

## **Beginning Balances**

### **Step 1:**

In Trial Balance Tab, there are yellow highlighted boxes. In these yellow boxes, prior year ending balances from the district wide statements should be entered. Remember: prior year's ending balance = current year's beginning balance.

### **Step 2:**

Link the trial balance beginning balance columns to the governmental fund statements for all the other accounts.

### **Step 3:**

Notice there is a difference between the deferred revenue balance on the fund basis statements and the deferred revenue balance on the entity-wide statements in the prior year audit report. (You can also find this difference on the reconciliation.) You must make a conversion entry to remove fund basis revenues recognized in the current year that are prior year entity-wide revenues.

The amount you enter for beginning NET POSITION must be adjusted by this amount or your trial balance will not balance for the first two columns.

## Conversion Entry (A)

To record deferred property tax revenues as revenues on the entity-wide statements.

**Action Needed:** Revenues of the current year should be recognized in the entity-wide statement of net assets regardless of whether they are available.

### Conversion Entry:

dr. Deferred revenue	2,790,517	
cr. GENERAL REVENUE-PROPERTY TAXES		2,790,517

### Where do the Numbers Come From?

The amount of deferred revenue reported for property taxes in the liability section of the fund statement balance sheet OR the portion of property tax receivable (net of any allowance) that is not expected to be collected with 60 days of year end.

**Conversion Entry (B)**

To record deferred food service revenues as revenues on the entity-wide statements.

**Action Needed:** Revenues of the current year should be recognized in the entity-wide statement of net assets regardless of whether they are available.

**Conversion Entry:**

dr. Deferred revenue	2,123
cr. OPERATING GRANTS & CONTRIBUTIONS- FOOD SERVICES	2,123

**Where do the Numbers Come From?**

The amount of deferred revenue reported for food service in the liability section of the fund statement balance sheet OR the portion of food service receivable (net of any allowance) that is not expected to be collected with 60 days of year end.

**BALANCE SHEET - GOVERNMENTAL FUNDS- Current Year (partial)**

	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Permanent Improvement Fund	Capital Projects Fund	Total Governmental
<b>ASSETS</b>							
Cash and cash equivalents	\$ 14,418,996	\$ 1,618,673	\$ 2,462,528	\$ 12,191,001	\$ 1,206,706	\$ -	\$ 31,897,904
Investments	-	-	-	-	-	-	-
Deposit with Workers' Comp. Commission	495,197	-	-	-	-	-	495,197
Taxes receivable, net	757,100	-	69,875	-	-	-	826,975
Food service receivable, net	-	198,508	-	-	-	-	198,508
Other receivables	134,798	338,598	-	-	-	134,348	607,744
Due from other governments:							
State aid receivable	486,210	-	-	-	-	-	486,210
PEIA allocation receivable	1,423,746	-	-	-	-	-	1,423,746
Reimbursements receivable - SBA	-	-	-	-	-	4,405,191	4,405,191
Due from other funds	134,348	-	-	-	-	-	134,348
<b>Total assets</b>	<b>\$ 17,850,395</b>	<b>\$ 2,155,779</b>	<b>\$ 2,532,403</b>	<b>\$ 12,191,001</b>	<b>\$ 1,206,706</b>	<b>\$ 4,539,539</b>	<b>\$ 40,475,823</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Salaries payable and related payroll liabilities	\$ 3,699,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,699,620
Workers' compensation payable	626,994	-	-	-	-	-	626,994
PEIA premiums payable	1,746,444	-	-	-	-	-	1,746,444
Accounts payable	165,682	113,396	-	235,432	-	1,064,250	1,578,760
Deferred revenue	-	2,123	-	-	-	-	2,123
Due to other funds	-	-	-	-	-	134,348	134,348
<b>Total liabilities</b>	<b>6,238,740</b>	<b>115,519</b>	<b>-</b>	<b>235,432</b>	<b>-</b>	<b>1,198,598</b>	<b>7,788,289</b>

## Conversion Entry - Deferred

**To remove revenues recorded in the funds this year that were already recorded in the entity-wide statements in the prior year because they were deferred in the prior year.**

**Action Needed:** Revenues already recorded in the entity-wide statement last year should not be recorded in the entity-wide statements again this year.

Because this entry involves revenues that were from a prior period, NET ASSETS will be part of the entry.

### Conversion Entry:

dr. GENERAL REVENUE - PROPERTY TAXES  
dr. CHARGES FOR SERVICES - FOOD SERVICE  
dr. UNRESTRICTED GRANTS AND CONTRIBUTIONS  
    cr. NET POSITION

### Where do the Numbers Come From?

This is a reversal of the prior year conversion entry made to recognize revenues in the entity-wide statement that were deferred in the funds due to the availability restriction. Most counties will have property tax, food service, eRate and Medicaid.

