete and pass all edit checks contained in the Excel template. All errors found during the edit check process will be prompted and must be corrected before continuing with the report. After completing all sections of the

FY 2002 ASR without error, a sheet labeled “Final Check – Generate Text File” will appear. This sheet will provide you with all potential errors found and request that you review the potential errors prior to producing your final text file. **Please note that the Excel template no longer includes the Superintendent’s Certification Form. This form will be generated after you have successfully transmitted your text file to the department’s Web site.**

### **Superintendent’s Certification Form**

There is a new process in place for completing the FY 2002 ASR and generating the final Superintendent’s Certification form for submission to the Department of Education. The major change for FY 2002 involves Web-enabled submission of your completed ASR report to the department. Once you have reviewed all potential errors in the “Final Error Check – Generate Text File” sheet, if applicable, you must click on the button labeled “Generate Text File for FY 2002 ASR” to generate the text file used to transmit your ASR data to the department’s Web site. The **text file** is generated by clicking on the button labeled “Generate Text File for FY 2002 ASR.” The text file will automatically be saved to your computer’s hard drive under [C:\DOE\\_Data\ASRFIN\FY2002\ASRFINxxx\\_DATA\\_02.txt](#) (where “xxx” is the division number and “02” is the beginning school year). Please do not change the file name generated by the program.

Once you have successfully generated your text file, the next step is to transmit the file to the department’s data collection Web site. Please see [Administrative Supts. Memo. No. 38](#) dated June 28, 2002, for information on logging onto the department’s Web site where this transmission is made. Please review the instructions included on the following Web site that provide more detailed directions for completing and submitting your ASR through the department’s Web site:

<https://eb01.vak12ed.edu/ssws>

Once you have successfully transmitted your text file, you will be prompted that your data is being processed and you will be asked to log back in to review the status of your final report. When you log back in, you will be able to print the final Superintendent’s Verification Report and the Superintendent’s Certification Form. The Superintendent’s Certification Form should be signed and returned by mail to the department within five business days.

### **Submitting the ASR Excel Template and Signed Superintendent’s Certification Form**

After the ASR is complete, please return the completed Excel file to the department via e-mail at [k12budget@mail.vak12ed.edu](mailto:k12budget@mail.vak12ed.edu). In addition, please mail a hardcopy of the Superintendent’s Certification, signed by the division superintendent, to the department at:

Virginia Department of Education  
Attention: Budget Office  
P.O. Box 2120  
Richmond, VA 23219