**2022-2023 Audits of Local Schools**

Memorandum to Auditors of Idaho’s Public School Districts and Charter Schools

This memo outlines changes from prior years as well as a few of the major areas that each auditor should be reviewing and testing during audits of Idaho’s public schools.

**what’s new/highlighted information**

Letter of Assurance – FY 2023 Audit

Beginning in FY 2024, all Auditors of Idaho public schools will be required to review and sign a Letter of Assurance for audits containing data from FY 2023. This letter provides reassurances that the topics contained in this memo are being reviewed during the FY 2023 review cycle. A copy of the memo will be sent to all auditors. Additionally, a copy can be requested by contacting Morgan Phillips (School Finance) at (208) 332-6840 or [mphillips@sde.idaho.gov](mailto:mphillips@sde.idaho.gov).

Federal Programs – Pandemic Relief Funds

Elementary and Secondary School Emergency Relief (ESSER) Funds should be reported under their assigned fund numbers. Funds received for the purpose of the pandemic should be reported separately from other Federal funds.

For Pandemic Relief Fund reporting, auditors should review that schools are reporting their funds according to the correct IFARMS fund number:

|  |  |  |
| --- | --- | --- |
| **Pandemic Relief Fund Act** | **Grant Name** | **IFARMS Fund Number** |
| **CARES Act** | **ESSER I** | **252-00x** |
| **CRRSA Act** | **ESSER II** | **254-00x** |
| **ARP Act** | **ESSER III** | **250-00x** |
| **ARPA IDEA** | **ESSER III IDEA** | **259-00x** |

Subawards from the same Federal award must be reported in the corresponding fund, for example, ESSER II State Set Aside in 254-002.

Coronavirus Relief monies should be reported using an unassigned fund number from Fund 271-289 Federal Special Projects.

If you have any questions, please contact Lisa English (Federal Programs) at (208) 332-6911 or lenglish@sde.idaho.gov.

American Rescue Plan Act (ARPA) IDEA Part B School Aged and Preschool Aged Financial/Cash and Program Management

In fiscal year 2022-2023, new IDEA Part B grants were awarded though the American Rescue Plan Act (ARPA). The SDE created fund 259 to hold both the IDEA Part B School Aged 611 funds and the ARPA Preschool 619 funds. The accounting should differentiate by function code using the 521 School Aged or 522 Preschool, and 616 for noninstructional. Both awards fall under the revenue code 445600. Use another accounting system identifier to separate the revenue within fund 259. The CFDA numbers for your Schedule of Expenditures of Federal Awards are 84.027X for School Aged grants, and 84.173X for Preschool grants. Treat as supplemental IDEA Part B funding, and apply all IDEA Part B assurances and fiscal requirements, including supplement, not supplanting provisions.

If you have any questions, please contact Lisa Pofelski-Rosa (Special Education) at (208) 332-6916 or lpofelskirosa@sde.idaho.gov.

**GENERAL INFORMATION**

2022-2023 Annual Financial Report/ESSA Requirements

Background. The Every Student Succeeds Act (ESSA) was signed into law in 2015.  Part of that act is a requirement that all states report per-pupil expenditures at the school level. The Idaho Department of Education began collecting expenditures at the school level beginning with the FY 2019 annual report submission.

2022-2023 Expenditures. Expenditures must be reported at the school level for all funds. In years past, expenditures were reported only at the district or charter level.  We know that some expenditures are easily identifiable as school level expenditures, such as the salaries and benefits of teachers and other staff assigned to a particular school.  Other expenditures are more difficult to allocate, including school administration costs, business program costs, transportation costs and child nutrition costs.  We are asking schools to allocate their expenditures to the best of their ability.  Costs that aren’t allocated directly to a building by the school district or charter school will be aggregated and allocated by the State Department of Education (SDE) to each building using enrollment. This allocation will be done for fiscal report card purposes only.

Annual Financial Report Submission. All annual financial reports must be submitted via the ISEE data collection process beginning August 15 for FY 2023 submissions. LEAs will upload a single file through the State Reporting Manager (SRM). Contact your schools ISEE Data Personnel or State Regional ISEE Technology Coordinator for more information on the process or the SRM.

