

School Finance Hot Topics – July 13, 2023

Save the Date

Certified List of Personnel training is scheduled to be held virtually again this year on Tuesday, August 15, 2023. A link to the training has been emailed out on both the CSBO and Personnel Director ListSers. Please contact Uriah Cummings Uriah.cummings@k12.wv.us for more information regarding the training.

The fall WVASBO Conference will be held in-person in Lewis County at Stonewall Resort from October 3-6, 2023.

E-Bus Infrastructure Accounting

WVC §18-9A-7, foundation allowance for transportation, states that county boards are to be reimbursed for a percentage of the transportation costs incurred by the county for maintenance, operation and related costs exclusive of all salaries, including the costs incurred for contracted transportation services and public utility transportation. Due to the Legislature's continuous efforts to expand electric buses in WV through passage of legislation which provides funding to the cause, WVDE has interpreted "and related costs" to be inclusive of charging stations intended to fuel electric buses. School finance will capture these expenditures under Step 4, and county boards will be reimbursed on the normal 2-year lag for the cost incurred for installation of the charging stations. County boards will have the option of either purchasing the charging station outright or entering into a lease agreement. Either purchase option a county board chooses will be reimbursed under Step 4.

Chart of Accounts Update

Program/Function Code Changes/Additions:

The following account code changes will be made to the FY 2023-24 *LEA Chart of Accounts* published by WVDE due to an increased knowledge of the impact of GASB 87 and 96 as it pertains to Public School Support Plan (PSSP) reimbursements and indirect cost rate calculations. School Finance will utilize the account codes below to supplement our current calculations for these funding-related items.

X4612 Site Improvement – Bus Refueling/Recharging. Activities concerned with making nonpermanent improvements to building sites related to the refueling/recharging of buses.

X4712 Building Improvements - Bus Refueling/Recharging. Activities concerned with building additions and with installing or extending service systems and other built-in equipment related to the refueling/recharging of buses.

X5141 Finance Lease - Other. Activities concerned with principal and interest payments on finance lease arrangements which cannot be classified elsewhere in the X514X series.

X5142 Finance Lease - Maintenance. Activities concerned with principal and interest payments on maintenance related finance lease arrangements (formerly included in the X26 series).

X5143 Finance Lease - Transportation. Activities concerned with principal and interest payments on transportation related finance lease arrangements (formerly included in the X27 series).

X5144 Finance Lease – Centralized Support Services. Activities concerned with principal and interest payments on centralized support services related finance lease arrangements (formerly included in the X25 series).

X5151 Subscription-Based Information Technology Arrangements (SBITAs) - Other. Activities concerned with principal and interest payments associated with SBITAs which cannot be classified elsewhere in the X515X series.

X5152 Subscription-Based Information Technology Arrangements (SBITAs) - Maintenance. Activities concerned with principal and interest payments associated with maintenance related SBITAs (formerly included in the X26 series).

X5153 Subscription-Based Information Technology Arrangements (SBITAs) - Transportation. Activities concerned with principal and interest payments associated with transportation related SBITAs (formerly included in the X27 series).

X5154 Subscription-Based Information Technology Arrangements (SBITAs) – Centralized Support Services. Activities concerned with principal and interest payments associated with centralized support services related SBITAs (formerly included in the X25 series).

State Aid Payments Among LEAs – Revenue Received

WVC §18-5G-5 was amended by HB 3084 to allow public charter schools to invoice an LEA for mid-year student transfers if the student is included in the second month net enrollment of the LEA in the year in which the transfer occurs. This same provision is found in WVC §18-5-16 allowing county boards of education the same authority. Additionally, there are circumstances in which county boards of education are required to send a portion of state aid directly to a public charter school due to being “capped at zero” on state aid. Sample journal entries accounting for this process are as follows:

