



***School Improvement Grant
Fiscal Issues: Addressing
Fiscal Monitoring Issues***

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Discussion of Hierarchy of Supplementing Homework



- Did you do the follow-up homework to Webinar One?



Quick Writes



- What were some of the challenges you experienced in creating the chart?
- Were there any *"Ah Ha"* moments while creating the chart?

Quick Poll

- Can you see this chart as a useful tool for stakeholders as the budget development process starts for 2013-14?



The Hierarchy of Supplementing



What are some examples for Super Targeted?

Super Targeted

Examples for Supplement²

Targeted Supplemental Resources

Examples for Supplemental?

General Supplemental Resource

Core – General Operations & Required Program Elements

Examples of Core Services ?

Today's Objective: Eliminate Fiscal Monitoring Issues



- Why do we have monitoring?

- It is all about the assurances that we agree to when we take the money!

- Federal laws require that the California Department of Education (CDE) ensure that local education agencies (LEAs) use federal funds in accordance with statutory requirements and School Improvement Grant (SIG) final requirements (Education Department General Administrative Regulations [EDGAR], Section 80.40).

Had you previously been aware of this?



Today's Focus



- Today we will focus on the fiscal components of the SIG Monitoring Instrument
 - Fiscal Management (V-SIG 26)
 - Fiscal Accountability (V-SIG 27)
 - Equipment (V-SIG 28)
 - Leadership Team/SSC Approval (V-SIG 29)

Which of these would you like to know most about? Please share in the chat.



V-SIG 26 Fiscal Management and Accountability



- Having policies and procedures in place that demonstrate strong fiscal management practices will be a primary factor in meeting the Fiscal Management requirement for the SIG Monitoring Review
- Be prepared to provide copies of:
 - The LEA Plan (LEAP) and Single Plan for Student Achievement (SPSA)
 - Position control reports
 - Detailed financial activity reports for resource codes 3180 (SIG) and 3181 (SIG ARRA)
 - Regulations, policies or protocols
 - LEA description and process of how it is using SIG and other funds to support implementation

Example Financial Activity Report : Total by Major Object



FUND	RESOURCE	GOAL	FUNCTION	OBJECT	FY	ADOPTED WORKING		ENCUMBRANCE	EXPENDITURES	VENDOR
						BUDGET	BUDGET			
01	3180	1110	1000	4300	11-12				394.38	MATH R US
01	3180	1100	1000	4300	11-12				133.22	A+ SUPPLIES
01	3180	1110	1000	4300	11-12				5,622.29	SCHOOL SUPPLY INC
01	3180	1110	1000	4300	11-12				3,002.46	ABC SCIENTIFIC
01	3180	1110	1000	4300	11-12				3,853.32	ABC SCIENTIFIC
01	3180	1110	1000	4300	11-12				5,299.21	MATH R US
01	3180	1110	1000	4300	11-12				47.63	A+ SUPPLIES
01	3180	1110	1000	4300	11-12				347.22	A+ SUPPLIES
01	3180	1110	1000	4300	11-12				344.74	SCHOOL SUPPLY INC
01	3180	1110	1000	4300	11-12			2,000.00		
01	3180	1110	1000	4300	11-12		22,345.00			
TOTAL OBJECT CODE 4300				4300		22,345.00	22,345.00	2,000.00	19,044.47	
01	3180	0000	2490	4400	11-12				9,872.61	FURNITURE DEPOT
01	3180	0000	2490	4400	11-12		12,655.00	-		
TOTAL OBJECT CDE 4400				4400		12,655.00	12,655.00	-	9,872.61	
TOTAL OBJECT CODE 4XXX						35,000.00	35,000.00	2,000.00	28,917.08	