## Conversion Entry (C)

### Elimination of Interfund Balances

**Action Needed:** All interfund balances within governmental activities must be eliminated to avoid double-counting on the entity-wide statements.

### Conversion Entry:

dr.	Due to other funds	\$ 134,348	
cr.	Due from other funds		\$ 134,348

### Where do the Numbers Come From?

<b>BALANCE SHEET - GOVERNMENTAL FUNDS</b>							
<b>(partial)</b>							
	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Permanent Improvement Fund	Capital Projects Fund	Total Governmental
<b>ASSETS</b>							
Cash and cash equivalents	\$ 14,418,996	\$ 1,618,673	\$ 2,462,528	\$ 12,191,001	\$ 1,206,706	\$ -	\$ 31,897,904
Investments	-	-	-	-	-	-	-
Deposit with Workers' Comp. Commission	495,197	-	-	-	-	-	495,197
Taxes receivable, net	757,100	-	69,875	-	-	-	826,975
Food service receivable, net	-	198,508	-	-	-	-	198,508
Other receivables	134,798	338,598	-	-	-	134,348	607,744
Due from other governments:							
State aid receivable	486,210	-	-	-	-	-	486,210
PEIA allocation receivable	1,423,746	-	-	-	-	-	1,423,746
Reimbursements receivable - SBA	-	-	-	-	-	4,405,191	4,405,191
Due from other funds	134,348	-	-	-	-	-	134,348
<b>Total assets</b>	<b>\$ 17,850,395</b>	<b>\$ 2,155,779</b>	<b>\$ 2,532,403</b>	<b>\$ 12,191,001</b>	<b>\$ 1,206,706</b>	<b>\$ 4,539,539</b>	<b>\$ 40,475,823</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Salaries payable and related payroll liabilities	\$ 3,699,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,699,620
Workers' compensation payable	626,994	-	-	-	-	-	626,994
PEIA premiums payable	1,746,444	-	-	-	-	-	1,746,444
Accounts payable	165,682	113,396	-	235,432	-	1,064,250	1,578,760
Deferred revenue	-	2,123	-	-	-	-	2,123
Due to other funds	-	-	-	-	-	134,348	134,348
<b>Total liabilities</b>	<b>6,238,740</b>	<b>115,519</b>	<b>-</b>	<b>235,432</b>	<b>-</b>	<b>1,198,598</b>	<b>7,788,289</b>

**Conversion Entry (D)**

**To record beginning balances of net capital assets and accumulated depreciation.**

**Action Needed:** NONE - Implementation Year Only

**Conversion Entry (E), (W)**

**To record capital asset additions, accumulated depreciation, and depr expense for current year.**

**Action Needed:** Capital asset additions and related accumulated depreciation for current year must be recorded on the Statement of Net Position. Depreciation Expense must be recorded by function on the Statement of Activities.

**Conversion Entry (E):**

dr. LAND	-		
dr. CONSTRUCTION IN PROCESS	9,802,390		} 12,818,965
dr. BUILDINGS & IMPROVEMENTS	1,411,679		
dr. FURNITURE & EQUIPMENT	809,460		
dr. VEHICLES	795,436		
Cr. Expenditures - Student transportation		795,436	} 12,818,965
Cr. Expenditures - Food services		105,572	
Cr. Expenditures - Capital Outlay		11,917,957	
dr. Expenditures - Instruction	1,355,004		} 2,168,866
dr. Expenditures - Instructional staff	1,825		
dr. Expenditures - Central administration	14,363		
dr. Expenditures - School administration	31,007		
dr. Expenditures - Business	6,991		
dr. Expenditures - Operation and maintenance	56,139		
dr. Expenditures - Student transportation	580,405		
dr. Expenditures - Food services	123,132		} 2,168,866
cr. ACCUMULATED DEPRECIATION-BUILDINGS & IMPROVEMENTS		1,339,357	
cr. ACCUMULATED DEPRECIATION-FURNITURE & EQUIPMENT		214,259	
cr. ACCUMULATED DEPRECIATION-VEHICLES		615,250	

*To record the additions and accumulated depreciation for the current year.*

**Conversion Entry (W):**

dr. Expenditures - Capital outlay	1,145,482	
Cr. Expenditures - Instruction		647,391
Cr. Expenditures - Students		46,758
Cr. Expenditures - Instructional staff		51,018
Cr. Expenditures - Central administration		36,786
Cr. Expenditures - School administration		56,154
Cr. Expenditures - Business		17,083
Cr. Expenditures - Operation and Maintenance		111,678
Cr. Expenditures - Student transportation		105,592
Cr. Expenditures - Food services		66,992
Cr. Expenditures - Community services		6,030

