



South Carolina Department of Education Updates

SCASBO 2021 SPRING CONFERENCE

“Adapt to Thrive”

March 4, 2021

Molly M. Spearman – State Superintendent of Education

Budget Data

- Projected Weighted Pupil Units for FY 22 (local districts only)-990,514
- Estimated Base Student Cost -\$3,140
- SCDE Requested BSC- \$2,539 (\$50 increase)
- Ways & Means BSC- \$2,500
- Estimated SE Average Teacher Salary-\$53,456

Revenue Estimates

- The BEA did not update the revenue forecast in February for FY 22
- Previous forecast
 - \$182.2 million in new recurring
 - \$987.4 in non-recurring revenue
- Monitor and revisit in April

Teacher Step Increase

- Senate Finance's amendments-
 - Fringe
 - Educators employed in FY 20 and FY 21
 - Includes non-certified staff in proviso
 - Unfreeze the salary schedule
- Data for RFA's computation has been stored in SC Educator as of 3/1/21
- Potentially distribute under revenue code 3186

Budget (Ways & Means)



Ways and Means continues its work to adopt a budget, but as of March 3, 2020, the public education subcommittee adopted the following:

- State Aid to Classrooms- EFA /Fringe- \$50 million recurring
 - \$11 increase to the EFA (BSC) portion
- Instructional Materials- \$8,403,296 million recurring; \$40 million non-recurring
- Nurses- \$5,577,165 recurring

EFA Reserve



1.rf (SDE-Reserve Fund) For Fiscal Year 2021-22
\$23,000,000 of the funds carried forward in the Education Finance Act Reserve Fund must be allocated to State Aid to Classrooms.

Budget (Ways & Means)



- School Resource Officers -\$2 million
- Universal 4K -\$10,215,935
- Industry Credentials - \$3 million
- National Board Certification- (1,500,000)
- GED Incentive Pilot - \$1,500,000

Budget (Ways & Means)



- Retirement 1% increase:
 - \$4,009,000 in 3555
 - \$32,411,836- district portion of this amount in 3180

Provisos



- 1.fad. (SDE: Formative Assessment Data) School districts shall provide all 2020-2021 and 2021- 2022 interim and formative assessment data scores by grade and school to the Department of Education. The department is directed to compile the information received and submit a comprehensive report regarding performance on such assessments to the General Assembly by January 31 of the current fiscal year. *Any school district failing to provide this data to the department shall have ten percent of their EFA funding withheld until the data is provided*

Provisos



1.sded. (SDE: School District Employees Data) By October 1, 2021, school districts shall provide a report detailing school, district administration, and Career Centers employees to the Department of Education. The report shall specify job duties and indicate the number of individuals whose primary job is to provide classroom instruction. The department is directed to compile the information received into a comprehensive report and submit such report to the General Assembly

ESSER

- Time and Effort
- Spending Plan and FAQ
- Bonuses:
 - Individualized
 - Above and Beyond
- Order of Spending
- New Construction

Emergency Assistance for Non-Public Schools (EANS)

- No equitable services for ESSER II
- SC EANS allocation- \$39,981,327
- Applications due March 31, 2021

Other

- Updates to 3597 or 3585 in May
- Summer Reading camps identical to FY 20 allocation
- Carryover- Ways and Means proviso



Grants Update

Molly M. Spearman – State Superintendent of Education

CRF

Fund 217

Revenue 4973

CRF

For Each Expenditure Type

- Use Modifiers to Designate Budgets and Expenditures
- Modifier – Designate the Last Digit in Modifier Portion of Account Number

CRF Modifiers

Modifier 1 - School safety measures taken in response to COVID-19

Modifier 2 - Hire or contract for school nurse services for those schools that do not have a full-time school nurse

Modifier 3 - Tutoring, supplemental services, and support services

Modifier 4 - Technology purchases of devices and connectivity equipment to support online learning resulting from COVID-19

CRF Reporting Dates

- Quarter 2 FY21 – Report by 2/15/2021
- Quarter 3 FY21 – Report by 5/15/2021
- Quarter 4 FY21 – Report by 8/15/2021
- Quarter 1 FY22 – Report by 11/15/2021
- **Reminder** – No Claims in GAPS for CRF – Only the Quarterly Reporting

CRF Reporting

Report Template:

