



LOUISIANA DEPARTMENT OF EDUCATION

August 14, 2012

MEMORANDUM

TO: City/Parish/Local School System Business Managers
Type 2 and Type 5 Charter School Business Managers
Recovery School District Business Manager
Office of Juvenile Justice Accounting Manager
New Orleans Center for Creative Arts Business Manager
Louisiana School for Math, Science, and Arts Business Manager
Louisiana School for the Deaf & Visually Impaired Business Manager
Special School District Business Manager

FROM: Charlotte Stevens, Director *CS*
Division of Education Finance

SUBJECT: **FY 2012-13 AFR Reporting Guidance for State & Local Funds**

Revenue and expenditure data reported in the Annual Financial Reports (AFRs) of the Recovery School District (RSD), charter schools, and the school district of prior jurisdiction/school district of residence must be reported in a uniform manner in order to avoid the duplication of revenues and expenditures at the state level, and to accurately reflect revenues and expenditures for each entity. To ensure consistent reporting, the following guidelines must be followed:

School District of Prior Jurisdiction/School District of Residence

Revenue

- Reimbursement of Expenditures from RSD – payments received from the RSD for expenditures billed by the school district to the RSD must offset the expenditures of the school district and be recorded as a reduction to each applicable expenditure
- Reimbursement of Expenditures from a Charter School – payments received from a Charter School for expenditures billed by the school district to the charter school must offset the expenditures of the school district and be recorded as a reduction to each applicable expenditure
- MFP Revenue Received – MFP Revenues received must be “grossed up” to include the amount deducted from MFP Payments for Local Revenues transferred to the RSD, Type 2 charter schools, the Office of Juvenile Justice (OJJ.), Louisiana Schools for Math, Science and the Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), Louisiana School for the Deaf & Visually Impaired (LSDVI), Special School District (SSD), and the Louisiana Scholarship Program (LSP). (The amounts deducted are included on Table 2A of the MFP Budget Letter.)

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- MFP Revenue Received – MFP Revenues received must be “grossed up” to include the amount deducted from MFP Payments for the Louisiana Scholarship Program (LSP). (These amounts are deducted on Table 5F of the Budget Letter.)

Expenditure

- Local Revenue Transfers to the RSD, Type 2 Charter Schools, OJJ, LSMSA, NOCCA, LSDVI, or SSD – local revenue transfers must be “grossed up” to include the administrative fee and recorded as “transfers out” using keypunch code 51140 (function 5300, object 940). (The amounts deducted are included on Table 2A of the MFP Budget Letter.)
- Local Revenue Transfers to the LSP– tuition payments made by the school district of prior jurisdiction to private sources, to charter schools, and school districts should be coded to object codes 563, 566, and 567, respectively. The corresponding functions used to report expenditures are either 1210 or 1490

Recovery School District

Revenue

- Local Revenue Transfers From the School District of Prior Jurisdiction – local revenue transfers from the school district of prior jurisdiction must be recorded by the RSD as miscellaneous local revenue in keypunch code 3350 (revenue code 1994). Record only the local revenue for the RSD operated schools; the charter schools report local revenue individually.
- MFP Revenue Received – MFP Revenues must be recorded only for the RSD Operated schools; the charter schools report MFP dollars individually.
- Reimbursement of Expenditures from Type 5 Charters – payments received from the Type 5 charters for expenditures billed by the RSD to the Type 5 charter must offset the expenditures of the RSD and be recorded as a reduction to each applicable expenditure
- Administrative Fee – The revenue received from the administrative fee charged to the Type 5 Charters should be recorded in keypunch code 3000 (revenue code 1950), *Miscellaneous Revenues from other LEAs*.

Expenditure

- Reimbursement of Expenditures to the School District of Prior Jurisdiction – payments made by the RSD to the school district of prior jurisdiction for the reimbursement of expenditures paid by the school district must be recorded to the applicable expenditure

Type 5 and Non-Legacy Type 2 Charters (NOCCA, LSMSA, OJJ, LSDVI and SSD)

Revenue

- Local Revenue Transfers from the School District of Prior Jurisdiction/District of Residence – local revenue transfers from the school district of prior jurisdiction/district of residence must be recorded by the charter school as miscellaneous local revenue in keypunch code 3350 (revenue code 1994) and must be “grossed-up” to include the administrative fees paid to the RSD and the Department.
- MFP Revenues – State MFP Revenues must be recorded in keypunch code 4300 and must be “grossed-up” to include the administrative fees paid to the RSD and the Department.

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Expenditure

- Reimbursement of Expenditures to the RSD – payments made to the RSD for the reimbursement of expenditures paid by the RSD must be recorded to each applicable expenditure
- Reimbursement of Expenditures to School District of Prior Jurisdiction/District of Residence – payments made for the reimbursement of expenditures paid by the school district must be recorded to the applicable expenditure
- Administrative Fee – The administrative fees paid to the RSD and the Department should be recorded by the charter school in keypunch code 38765, *Dues and Fees* (function 2400, object 810).

If you have any questions, contact Christel Fulton (christel.fulton@la.gov) at (225) 342-0180, or at our toll free number below.

CS/pm

- c: City/Parish/Local School Superintendents
Type 2 and Type 5 Charter School Board Presidents
Patrick Dobard, Recovery School District
Mary Livers, Office of Juvenile Justice
Kyle Wedberg, New Orleans Center for Creative Arts
Pat Widhalm, LA School for Math, Science and the Arts
Elizabeth Moore, Louisiana School for the Deaf & Visually Impaired
Kevin Lemoine, Special School District
Marella Houghton, CPA, LDOE

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