*To allocate the additional capital outlay to the various functions - auditor-proposed entry.*

**Where do the Numbers Come From?**

Current Year Reports from WVEIS Fixed Asset Module:

- Capital Asset Additions by Category
- Depreciation Expense by Category

Other Reports:

- Depreciation Allocation Report/Excel Workbook
- Capital Asset Additions by Category- Buildings less CIP PY placed in service
- See Schedule below

**Conversion Entry (E)**

<b>STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (partial)</b>							
	General Current Expense	Special Special Revenue	Debt Service Fund	Bond Construction Fund	Permanent Improvement Fund	Capital Projects Fund	Total Governmental
<b>Revenues:</b>							
Property taxes	\$ 28,737,348	\$ -	\$ 3,293,413	\$ -	\$ -	\$ -	\$ 32,030,761
Other Local sources	1,559,711	1,095,925	105,799	300,325	38,464	-	3,100,224
State sources	52,962,517	5,537,589	-	-	-	4,314,510	62,814,616
Federal sources	1,791,109	12,764,825	-	-	-	-	14,555,934
Miscellaneous sources	221,859	-	-	-	668,350	-	890,209
<b>Total revenues</b>	<b>85,272,544</b>	<b>19,398,339</b>	<b>3,399,212</b>	<b>300,325</b>	<b>706,814</b>	<b>4,314,510</b>	<b>113,391,744</b>
<b>Expenditures:</b>							
Instruction	48,594,009	8,602,046	-	-	15,996	-	57,212,051
Supporting services:							
Students	3,762,333	369,800	-	-	-	-	4,132,133
Instructional staff	1,621,636	2,887,009	-	-	-	-	4,508,645
Central administration	2,911,530	339,341	-	-	-	-	3,250,871
School administration	4,960,539	2,003	-	-	-	-	4,962,542
Business	1,492,920	16,738	-	-	-	-	1,509,658
Operation and maintenance of facilities	9,619,159	190,280	-	-	59,940	-	9,869,379
Student transportation	8,668,888	662,606	-	-	-	-	9,331,494
Food services	1,337	5,918,926	-	-	-	-	5,920,263
Community services	520,137	12,794	-	-	-	-	532,931
Capital outlay	426,046	124,785	-	3,038,041	1,006,320	6,177,282	10,772,474
Debt service:							
Principal retirement	-	-	2,520,000	-	76,923	-	2,596,923
Interest and fiscal charges	-	-	342,894	-	-	-	342,894
<b>Total expenditures</b>	<b>82,578,534</b>	<b>19,126,328</b>	<b>2,862,894</b>	<b>3,038,041</b>	<b>1,159,179</b>	<b>6,177,282</b>	<b>114,942,258</b>



**Conversion Entry (E)**

**Information for Notes to the Financial Statements**

	Beginning Balance	Restatement	Additions	Disposals	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 1,572,050	\$ -	\$ -	\$ -	\$ 1,572,050
Construction in process	3,250,170	(1,398,391)	9,802,390	(1,588,959)	10,065,210
Total non-depreciable capital assets	4,822,220	(1,398,391)	9,802,390	(1,588,959)	11,637,260
Capital assets, depreciable:					
Buildings and improvements	101,453,290	-	3,000,638	(3,378,368)	101,075,560
Furniture and equipment	2,649,799	-	809,460	(306,911)	3,152,348
Vehicles	8,798,944	-	795,436	(1,344,132)	8,250,248
Total depreciable capital assets	112,902,033	-	4,605,534	(5,029,411)	112,478,156
Less accumulated depreciation for:					
Buildings and improvements	(22,362,279)	-	(1,339,357)	1,980,145	(21,721,491)
Furniture and equipment	(1,639,264)	-	(214,259)	252,760	(1,600,763)
Vehicles	(5,147,237)	-	(615,250)	1,279,405	(4,483,082)
Total accumulated depreciation	(29,148,780)	-	(2,168,866)	3,512,310	(27,805,336)
Total depreciable capital assets, net	83,753,253	-	2,436,668	(1,517,101)	84,672,820
Total capital assets, net	\$ 88,575,473	\$ (1,398,391)	\$ 12,239,058	\$ (3,106,060)	\$ 96,310,080

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Instruction	\$ 1,355,004
Supporting Services:	
Instructional Staff	1,825
Central administration	14,363
School administration	31,007
Business	6,991
Operation and maintenance of facilities	56,139
Transportation	580,405
Food services	123,132
Total Depreciation expense - governmental activities	\$ 2,168,866

**Conversion Entry (E), (W)**

**Sample County Schedule prepared by auditors**

Capital Assets purchased from the following functions during the fiscal year:

		Amount in Capital Outlay per fin stmt	Amount to adjust to other functions
Expenditures - Student transportation	795,436		
Expenditures - Food services	105,572		
Expenditures - Capital Outlay	11,917,957	10,772,474	1,145,483
	<u>12,818,965</u>		

Client was able to directly identify and allocate all but 1.2MM of capital additions for the year. Client allocated remaining additions to programs based on expenditures by program as a percentage of total. Not considered significant given amount of allocation involved and impact on line item, by program.

