Private School Choice Programs Fiscal Management Training

Schedule 4: Non-Choice Revenues

School Finance Auditors
Parental Education Options
2023-24 School Year

Welcome to the Wisconsin Department of Public Instruction's training module for the Private School Choice Programs. We will refer to the Private School Choice Programs as "Choice" or "Choice program" throughout this training.

The Choice program is governed by Wis. Stat. §§ 119.23 and 118.60, as well as Wis. Admin. Codes ch. PI 35 and 48. This training is based on the requirements in these statutes and rules. Provisions of this training module are subject to statutory and rule changes.

This section of the training will explain non-Choice revenues. The non-Choice revenues are in Schedule 4 of the budget and cash flow report.

Completion of Budget Excel Document

- This training will explain how to input information into the budget and cash flow report (budget) Excel document.
- You must enter this information into your Excel document unless otherwise noted.
- Please pause the training if you need additional time to review the example or check your Excel document.
- In order to receive credit for having participated in this training, which is required for all Choice administrators, you will be required to upload the completed budget Excel document into the training quiz.

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This training will explain how to input information into the budget and cash flow report Excel document. We will refer to the budget and cash flow report as the budget throughout this training. You must enter this information into your Excel document unless otherwise noted. Please pause the training if you need additional time to review the example or check your Excel document.

As a reminder, in order to receive credit for having participated in this training, you will be required to upload the completed budget Excel document in the quiz you complete after all the trainings are done. The budget that is uploaded into the quiz must include all of the examples for Holy Love that are provided in each of the trainings. Completion of this training is required for all Choice administrators of new schools to the Choice program.

If you have any questions as you complete this training, please note them. The department will be providing live virtual Q&A sessions. The webpage where this presentation was available has information on these sessions and a copy of the PowerPoint slides with the notes. You can ask questions on any of the trainings by emailing us at dpichoiceauditreports@dpi.wi.gov.

Schedule 4-1: Tuition, Fees and Govt Assistance Revenues

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
1	Tuition from Non-Choice Pupils				-	
2	Tuition from 9-12 Grade Choice Pupils				-	
3	Food Service Fees from Individuals				-	
4	K-12 Before & After School Care Fees				-	
5	Other Fees Charged to Non-Choice Pupils				-	
6	Other Fees Charged to Choice Pupils				-	
7	Daycare/Preschool Tuition & Fees				-	
8	Other Fees Charged					
9	**TOTAL TUITION AND FEES**				-	

- Insert the average amount of revenue expected to be **received** for tuition and fees per pupil (after any discounts or reductions).
- Insert the number of pupils that tuition and fees are received from.

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The first non Choice revenue schedule is Schedule 4-1. This schedule includes tuition, fees, and government assistance revenue.

On the top of this schedule, you will insert the average amount received per pupil in Column B. You will then insert the number of pupils you expect to receive the amount from during the school year. Please note this is the **average** amount of tuition you expect to actually receive during the year, rather than your posted tuition rate. For instance, if you give a discount to the members of your church, the tuition you expect to receive would be reduced by that amount.

If you charge different amounts per pupil, you could calculate the average charged per pupil by taking the total amount you expect to receive from all of the pupils and dividing it by the number of pupils that will pay tuition. For example, if you expect to receive $300,000 in total tuition during the year and expect that 100 pupils will pay that tuition, you would calculate the average tuition received as $300,000 divided by 100 pupils, which is an expected $3,000 of tuition per pupil. So, you would then put $3,000 in Column B, Line 1 and 100 in Column C, Line 1.

Choice & SNSP Revenue

- Revenue from the department for pupils participating in the Choice and SNSP programs is automatically included in the budget and should not be included in this schedule.
- The amount automatically included in the schedule is based on the pupil counts entered in Schedules 2-1 and 2-2.

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The payments received for Choice eligible pupils should not be included by the school in the budget, including on Schedule 4. The Choice payments will automatically be included as revenue and in the cash flow schedule based on the Choice pupil counts that you enter into Schedule 2-1.

Similarly, if your school is participating in the Special Needs Scholarship Program, which is known as the SNSP, the SNSP payments will automatically be included in revenue and in the cash flow based on the SNSP pupil counts you enter in Schedule 2-2.

Schedule 4-1: Tuition, Fees and Govt Assistance Revenues (cont)

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
1	Tuition from Non-Choice Pupils				-	
2	Tuition from 9-12 Grade Choice Pupils				-	

- Schools cannot charge tuition to K-8 Choice pupils.
- Tuition may only be charged to Choice pupils in 9-12th grade if the pupil has income above 220% of the federal poverty level. See the Tuition and Fees Bulletin for additional requirements to charge tuition.
- Since new WPCP participants must have income at or below 220% of the federal poverty level, schools will generally not be able to charge WPCP pupils tuition in the first year it participates in the program.

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The top of Schedule 4-1 has a line specifically for tuition charged to 9-12th grade Choice pupils. You will notice that this schedule does not include a line for tuition charged to K-8 Choice pupils. The reason for this is that the law does not allow Choice schools to charge tuition to K-8 Choice pupils.

If a school would like to charge 9-12th grade Choice pupils tuition, there are certain requirements the school must meet. The school must determine that the pupil has income above 220% of the federal poverty level. The determination of whether the pupil meets the income requirements is the same as the income determination completed for the application. There is a Tuition Income Determination form available on the School Application Processing webpage that schools can use to determine whether the pupil has income above 220% of the federal poverty level.

If the pupil is a first time participant in the WPCP, the school will not be able to charge tuition. This is because in order to first be eligible for the WPCP, the pupil must have had income below 220% of the federal poverty level. As a result, no new WPCP pupils will have an income high enough where the school can charge tuition.

Additional information on the requirements to charge tuition is available in the Student Tuition and Fees Bulletin on the Bulletins webpage.