- SCDE Website
 - Finance
 - Grants Accounting
 - Forms and Reports

CRF Reporting Requirements

When submitting CRF Reports, include:

- The LEA System Generated Financial Reports
 - Budget Report
 - Detail Printout of Transactions
 - Copies of Check Requests/ Vouchers, PO's, and Invoices
 - Send Reports to grantsaccounting@ed.sc.gov

CARES/ ESSER

Fund	220
Revenue	4975

ESSER Reporting Requirement

- Download the template for the ESSER report on the **SCDE ESSER** web page under the “Reporting and Monitoring” headline
<https://ed.sc.gov/policy/federal-education-programs/esser-funding-information/>
- Send the completed spreadsheet to grantsaccounting@ed.sc.gov
- If you need assistance or more information on the quarterly reporting, view this webinar. Additional information can be found on the **SCDE ESSER** web page. Email scesser@ed.sc.gov with any questions or concerns.

ESSER Reporting Requirement

- Report Dates are Determined by the Claims Submitted in GAPS During the Quarter
- *Remember that Claims in GAPS are due as well as Quarterly Reporting*
- Adhere to the Regular Deadlines for Claims

ESSER Reporting Due Dates

<u>Claims (GAPS) Period</u>	<u>Report Due Date</u>
January 1 – March 31, 2021	April 5, 2021
April 1 – June 30, 2021	July 5, 2021
July 1 – September 30, 2021	October 5, 2021
October 1 – December 31, 2021	January 5, 2022

ESSER II

Fund	225
Revenue	4977

ESSER II

- Submit a Spending Plan
- Sign and Submit GAN and Assurances
- Return Signed GAN to scesser@ed.sc.gov
- Retain Copy (Both Signatures) for Records
- Approved to Budget in GAPS
- The ESSER II grant extends until **September 30, 2023**

ESSER II - Quarterly Reporting Requirements

Districts Must Report the Following Quarterly:

- Amount of funds expended for each authorized activity at both function and object level
- The amount expended is the amount claimed during a reporting period
- Reporting Template: [Home](#) / [Policy](#) / [Federal Education Programs](#) / [ESSER 2 Funding Information](#)
- Submit quarterly reports to: grantsaccounting@ed.sc.gov
- **Claims *and* Reports are due.** Adhere to Normal Deadlines for Claims

Reporting Due Dates for ESSER II

Reporting Period	Reporting Due Date
April 1 - June 30, 2021	July 5, 2021
July 1 - September 30, 2021	October 5, 2021
October 1 – December 31, 2021	January 5, 2022
January 1 – March 31, 2022	April 5, 2022

GAPS



GAPS Role Descriptions

Three Roles are Needed in GAPS

- Grant Coordinator – Enters Budget and Budget Amendments
- Sub Recipient Finance – Approves Budgets, Amendments, and Enters Expenditures
- Finance Approver – Approves Expenditures

GAPS Reminders

- **Check your Roles in GAPS** – Assure you have Someone to Enter the Claim (Sub Recipient Finance Role), and Someone to Approve the Claim (Finance Approver)
- **Check your Claim Submission.** Assure the Claim has Been Submitted to SCDE Finance

Claims Deadlines

Quarterly Claims Due Dates

- Quarter 1 - due by November 15
- Quarter 2 - due by February 15
- Quarter 3 - due by May 15
- Quarter 4 - due by August 15

- State Grants in GAPS – Earlier Final Claim Deadline than Federal Awards. Refer to GAN

Grants Accounting Staff Listing

Contact Information:

- SCDE Website
 - Finance
 - Grants Accounting
 - Grants Accounting Assignment List



SCDE Statewide Program on Fiscal Practices Update



ication

Fiscal Practices Summary

After the FY19 Audits - 11 Districts on Declaration

5 - Watch Status

4 - Caution Status

2 - Emergency Status

Primary Factors for Declaration

- 2 - Non-Compliance of Minimum Fund Balance Requirement
- 6 - Repeat Audit Findings
- 2 - More than 60 Days Late with Audit Submission
- 1 - High Risk Factors

Fiscal Practices Summary

Current Status of FY20 Audits

- Audits Will be Reviewed During March 2021
- Districts Will be Put on Fiscal Declaration for Submitting After March 30, 2021