**Conversion Entry (F)**

To record capital asset deletions and remove related accumulated depreciation for current year.

**Action Needed:** Capital asset disposals and related accumulated depreciation for current year must be recorded on the Statement of Net Assets. Losses should not be reported as direct expenses of specific functions, but should instead be included as part of the general government function. If such amounts are insignificant, the adjustment could be made to the current year's depreciation expense for the items.

**Conversion Entry:**

dr. ACCUMULATED DEPRECIATION-BUILDINGS & IMPROVEMENTS	291,204	
dr. ACCUMULATED DEPRECIATION-FURNITURE & EQUIPMENT	98,951	
dr. ACCUMULATED DEPRECIATION-VEHICLES	106,675	
dr. Expenditures- Instruction	339,045	
cr. BUILDINGS & IMPROVEMENTS		605,028
cr. FURNITURE & EQUIPMENT		119,726
cr. VEHICLES		111,121

**Where do the Numbers Come From?**

Current Year Reports from WVEIS Fixed Asset Module:

1. Capital Asset Listing by Category for retirements/disposals
2. Accumulated Depreciation by Category for retired/disposed assets

**Conversion Entry (F)**

Information for Notes to the Financial Statements				
	Beginning Balance	Additions	Disposals	Ending Balance
<b>Capital assets, non-depreciable:</b>				
Land	\$ 1,518,770	\$ 53,280	\$ -	\$ 1,572,050
Construction in process	5,980,915	3,250,170	(5,980,915)	3,250,170
Total non-depreciable capital assets	7,499,685	3,303,450	(5,980,915)	4,822,220
<b>Capital assets, depreciable:</b>				
Buildings and improvements	94,143,592	7,914,726	(605,028)	101,453,290
Furniture and equipment	2,455,603	313,922	(119,726)	2,649,799
Vehicles	8,554,564	355,501	(111,121)	8,798,944
Total depreciable capital assets	105,153,759	8,584,149	(835,875)	112,902,033
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(21,447,845)	(1,205,547)	291,204	(22,362,188)
Furniture and equipment	(1,534,288)	(203,927)	98,951	(1,639,264)
Vehicles	(4,656,665)	(597,247)	106,675	(5,147,237)
Total accumulated depreciation	(27,638,798)	(2,006,721)	496,830	(29,148,689)
Total depreciable capital assets, net	77,514,961	6,577,428	(339,045)	83,753,344
Total capital assets, net	\$85,014,646	\$ 9,880,878	\$ (6,319,960)	\$ 88,575,564

**Conversion Entry (G)**

To move completed construction projects from the construction in process accounts to the building.

**Action Needed:** When construction in process is completed, it must be recorded in the category in which it was placed in service.

**Conversion Entry:**

dr. BUILDINGS & IMPROVEMENTS	5,980,915	
cr. CONSTRUCTION IN PROCESS		5,980,915

**Where do the Numbers Come From?**

Other Reports:

1. Construction in Progress Report/Excel Workbook- PY

Information for Notes to the Financial Statements				
	Balance as Restated	Additions	Disposals	Ending Balance
Capital assets, non-depreciable:				
Land	\$ 1,518,770	\$ 53,280	\$ -	\$ 1,572,050
Construction in process	5,980,915	3,250,170	(5,980,915)	3,250,170
Total non-depreciable capital assets	7,499,685	3,303,450	(5,980,915)	4,822,220
Capital assets, depreciable:				
Buildings and improvements	94,143,592	7,914,726	(605,028)	101,453,290
Furniture and equipment	2,455,603	313,922	(119,726)	2,649,799
Vehicles	8,554,564	355,501	(111,121)	8,798,944
Total depreciable capital assets	105,153,759	8,584,149	(835,875)	112,902,033
Less accumulated depreciation for:				
Buildings and improvements	(21,447,845)	(1,205,547)	291,204	(22,362,188)
Furniture and equipment	(1,534,288)	(203,927)	98,951	(1,639,264)
Vehicles	(4,656,665)	(597,247)	106,675	(5,147,237)
Total accumulated depreciation	(27,638,798)	(2,006,721)	496,830	(29,148,689)
Total depreciable capital assets, net	77,514,961	6,577,428	(339,045)	83,753,344
Total capital assets, net	\$85,014,646	\$ 9,880,878	\$ (6,319,960)	\$88,575,564

## Conversion Entry (H)

### To record a gain on the sale of assets

**Action Needed:** Capital asset disposals and related accumulated depreciation for current year must be recorded on the Statement of Net Position. Gains on such disposals should be reported as general revenues. Governmental funds typically report whatever proceeds they receive in connection with the disposal of capital assets as an other financing source (if material) or an other revenue (if immaterial). This amount must be removed. The difference is reported as a gain or loss.