Receiving – Public Charter School

DR. 11..XXXX.XXX XXX

CR. 11..01951.009 XXX

Sending – County Board of Education

DR. 11..11111.596 XXX

CR. 11..XXXXX.009 XXX

Receiving – County Board of Education

DR. 11..XXXX.XXX XXX

CR. 11..01951.009 XXX

Sending – Public Charter School

DR. 11..11111.591 XXX

CR. 11..XXXXX.009 XXX

Speech Pathologists

SB 680 was passed into law during the 2021 Legislative Session allowing the State Superintendent to define classroom teachers certified in special education. In accordance with the Grievance Board decision Docket No. 2020-0238-BarED, the Grievance Board determined that speech pathologists are to be considered special education classroom teachers. WVDE has adopted the outcome of the decision in response to the requirements of SB 680. This decision reverses previous guidance stating that speech pathologists are not entitled to the 3-Step increase. Additionally, speech pathologists are entitled to all other statutorily defined bonuses that are afforded to all other classroom teachers.

PEIA Appropriation Update

As a reminder, county boards of education will begin to see the financial impact of SB 268 from the 2023 Legislative Session which was legislation passed with the intent of protecting the solvency of PEIA. WVDE is in continuous contact with lawmakers on the necessity of a supplemental appropriation to school district PEIA funding.

Maintaining HMS

Beginning with fiscal year 2024, county boards of education are required to maintain HMS throughout the year. There are more and more instances where data only found in HMS are needed for a particular reporting requirement, most recently with WorkForce WV requiring employee positions to be included on the quarterly wage report.

Sworn Statements

WV Code 12-4-14, which is the section of code that speaks to the additional state grant reporting requirements and sworn statement of expenditures, also requires that any grantee seeking any state grant

provide a sworn statement to their grantors stating that they have fulfilled all reporting requirements of WV Code 12-4-14. If your county board has not already submitted sworn statements due June 30, 2023, please do so immediately.

Please keep in mind the following:

- State grants are still being extended on a case-by-case basis. Please do not send state funds back to WVDE prior to contacting the awarding official located at the top right corner of the grant award regarding a possible extension.
- The law states the following in regard to the due date for these statements: “The grantee shall submit the sworn statement of expenditures within two years after the end of the fiscal year in which the grantor disbursed state grants to the grantee”. This means that grants received in FY 2021 would require that you submit a sworn statement by the end of FY 2023.
- In most situations, each grant received will need only one sworn statement of expenditures completed. This statement should only be completed when:
 - You have expended the total amount of the grant, or
 - When you reach the liquidation date of the grant or the due date for the sworn statement and you have not completely expended the funds.
- If an extension request has been granted, a sworn statement is to be completed each year following the original liquidation date assigned to the grant award. This guidance is to be followed even if the county board has incurred no expense on the grant award at the time in which the sworn statement is due.
- Please scan completed sworn statements into an e-mail and send them to your assigned coordinators.
 - Barbour – McDowell: Lori Elliott Lori.Elliott@k12.wv.us
 - Mercer – Wyoming: Justin Hannah Justin.Hannah@k12.wv.us

WVC 12-4-14(d)(1), requires WVDE or the State Auditor to issue stop payment orders for failure to file required reports. Any grantee failing to file a required report or sworn statement of expenditures within the two-year period as provided in this section for state grant funds is barred from subsequently receiving state grants until the grantee has filed the report or sworn statement of expenditures.

Please email your assigned coordinator if you have additional questions regarding this process.

Board Approval of Payments

WV Code §18-9-3 stipulates that approval of invoices and payment of bills must require official action by the board. Additionally, there must be a record of the approval in the board minutes or as a separate addendum to the minutes. In order to be in compliance with the statute, county board finance staff should not be cutting checks and holding the release prior to the approval taking place. Staff should prepare a schedule of checks to be written which goes before the board for their approval.

WVC §18-9-3 states in part, “...The treasurer of the board of Education shall pay money only upon the order of the board. The order shall specify the amount to be paid, the purpose for which it is paid, and

the fund to which it shall be charged. The order shall be signed by the president and shall be countersigned by the secretary.” Check registers do not provide all the required information.