

CHANGES, CLARIFICATIONS, AND HIGHLIGHTS TO THE 2011-2012 ANNUAL SCHOOL REPORT FINANCIAL SECTION (ASRFIN)

This attachment provides information regarding important changes and clarifications to the 2011-2012 (fiscal year 2012) Annual School Report Financial Section (ASRFIN).

GENERAL ASRFIN CHANGES AND HIGHLIGHTS:

Valid Excel File Extensions

The 2011-2012 ASRFIN template has been updated to only allow the file to be saved using the **.xls** or **.xlsm** file extensions. If you are using Excel 2003, please save as **.xls**. If you are using Excel 2007 or Excel 2010, you may save as either file type. This restriction prevents saving as **.xlsx**, a file extension which will permanently erase the template's macros and require the user to start over with a new ASRFIN template. Directions for saving the ASRFIN template using these file extensions are available at:

http://www.doe.virginia.gov/school_finance/filedownload_instructions.shtml.

Navigation and Validation Buttons

In the 2011-2012 ASRFIN template, buttons that allowed sheet navigation, final error checks, and file submission validation have been replaced by hyperlinks. Instead of clicking on raised buttons, you will click on hyperlinks, which have been formatted to appear button-like. The functionality of the hyperlinks is the same as the buttons they replaced. This update was done to avoid a button display issue with some Excel 2010 users. In addition, the scroll menu on the "Important Reminders" worksheet that allowed selection of individual sheets has been replaced by hyperlinks for improved performance.

As an example, here is the button that begins the template from the 2010-2011 ASRFIN:

To begin the 2010-2011 Annual School Report, click on the button below.

Start 2010-2011 Annual School Report

This button has been replaced by the following hyperlink in the 2011-2012 ASRFIN:

[Click here to begin the 2011-2012 Annual School Report](#)

Dragging data is disabled in the ASRFIN template. This feature is disabled to make sure that all data validation and edit checks work properly in the file, in order to meet financial data requirements. Disabling these features also prevents errors that would require restarting the ASRFIN template.

ASRFIN REVENUE CHANGES AND HIGHLIGHTS:

The following Revenue Codes have been added or deleted in the 2011-2012 ASRFIN template to reflect actual payment activity in fiscal year 2012.

State Revenue Codes Added

Incentive Accounts

240459 Supplemental Support for School Operating Costs

Lottery Funded Accounts

240348 Textbooks (Lottery)

240232 Career and Technical Education - Student Organization

State Revenue Codes Deleted

Incentive Accounts

240235 Special Education - Vocational Education

240249 Special Education Endorsement Program

240242 Governor's School - Summer Residential Statewide Program

240243 Governor's School - Summer Residential Special Program

Other State Funds

240236 Project Discovery

Federal Revenue Codes Added

17278 Career and Technical Education Dislocated Worker Formula Grants

84384 ARRA Statewide Data Systems

Federal Revenue Codes Deleted

84357 Reading First State Grants (Title I, Part B)

84366 Mathematics and Science Partnerships (Title II, Part B)

Federal Revenue CFDA number 10550, "Cash in Lieu of USDA Commodities," should be used by those divisions that receive the value of the food in cash in the CLOC (Cash in Lieu of Commodities) program. Please note school divisions should not report the value of the commodities received, only cash received, as this would incorrectly inflate the revenue of the school nutrition program.

Two-month Sales Tax Revenue Update File

As provided in the section entitled "State Retail Sales and Use Tax" on page 13 of Attachment B, the Governmental Accounting Standards Board (GASB) directs that local school divisions may accrue either one or two months of sales tax revenues (per GASB 33 and GASB 34). In order to assist school divisions in complying with this directive, the 2011-2012 ASRFIN template only allows entry of one- or two-month accrual of state sales tax revenues on the "Revenues" worksheet. The ASRFIN Excel template will preload the one-month accrual state sales tax data for both the one percent and the one-eighth percent amounts. For school divisions that accrue on a two-month basis, the Department will provide an Excel update file which will populate two-month accrual state sales tax data. This Excel update file will be distributed to school divisions in mid-August, after August sales tax payments are finalized. New for this year, the Excel

update file will not require saving your ASRFIN template on the C: drive. The Department will provide further instructions on executing the Excel update file when it is released.