Schedule 4-1: Tuition, Fees and Govt Assistance Revenues (cont)

		REVENUE DETAIL	
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils
1	Tuition from Non-Choice Pupils		
2	Tuition from 9-12 Grade Choice Pupils		
3	Food Service Fees from Individuals		
4	K-12 Before & After School Care Fees		
5	Other Fees Charged to Non-Choice Pupils		
6	Other Fees Charged to Choice Pupils		
7	Daycare/Preschool Tuition & Fees		
8	Other Fees Charged		
9	**TOTAL TUITION AND FEES**		

- The fees that can be charged to Choice pupils are limited. See the Student Tuition and Fees Bulletin for information on what could be charged to Choice pupils.

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The school should include any charges to individuals for food service on Line 3. This includes fees received from Choice pupils, non–Choice pupils, for daycare pupils, or from staff.

Line 4 should include fees for before and after school care for pupils enrolled in educational programming. Line 5 should include any fees charged to non-Choice pupils other than food service fees or before and after school childcare fees. Line 6 should include any fees charged to Choice pupils other than food service fees and before and after school childcare fees. Fees that are charged to Choice and non-Choice pupils are on separate lines because the fees that can be charged to Choice pupils are limited. For information on what fees can be charged to Choice pupils, schools should refer to the Student Tuition and Fees Bulletin on the Bulletins webpage. If a school includes fees on Line 6, it will need to identify what fees are being charged to Choice pupils in Schedule 11-1. DPI will review these fees to ensure the school can charge them to Choice pupils.

Schedule 4-1: Tuition, Fees and Govt Assistance Revenues (cont)

Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils
1	Tuition from Non-Choice Pupils		
2	Tuition from 9-12 Grade Choice Pupils		
3	Food Service Fees from Individuals		
4	K-12 Before & After School Care Fees		
5	Other Fees Charged to Non-Choice Pupils		
6	Other Fees Charged to Choice Pupils		
7	Daycare/Preschool Tuition & Fees		
8	Other Fees Charged		
9	**TOTAL TUITION AND FEES**		

- Daycare/Preschool Fees: This line should include any tuition and fees charged for care of children outside of K4-12 educational programming except for before/after care for K4-12 educational programming pupils.
- This includes:
  - Daycare
  - Summer care
  - Preschool for K3
  - Preschool for kindergarten age children if the school determines the care is not educational programming.

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The daycare/preschool tuition and fees line should include tuition and fees charged for the care of children outside of K4-12 educational programming and K4-12th grade before and after school care. Line 7 should include any fees charged for daycare, summer care, preschool for 3-year-old kindergarten pupils or preschool for kindergarten age children if the school determines the care is not educational programming. This would include the care of 4-year-old or 5-year-old children that the school determines to be childcare rather than educational programming.

Schedule 4-1: Tuition, Fees and Govt Assistance Revenues (cont)

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
1	Tuition from Non-Choice Pupils				-	
2	Tuition from 9-12 Grade Choice Pupils				-	
3	Food Service Fees from Individuals				-	
4	K-12 Before & After School Care Fees				-	
5	Other Fees Charged to Non-Choice Pupils				-	
6	Other Fees Charged to Choice Pupils				-	
7	Daycare/Preschool Tuition & Fees				-	
8	Other Fees Charged					
9	**TOTAL TUITION AND FEES**				-	

- Include fees charged to individuals/organization other than pupils on Line 8.

8

The last line on the top of Schedule 4-1 is Other Fees Charged. This line is for any other fees a school charges to individuals or organizations other than pupils. For example, if a school charges for admission to sporting events, the school would include the anticipated admission fees on this line.

Knowledge Check

The school's handbook indicates it charges $3,000 per pupil for tuition. The school provides a $500 tuition discount for all pupils. The school has additional tuition waivers that average $25 per pupil. How much should be included as the tuition per pupil in the budget?

a. $3,000
b. $500
c. $2,500
d. $2,475

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We will now have our first knowledge check. I will give you a minute to read through this question and determine what you think the answer is.

The correct answer to this question is d. The amount that is included as the average received per pupil is the average received net of any discounts, tuition waivers, or any scholarships provided by the school. So, in this example, we would calculate the average charged as $3,000 less $500 less $25. The $2,475 would be included on Line 1, Column B of Schedule 4-1.

Schedule 4-1: Tuition, Fees, and Govt Assistance Revenues

Line	A Line Description	B Tuition & Fees	C Government Assistance	D Total
18	Total 2023-24 Revenues	-	-	-
19	June 30, 2023 Deferred Revenue			-
20	June 30, 2023 Accounts Receivable			-
21	**TOTAL AMOUNT TO BE RECEIVED**	-	-	-
22	July 2023 Cash Receipts			-
23	August 2023 Cash Receipts			-
24	September 2023 Cash Receipts			-
25	October 2023 Cash Receipts			-
26	November 2023 Cash Receipts			-
27	December 2023 Cash Receipts			-
28	January 2024 Cash Receipts			-
29	February 2024 Cash Receipts			-
30	March 2024 Cash Receipts			-
31	April 2024 Cash Receipts			-
32	May 2024 Cash Receipts			-
33	June 2024 Cash Receipts			-
34	**TOTAL CASH RECEIPTS**	-	-	-
35	JUNE 30, 2024 Deferred Revenue			-
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-	-

- Insert when the cash will be received in lines 22-33. This is based on when the cash is received, no matter what year it relates.

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Next, we will go through the bottom of Schedule 4-1. The bottom sections of Schedule 4-1 through 4-4 are similar to the bottom sections of Schedule 3-1 through 3-3. Except, rather than having cash payments like we have at the bottom of the Schedule 3 series, we have cash receipts at the bottom of Schedule 4.

Here you will identify any cash payments that you anticipate receiving during the 2023-24 school year on Lines 22-33, no matter what year the payments are for.

For example, if you require that parents pay a registration fee in February for the following school year, you would include the expected registration fees on the February 2024 cash receipts line.