Staffing - General

The SDE recommends that auditors review and test the staffing data submitted via ISEE to the SDE. This staffing data is used to calculate Salary Based Apportionment. The review should include testing of all employed staff and their corresponding assignments, and confirmation that school district and charter schools are in compliance with SDE guidelines and State Board Rules and Regulations. Auditors should be verifying that teaching assignments have been reported correctly. The data should reflect a "snapshot in time," which is the last Friday of September, and subsequently captured in the November upload for the midterm reporting period. Final staffing reports will be posted to the School Finance secure website on July 15. Please work with the Superintendent or Administrator to access these reports.

If you have questions on the reporting of the staffing information, please contact Branwyn Phillips (School Finance) at (208) 332-6875 or bcphillips@sde.idaho.gov.

Staffing – Salary Based Apportionment

Auditors should verify the placement of certified staff on (1) the education and experience multiplier table for administrators and (2) the career ladder for instructional and pupil services staff. Auditors should also verify that the correct individuals are being funded for education allocations as well. This review should include verification of transcripted credits and degrees in compliance with Idaho Code 33-1004A and 33-1004B. The data should reflect a "snapshot in time," which is the last Friday of September, and subsequently captured in the November upload for the midterm reporting period. Final staffing reports will be posted to the School Finance secure website on July 15. Please work with the Superintendent or Administrator to access these reports.

If you have questions on the reporting of the staffing information, please contact Branwyn Phillips (School Finance) at (208) 332-6875 or bcphillips@sde.idaho.gov.

Driver Education

The SDE Driver Education Program Coordinator recommends that auditors review financial reports for state reimbursement funds, actual program costs, and student records related to driver education. A dedicated driver education account will be transparent. Only eligible students may be claimed for reimbursement. Student fees must be received by the provider requesting reimbursement. The provider requesting reimbursement must retain required program records; curriculums guide, policies, student records (including driving logs), instructor records, maintenance and vehicle records. All student and teacher records should be secured and retained for a minimum of five (5) years. Any school district or charter school contracting a driver education program valued in excess of twenty-five thousand dollars ($25,000) in a fiscal year must procure such services in accordance with Idaho Code 67-2801 through 67-2809. All program records must comply with department instructional, statutory, and regulatory requirements.

If you have any questions regarding Driver Education, please contact Danielle Taylor (Driver Education) at (208) 332-6984 or dtaylor@sde.idaho.gov.

Internet Based Expenditure Website

In FY 2021, Idaho Code 33-357 required that school district and charter schools maintain a publicly available website where expenditures are posted at least monthly.

Starting July 1st, 2021, Idaho Code 33-357 (as amended by HB073) requiring that school districts and charter schools submit their expenditures and revenues on a schedule set by the Idaho State Board. This differs from the prior version of IC 33-357, where expenditures were to be posted at least monthly by the school district or charter. The State Board of Education and the State Controller’s Office has initiated a pilot program involving several schools to collect the new requirements under 33-357. Full implementation and compliance are required in FY 2024.

Coding of Tax Receipts

Please review the coding of tax receipts collected by the school for proper fund and revenue account coding.

Distribution of Federal Dollars

All Federal dollars are distributed by the SDE on a reimbursement basis. The dollars are requested through the Grant Reimbursement Application (GRA) or for child nutrition meal claims, MyIdahoCNP. Child nutrition dollars must be deposited to Fund 290.

Clarification on Coding of Lottery Funds

Lottery funds should be coded to 437000-Lottery revenue code and expended on facilities maintenance, per Idaho Code 33-905 and 33-1019.

Summary of (State) Payment made as of July 15, 2023

A summary worksheet will be posted to the School Finance portion of the SDE website after July 15.

Stars Single Audit Report

The Division of Financial Management (DFM) facilitates the tracking of total federal dollars paid to sub-recipients by all state agencies and makes this information available to the public through the annual STARS Single Audit Report, which is typically available in late August for the prior fiscal year. The report can be generated directly through the DFM website, <https://dfm.idaho.gov/singleauditv2/>.

If you have any questions, please contact Andrew Konopacky (School Finance) at (208) 332-6846 or akonopacky@sde.idaho.gov.