State Revenue Edit Checks

As in previous ASRFIN templates, the majority of state revenues are pre-populated after a division is selected. These pre-populated revenues should not typically be changed; an additional edit check has been added to the 2011-2012 ASRFIN template to prevent changing these values. If you have a valid reason for updating these pre-populated values, please contact the VDOE Budget Office at 804-225-2025 to bypass this edit check. To facilitate this process, you will no longer need to send the file to the VDOE to unlock the revenue cells. Once the change has been approved, the Budget Office will provide you with a one-time code for the specific revenue source. Please click on the hyperlink in cell M137 on the "Revenues" worksheet and enter the provided code in the pop-up box. You may then update the state revenue value, and you will be prompted to provide an explanation for the change.

Please note that the state revenues that either have different accrual periods or are based on reimbursements do not have the new restrictive edit check:

410405	VPSA Technology Grants
240220	Hospital, Clinics, Detention Homes (State-Operated Programs)
240295	Special Education in Jails
240248	Special Education - Regional Programs
250000	Benefits from Other State Agencies
410406	Literary Fund Subsidy Grant

ASRFIN EXPENDITURE CHANGES AND HIGHLIGHTS:

School Nurse Expenditure Reporting

Starting in fiscal year 2012, School Nurse Salaries and Wages (Object Code 1131 on the "District 62220" sheet) should only include salaries and wages for licensed school nurses. A new Object Code 1134 has been created to capture the salaries and wages for unlicensed school nurse personnel. The object codes and descriptions are as follows:

- 1131 Licensed School Nurse (LPNs, RNs, & Nurse Practitioners) Salaries and Wages: Compensation for those **licensed personnel** (LPNs, RNs, & Nurse Practitioners) who conduct a health service program at a school or system for the evaluation, improvement and protection of the health of students and school personnel in accordance with state law and local policies and procedures. (Attendance & Health function only.)
- 1134 Unlicensed School Nurse Salaries and Wages: Compensation for those **unlicensed** personnel who conduct a health service program at a school or system for the evaluation, improvement and protection of the health of students and school personnel in accordance with state law and local policies and procedures. (Attendance & Health function only.)

Please note that the School Nurse Schedule C should only include expenditures and FTEs for **licensed** school nurses.

Local Matching and Maintenance of Effort Penalties – Object Code 9650

A new object code has been created to capture local matching and maintenance of effort penalties. Any payment of funds to the Department of Education for these penalties should be coded under 67300, object code 9650.

SUPPLEMENTAL SCHEDULES CHANGES AND HIGHLIGHTS:

Expanded Recapitulation

In the 2012 ASRFIN, the “Recapitulation” worksheet includes a detailed breakout of expenditures by sub-function. Using the hyperlink at the top of the “Recapitulation” worksheet, the user can view a breakout of the division’s expenditures by sub-function below each function. The same hyperlink hides the sub-functions to allow the user to view a summary of expenditures by function. The worksheet also provides a breakout of fiscal year 2011 ASRFIN expenditures by sub-function. This information is provided to assist you in determining whether expenditures by sub-function in the fiscal year 2012 ASRFIN are properly arrayed, in comparison to prior year data.

FTE Positions

The three FTE positions worksheets contain edit checks that compare the calculated average salary for each object code against the previous year’s average salary for the same object code. Division-specific averages are used when available; if a division did not report any FTEs for the given object code in the previous year, a statewide average is substituted. Due to staff turnover, new positions, or other reasons, divisions may require reporting data that falls outside the edit check’s acceptable range. Previously, divisions would need to send their saved ASRFIN to the Budget Office to override the edit check. To streamline this process, you will no longer need to send the file to the VDOE to override the edit check. Once the reason for the override has been approved by the Budget Office, you will be provided with a one-time code for the specific FTE position entry cell. Please click on the hyperlink in cell A34 on the “Elementary and Secondary Positions” worksheets, or cell A84 on the “District FTE Positions” worksheet and enter the provided code in the pop-up box. You may then enter the correct number of FTEs in the template, and you will be prompted to provide an explanation for the override of the edit check.