### Conversion Entry:

dr. ACCUMULATED DEPRECIATION	104,212	
dr. Other Financing Sources-Proceeds from the disposal of real or personal property	16,675	
cr. Furniture & Equipment		86,718
cr. GAIN- SALE OF CAPITAL ASSETS		16,008

### Where do the Numbers Come From?

Current Year Reports from WVEIS Fixed Asset Module:

1. Capital Asset Listing by Category for retirements/disposals
2. Accumulated Depreciation by Category for retired/disposed assets
3. Proceeds received from sale of asset.

NOTE: On the revenue allocation tab in the conversion template, code the revenue received and recorded in WVEIS from the proceeds of the sale as "T" for transfer so it will not be allocated by the spreadsheet formulas in the revenue allocation tab - we are allocating it to the gain line with this entry. Allowing it to flow through the revenue allocation tab would allocate it twice.

## Conversion Entry (I, J, K, L)

Record the increases and decreases to compensated absences in the entity-wide statements

**Action Needed:** Record compensated absences earned and used to each expenditure function and effect the liability account

To record the beginning balances: (prior year entries I, K)

NOT NEEDED - Implementation Year Only

### Conversion Entry (J):

dr.	Expenditures - Instruction	\$	377,017
dr.	Expenditures - Support services-student		24,591
dr.	Expenditures - Support services-instructional staff		22,081
dr.	Expenditures - Central administration		10,498
dr.	Expenditures - School administration		34,063
dr.	Expenditures - Business services		7,703
dr.	Expenditures - Operation and maintenance		32,351
dr.	Expenditures - Student transportation		44,504
dr.	Expenditures - Food services		21,168
dr.	Expenditures - Community services		-
cr.	COMPENSATED ABSENCES	\$	573,976

To record Accrued Sick Leave - prior year entry L - not needed this year. The liability will be part of the fund basis statements so no conversion entry is necessary.

**Where do the Numbers Come From?**

**Long-term debt table**

<b>Bonds payable</b>	Balance, Beginning of Year	Restatement	Additions	Deductions	Balance, End of Year	Amounts due within one year	Amounts due past one year
General obligation debt	10,550,000	-	-	2,520,000	8,030,000	2,600,000	5,430,000
Compensated absences	175,448	-	573,976	-	749,424	-	749,424
Capital lease payable	769,231	-	-	76,923	692,308	76,923	615,385
Long-term liabilities	11,494,679	-	573,976	2,596,923	9,471,732	2,676,923	6,794,809

**Compensated Absences Adjustment**

Prior Year Liability	175,448
Current Year Liability	749,424
Net effect on Net Position	573,976

The chart below shows the change in compensated absences allocated to each function.

	Allocation
Instruction	377,017
Support - Students	24,591
Support - Instructional staff	22,081
District administration	10,498
School administration	34,063
Business services	7,703
Operation & Maintenance	32,351
Student Transportation	44,504
Food services	21,168
Community services	-
Total	573,976

## Conversion Entries (M, N, O, P)

### Convert debt principal payments to reduction of liability

**Action Needed:** Debt principal payments are recorded as expenditures in the governmental funds but should be shown as a reduction of the liability in the entity-wide statements.

To record the beginning balances: (prior year entries M, O)

NOT NEEDED

### Conversion Entries (N P):

dr. BONDS PAYABLE	\$ 2,520,000	
cr. Expenditures-Debt service-principal retirement		\$ 2,520,000
dr. CAPITAL LEASE PAYABLE	\$ 76,923	
cr. Expenditures-Debt service-principal retirement		\$ 76,923

### Where do the Numbers Come From?

Long-term debt table							
	Balance, Beginning of Year	Restatement	Additions	Deductions	Balance, End of Year	Amounts due within one year	Amounts due past one year
<b>Bonds payable</b>							
General obligation debt	10,550,000	-	-	2,520,000	8,030,000	2,600,000	5,430,000
Compensated absences	175,448	-	573,976	-	749,424	-	749,424
Capital lease payable	769,231	-	-	76,923	692,308	76,923	615,385
Long-term liabilities	14,883,382	7,113,568	573,976	2,596,923	19,974,003	13,179,194	6,794,809



## Conversion Entry (Q)

### **Record interest due but not paid as of June 30 - beginning balance**

**Action Needed:** Interest that has accumulated on debt but has not been paid as of June 30 must be accrued in the entity-wide statements to comply with full accrual accounting. Interest is recorded only when paid in the governmental funds.

