December 2013  A monthly update from the State Department of Education's (SCDE) Office of Finance to local school district business officials. If you have any questions about information in this issue, contact Mellanie Jinnette at 803-734-3605, Felicia Poston at 803-734-8488 or Melissa Austin at 803-734-8453.

December Checks
Checks will be released on Monday, December 16, 2013. If someone from your district plans to pick up your checks, we must have a letter from your county treasurer authorizing pick-up. If you have any questions, please call Ann Castro at 803-734-8147.

EFA
Based on 45-day student counts, we have had to cap the Base Student Cost at $2,097.57. This adjustment will be reflected in your December EFA payments. Updated Financial Requirements will be posted by Friday, December 13th.

NBC
For districts that have provided verification of you NBC renewals, salary supplement payments will begin in December.

We expect to have the listing of newly certified teachers later this month. We will send the list as soon as we have the list from National Board to districts for verification as soon as received. Because of the timing, payments will begin at the earliest, in January but more likely February.

December Payment Updates
Both High Achieving (3544) and Fringe (3180) have been updated using 45-day student counts as required by proviso.

MOE/Aid to Districts
Updates to maintenance of effort for SC using 45-day student counts indicate that districts have been slightly over allocated funds for Spec Ed MOE (3585). Because of this, payment under Rev. 3585 have been temporarily suspended until 135 day. However, Aid to District payments (3597) have been increased and updated with 45-day counts. We will adjust both of these allocations at the 135th day.

Technology Payments
The K-12 Technology Partnership has allocated $1.3 million for technology infrastructure. These payments will begin in December under revenue 3505 and subfund 305. Detailed guidelines will be provided in a separate email from Mellanie in the near future.

Merry Christmas!

SC Department of Education
Chief Finance Office

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Please use the newly established email for submitting information to Financial Services at financesvcs@ed.sc.gov.

Financial Services

Congratulations Len!

Len will be the new CFO at District Five of Lexington and Richland Counties.

The Chief Finance Office Staff wishes him well. We’ll miss you!

Effective Monday, January 6, 2014, Mellanie will become our new CFO.
**Submission of Revised Claims**
If you are submitting a revised claim, please label it accordingly. Also, if you are working with the specific accountant and submitting a corrected claim, please email it directly to the grants accountant’s email address, not to the claims email address.

Please do not submit a revised claim without making email contact with the assigned accountant prior to submitting the revision. This is to ensure that the claim hasn’t already been paid. If a claim has already been paid, you won’t be able to make the correction without submission of a new claim number.

**Negative Expenditure Claims**
A refund check must accompany any negative claim submitted to Grants Accounting. Please don’t request that we apply the negative amount to a future payment. Also, please make sure any checks that are being returned have adequate backup to include the original project number, payment number, sub program. Also, the reason that the check is being returned with the break down attached to the check.

**Budget Amendment Reminder**
Budget amendments need to have a change page that equals zero and a new budget page. The change page line items must equal the differences between the existing budget and the revised budget.

**Grants Accounting Questions**
In an attempt to provide districts with the utmost in customer service, we respectfully request that inquiries on payments, expenditure reports, etc. be made via e-mail first. Please provide us with as much information as possible so that we can research the question/problem and get back with you quickly and with the most accurate answer as possible.

**Accountant Responsibility**
A listing of each grant and the responsible accountant is provided for your use under the Grants Accounting Section on the Office of Finance website. Please refer to this list when requesting specific information about a claim or payment.

**Auditing Services**
**FY 2012-13 LEA Audit Reports**
FY 2012-13 LEA audit reports were due on December 2, 2013. If you have not yet submitted the audit, please follow instructions for submitting the report noted in the memorandum dated October 15, 2013. This memo can be found on our website at [http://ed.sc.gov/agency/as/documents/auditsubmissionletter2013.pdf](http://ed.sc.gov/agency/as/documents/auditsubmissionletter2013.pdf)
FY 2012-13 LEA Audit Reports

Continued

Please ensure that your auditor uses the template previously distributed by Debra Wolfe for completion of the SCDE supplemental schedules for each fund type. All accounts should be listed, even if there is no revenue or expenditures for that category. If another copy of the template is needed, please request from Debra Wolfe at dwolfe@ed.sc.gov. If you have a question concerning an account that you feel should be added to the Excel template for the supplemental schedules, contact the Office of Auditing Services at auditingservices@ed.sc.gov.

Data Collection Form

At this time, the Form SF-SAC 2013 Data Collection is not yet approved. Therefore, the Office of Management and Budget (OMB) has granted an extension until January 31, 2014. The extension is automatic and there is no approval required. The Federal Audit Clearinghouse will post an update on their website, https://harvester.census.gov/facweb/Default.aspx, if any information changes. Please submit the data collection form to auditingservices@ed.sc.gov upon approval of the new form.