Schedule 4-1: Tuition, Fees, and Govt Assistance Revenues

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2023-24 Revenues	-	-
19	June 30, 2023 Deferred Revenue		
20	June 30, 2023 Accounts Receivable		
21	**TOTAL AMOUNT TO BE RECEIVED**	-	-
22	July 2023 Cash Receipts		
23	August 2023 Cash Receipts		
24	September 2023 Cash Receipts		
25	October 2023 Cash Receipts		
26	November 2023 Cash Receipts		
27	December 2023 Cash Receipts		
28	January 2024 Cash Receipts		
29	February 2024 Cash Receipts		
30	March 2024 Cash Receipts		
31	April 2024 Cash Receipts		
32	May 2024 Cash Receipts		
33	June 2024 Cash Receipts		
34	**TOTAL CASH RECEIPTS**	-	-
35	JUNE 30, 2024 Deferred Revenue		
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-

- Total revenues will automatically fill in from the top of the schedule (line 18).
- Insert the Deferred Revenue & Accounts Receivable (lines 19 & 20).
  - Deferred Revenues are amounts that are received but are related to a future time period.
  - Accounts Receivables are amounts owed to the school for that school year that the school has not received.
- The Total Amount To Be Received will be calculated on Line 21.

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The total revenue for the school year will automatically be included on Line 18. You must insert any Deferred Revenue or Accounts Receivable as of June 30, 2023 on Lines 19 and 20.

Deferred Revenues are amounts that are received but are related to a future time period. An example of a deferred revenue would be if you collected a 2023-24 school year registration fee during the 2022-23 school year. This amount would be included on the June 30, 2023 deferred revenue line, which is Line 19.

Accounts Receivables are amounts owed to the school that the school has not yet received. For example, a parent was unable to pay the tuition owed for the 2021-22 school year. The school and the parent set up a payment plan to pay the remaining amount. This payment plan goes through June 30, 2024. The total remaining payments you expect to receive from the parent as of June 30, 2023 would be inserted on Line 20, the June 30, 2023 Accounts Receivable line.

After entering the June 30, 2023 Deferred Revenue and Accounts Receivable amounts in Lines 19 and 20, the total amount to be received will automatically be calculated on Line 21.

Schedule 4-1: Tuition, Fees, and Govt Assistance Revenues

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2023-24 Revenues	-	-
19	June 30, 2023 Deferred Revenue		
20	June 30, 2023 Accounts Receivable		
21	**TOTAL AMOUNT TO BE RECEIVED**	-	-
22	July 2023 Cash Receipts		
23	August 2023 Cash Receipts		
24	September 2023 Cash Receipts		
25	October 2023 Cash Receipts		
26	November 2023 Cash Receipts		
27	December 2023 Cash Receipts		
28	January 2024 Cash Receipts		
29	February 2024 Cash Receipts		
30	March 2024 Cash Receipts		
31	April 2024 Cash Receipts		
32	May 2024 Cash Receipts		
33	June 2024 Cash Receipts		
34	**TOTAL CASH RECEIPTS**	-	-
35	JUNE 30, 2024 Deferred Revenue		
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-

- If Deferred Revenue will be outstanding at the end of the year, complete line 35.
- June 30, 2024 Accounts Receivable (line 36) will be calculated as: Cash Amount To Be Received (line 21) less Total Cash Receipts (line 34) plus Deferred Revenue (line 35).
- Review the June 30, 2024 Accounts Receivable (line 36) to ensure it appears correct.

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Similar to the beginning of the year, we would include the anticipated deferred revenue at the end of the year on Line 35. The anticipated ending Accounts Receivable balance will automatically be included on Line 36. It is important that you review the amount on Line 36 after you complete this schedule to ensure it is accurate. This amount should match the amount of revenue you have earned but not received. So, typically, this line will include any tuition or fees from the school year that you anticipate will still be owed at the end of the school year.

Pupil Counts

[?]	24	Number of non-Choice pupils charged tuition or fees on Schedule 4-1 exceeds the non-Choice pupils	OK
[?]	25	Number of 9-12 grade Choice pupils on Schedule 4-1 exceeds the 9-12 Choice pupils	OK
[?]	26	Number of pupils charged fees or government assistance on Schedule 4-1 exceeds the total pupils	OK
[?]	27	Number of Choice pupils charged fees on Schedule 4-1 exceeds the total Choice pupils	OK

- The school will receive errors if the number of pupils on Schedule 4-1 exceeds the number of pupils identified on Schedule 2-1.

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There are several errors in the error schedule related to Schedule 4-1. These errors are shown on the screen. The errors are all ensuring that the number of pupils that you have identified as charging tuition and/or fees to does not exceed the number of pupils in that category that are identified on Schedule 2-1. For example, if you identify that you will charge tuition and fees to more non-Choice pupils in Schedule 4-1 than the number of non-Choice pupils included on Schedule 2-1, Error 24 will be identified.

If you are unsure how to resolve an error, first put your mouse on the question mark next to the error. A comment will show that explains how to resolve the error. If you are still unsure how to resolve the error after reviewing the comment, you can send an email to dpichoiceauditreports@dpi.wi.gov that includes a copy of your budget and identifies which error you have a question on. The Choice auditors will review the error and help you resolve it.

In Class Activity – Complete Schedule 4-1 using the following information.

Revenue Item Description	Average Received Per Pupil	Number of Pupils	Annual Amount Earned	Cash Receipts Timing
2023-24 Tuition from non-Choice pupils (published rate is $2,700 per pupil)	$2,000	40	$80,000	½ of the tuition ($40,000) is received prior to start of 2023-24 school year. The other ½ ($40,000) is received in August 2023.
2023-24 Food Service Charges	$80	30	$2,400	Fees of $1,000 are received from October 2023-July 2024 (for 2023-24 food service and field trips)
2023-24 Aftercare charges for K-12th grade pupils	$350	20	$7,000	
2023-24 Non-Choice Pupil Charge for Field Trips	$15	40	$600	
2023-24 Non-Choice Pupil Charge for Registration	$50	40	$2,000	All received in May 2023
2023-24 Daycare Tuition	$4,200	10	$42,000	Daycare cash receipts are $3,500 per month from July 2023-June 2024
2023-24 Public Paying Admission to Sporting Events	N/A	N/A	$500	Fees of $50 are received from October 2023-July 2024
2024-25 Tuition from Non-Choice Pupils	N/A	N/A	N/A	$35,000 received in May 2024

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We will now go through an example. Please pause the training to read through the information on the screen.