Non-example: Financial Activity Report



Object Code	Expenditure Description	2012-13 Total
1100	Teachers' Salaries	\$70,000
1200	Certificated other	\$80,002
2100	Secretary Salaries	\$62,000
2200	Classified Support Salaries	\$15,000
2400	Office Staff Salaries	\$2,000
3101	Certificated Benefits (Health and Welfare)	\$3,000
3202	Classified Benefits (OASDI/Medicare/Alternative, SUI, Health and Welfare)	\$1,000
4100	Supplemental Core Curricula Materials	\$143,000
4215	Classroom Materials and Supplies	\$100.00
4300	Materials and Supplies	\$400,001
4410	Computer Hardware	\$2,000
5200	Travel and Conferences	\$20,000
5210	Training and Development Expense	\$135,000
5800	Professional/Consulting Services and Operating Expenditures	\$500,000

V-SIG 27 Fiscal Management and Accountability



- Be prepared to demonstrate fiscal accountability by ensuring that funds are being spent as indicated in the approved SIG implementation chart, budget summary and narrative.
 - Be sure that funds are *only* being expended at sites indentified in the award letter!!
- Provide contemporaneous records, that reflect start and end dates for personnel and contracts that align with the SIG award date
- Be prepared to provide copies of contracted services reports and time accounting records

V- SIG 28 Equipment



- LEAs need to provide evidence of a recent physical check of inventory; i.e., an inventory that has occurred within two fiscal years
 - All equipment purchased with SIG funds with a value of \$500 or more needs to be included in the LEAs inventory and the inventory needs to reflect that federal funds were used for the purchase

Inventory Reports Should Include the Following :

Type/description	Model/name
Serial number	Funding source
Acquisition date	Cost
Location	Current condition

V-SIG 29 Leadership Team/SSC Approval



- Let's not forget the importance of having the components of SIG thoughtfully and mindfully included within the SPSA
- SIG goals and activities need to align with the overarching goals of the SPSA and there needs to be strong evidence that updates, reviews, and approvals are happening!
- Be prepared to show evidence of meeting notices and meeting minutes

Pause to Review and Reflect



- Quick review of the chat area
- Questions and answers



Frequent Monitoring Findings



- Improper disbursement of and accounting for federal funds paid under the sub-grant
- Missing required evidence
- Incomplete physical check of equipment inventory
- Alignment and evaluation of SIG components with SPSA goals and activities

What Happens When You Get A Finding?



- CAIS Notification of Findings (NOF)
- How to response to a NOF
- Requesting a Resolution Agreement
- CDE actions and activities during the Resolution Period

What Happens When You Get A Finding?



CAIS Notification of Findings (NOF)

- STO prepares NOF report **within 35 business days** of on-site monitoring visit.
- If there are no findings, the CDE reviewer will change instrument item compliance status to “Meets Requirements” and select the “Mark Instrument Complete” button.



Response to CAIS NOF

- (if there are findings)
- **Within 30 business days of receipt of NOF**, LEAs must respond to NOF



Appropriate NOF Response

- Submitting additional documentation
- Seeking resolution agreement, if appropriate
- Responding within **30 business days**

Resolution Agreement

- LEA must submit a comment at the instrument item level in CAIS indicating specific date of resolution and justification for the request
- Based on the justification provided by the LEA, the request will either be approved or denied



CDE Enforcement Actions

- During resolution period, enforcement actions are suspended
- Upon expiration of resolution period, enforcement actions resume

Best Practices Are Key!



The following is a list of some best practices for the Business Office

- Budgets are frequently monitored and corrections are timely
- Copies of Single Site Plans for Student Achievement (SPSA) are maintained in the Business Office. Goals from the plan are referenced on expenditure requests
- Time Accounting records are contemporaneous and aligned to Position Control and payroll records
- Frequent communication with Program Office



Are some of these best practices currently implemented in your district? If so, please share in the chat.



Best Practices Are Key!



- Best practices for the Categorical/Program Office include
 - Ensure that the SIG budget is aligned to the SIG Plan and narrative submitted to the CDE
 - Ensure there is contemporaneous evidence that supports that all items supported with SIG funds are supplemental
 - Monitor budget and expenditure reports to ensure that all purchases, contracts and personnel are included in the SIG budget
 - Communicate often with the Business Office and Site Managers

*Are some of these best practices currently implemented in your district?
If so, please share in the chat.*



Policies and Procedures



- Having policies and procedures in place is another way to ensure that strong controls and best practices are utilized.
- Examples of policies and procedures that would evidence best practices are in play:
 - Credit card policy
 - Policy for personal reimbursements
 - Food and refreshment policy
 - Policy on contractor selection process

Pause to Review and Reflect



- Quick review of the chat area
- Questions and answers



Can all the positions listed on the Position Control Report be charged to the School Improvement Grant?