### **Conversion Entry:**

NOT NEEDED - Implementation Year Only

*To record the beginning balance in accrued interest payable.*

## Conversion Entry (R, S)

### Amortize bond issuance costs in the entity-wide statements

**Action Needed:** When incurred, total bond issuance costs are recorded as expenditures in the governmental funds. If material, they should be capitalized in the entity-wide statements and amortized over the length of the bond. Deferred charges for bond issuance costs are treated much like a prepaid asset.

**To record the beginning balance:** (prior year entry R)

NOT NEEDED - Implementation year only

### Conversion Entry:

To record one year's amortization of the bond issuance costs.

dr.	Expenditures-support services-business	\$	13,200	
	cr. DEFERRED CHARGES-BOND ISSUANCE COSTS			\$ 13,200

### Where do the Numbers Come From?

Total Bond Issuance costs	\$	66,000
Length of bond		5
<i>This is the second year of the bond</i>		
Amount to amortize each year	\$	13,200

## Conversion Entry (T)

### Revenue Allocation to Functions

**Action Needed:** The fund statements show revenues by source but the entity-wide statements need to have revenues by function.

#### Conversion Entry:

dr. Revenues - property taxes	\$ 32,030,761	
dr. Revenues-other local sources	3,100,224	
dr. Revenues - state sources	62,814,616	
dr. Revenues - Federal sources	14,555,934	
dr. Revenues-miscellaneous sources	890,209	
cr. GENERAL REVENUE-PROPERTY TAXES		32,028,280
cr. GENERAL REVENUE-UNRESTRICTED STATE AID		52,778,089
cr. GENERAL REVENUE-UNRESTRICTED INVESTMENT EARNINGS		946,479
cr. GENERAL REVENUE-UNRESTRICTED GRANTS & CONTRIBUTIONS		1,181,615
cr. CHARGES FOR SERVICES-INSTRUCTION		317,897
cr. CHARGES FOR SERVICES-STUDENTS		83,144
cr. CHARGES FOR SERVICES-INSTRUCTIONAL STAFF		25,907
cr. CHARGES FOR SERVICES-DISTRICT ADMINISTRATION		15,297
cr. CHARGES FOR SERVICES-SCHOOL ADMINISTRATION		23,494
cr. CHARGES FOR SERVICES-BUSINESS SERVICES		7,099
cr. CHARGES FOR SERVICES-OPERATIONS & MAINTENANCE		46,668
cr. CHARGES FOR SERVICES-STUDENT TRANSPORTATION		43,005
cr. OPERATING GRANTS & CONTRIBUTIONS-INSTRUCTION		12,131,687
cr. OPERATING GRANTS & CONTRIBUTIONS-STUDENTS		518,932
cr. OPERATING GRANTS & CONTRIBUTIONS-INSTRUCTIONAL STAFF		354,787
cr. OPERATING GRANTS & CONTRIBUTIONS-DISTRICT ADMINISTRATION		412,495
cr. OPERATING GRANTS & CONTRIBUTIONS-SCHOOL ADMINISTRATION		46,917
cr. OPERATING GRANTS & CONTRIBUTIONS-BUSINESS SERVICES		12,595
cr. OPERATING GRANTS & CONTRIBUTIONS-OPERATIONS & MAINTENANCE		157,805
cr. OPERATING GRANTS & CONTRIBUTIONS-STUDENT TRANSPORTATION		141,407
cr. OPERATING GRANTS & CONTRIBUTIONS-FOOD SERVICES		5,869,561
cr. OPERATING GRANTS & CONTRIBUTIONS-COMMUNITY SERVICES		-
cr. CAPITAL GRANTS & CONTRIBUTIONS-INSTRUCTION		3,161,455
cr. CAPITAL GRANTS & CONTRIBUTIONS-STUDENTS		217,819
cr. CAPITAL GRANTS & CONTRIBUTIONS-INSTRUCTIONAL STAFF		237,340
cr. CAPITAL GRANTS & CONTRIBUTIONS-DISTRICT ADMINISTRATION		171,584
cr. CAPITAL GRANTS & CONTRIBUTIONS-SCHOOL ADMINISTRATION		263,540
cr. CAPITAL GRANTS & CONTRIBUTIONS-BUSINESS SERVICES		79,627
cr. CAPITAL GRANTS & CONTRIBUTIONS-OPERATIONS & MAINTENANCE		718,484
cr. CAPITAL GRANTS & CONTRIBUTIONS-STUDENT TRANSPORTATION		1,098,410
cr. CAPITAL GRANTS & CONTRIBUTIONS-COMMUNITY SERVICES		300,325

Where do the Numbers Come From?