Schedule 4-1: In Class Activity Answer

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
1	Tuition from Non-Choice Pupils				-	
2	Tuition from 9-12 Grade Choice Pupils				-	
3	Food Service Fees from Individuals				-	
4	K-12 Before & After School Care Fees				-	
5	Other Fees Charged to Non-Choice Pupils				-	
6	Other Fees Charged to Choice Pupils				-	
7	Daycare/Preschool Tuition & Fees				-	
8	Other Fees Charged					
9	**TOTAL TUITION AND FEES**				-	

Revenue Item Description	Average Received Per Pupil	Number of Pupils	Annual Amount Earned	Line
2023-24 Tuition from non-Choice pupils (published rate is $2,700 per pupil)	$2,000	40	$80,000	
2023-24 Food Service Charges	$80	30	$2,400	
2023-24 Aftercare charges for K-12th grade pupils	$350	20	$7,000	
2023-24 Non-Choice Pupil Charge for Field Trips	$15	40	$600	
2023-24 Non-Choice Pupil Charge for Registration	$50	40	$2,000	
2023-24 Daycare Tuition	$4,200	10	$42,000	
2023-24 Public Paying Admission to Sporting Events	N/A	N/A	$500	
2024-25 Tuition from Non-Choice Pupils	N/A	N/A	N/A	

First, we will complete the top of Schedule 4-1 for our example. Please take a moment to review each revenue type at the bottom of this slide and decide which line of Schedule 4-1 the revenue should be included in.

The 2023-24 tuition should go on Line 1 in the schedule. The food service charges are input on Line 3. The charges for aftercare for K-12th grade educational programming pupils should go on Line 4. The non-choice pupil charges for field trips and registration are combined and input on Line 5. Daycare tuition is input on Line 7. Lastly, the public paying admission to a sporting event should go on Line 8. Please note that the 2024-25 tuition and fees are not included on the top part of this schedule. The top part of the schedule includes the total revenue related to the 2023-24 school year. We will need the information on the 2024-25 revenue when we complete the cash flow section of Schedule 4-1 since these amounts are expected to be received during the 2023-24 school year. However, the amount included at the top is specifically for revenue that relates to the 2023-24 school year.

Now, you will need to input the information into the applicable lines in the top of Schedule 4-1. Notice that we are not putting the total amount we earned for the full year into Column B. Rather, we are putting the average received per pupil. For example, for the tuition on Line 1, you should put $2,000 in Column B and 40 pupils in Column C. Lines 2-7 should be completed in a similar manner.

The public paying admission for a sporting event is different. Rather than putting in the average received per pupil and the number of pupils, the total revenue received goes on Line 8, Column E.

Please pause the presentation at this time and take a few minutes to complete the top of Schedule 4-1. Resume the training once you ar ready to continue.

Schedule 4-1: In Class Activity Answer (cont)

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
1	Tuition from Non-Choice Pupils	2,000	40		80,000	
2	Tuition from 9-12 Grade Choice Pupils				-	
3	Food Service Fees from Individuals	80	30		2,400	
4	K-12 Before & After School Care Fees	350	20		7,000	
5	Other Fees Charged to Non-Choice Pupils	65	40		2,600	
6	Other Fees Charged to Choice Pupils				-	
7	Daycare/Preschool Tuition & Fees	4,200	10		42,000	
8	Other Fees Charged				500	
9	**TOTAL TUITION AND FEES**				134,500	

		CASH FLOWS		
Line	A Line Description	B Tuition & Fees	C Government Assistance	D Total
18	Total 2023-24 Revenues	134,500		134,500
19	June 30, 2023 Deferred Revenue			-
20	June 30, 2023 Accounts Receivable			-
21	**TOTAL AMOUNT TO BE RECEIVED**	134,500	-	134,500

- The total tuition and fees flow to the cash flow section, Line 18.

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Once the top section of Schedule 4-1 is completed, the total tuition and fees on Line 9, Column E will automatically be included in Line 18, Column B. In our example, the $134,500 is included on Line 18, Column B.

Schedule 4-1: In Class Activity Answer (cont)

- Determine if there is any Deferred Revenue or Accounts Receivable as of June 30, 2023 (lines 19 & 20).
  - The school expects to receive half of the tuition for the 2023-24 school year ($40,000) prior to the start of the school year.
  - The school is charging non-Choice pupils registration fees. The registration fees of $2,000 are expected to be received in May before the start of the school year.

		CASH FLOWS		
Line	A Line Description	B Tuition & Fees	C Government Assistance	D Total
18	Total 2023-24 Revenues	134,500		134,500
19	June 30, 2023 Deferred Revenue			-
20	June 30, 2023 Accounts Receivable			-
21	TOTAL AMOUNT TO BE RECEIVED	134,500	-	134,500

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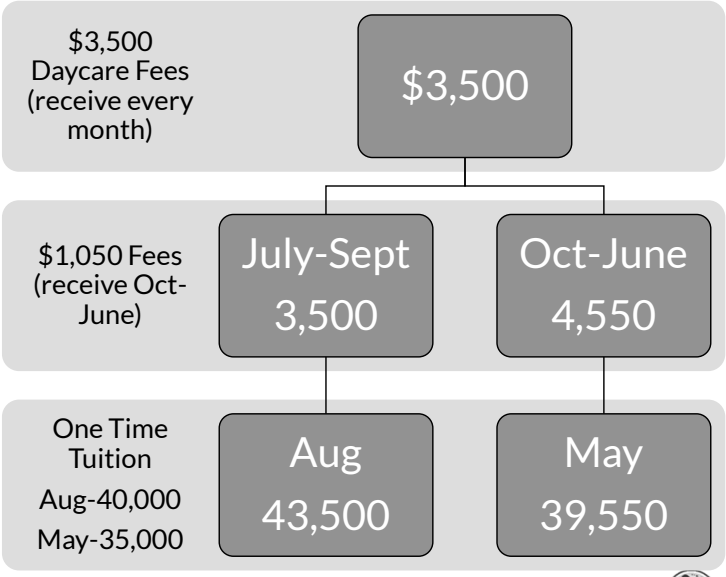
You will now need to determine the deferred revenue and Accounts Receivable as of June 30, 2023.