A Cohort 1 school received a SIG award effective July, 1, 2010. Does the Position Control report below support that all positions can be charged to SIG? Please type in the chat.

EMPLOYEE	POSITION NUMBER	START DATE	END DATE	PAY SCHEM	PLACEMENT	SALARY	PAYROLL RATE	POSITION
XX132 BEST, B	5101 TEACHER SIG							TEACHER
	100% 01-3180-0-1110-1000-1100-001	8/1/2007	6/30/2013	CERT1	B5	45,000.00	4,500.00	
XX101 CAPABLE, C	5102 TEACHER SIG							
	100% 01-3180-0-1110-1000-1100-001	9/1/2010	6/30/2013	CERT1	C2	42,000.00	4,200.00	
XX120 DYNAMIC, I	5201 IA SIG EXTENDED LEARNING							EX LEARN
	37.50% 01-3180-0-1110-1000-2900-002	9/1/2010	6/30/2013	CSEA HRLY E1		24,960.00	12.00	
XX121 ETHICAL, E	5202 IA SIG EXTENDED LEARNING							
	37.50% 01-3180-0-1110-1000-2900-001	9/1/2010	6/30/2013	CSEA HRLY E1		24,960.00	12.00	

1. None

2. Some

3. All

Is there any difference in the use of SIG funds in the following two scenarios?



Please type in the chat.

1. *Yes*

2. *No*

3. *Not sure*

- In reporting expenditures to the CDE, the LEA identifies that it has carryover. The LEA proposes to use its carryover funds to pay for expenses related to an end-of-year carnival intended to reward students for their academic efforts.
- In preparation for annual SIG renewal, the LEA identifies that its professional development plan is not increasing educator effectiveness. The LEA proposes to use its carryover funds to implement a new coaching model that is aligned to the school's improvement goals.

A Team Effort



- Eliminating Fiscal Monitoring issues often takes the efforts of multiple departments



- Site administration is the first line of best practices; time accounting, purchase and personnel requests that align to the SIG Plan. Up to date SPSA budgets
- Educational Services/Curriculum & Instruction knows program requirements and what's in place (e.g., core)

A Team Effort (Continued)



- Eliminating Fiscal Monitoring issues often takes the efforts of multiple departments



- Business Services knows how to run the financial reports , knows what funding is available and can provide guidance/support on best practices for accounting issues, appropriate use and coding
- Human resources knows who is hired and maintains the Position Control records and can assist with getting the documents needed for a review

Closing Thoughts



● Resources abound

● California School Accounting Manual

● <http://www.cde.ca.gov/fg/ac/sa/index.asp>

● SIG resources

● <http://www.cde.ca.gov/sp/sw/t1/sig09.asp>

● <http://www2.ed.gov/programs/sif/legislation.html>

● The California Comprehensive Center at WestEd

● http://www.cacompcenter.org/cs/cacc/print/htdocs/cacc/school_district_improvement.htm

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Final Questions and Comments



Please type any final questions, comments or reflections you have into the chat area.



Homework



- Avoid Fiscal Findings Scavenger Hunt
- To get a blank copy of the Scavenger Hunt activity and instructions go to http://www.cacompcenter.org/cs/cacc/print/htdocs/cacc/school_district_improvement.htm
- At the beginning of Webinar 3 scheduled for March 19, 2013 at 3:30 p.m. we will spend a few minutes chatting about
 - Your Scavenger Hunt *findings*

Next Steps:



- Survey Feedback

<http://www.surveymonkey.com/s/SIG2013FiscalMonitoring>

- Webinar Archive & Resources

CDE will send the link to the webinar archive and the reflective homework to the SIG Grantee mailing list.