27	61320	1140	Media Technical	N/A		
28	61320	1150	Media Clerical	N/A		
29	61410	1126	Principal	N/A		
30	61410	1127	Assistant Principal	N/A		
31	61410	1140	Principal Technical	N/A		
32	61410	1150	Principal Clerical	N/A		
33						
34	Adjust Acceptable FTE Range			Total Elementary (K-7) FTE Positions:		0.00
35						
36						

FTE Analysis

This new worksheet allows divisions to compare certain aspects of their preliminary fiscal year 2012 ASRFIN data against submitted fiscal year 2011 data in order to provide insight into division trends or identify potential errors. **No new data entry is required for this sheet**; this sheet populates either from data submitted on the 2010-2011 ASRFIN or from other sections of the 2011-2012 Excel template. Please note this sheet is only available in the Excel template and will not print in the verification report. This sheet contains three sections:

Section 1: FTE Summary by Function

This section summarizes all FTE positions by function, as well as compares the data to the previous year's summaries.

Section 2: Ratio of Pupil to Classroom Teacher Positions

This section corresponds to Table 17a of the Superintendent's Annual Report and displays pupil teacher ratios for classroom teacher positions. Teaching positions include classroom, homebound, media, and technology instructional teachers.

Section 3: Administrative, Service, and Support Personnel Positions

This section corresponds to Table 18 of the Superintendent's Annual Report and displays the number of administrative, service, and support personnel.

Schedules A and B Maintenance of Effort

Since fiscal year 2010, Schedule A data has been used by the Virginia Department of Education (VDOE) as part of its State Education Agency (SEA) monitoring of federal LEA Maintenance of Effort (MOE) requirements for special education under the federal Individuals with Disabilities Education Act (IDEA). Starting with fiscal year 2012, the ASRFIN will no longer collect the data used for IDEA Maintenance of Effort monitoring. The Office of Financial and Data Services, within the Division of Special Education and Student Services of the Virginia Department of Education, has developed a separate application to capture this data and perform the required maintenance of effort calculations. Questions related to a division's IDEA MOE requirement should be directed to Mr. Paul Raskopf at paul.raskopf@doe.virginia.gov or at 804-225-2080.

Consequently, the maintenance of effort tests in Schedules A and B are no longer part of the 2011-2012 ASRFIN template. The data in Schedules A and B is now used only for reporting requests and the calculation of state Foster Care payments. For Schedules A and B, report all expenditures associated with the special education students your division serves. December 1, 2011, child counts shown on this schedule are the serving child counts.

Schedule E.2 – Required Local Match

To accurately account for federal revenues used for pre-kindergarten purposes in the Elementary and Secondary Education Act (ESEA) Maintenance of Effort and state Required Local Effort calculations, cell F35 now captures all federal revenues expended for pre-kindergarten programs.

This value should not include revenues for special education pre-kindergarten expenditures. Previously, this cell only captured the portion of Title I revenues used for pre-kindergarten expenditures.

Table 15 – Schedule K

Starting in fiscal year 2012, Table 15 of the Superintendent's Annual Report will contain Pre-kindergarten (Program 8) expenditures. The preliminary fiscal year 2012 Table 15 calculation in Schedule K has been updated to include pre-kindergarten in the expenditures, revenues, and Average Daily Membership (ADM). Please note that the fiscal year 2011 Table 15 values shown in Schedule K as comparison are what were published in Table 15 of the fiscal year 2011 Superintendent's Annual Report and do not contain pre-kindergarten expenditures.