As a reminder, deferred revenue are amounts that are received as of June 30, 2023 that the school hasn't yet earned. In our example, the deferred revenue would be the $40,000 of tuition and $2,000 of registration fees we expect to receive by June 30, 2023 for the 2023-24 school year. So, we insert the total amount of $42,000 into Line 19, Column B. Our example did not include any Accounts Receivable as of June 30, 2023.

Schedule 4-1: In Class Activity Answer (cont)

Line	A Line Description	B Tuition & Fees
18	Total 2023-24 Revenues	134,500
19	June 30, 2023 Deferred Revenue	42,000
20	June 30, 2023 Accounts Receivable	
21	**TOTAL AMOUNT TO BE RECEIVED**	92,500
22	July 2023 Cash Receipts	
23	August 2023 Cash Receipts	
24	September 2023 Cash Receipts	
25	October 2023 Cash Receipts	
26	November 2023 Cash Receipts	
27	December 2023 Cash Receipts	
28	January 2024 Cash Receipts	
29	February 2024 Cash Receipts	
30	March 2024 Cash Receipts	
31	April 2024 Cash Receipts	
32	May 2024 Cash Receipts	
33	June 2024 Cash Receipts	
34	**TOTAL CASH RECEIPTS**	-
35	JUNE 30, 2024 Deferred Revenue	
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	92,500



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Next, we need to insert the cash receipts into Lines 22-33. When completing the cash receipts section in this schedule, it is a good idea to start with the amount you expect to receive in most of the months. In our example, we expect to receive $3,500 of daycare cash receipts in every month. As a result, we will have a minimum of $3,500 on Lines 22-33. We then need to determine what additional amounts need to be included.

We expect to get $1,050 of fees from October-June. That means that from October-June, we expect to receive a new minimum of $4,550.

The last two items are amounts that only impact one month. We expect to receive $40,000 of tuition in August and $35,000 of tuition in May. Notice, we are including the cash receipts in the cash flow portion of Schedule 4-1 even though the tuition received in May is for the 2024-25 school year. The cash flow section in all of all schedules in the budget is the actual amount of cash you expect to receive or pay in each month, no matter what school year that cash receipt or payment is related to.

Based on this information, we will have the following on each line. If you haven't already done so, enter these amounts into your budget. Pause the presentation if you need extra time to input these amounts or check your budget against the information in the presentation.

Schedule 4-1: In Class Activity Answer (cont)

Line	A Line Description	B Tuition & Fees
18	Total 2023-24 Revenues	134,500
19	June 30, 2023 Deferred Revenue	42,000
20	June 30, 2023 Accounts Receivable	
21	**TOTAL AMOUNT TO BE RECEIVED**	92,500
22	July 2023 Cash Receipts	3,500
23	August 2023 Cash Receipts	43,500
24	September 2023 Cash Receipts	3,500
25	October 2023 Cash Receipts	4,550
26	November 2023 Cash Receipts	4,550
27	December 2023 Cash Receipts	4,550
28	January 2024 Cash Receipts	4,550
29	February 2024 Cash Receipts	4,550
30	March 2024 Cash Receipts	4,550
31	April 2024 Cash Receipts	4,550
32	May 2024 Cash Receipts	39,550
33	June 2024 Cash Receipts	4,550
34	**TOTAL CASH RECEIPTS**	126,450
35	JUNE 30, 2024 Deferred Revenue	
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	(33,950)

- Determine if there is any deferred revenue as of June 30, 2024. If so, insert it into Line 35.
  - The $35,000 must be included in deferred revenue as of June 30, 2024.

19

Next, we need to determine the deferred revenue at the end of the year. As a reminder, we expect to receive $35,000 of tuition in May 2024 for the 2024-25 school year. This amount would be deferred revenue as of June 30, 2024, so it must be included on Line 35.

Schedule 4-1: In Class Activity Answer (cont)

Line	A Line Description	B Tuition & Fees
18	Total 2023-24 Revenues	134,500
19	June 30, 2023 Deferred Revenue	42,000
20	June 30, 2023 Accounts Receivable	
21	**TOTAL AMOUNT TO BE RECEIVED**	92,500
22	July 2023 Cash Receipts	3,500
23	August 2023 Cash Receipts	43,500
24	September 2023 Cash Receipts	3,500
25	October 2023 Cash Receipts	4,550
26	November 2023 Cash Receipts	4,550
27	December 2023 Cash Receipts	4,550
28	January 2024 Cash Receipts	4,550
29	February 2024 Cash Receipts	4,550
30	March 2024 Cash Receipts	4,550
31	April 2024 Cash Receipts	4,550
32	May 2024 Cash Receipts	39,550
33	June 2024 Cash Receipts	4,550
34	**TOTAL CASH RECEIPTS**	126,450
35	JUNE 30, 2024 Deferred Revenue	35,000
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	1,050

- Review the Accounts Receivable balance to ensure it is correct (line 36).
  - The Accounts receivable balance should be $1,050 for the July payment of food services, aftercare, field trip fees, and for the public paying admission to sporting events.

20

Finally, we need to check that our ending Accounts Receivable balance is correct. In our example, we expect to receive $1,050 in July for payments of food services, aftercare, field trips, and the public paying admission to sporting events during the 2023-24 school year. As a result, the ending balance of $1,050 seems correct so we are good to go.