Medicaid and Maintenance of Effort Special Education

It frequently comes to our attention that Medicaid reimbursable expenditures and revenues are not correctly accounted for as they relate to LEA Maintenance of Effort under IDEA. Each Medicaid claim processed requires matching funds be paid from a non-federal source.

34 CFR §300.203 states “The amount of local, or state and Local funds expended for the education of children with disabilities, is the amount of funds that establishes the level of expenditures to be maintained from year-to-year and establishes the MOE level.”

The SDE requires that the exact matching funds used to process reimbursement claims be accounted for in the IDEA Part B Application in the Section II of Maintenance of Effort. Medicaid Match is an expenditure, is included in your calculation of Maintenance of Effort, and should be budgeted for in the IDEA Part B application, and in your GL.

2 CFR 200.306 (b). Any shared costs or matching funds and all contributions, including cash and third-party in-kind contributions, must be accepted as part of the non-federal entity's cost sharing or matching.

If schools prepay match and maintain a trust account balance with the Department of Health and Welfare, it is recommended they record any balances as a prepaid asset on your GL. They should reconcile their prepaid asset account with their Health and Welfare statements, for any interest earned, less any match used for reimbursements. This will also allow for LEAs to clearly identify *match used*. ***Only*** ***match used* for processing claims** is reported as an expenditure line item in the IDEA Part B application towards MOE.

Since Idaho’s State Medicaid Plan considers Medicaid a cost reimbursement program, costs associated with the claiming of Medicaid funds including third-party administrator billing such as Medicaid Admin Fees, are **NOT** chargeable to MOE and should be accounted for somewhere other than fund 260 or function code 521, 522, or 616.  Treat it like a fee; example 100-651315 or 100-651310. *Billing for Medicaid reimbursements* is not considered a direct required cost under IDEA, and is not therefore an allowable cost under IDEA programs.

The School-Based Medicaid fund code 260 should be used to ensure that Medicaid reimbursable expenditures are not commingled with general funds. Use Revenue code 445900, and record the entire reimbursement claim against the federal revenue code.

The Medicaid fund 260 should have an ending fund balance of net zero. This information and the net zero amount should be accurately reflected on the Combining Statement of Revenue and Expenditure, and the program should not carry a beginning balance into the next fiscal year. If Medicaid fund 260 expenditures exceed revenue, expenditures should be moved to Maintenance of Effort accounts, unless MOE has been met, and federal funds are still available in IDEA Part B.

Pay close attention to how these types of expenditures are being accounted for and ensure that only the net amount of the expenditures, less any Medicaid reimbursement, are being included in the function/program codes that are examined for MOE purposes.

If you have any questions, please contact Lisa Pofelski-Rosa (Special Education) at (208) 332-6916 or lpofelskirosa@sde.idaho.gov.

Time and Effort Reporting

One of the most common questioned costs in audits of federal programs is the absence of effective policies and procedures to ensure that personnel costs are charged to federal grants and programs in compliance with the time and effort reporting requirements of OMB’s Uniform Administrative Requirements. Schools and their auditors should be aware of those requirements and should take the necessary steps to ensure that their time distribution systems are in compliance with those requirements.

It is critical for payroll charges to match the actual distribution of time recorded. If using budget estimates, the LEA must periodically, at least quarterly, reconcile payroll charges to the actual time and effort reflected in the employees’ time-and-effort records.

Recommendation: If the difference between the actual and budgeted amounts is 10% or greater, the LEA should adjust its accounting records at least quarterly. If the reconciled difference is less than 10%, the LEA should adjust the accounting records at least annually. But in both cases, the accounting records must be adjusted to reflect actual time-and-effort records.

Policies and procedures that do not meet those requirements should be reported as an audit finding. The SDE has provided guidance on this issue that can be found at

http://www.sde.idaho.gov/federal-programs/funding/index.html (Fiscal Compliance Tab)

If you have any questions relating to Time and Effort Reporting, please contact Stacie Rekow (Title I Coordinator) at (208) 332-6891 or Brian Butkus (Federal Programs) at (208) 332-6900 or Lisa Pofelski-Rosa (Special Education) at (208) 332-6916 or lpofelskirosa@sde.idaho.gov.

