

**CHANGES, CLARIFICATIONS, AND HIGHLIGHTS TO THE
2012-2013 ANNUAL SCHOOL REPORT FINANCIAL SECTION (ASRFIN)**

This attachment provides information regarding important changes and clarifications to the 2012-2013 (fiscal year 2013) Annual School Report Financial Section (ASRFIN).

ASRFIN REVENUE CHANGES AND HIGHLIGHTS:

The following Revenue Codes have been added to or deleted from the Revenues worksheet of the 2012-2013 ASRFIN template to reflect actual payment activity in fiscal year 2013. Additional revenues that were new for fiscal year 2013 but paid to only a few divisions were not added to the Revenues worksheet as separate revenue items; however, these revenues will load to the Other State Funds worksheet of the ASRFIN template.

State Revenue Codes Added

Incentive Accounts

240285	Additional Assistance with Retirement, Inflation, and Preschool Costs
240362	EpiPen Grants
240365	Virginia Workplace Readiness Skills Assessment

Lottery Funded Accounts

240204	Remedial Summer School (Lottery)
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Other State Funds

240372	Math and Science Teacher Recruitment Pilot Initiative
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State Revenue Codes Deleted

Incentive Accounts

240459	Supplemental Support for School Operating Costs (Incentive)
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Lottery Funded Accounts

240233	Supplemental Support for School Operating Costs (Lottery)
240293	Virtual Advanced Placement
240340	Mentor Teacher Grant Hard-to-Staff Schools
240343	Composite Index Hold Harmless (Lottery)

Federal Revenue Codes Deleted

17258	Education for Independence
17259	Race for GED Education for Independence – STEM 3
17260	Race for GED Education for Independence – STEM 1
84330	Advanced Placement (AP) Program (Title I, Part G)
84392	Special Education – Preschool Grants (ARRA)
84394	ARRA State Fiscal Stabilization Fund – Education State Grants

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 2012-2013 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. The Department will provide further instructions on executing the Excel update file when it is released.

ASRFIN EXPENDITURE CHANGES AND HIGHLIGHTS:

Purchased Services – Instructional (Object Code 3200)

The 2012-2013 ASRFIN includes a new object code where divisions should report any instructional services purchased by the division. Please use this code to report expenditures where the division elected to provide instructional services through contracted personnel instead of hiring staff to meet these needs. Divisions should only include expenditures for contracted services that meet the SOQ-defined definition of instruction, such as speech language pathologists. Please refer to the SOQ Defined Instructional and Support Expenditures shading on the applicable worksheets for reference. This object code is available on the "Elementary 61100", "Secondary 61100", "Elementary 61210", "Secondary 61210", "Elementary 61230", "Secondary 61230", "Elementary 61320", "Secondary 61320", "District 68000", and "District 69000" worksheets.

Summer School

The 2012-2013 ASRFIN breaks out Summer School into two distinct programs.

Program 6, Non-Remedial Summer School: Starting in fiscal year 2013, Program 6 should be used to record those expenditures related to the non-remedial summer school session for elementary and secondary students conducted during the period between July 1, 2012, and the beginning of the 2012-2013 school year, and the period between the end of the 2012-2013 school year and June 30, 2013. Only include expenditures for non-remedial summer school programs that are administered by the school division and supervised in an instructional program by the principal of the school (or other person serving in that capacity) that is operating the non-remedial summer school program.

Program 11, Remedial Summer School: The new Program 11 should be used to record those expenditures related to the remedial summer school session for elementary and secondary students conducted during the period between July 1, 2012, and the beginning of the 2012-2013 school year, and the period between the end of the 2012-2013 school year and June 30, 2013. Only include expenditures for remedial summer school programs that are administered by the school division and supervised in an instructional program by the principal of the school (or other person serving in that capacity) that is operating the remedial summer school program.

Social Workers

Please note that social workers should be reported under object code 1130 (Other Professional Salaries and Wages), NOT under object code 1120 (Instructional Salaries and Wages).

SUPPLEMENTAL SCHEDULES CHANGES AND HIGHLIGHTS:

Schedule C – School Nurses

The Schedule C – School Nurses edit check was modified to accommodate divisions that purchase their school nurse services from external providers other than the local health department. If a division reports expenditures under Purchased Services – School Nurses (Function 62200, Object 3010), the division may select “None” in both dropdown boxes on Schedule C, indicating that the division did not have any licensed nurses on school division payroll, nor did the division provide any licensed local health department nursing services.

Schedule E.2 – Required Local Match

The 2012-2014 biennial budget includes \$55.0 million in fiscal years 2013 and 2014 for Additional Assistance with Retirement, Inflation, and Preschool Costs. Because a portion of these funds can be used for pre-kindergarten (Program 8) expenditures, Schedule E.2 was revised to allow divisions to enter the portion of these funds used for pre-kindergarten. The amount entered in this cell on Schedule E.2 is excluded from Required Local Effort and ESEA Maintenance of Effort calculations.