Schedule 4-1: Government Assistance

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
10	Government Food Service-Lunch		-	-	-	-
11	Government Food Service-Breakfast		-	-	-	-
12	Government Food Service-Milk		-	-	-	-
13	School District Transportation Payments				-	-
14	School District Partnership Revenue					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

- Any government assistance received must be included in this section.
- If the school is receiving food service assistance or transportation payments from a government agency, insert the average received per pupil.
- The number of pupils and number of days for Lines 10-12 automatically fill in from Schedule 1. If the number should be different, it can be updated.

21

The other type of revenue you will enter into Schedule 4-1 is government assistance. This is entered into Lines 10-16. The school should include amounts it expects to receive from the USDA food program in Lines 10-12. For each type of anticipated USDA food program revenue, the school must include the average received for a pupil each day, the number of pupils the school anticipates serving each day, and the number of days the school expects to provide lunch, breakfast, or milk that qualifies for reimbursement through the USDA food program. The total revenue will then automatically be calculated in Column E.

Please note that the number of pupils and number of days served in Columns C and D will automatically be included based on the number of pupils and days served you entered into Schedule 1 of the budget. If the number being purchased and the number that are being reimbursed match, no changes would be required. If the school is being reimbursed for a grade that is not considered to be educational programming for the school, such as 3 year old kindergarten, the school would update the number of pupils in Schedule 4-1, Column C to include the 3 year old kindergarten pupils.

Line 13 is a different type of government assistance revenue. If the school directly receives transportation payments from a school district, the school should include the amounts expected to be received from the district in this line. This should not include transportation payments the public school district makes directly to parents.

Schedule 4-1: School District Partnership Revenue

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
10	Government Food Service-Lunch		-	-	-	-
11	Government Food Service-Breakfast		-	-	-	-
12	Government Food Service-Milk		-	-	-	-
13	School District Transportation Payments				-	-
14	School District Partnership Revenue					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

- If you receive school district revenue for providing educational programming for pupils enrolled in a public school district, include it in Line 14.
  - Any expenses for these pupils should not be included as eligible.
  - These pupils must be excluded from the all pupil counts and Choice pupil counts.
  - Pupils enrolled in the public school district are not eligible for a Choice payment.
  - **You will need to provide the contract with the public school district when you submit the budget.**

22

If the school has a contract with a public school district where pupils are at the private school and considered enrolled in the public school, the revenue from the public school district should go on Line 14. The most common example of this is a contract for the private school to provide 4 year old kindergarten for the public school district. If the school has this type of contract with the public school district, it will need to provide the contract with the public school district as part of the budget submission.

In this situation, the expenses for those pupils should not be included as eligible. These pupils must also be excluded from the all pupil and Choice pupil counts on Schedule 2-1. Pupils in another school or homeschooled are not eligible for a Choice payment. Schools should note that a pupil would not be eligible for a Choice payment if the pupil is enrolled in the public school district for part of the day and attending the Choice school for the other part of the day.

Schedule 4-1: Government Assistance

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
10	Government Food Service-Lunch		-	-	-	-
11	Government Food Service-Breakfast		-	-	-	-
12	Government Food Service-Milk		-	-	-	-
13	School District Transportation Payments				-	-
14	School District Partnership Revenue					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

- If you receive any other government assistance, insert the amount and a description of the assistance received in lines 15-16.
- The most common example of other government assistance is E-rate grants.

23

If you receive any other government assistance, you will need to include a description of it in Lines 15-16 and then insert the expected revenue in Column E. The most common example of other government assistance is E-rate grants. Under the E-rate program, eligible schools may receive discounts on telecommunications and internet related items from the Federal government.

Offsetting Revenue

- Offsetting revenue is revenue that decreases the amount of Choice eligible education expenses for the school.

- Offsetting Revenue includes:
  - Government assistance for educational programming expenses.
  - Insurance proceeds for educational programming expenses.
    - If the school received insurance proceeds, enter the amount that is offsetting in Schedule 10
  - Fundraising revenue

24

Eligible education expenses are reduced by any offsetting revenue. The three types of offsetting revenue are government assistance, fundraising revenue, and insurance proceeds. The first type of revenue we will discuss is government assistance. Any government assistance received for educational programming is included as offsetting in the year it is earned. This is because government assistance generally requires that the amount received be expended on eligible education expenses, either in the same year the funds are provided or in a future school year. Government assistance received for something that is not educational programming related is not offsetting. An example of this is a grant for the church to help homeless individuals in the area.

Two common examples of government assistance that are offsetting are E-rate grants and USDA food program revenue. Schools who participate in the USDA food program provide meals to pupils, incurring an eligible education expense, and then receive a set amount for each eligible pupil. In this case, the meal expenditures are recorded as an eligible education expense and the USDA revenue is recorded as an offsetting revenue on the Reserve Balance Schedule. As a reminder, only the revenue that is related to educational programming is offsetting. So, if the school is receiving USDA food program revenue for a daycare, the daycare's USDA food program revenue would not be offsetting and the related expenses for the daycare's food would not be an eligible education expense.

The next type of offsetting revenue is insurance proceeds received to cover eligible education expenses. For example, if a storm damages a school building, the school will incur eligible education expenses to repair the building and receive insurance proceeds to cover those repairs. The repairs are included as an eligible education expense and the insurance proceeds are included as offsetting revenue. In the budget, these offsetting revenues need to be input into Schedule 10.

We will discuss fundraising revenue in a few minutes.

Offsetting Revenue (cont)

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
10	Government Food Service-Lunch		-	-	-	-
11	Government Food Service-Breakfast		-	-	-	-
12	Government Food Service-Milk		-	-	-	-
13	School District Transportation Payments				-	-
14	School District Partnership Revenue					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

- Complete Column F based on the amount of the government assistance that is offsetting.
- If any of the government food service revenue in Lines 10-12 are payments for pupils not enrolled in K4-12 educational programming, it would not be included in offsetting revenue.
- If any revenue is included on Lines 15-16, identify the offsetting revenue, if any, in Column F. If any amount is not included as offsetting revenue, ensure the description is sufficient to determine that it should not be offsetting.