Idaho Code 33-1019 (Allocation for School Maintenance)

Per Idaho Code 33-1019, schools must either spend or set aside an amount equal to 2% of the replacement value of the student-occupied buildings owned by the school district or charter school and those moneys shall be used exclusively for the maintenance and repair of those student-occupied school buildings.

Please see the *School Facility Maintenance* section below for further information.

Audit Report Due November 10, 2023

Idaho Code 33-701(6) requires audit reports be filed with the SDE after the report’s acceptance by the board of trustees by no later than November 10. Idaho Code 33-701(6) states that if the SDE has not received the audit report by November 10, the department shall withhold the school district or charter school’s November 15 distribution until the audit report has been received. The November 15 payment makes up approximately 20% of the state funding for the school year. Audit reports may be submitted in a PDF or hard-copy format to Andrew Konopacky (School Finance) at akonopacky@sde.idaho.gov.

Idaho Code 67-450B sets forth the minimum audit requirements for all local government entities, which includes both school district and charter schools. Idaho Code 67-450B can be viewed on the Idaho Legislature’s website.

English Learners

The English Learners program recommends that auditors review evidence that schools are verifying English Learner proficiency status reported in the English Learner Management System (ELMS). Idaho Code 33-1617 requires that moneys distributed to schools based upon the population of English learner (EL) students and distributed to schools to support programs for students with non-English or limited-English proficiency shall be utilized in support of the school’s plan. Only eligible students may be reported in ELMS for this distribution.

If you have any questions regarding English Learners, please contact Maria Puga (Federal Programs) at (208) 332-6905 or mpuga@sde.idaho.gov.

State Foundation Program

Public schools receive the majority of their General M&O revenues through the State Foundation Program. The amount received is based on attendance and staffing information supplied by the public schools through ISEE reporting during the year. This information, used to distribute over $2 billion dollars to schools, is available on a secure School Finance website. Please see the school Superintendent or Charter School Administrator for the site and access information. *We are asking that auditors verify the accuracy of attendance and staffing data submitted via ISEE.*

Attendance

The SDE recommends that auditors review how public schools submit attendance data. This review should include testing of the submitted attendance data and confirmation that schools are reporting in compliance with SDE guidelines and State Board Rules and Regulations. Attendance reports will be posted to the School Finance secure website on July 15. Please work with the Superintendent or Administrator to access these reports.

If you have questions on the reporting of attendance, please contact Dean Reich (School Finance) at (208) 332-6983 or dreich@sde.idaho.gov.

Staffing – General (also included in the What’s New/Highlighted Information section above)

The SDE recommends that auditors review and test the ISEE staffing data submitted to the SDE. This staffing data is used to calculate Salary Based Apportionment. This review should include testing of all employed staff and their corresponding assignments, and confirmation that school district and charter schools are in compliance with SDE guidelines and State Board Rules and Regulations. Auditors should be verifying that teaching assignments have been reported correctly. The data should reflect a "snapshot in time," which is the last Friday of September, and subsequently captured in the November upload for the midterm reporting period. Final staffing reports will be posted to the School Finance secure website on July 15. Please work with the Superintendent or Administrator to access these reports.

If you have questions on the reporting of the staffing information, please contact Branwyn Phillips (School Finance) at (208) 332-6875 or bcphillips@sde.idaho.gov.

Staffing – Salary Based Apportionment (also included in What’s New/Highlighted Information above)

Auditors should be verifying the placement of certified staff on (1) the education and experience multiplier table for administrators and (2) the career ladder for instructional and pupil services staff. Auditors should also be verifying that the correct individuals are being funded for education allocations as well. This review should include verification of transcripted credits and degrees in compliance with Idaho Code §§ 33-1004A and 33-1004B. The data should reflect a "snapshot in time," which is the last Friday of September, and subsequently captured in the November upload for the midterm reporting period. Final staffing reports will be posted to the School Finance secure website on July 15. Please work with the Superintendent or Administrator to access these reports.

If you have questions on the reporting of the staffing information, please contact Branwyn Phillips (School Finance) at (208) 332-6875 or bcphillips@sde.idaho.gov.