Fiscal Practices Summary

- 3 Audit Reports Outstanding
- Districts Will be Informed by the Department by April, 2021 if:
 - Placed on Declaration
 - Have Declaration Status Continued
 - Have Declaration Status Removed

Fiscal Practices - Reminder

Important Reminder

If your district is placed on declaration for a 4th consecutive year, regardless of the previous level, the SCDE can assign an Emergency declaration

Fiscal Practices Contact Information

Daniel Haven, Fiscal Analyst

(803) 734-0721

dbhaven@ed.sc.gov

Financial Services Update



Dates to Remember

- **April 12th**
 - Membership and Student Accountability Reporting Opens
- **April 30th**
 - Membership and Student Accountability Reporting Closes

April 30th

- Home Instruction Form Due
- SC Educator Updates for 135 day Funding

135 Day Verification

- The data collection process will continue in order to update ADM and WPU and State Level Funding
- Due to COVID-19, state summative assessment was suspended in spring 2020. To continue to fund at levels to support Academic Assistance, the SCDE will determine the percentage of students who were eligible for the add-on weight based on the 2018-19 school year and adjust the WPU for 2020-21 by that percentage
- Ensure your district has uploaded SEI files

SC Educator Reminders

- Purchased Service Teacher – Position Code 46
- District Payroll Teacher – Position Codes 03-09
- State Funded Reading/Literacy Coach must be Coded as 87 in order to receive funding
- Revenue 3186 – State Aid to Classrooms – Funded on FY20 Experience Level

FY 2019-20 Administrative Cost Reporting

- Districts are to Post the Administrative Cost Report to the District Website no Later than 60 days After the January 29th Audit Submission Deadline
- Reference In\$ite Crosswalk on our Website
- Provide Daniel Haven (dbhaven@ed.sc.gov) with a Copy of the Report or a Link to the Report on Your Website.

Contacts for Data Collection and SC Educator

- **Melanie Cooper, Financial Services Manager**
 - 803-734-8135
 - mcooper@ed.sc.gov
- **Julie Iacuone, Fiscal Analyst III – EIA**
 - 803-734-8145
 - jiacuone@ed.sc.gov
- **Desiree Williams, Fiscal Analyst III – EFA/SC EDUCATOR**
 - 803-734-8393
 - dawilliams@ed.sc.gov

SCDE - Other Information



Important School District Memorandums

- Sent Weekly via email
- Email List Obtained from Agency's District and Entity Information Management (DEIM) System
- Email List is Pulled from the System Each Week.
- Your District's Web Access Coordinator Should Ensure the District's Personnel List is Up to Date

District Signature Authorization Form

- **Complete the Fiscal Year 2020 – 2021 District Signature Authorization Form**
 - Report any finance personnel changes
 - Revisions to the signature authorization form should be sent to Kim Moss at kmoss@ed.sc.gov.
- Also, ensure your district is updating staff information through the SCDE Member Center – District & Entity Information Management (DEIM)

SCDE – Finance Page

<https://ed.sc.gov/finance/>

- Monthly Financial Newsletters
- Fiscal Practices Guidance
- Payment Information
- Student Data
- Contact Information



SCDE Office of Auditing Services Update

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Status of Annual Audits

- Financial annual audits were due on January 15, 2021
- Single audit submission was extended to January 29, 2021
- **Five** reports were not received by the due date (including three reports that are still outstanding)
- **Any** district whose audit report is received 60 days after the deadline date will be placed on a fiscal practices designation, remain on its existing fiscal practices designation, or be elevated to the next level of its current fiscal practices designation

Penalties for Late Audit Submission

- Districts received a risk rating of medium for the Audit Submission criterion on the risk assessment for an audit report submitted after the January 29th due date but within 30 days of the due date (on or before February 28)
- Districts that submitted the audit report more than 30 days after the January 29th due date received a risk rating of high on the Audit Submission criterion (March 1 or later)
- Districts that submit audit reports more than 60 days late will be in a state of at least fiscal watch under the Act 23, Fiscal Practices Legislation (March 31 or later)