**Revenue Check**

This sheet computes the allocation percentages for revenues not directly identified.  
 This sheet also shows check figures for each revenue category and links to the DW Statement of Activities.

	Expense % from Stmnt of Act	Charges for Services			Operating Grants and Contributions			Capital Grants and Contributions			Total
		Directly Identified	Allocated	Total	Directly Identified	Allocated	Total	Directly Identified	Allocated	Total	
Instruction	61.54%	36,055	281,842	317,897	11,631,609	500,078	12,131,687	-	3,161,455	3,161,455	15,611,039
Supporting Services											
Students	4.24%	63,726	19,418	83,144	484,477	34,455	518,932	-	217,819	217,819	819,894
Instructional Staff	4.62%	4,748	21,159	25,907	317,245	37,542	354,787	-	237,340	237,340	618,034
District Administration	3.34%	-	15,297	15,297	385,354	27,141	412,495	-	171,584	171,584	599,376
School Administration	5.13%	-	23,494	23,494	5,230	41,687	46,917	-	263,540	263,540	333,951
Business	1.55%	-	7,099	7,099	-	12,595	12,595	-	79,627	79,627	99,321
Operation and Maintenance	10.19%	-	46,668	46,668	75,000	82,805	157,805	195,000	523,484	718,484	922,957
Student Transportation	9.39%	-	43,005	43,005	65,103	76,304	141,407	616,024	482,386	1,098,410	1,282,822
Food Services	0.00%	-	-	-	5,869,561	-	5,869,561	-	-	-	5,869,561
Community Services	0.00%	-	-	-	-	-	-	-	-	-	-
Interest on Long Term Debt	0.00%	-	-	-	-	-	-	300,325	-	300,325	300,325
<b>Total</b>	<b>100.00%</b>	<b>104,529</b>	<b>457,982</b>	<b>562,511</b>	<b>18,833,579</b>	<b>812,607</b>	<b>19,646,186</b>	<b>1,111,349</b>	<b>5,137,235</b>	<b>6,248,584</b>	<b>26,457,280</b>

General Revenues											
Property taxes											32,028,280
Unrestricted state aid											52,778,089
Unrestricted investment earnings											946,479
Unrestricted grants and contributions											1,181,615
Gain on sale of capital assets											-
Transfers In											3,159,039
Transfers out											(3,159,039)
<b>Total Revenues Allocated</b>											<b>113,391,744</b>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - GOVERNMENTAL FUNDS

	General Current Expense	Special Special Revenue	Debt Service Fund	Bond Construction Fund	Permanent Improvement Fund	Capital Projects Fund	Total Governmental
Revenues:							
Property taxes	28,737,348	-	3,293,413	-	-	-	32,030,761
Other Local sources	1,559,711	1,095,925	105,799	300,325	38,464	-	3,100,224
State sources	52,962,517	5,537,589	-	-	-	4,314,510	62,814,616
Federal sources	1,791,109	12,764,825	-	-	-	-	14,555,934
Miscellaneous sources	221,859	-	-	-	668,350	-	890,209
<b>Total revenues</b>	<b>85,272,544</b>	<b>19,398,339</b>	<b>3,399,212</b>	<b>300,325</b>	<b>706,814</b>	<b>4,314,510</b>	<b>113,391,744</b>

## Conversion Entry (U)

### Auditor adjustment

**Action Needed:** Record auditor adjustment in the conversion worksheet.

### Conversion Entry:

dr.	Expenditures - Capital Outlay	1	
dr.	Expenditures - Instruction	4,846	
cr.	GENERAL REVENUE - UNRESTRICTED INVESTMENT EARNINGS		1
cr.	NET POSITION		4,846

*To record an auditors adjustment and an adjustment for rounding.*

### Where do the Numbers Come From?

The auditors.

## Conversion Entry (V)

### Record interest due but not paid as of June 30

**Action Needed:** Interest that has accumulated on debt but has not been paid as of June 30 must be accrued in the entity-wide statements to comply with full accrual accounting. Interest is recorded only when paid in the governmental funds.