Student Transportation

Auditors are asked to review internal control procedures to confirm that reimbursable costs, as well as miles, have been reported properly and consistently on the Student Transportation Reimbursement Claim. The SDE also recommends that auditors review bus purchasing and transportation contract solicitation which should follow Idaho Code (67-2806, 672803, 67-2807, 67-2327, 33-402 and 33-601) as well as the handling of any depreciation allowance and fuel excise tax refunds, and confirm schools are reporting in compliance with SDE guidelines and State Board Rules and Regulations. Funds received for bus depreciation should be placed in a separate fund (Fund 424) as required by the Standards for Idaho School Buses & Operation, which can be reviewed on the SDE website. The amount to be reported in Fund 424 should be approximately 85% of the total amount reported on line 69 Depreciation Allowance on the Student Transportation Reimbursement Claim.

If you have questions relating to transportation issues, please contact Zane Cliver (Student Transportation) at (208) 332-6856 or zcliver@sde.idaho.gov.

Reporting Revenues and Expenditures

Each public school is required to submit an annual financial report using the Idaho Financial Accounting Reporting Management System (IFARMS) as its Chart of Accounts. *It is very important that revenues and expenditures be reported accurately using the revenue and expenditure coding structure established by the SDE and that coding is reviewed during the auditing process to ensure the collection of uniform data from Idaho’s public schools.*

If you have questions on the reporting/recording of revenues and expenditures, please contact Andrew Konopacky (School Finance) at (208) 332-6846 or akonopacky@sde.idaho.gov.

School Facility Maintenance

Idaho Code 33-1019 requires all school district and charter schools that own or have a lease-purchase agreement to allocate or spend 2% of the replacement value of student-occupied square footage for qualifying school building maintenance. If the required amount is not expended, the difference must be reserved for future qualifying repairs and maintenance. The reserved funds may not be used to reduce the following year’s allocation amount. School Building Maintenance guidance can be found on the School Finance website at http://www.sde.idaho.gov/finance/ under Manuals.

If you have any questions on school building maintenance as it relates to Idaho Code 33-1019, please contact Andrew Konopacky (School Finance) at (208) 332-6846 or akonopacky@sde.idaho.gov.

**FEDERAL**

General Federal Guidelines

Auditors should review federal grants for compliance with OMB’s 2 CFR (outlines cost principles associated with federal grants) and to the Common Rule (details the reporting requirements). Audits should be conducted in accordance with the Yellow Book and the Single Audit Act, if appropriate.

If you have any questions relating to the auditing of federal funds, please contact Andrew Konopacky (School Finance) at (208) 332-6846 or akonopacky@sde.idaho.gov to be directed to the appropriate SDE Federal staff.

Some of the policies and procedures on Federal grants must be in writing: Procurement (2 C.F.R. § 200.318), Cash Management (2 C.F.R. § 200.302 (6)), Code of Conduct (2 C.F.R. 200.215.42) and Allowable Costs (2 C.F.R. § 200.302 (7)). Purchasing procedures should include child nutrition requirements set forth in [7 CFR 210.21](https://www.fns.usda.gov/part-210%E2%80%94national-school-lunch-program) and use state and federal guidelines for micro, small purchase, and large purchase procedures (whichever is most restrictive). The SDE has provided guidance that can be found on the SDE website under the New Uniform Grant Guidance Tab.

USDA Child Nutrition Program

It is important that auditors review the internal control procedures for the handling of allowable and unallowable expenditures of USDA Child Nutrition Funds. This includes, but is not limited to documenting clearly the transferring in and out of funds relevant to the USDA Child Nutrition programs. In addition, assurance that federal reimbursement revenue and daily cash receipts received by food service are accruing to a separate child nutrition program account. Any utilities charged to the Child Nutrition program must be on a separate meter and they cannot be proportionately allocated. All staff not allocated 100% to Child Nutrition should have a time and effort report. Procurement should be conducted following 2 CFR 200, which includes prior approval for capital purchases (equipment, software) over $5,000. Sufficient tests should be included in your review to detect errors and prevent irregularities and ensure that USDA regulations 7 CFR 210.14, 7 CFR 226.6, 7 CFR 226.7(g), 7 CFR 250.59 and FNS 796.2 (revision 4) are being followed. Income and expenditures should be separated by Child Nutrition Program, such as School Lunch, At Risk Suppers in CACFP, Fresh Fruit and Vegetable Program, etc.