Schedule M – Instructional Percent Calculation

Chapter 3 of the 2012 Special Session I Acts of Assembly requires the Virginia Department of Education to include in the Annual School Performance Report Card the percentage of each division's annual operating budget expended for instructional costs. The methodology for allocating each division's expenditures for instructional and non-instructional costs is consistent with the Standards of Quality funding formula as approved by the General Assembly. Schedule M in the Superintendent's verification report will display the preliminary instructional cost percentage based on submitted ASRFIN data. Also included in this report is a detailed breakdown of specific expenditures used in the calculation.

This schedule is only shown in the verification report once you have submitted your ASRFIN template. However, in order to see which expenditures are classified by the Standards of Quality as instructional and support, a new shading tool has been added to the ASRFIN template. Each expenditure sheet contains a hyperlink to turn this feature on:

A	B	C	D	E	F	G
1						
2		FUNCTION	61000	INSTRUCTION		
3	AMELIA	SUB-FUNCTION	61100	CLASSROOM INSTRUCTION		
4	2011-2012 ANNUAL SCHOOL REPORT	COST CENTER	2	ELEMENTARY (K-7)		
5		<i>Shade Expenditures Excluded from Required Local Effort</i>		<i>Unshade Instructional and Support Expenditures</i>		
6	OBJECTS	PROGRAM				
7		1	2	3	4	5
8	Instructional expenditures are shaded bright green, support shaded purple. Expenditures that are a mixture of instruction, support, and/or not recognized are dotted.	REGULAR	SPECIAL	VOCATIONAL	GIFTED	OTHER
9	Personal Services:					
10	1120 Instructional Salaries and Wages					
11	1151 Instructional Aides Salaries and Wages					
12	1520 Substitute Salaries and Wages					
13	1620 Supplemental Salaries and Wages					
14	1650 National Board Certified Teacher Bonus					
15	1660 Employee Bonuses					
16	Employee Benefits:					
17	2100 FICA Benefits					
18	2210 VRS Benefits					
19	2300 Hospital/Medical Plans (HMP) Benefits					
20	2400 Group Life Insurance (GLI) Benefits					
21	2500 Disability Insurance					
22	2600 Unemployment Insurance					
23	2700 Worker's Compensation					
24	2750 Retiree Health Care Credit					
25	2800 Other Benefits					
26	Purchased Services:					

You may also turn on this shading from the "Important Reminders" worksheet. You may not have both Required Local Effort and Instructional Percent shading on at the same time. Instructional expenditures are shaded bright green, support expenditures are shaded purple, and expenditures not recognized by the Standards of Quality are unshaded. Expenditures that are pro-rated between multiple categories are dotted. Please note that these cells are not blocked from keying data.

Some employee benefits are pro-rated between multiple categories. When the instructional calculation shading is on, these expenditures are dotted. In the instructional percentage calculation, these expenditures are allocated to instruction, support, and/or not recognized proportionately based on the associated personal services expenditures (object codes in the 1000 series). For example, if 60 percent of 61000 Program 1 salaries, wages, and bonuses (object codes 1120-1660) are instruction, 60 percent of the associated FICA, VRS, Hospital/Medical Plans, and Group Life Insurance for 61000 Program 1 will be classified as instruction. Retiree Health Care Credit expenditures are distributed proportionately based on the FTEs reported on the FTE Positions worksheets. Some benefits (Disability Insurance, Unemployment Insurance, and Worker's Compensation) are classified entirely as support or not recognized based on the function.

CHANGES FOR THE FISCAL YEAR 2013 ASRFIN

Chapter 3 of the 2012 Special Session I Acts of Assembly included funds for "Additional Assistance with Retirement, Inflation & Preschool." These funds may be used for Pre-kindergarten (Program 8) expenditures; the portion of these funds used for Pre-kindergarten will need to be subtracted from Required Local Effort and ESEA Maintenance of Effort calculations. The 2012-2013 ASRFIN will include a section to capture the portion of the "Additional Assistance with Retirement, Inflation & Preschool" funds used for Pre-kindergarten (Program 8) expenses.