### Conversion Entry:

dr.	ACCRUED INTEREST PAYABLE	\$	11,550	
	cr. NET POSITION			\$ 11,550

*To adjust the balance in accrued interest payable.*

### Where do the Numbers Come From?

Interest payment amount	90,532
Payable March 30 and September 30 each year	
Portion accrued at June 30 <i>((113,632/6 months) x 3 months)</i>	45,266
Balance in accrued interest payable	<u>56,816</u>
<i>Entry needed to adjust balance to actual at June 30</i>	\$ (11,550)

## Fund Balance / NET POSITION

**Action Needed:** Breakdown the total fund balance amount from the trial balance into the net position categories.

Balance in Fund Balance / NET POSITION from Trial Balance Conversion Worksheet	\$ 97,269,502
Net Position:	
Invested in Capital Assets, net of related debt	87,587,772
Restricted for Debt service	918,395
Restricted for Special Projects	402,010
Restricted for Capital projects	11,078,748
Remainder	\$ (2,717,423)
Change in Net Position from Statement of Activities	9,829,787
Unrestricted Net Position	<u>\$ 7,112,364</u>

### Where do the Numbers Come From?

BALANCE SHEET - GOVERNMENTAL FUNDS (partial)							
Fund Balances:	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Permanent Improvement Fund	Capital Projects Fund	Total Governmental
Encumbrances	2,177,310	486,837	-	516,407	180,743	2,542,419	5,903,716
Debt service	-	-	963,661	-	-	-	963,661
Special projects	-	-	-	-	-	-	-
Arbitrage payments	-	-	-	-	-	-	-
Excess levies	-	-	-	-	-	-	-
Capital projects	-	-	-	8,936,879	2,141,869	-	11,078,748
Unreserved:							
Designated	6,399,071	-	-	-	-	-	6,399,071
Undesignated	2,693,010	(84,827)	-	-	1,368,223	-	3,976,406
<b>Total fund balances</b>	<u>11,269,391</u>	<u>402,010</u>	<u>963,661</u>	<u>9,453,286</u>	<u>3,690,835</u>	<u>2,542,419</u>	<u>28,321,602</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 19,834,322</u>	<u>\$ 1,912,641</u>	<u>\$ 963,661</u>	<u>\$ 9,454,701</u>	<u>\$ 3,690,835</u>	<u>\$ 4,561,630</u>	

963,661 Reserved for debt service  
 (45,266) accrued interest payable  
918,395

**Capital Asset Note**

	Beginning Balance as Previously	Restatement of Construction in Process	Additions	Disposals	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 1,572,050	\$ -	\$ -	\$ -	\$ 1,572,050
Construction in process	3,250,170	(1,398,391)	9,802,390	(1,588,959)	\$ 10,065,210
Total non-depreciable capital assets	4,822,220	(1,398,391)	9,802,390	(1,588,959)	11,637,260
Capital assets, depreciable:					
Buildings and improvements	101,453,290	-	3,000,638	(3,378,368)	101,075,560
Furniture and equipment	2,649,799	-	809,460	(306,911)	3,152,348
Vehicles	8,798,944	-	795,436	(1,344,132)	8,250,248
Total depreciable capital assets	112,902,033	-	4,605,534	(5,029,411)	112,478,156
Less accumulated depreciation for:					
Buildings and improvements	(22,362,279)	-	(1,339,357)	1,980,145	(21,721,491)
Furniture and equipment	(1,639,264)	-	(214,259)	252,760	(1,600,763)
Vehicles	(5,147,237)	-	(615,250)	1,279,405	(4,483,082)
Total accumulated depreciation	(29,148,780)	-	(2,168,866)	3,512,310	(27,805,336)
Total depreciable capital assets, net	83,753,253	-	2,436,668	(1,517,101)	84,672,820
Total capital assets, net	\$ 88,575,473	\$ (1,398,391)	\$ 12,239,058	\$ (3,106,060)	\$ 96,310,080

Total Capital assets, net of  
 accumulated depreciation  
 less related debt  
 less related debt  
 Net Position Invested in  
 Capital Assets, net of  
 related debt

**Long-term debt table**

	Balance, Beginning of Year	Restatement	Additions	Deductions	Balance, End of Year	Amounts due within one year	Amounts due past one year
<b>Bonds payable</b>							
General obligation debt	10,550,000	-	-	2,520,000	8,030,000	2,600,000	5,430,000
Compensated absences	175,448	-	573,976	-	749,424	-	749,424
Accrued sick leave	3,388,703	7,113,568	-	-	10,502,271	10,502,271	-
Capital lease payable	769,231	-	-	76,923	692,308	76,923	615,385
Long-term liabilities	14,883,382	7,113,568	573,976	2,596,923	19,974,003	13,179,194	6,794,809

96,310,080  
 (8,030,000)  
 (692,308)  
~~87,587,772~~