If you have any questions relating to the USDA Regulations, please contact SDE’s Child Nutrition department at (208) 332-6821.

Costs of building a kitchen are not to be charged to the child nutrition fund (Fund 290) and

should be covered by general or capital improvement funds just as the school building and its contents should be.

Per Idaho Code 63-3622J and Sales Tax Rule 41, meals served as part of the federal school lunch program are exempt from Idaho sales tax. Based on the statute and rule, if the items purchased would not be covered under the Federal school lunch program those items would be taxable including second meals or individual items paid for separately from the federal school lunch program. Non-program Foods (Adult Meals, Child 2nd Meals, A la Carte, and anything that is not reimbursed by USDA) should be recorded and paid under the Sales Tax rule by schools.

Federal Program Identification

Under 2 C.F.R. 200-302 districts must track the CFDA title and number and federal identification number and year, name of the federal agency for both monitoring and reporting of program performance. The federal program award identification should be current, and accurately identified on their Financial Management/Accounting Systems for each Federal award or program in accordance with 200.327 and 200.328 including audit reports. For example, LEA’s have misreported and identified Special Education IDEA Part-B Individuals with Disabilities Education Act funds as Title VIB funds. In the year 2001, Special Education was renamed IDEA Part B. Simultaneously, The No Child Left Behind Act of 2001 (NCLB, P.L. 107-110) established the Rural Education Achievement Program (REAP) under Title VI, Part B of the Elementary and Secondary Education Act of 1965 (ESEA). Congress created this program to address the unique needs of rural schools that disadvantage them relative to nonrural schools. Many LEAs in Idaho may receive the REAP grant directly through the U.S. Government (not through the SDE). Labeling Special Education Funds as Title VIB is misrepresenting and misidentifying programs, and must be updated in your budgets, board reports, and financial statements and audits, including the SEFA.

If you have any questions, please contact Lisa Pofelski-Rosa (Special Education) at (208) 332-6916 or lpofelskirosa@sde.idaho.gov.

IDEA Part B and Preschool Financial/Cash and Program Management

For IDEA Part B School Aged 611 funds (fund 257) and Preschool 619 funds (fund 258), auditors should review that schools are minimizing the time elapsed between transfer of funds and disbursements, per 31 CFR Part 205. The SDE recommends that schools make monthly, and no later than quarterly, reimbursement requests. Use Revenue code 445600 for fund 257 and 258.

Fund 257 must use function/program code 521 for instructional related services, and 616 for noninstructional support services. Fund 258 must use function/program code 522 designated specifically for preschool aged 3-5 instructional expenditures, and 616 for preschool aged noninstructional support services. Preschool funding as IDEA Part B 619 may be used for kindergarteners that are age 5. LEAs do not need to offer a preschool program in order to utilize the IDEA part B preschool funding.

LEA expenditures and use of funds must align with the provisions set forth under *IDEA Title 34* Code of Federal Regulations Part 300, 2 CFR Part 200 EDGAR -Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 34 CFR Part 80 Uniform Administrative Requirements for Grants and Cooperative Agreements, 34 CFR Part 74 Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations, 2 CFR Part 180 – OMB Guidelines to agencies on Government-wide Debarment and Suspension (non-procurement), and 2 CFR Part 3485 Non-Procurement Debarment and Suspension.

Districts receive payment from the SDE on a *cost reimbursement* basis, as no advances are allowable under SDE policy. Therefore, any IDEA Part B and or Preschool program expenditures should have a corresponding revenue match, if reimbursement requests are performed timely, at the end of the fiscal period the account balance of IDEA Part B and Preschool federal awards should have an ending fund balance of net zero. This information and the net zero amount should therefore be accurately reflected on the Combining Statement of Revenue and Expenditure as required supplementary information for federal programs, and the program should not carry a beginning balance into the next fiscal year. Other key references: 2 CFR 200-302-303, 305 Financial Management, Internal Controls, and Payments.

If you have any questions, please contact Lisa Pofelski-Rosa (Special Education) at (208) 332-6916 or lpofelskirosa@sde.idaho.gov.