Fiscal Practice Designations

- Fiscal Practices and Budgetary Conditions Act
 - Two districts did not meet the General Fund Unreserved Fund Balance test (GF balance was not at least 8.33% of GF operating expenditures)
 - Meetings will be held with the Office of Finance and General Counsel to review districts with repeat, material weaknesses to determine if they will be placed on a fiscal practices designation
 - Audit report submitted 60 days after the audit deadline – district will be placed on a fiscal practices designation
 - If a district is already on a designation, district will either remain on the current designation or be elevated to a higher designation

Use of Annual Audit Report and Other Related Submissions

- Provide ratings for financial stability, quality of management systems, and timeliness of audit submission criteria for the annual subrecipient risk assessment process
- Assess financial position of a LEA
 - Calculate state fund balance requirement for school districts under Fiscal Practices Act
- Provide data to the SC Legislature and Revenue and Fiscal Affairs Office
 - Unassigned fund balance
 - Calculate Revenue Per Pupil

Use of Annual Audit Report and Other Related Submissions

- Report statewide revenue and expenditures on the annual federal reports, National Public Education Finance Survey (NPEFS) and F-33
 - State Per Pupil Expenditure (SPPE) data used to determine the state's allocations for Title I and other programs that use the SPPE data such as Impact Aid
- Used to assist program offices in calculating maintenance of effort for programs such as Title I
- Update database of auditors who perform LEA audits

Use of Annual Audit Report and Other Related Submissions

- Review financial statement and federal award findings for fiscal practice assessments, subrecipient risk assessment, and to provide management decisions on federal award findings and applicable financial statement findings
- Calculate LEA indirect cost rates
- Data elements are used to perform Education Finance Act audits
- Bill LEAs for amounts due back to the SCDE

Financial Accounting Handbook Review Committee

- First meeting of the SCDE Financial Accounting Handbook Review Committee was held on January 26, 2021
- Concerns included the need for more descriptions in the Handbook to understand clearly what expenditures should be coded where
- Eliminating or reducing the codes for “other”
- Discussion of differences in transportation function codes (251, 255, 271)
- Where to code bank fees?
- Follow-up meeting will be held
- Changes will be effective for next fiscal year

SCDE's Subrecipient Risk Assessment Process

- Risk scores will be distributed this month
- The Office of Auditing Services will send correspondence to each District's Superintendent, School Business Official, and Federal Programs Director notifying them of the District's overall risk score
 - School board chair will also be copied
- All subrecipients who are identified as at risk of noncompliance (high risk) will be notified directly by the Office of the State Superintendent
 - The SCDE can and will impose specific subaward conditions, allowable under 2 CFR Part 200.207(b), on the federal funds that pass-through the SCDE to the subrecipient
 - Specific conditions could include requiring documentation of claims to be submitted to and reviewed by the SCDE prior to payment being made

LEA Subrecipient Risk Assessment Results

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
HIGH	1	3	5	3	2
MEDIUM	10	11	7	12	14
LOW	71	68	70	67	66

Due To

- Invoices will be sent to districts for payments not already received
- Districts should only be invoiced for what is due
- If you have already paid an amount that is listed as being due to and receive an invoice, please email us a copy of your payment records
 - The Office of Finance requests a copy of the front and back of the check to verify receipt of payment

Indirect Cost Methodology

- Beginning with the fiscal year 2021-22 indirect cost rate calculations, **use allowance** will be excluded from the pool of costs for the unrestricted rate
 - This change should cause the unrestricted rates to decrease
 - Currently working with SCDE's Information Technology (IT) department to update LARS to include this exclusion
- Working with SCDE's IT to create automated signature pages
 - In the past signature pages have been manually updated
 - Will speed of issuance of indirect cost rates to districts

State Funds – 85% Rule

- Reminder about the 85% Rule (EFA)
 - Eighty-five (85) percent of the funds allocated through state and local effort for each weighted classification, except the Speech classification, must be spent in direct and indirect aid in the specific program (classification) that serves the students who generated the funds. Districts failing to comply with this requirement are subject to a loss or reduction of state funds.
 - Ensure expenditures to support each EFA classification are recorded properly in your GL

ESSER Monitoring

- Five districts have been monitored for its use of ESSER I funds
- Priority visits began with high risk districts, districts on a fiscal practice designation, and districts who had drawn down at least 75% of its allocations
- Additional monitoring visits will begin soon

Other CARES Act Funds Monitoring

- Expect additional monitoring visits for other CARES Act related programs

Questions

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Office of Auditing Services

Contact Information

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