FY 2013-14 LEA Indirect Cost Rates

Calculations of the FY 2013-14 indirect cost rates have been distributed. Please verify the data that has been submitted with your FY 2011-12 audit report. If you note any discrepancies, please make manual changes on the printout and submit back to us with your authorizing signature. If you agree with the calculations, please sign and return all printouts back to us. Make the necessary journal entries to account for the new rates. If you have any questions, please contact auditingservices@ed.sc.gov.

DUE TO SCHEDULES

Please review the schedule of funds due back to the state and federal government to ensure accuracy. Any payments not due back because of funding flexibility or carryover provisions should not be stated on the schedule. Payments made an error cannot be returned.

Time and Effort Requirements

Employees whose salary are charged in whole or in part to a federal cost objective must complete either the monthly personnel activity report (PAR) or the semi-annual certification. Certifications are required for those whose salary is charged 100% to a federal cost objective. The PAR is required for any employee whose salary is charged less than 100% to a federal cost objective or to multiple federal cost objectives. These requirements are stated in the Office of Management Budget Circular A-87 “Cost Principles for State, Local and Indian Tribal Governments” Attachment B Section 8h. A link to the circular can be found at http://ed.sc.gov/agency/as/


Substitute System for PAR’s

The USDE recently established guidance allowing an SEA to permit an LEA to use substitute documentation such as a teacher’s course schedule as adequate documentation for the time and effort of an individual who works on multiple activities or cost objectives but does so on a predetermined schedule. An individual documenting time and effort under the substitute system would be permitted to certify time and effort on a semiannual basis, provided the LEA’s substitute system meets requirements. In order to use the substitute system, the LEA must certify to the SEA that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Additionally, the certification must include a full disclosure of any known deficiencies with the system or known challenges with implementing the substitute system. To review this guidance in full along with examples of acceptable substitute system, see http://www2.ed.gov/policy/fund/guid/gposbul/time-and-effort-reporting.html.

Miscellaneous Revenue Codes and Subfunds

When allocations to school districts exceed $500,000 from a single source of funds, a unique revenue code and subfund are assigned to those funds and guidelines for those funds will appear in the Funding Manual produced by the Office of Finance. If total allocations do not exceed $500,000, miscellaneous revenue codes and subfunds will be used as follows:

<table>
<thead>
<tr>
<th>Source of Fund</th>
<th>Revenue Code</th>
<th>Subfund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misc. State Restricted</td>
<td>3199</td>
<td>800 Series *</td>
</tr>
<tr>
<td>Misc. ELA</td>
<td>3599</td>
<td>399</td>
</tr>
<tr>
<td>Misc. State</td>
<td>3999</td>
<td>General Fund (100)</td>
</tr>
<tr>
<td>Misc. Lottery</td>
<td>3699</td>
<td>969</td>
</tr>
<tr>
<td>Misc. Federal</td>
<td>4999</td>
<td>800 series *</td>
</tr>
</tbody>
</table>

*Districts choose any subfund available for use in the 800 series.
Financial Manuals
Accounting Handbook: http://ed.sc.gov/agency/as/
Audit Guide: http://ed.sc.gov/agency/as/

EFA/State Restricted Check Distribution Dates 2013-2014

Check pick up dates from the Office of Finance

| January 22 | February 21 | March 21 |
| April 22   | May 22      | June 20  |

Due Dates for SCDE Reports 2013-2014

Listed below are reports required by the Office of Finance and their due dates. Reports listed below that are identified by a dollar sign ($) indicate that allocations are based on the information submitted in these reports. To avoid delays in the distribution of the allocations, please ensure that all reports are received in the Office of Finance by the specified due date.

- April 2
  - INITIAL MEMBERSHIP/ATTENDANCE 135 DAY REPORT
  - INITIAL STUDENT ACCOUNTABILITY 135 DAY REPORT

- April 30
  - PCS UPDATES FOR 135 DAY FUNDING ($)

- April 30
  - MEMBERSHIP/ATTENDANCE CERTIFY 135 DAY REPORT ($)
  - STUDENT ACCOUNTABILITY CERTIFY 135 DAY REPORT ($)
  - HOME INSTRUCTION REPORT ($)

- June 30
  - FINAL CHANGES TO PCS FY 2013-14 TECHNOLOGY PROFICIENCY

- June 30
  - FLEXIBILITY REQUEST 2013-14

Questions concerning the above reports may be directed to Mellanie Jinnette at (803) 734-3605 in the Office of Finance.