25

For each type of revenue included in Lines 10-12, the school must identify the offsetting government assistance revenue. The amount that is offsetting will default to the amount in Column E for all of the lines except Line 14. This line is school district partnership revenue. School district partnership revenue will not be offsetting since the expenses for these pupils are not included as an eligible education expense.

For the remaining lines, you will need to adjust the offsetting revenue if the school received government assistance for a pupil that was not in K4-12th grade educational programming or if the related expense is not an eligible education expense. So, for example, if the school receives USDA food program payments for its daycare, the amount of USDA food program payments expected to be received for the daycare pupils would not be included as offsetting revenue in Column F.

Knowledge Check

What government assistance is included as offsetting revenue (a decrease to the eligible education expenses)?

a. All government assistance received.
b. Government assistance received for educational programming.
c. Government assistance received for educational programming up to the related eligible education expense.

26

I will give you a minute to read through this question and determine what you think the answer is.

The correct answer is b. All government assistance received for educational programming is offsetting revenue. If the school received government assistance that wasn't used for educational programming, it would not be included as offsetting government assistance revenue, so a is not correct. C is not correct because the amount received is included as offsetting if it was used or will be used for educational programming. For example, if a school receives $10,000 in USDA food program payments for pupils in 1st through 8th grade, but only spends $8,000 on eligible food program expenses, $10,000 would be included as offsetting. The reason for this is that generally, government agencies require that schools spend the funds on eligible expenses, either now or in the future. So, the amounts are included as offsetting revenue right away rather than trying to determine which year they are actually used.

Knowledge Check

The school has 4 year old kindergarten pupils attending the school who are enrolled in the public school district. Which of the following is **true**?

a. The cost for these pupils are included as an eligible education expense in the budget.
b. These pupils are included in the all pupil count.
c. The revenue received from the public school district for these pupils is offsetting revenue.
d. The cost for these pupils must be determined, using allocations as needed for general expenses. These costs must be excluded from eligible education expenses.

27

I will give you a minute to read through this question and determine what you think the answer is.

The correct answer is d. The cost for these pupils are not included in eligible education expenses, the pupils are excluded from the all pupil count, and the revenue received from the public school district is not included as offsetting. The amount that is excluded from eligible education expenses would need to be determined using an allocation if the expenses relate to educational programming and the K4 pupils.

Schedule 4-1: Food Program Revenue Example

- The school will participate in the USDA lunch and breakfast program. The school will not participate in the milk program.
- The number of pupils and days served is the same for the revenue as it was for the expense for lunch and breakfast.
- The anticipated average amount the school will receive per pupil is: $2.00 for lunch and $.64 for breakfast.
- The USDA food program revenue is related to meals served from September through June and the revenue will be received evenly from October through July for food for pupils enrolled in K-12th grade educational programming.

- **Complete Schedule 4-1 using the information above.**

28

Please read the example on this screen and take a few minutes to complete Schedule 4-1 in your budget. Pause the presentation until you are ready to proceed.

Schedule 4-1: Food Program Revenue Example (cont)

		REVENUE DETAIL				
Line	A Item Description *Do not include revenue from the Choice program or SNSP.*	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
10	Government Food Service-Lunch		123	180	-	-
11	Government Food Service-Breakfast		20	180	-	-
12	Government Food Service-Milk		123	180	-	-
13	School District Transportation Payments				-	-
14	School District Partnership Revenue					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

- The school will participate in the USDA lunch and breakfast program. The school will not participate in the milk program.
- The number of pupils and days served is the same for the revenue as it was for the expense for lunch and breakfast.
- The anticipated average amount the school will receive per pupil is: $2.00 for lunch and $.64 for breakfast.

29

As you can see, Lines 10-12, Columns C and D have already been filled in for us. As a reminder, this information is from what was previously entered in Schedule 1. However, since it is yellow, you can adjust it if needed. For our example, the number of pupils and number of days served for the cost and revenue sides are the same for lunch and breakfast, so no adjustments are needed for those lines. The school does not participate in the milk program, so the school should remove the information in Column C and D, Line 12.

For Lines 10-11, you will need to enter in the average received per pupil, which is : $2.00 for lunch and 64 cents for breakfast.

Since the revenue received is all for K-12th grade educational programming, the offsetting revenue in Column F equaling the total revenue in Column E is correct. Therefore, no changes are needed to Column F from what is automatically included.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-1: Food Program Revenue Example (cont)

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2023-24 Revenues	134,500	46,584
19	June 30, 2023 Deferred Revenue	42,000	
20	June 30, 2023 Accounts Receivable		
21	**TOTAL AMOUNT TO BE RECEIVED**	92,500	46,584
22	July 2023 Cash Receipts	3,500	
23	August 2023 Cash Receipts	43,500	
24	September 2023 Cash Receipts	3,500	
25	October 2023 Cash Receipts	4,550	
26	November 2023 Cash Receipts	4,550	
27	December 2023 Cash Receipts	4,550	
28	January 2024 Cash Receipts	4,550	
29	February 2024 Cash Receipts	4,550	
30	March 2024 Cash Receipts	4,550	
31	April 2024 Cash Receipts	4,550	
32	May 2024 Cash Receipts	39,550	
33	June 2024 Cash Receipts	4,550	
34	**TOTAL CASH RECEIPTS**	126,450	-
35	JUNE 30, 2024 Deferred Revenue	35,000	
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	1,050	46,584

- The USDA food program revenue is related to meals served from September through June.
- The USDA revenue will be received evenly from October through July.