**OTHER INFORMATION**

School Data Accuracy/Purchasing Procedures

The Office of Performance Evaluations (OPE) has recommended to the SDE that it require public schools to include, as part of their annual financial audit, a review of revenue and expenditure coding and a review of the accuracy of school’s attendance, staffing, and pupil transportation data. The review results would then need to be reported to the SDE. OPE has also requested that the SDE direct public schools to include a purchasing compliance review as part of their annual financial audit. While the SDE believes these reviews are already being done and will not be requiring the results of these reviews be reported directly to the SDE, the SDE is requesting that auditors continue to review revenue and expenditure coding, the accuracy of school attendance, staffing, and pupil transportation data, and school purchasing procedures to ensure information is being correctly reported and that adequate procedures are in place. The SDE is also requesting that auditors verify purchases are being appropriately reviewed and authorized.

Purchasing

Auditors should include a purchasing compliance review to ensure schools have adequate purchasing procedures in place and that purchases are being appropriately reviewed and authorized. Idaho Code 33-601(2) requires public schools be in compliance with the provisions of Chapter 28, Title 67 of Idaho Code except for the purchase of curricular materials. These provisions specify procurement requirements for all political subdivisions of the state of Idaho, which includes public schools. Questions can be direct to the Division of Purchasing at (208) 332-1611 or to the department’s Procurement Officer (currently being filled) at (208) 332-6857.

Budgeting

Budget forms and schedules can be viewed on the SDE website in the Budget Forms and Information section at http://www.sde.idaho.gov/finance/. Schools must also follow State Board Rules and Regulations as well as reporting guidelines established by the SDE.

If you have any questions about the budgeting process, please contact Carol Piranfar (School Finance) at (208) 332-6844 or clpiranfar@sde.idaho.gov.

Special Distributions

Various special distributions were included in the FY 2023 public school appropriation. A PDF document summarizing these distributions can be found with the 2022-2023 budget forms at http://www.sde.idaho.gov/finance/ (look in the *Supporting Documents and Forms* section under Budgets).

General Fixed Assets

Various payments to the schools are done using computations including fixed asset dollar amounts. The fixed asset information included in the notes to the financial statements should be separated into elementary, secondary, and administrative fixed asset dollars for these computations to be accurate. It would also be helpful to have this information further separated by asset type, including buildings, equipment, transportation, etc.

Miscellaneous State Grants

Schools receive miscellaneous state grant monies that should be reviewed to ensure the dollars are expended in accordance with the school’s approved applications.

Training Opportunities

There are several opportunities during the year to learn more about school finance.

* Each spring, the SDE presents post-legislative information to Idaho’s public schools. For more information, please contact School Finance in the spring (usually early April) or watch the SDE website at www.sde.idaho.gov for a schedule of these workshops. Information and archived video presentations for the last several workshops can be viewed on the SDE website at http://www.sde.idaho.gov/topics/post-leg/.
* The Idaho Association of School Business Officials (IASBO), in cooperation with Public School Finance, presents a New School Finance workshop in February or March. This full-day workshop is often referred to as School Finance 101. For further information, please see the IASBO website at <https://www.idahoasbo.org/>.
* Public School Finance holds a monthly webinar in cooperation with the Idaho Association of School Business Officials (IASBO) on the first Wednesday of each month August through June. For more information, please contact see their website at [www.idahoasbo.org](http://www.idahoasbo.org) or contact Morgan Phillips at (School Finance) at (208) 332-6840 or [mphillips@sde.idaho.gov](mailto:mphillips@sde.idaho.gov).
* IASBO also holds an annual conference in late June. This two-day workshop features concurrent sessions pertaining to issues facing Idaho’s public schools. For more information, please see the IASBO website at www.idahoasbo.org.
* The SDE website at www.sde.idaho.gov has a wealth of information. Specifically, the School Finance website at http://www.sde.idaho.gov/finance/ has manuals, forms, and statistical information.

The School Finance staff, as well as all SDE staff, encourage you to call or email any questions you may have. School Finance can be reached at (208) 332-6840 and the general SDE telephone number is (208) 332-6800.

**For Questions Contact**

Public School Finance

Idaho State Department of Education

650 W State Street, Boise, ID 83702

208 332 6800 | www.sde.idaho.gov