30

Next, we will go through how the bottom of Schedule 4-1 should be completed. In our example, the USDA food program revenue is related to meals that are served from September through June. For cash receipts, though, we care about when we expect to receive the cash. Our example indicates we expect to evenly receive the revenue from October through July. Our total revenue of $46,584 divided by 10 months, means we expect to receive $4,658 per month from October through June. When we type this in, we see we have a June 30, 2024 Accounts Receivable balance of $4,662. Since we expect to have one more USDA food program payment that we earned in June 2024 that we haven't yet received as of June 30, 2024, this ending amount is correct.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Fundraising Revenue

- Offsetting fundraising revenue is the lesser of the following:
  - Fundraising revenue
  - Non-administrative fundraising expenses included in eligible education expenses. Administrative expenses include expenses for personnel, mailings, copying, and fixed assets used for other school purposes.

The budget file takes care of calculating this impact on Schedule 10, line 7.

31

In the next revenue schedule, we will identify which revenues were received through fundraising. This information will be used to determine what is offsetting fundraising revenue. The amount of fundraising revenue that is offsetting is the lesser of the fundraising revenue received or the amount of non-administrative fundraising expenses included in eligible education expenses. The non-administrative fundraising expenses are identified in Schedule 3-3, Line 13, Column C.

Administrative expenses (those expenses that are NOT included in the offsetting revenue determination) include expenses for school personnel, copying, mailing, or capital assets used for other school purposes. For example, a school holds a benefit dinner in the school gym. The administrative staff of the school send out various mailings and make copies of the program. The allocated cost for the school gym, administrative staff time, mailings and copying would all be considered administrative fundraising expenses and not included in the offsetting revenue determination. However, non-administrative expenses, such as the cost for the food for the benefit dinner would be included in the offsetting fundraising revenue determination.

Offsetting Revenue - Fundraising

- The amount that is offsetting for fundraising revenue is the lesser of:
  - Fundraising revenue, **or**
  - The amount of non-administrative fundraising expenses included in eligible education expenses. Administrative expenses include expenses for: school personnel, mailings, copying, and fixed assets used for other school purposes.

	Example 1	Example 2
Fundraising Revenue	$15,000	$25,000
Non Administrative Fundraising Expenses	25,000	10,000
Administrative Fundraising Expenses	40,000	30,000
Offsetting Fundraising Revenue		

32

This slide includes two different examples of how to determine what amount is offsetting. As a reminder, the amount that is offsetting is the lesser of the fundraising revenue and the non-administrative fundraising expenses.

Example 1 on this slide is a situation where the amount of non-administrative fundraising expenditures of $25,000 exceeds the fundraising revenue of $15,000. Therefore the $15,000 of fundraising revenue is offsetting revenue.

Example 2 on this slide is a situation where fundraising revenue of $25,000 exceeds the amount of non-administrative fundraising expenditures of $10,000. Therefore the $10,000 of non-administrative fundraising expenses is offsetting revenue.

Knowledge Check

The school receives $225,000 of fundraising revenue. The school has $250,000 of fundraising costs included in eligible education expense. The fundraising expenses include $150,000 of non-administrative expenses and $100,000 of administrative expenses. How much fundraising revenue must be offsetting?

a. $225,000

b. $250,000

c. $150,000

d. $100,000

33

I will give you a minute to read through this question and determine what you think the answer is.

In this example, there are 2 numbers we need to consider. The fundraising revenue and non-administrative fundraising expense. Fundraising revenue was $225,000. Non-administrative fundraising expenses were $150,000. The lesser of these 2 amounts is offsetting, so $150,000 is offsetting.

Schedule 4-2: Revenue from Contributions, Non-Govt Grants, Fundraising & Offerings

- On the top of Schedule 4-2, insert any external contributions from individuals or unrelated organizations, non government grants, or fundraising if the school had:
  - Any amount the school received in the past two years,
  - Has an outstanding receivable as of 6/30/23, or
  - The school is budgeting to receive an amount in 2023-24.

	EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING						
Line	A Name of Source or Description of Fundraising	B 6/30/22 Actual	C 6/30/23 Actual/Budget	D Receivable as of 6/30/23	E 6/30/24 Budget	F Written	G Fund-raising
1							
2							
3							

Column B
Include the actual amount received for the prior year.

Columns C & E
Include the expected amount for the current and the next budget.

Column D
Insert the amount of any receivables that will be outstanding as of 6/30/23.

34

In Schedule 4-2, the school must identify any revenue received from external contributions, non government grants, fundraising and offerings. As a reminder, the budget must be completed at the legal entity level. So, any revenue received from any part of the legal entity must be included. So, if a church has the same Federal Tax ID number as the school, revenue received from the church, such as external contributions and offerings, must be included as revenue. If the church and the school are the same legal entity, the church cannot be identified as a separate revenue source in this schedule or any of the revenue schedules. Instead, all of the church's expenses, revenues, and balances must be identified in the budget.

On the top of Schedule 4-2, you will need to include any external contributions from individuals or unrelated organizations, non government grants, or fundraising if the school had:

- Any amount the school received in the past two years,
- Has an outstanding receivable as of 6/30/23, or
- The school is budgeting to receive an amount in the 2023-24 school year.

For each source included, the school will need to identify the actual amount received for the year ended 6/30/22 in Column B, the actual/budgeted amount to be received for the year ended 6/30/23 in Column C, and the amount the school anticipates receiving for the next school year in Column E.

If the school received a written notification that they will receive an amount but does not expect to receive it by 6/30/23, it should be identified as a receivable in Column D.

Schedule 4-2: Revenue from Contributions, Non-Govt Grants, Fundraising & Offerings (cont)

	EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING						
Line	A Name of Source or Description of Fundraising	B 6/30/22 Actual	C 6/30/23 Actual/Budget	D Receivable as of 6/30/23	E 6/30/24 Budget	F Written	G Fund-raising
1							
2							
3							

- If the organization has a written agreement, indicate "Yes" in Column F.
- If the amount is from fundraising, including money raised through fundraising drives, indicate "Yes" in column G.

***Columns F & G must be answered or the organization will receive an error**.

35

If a school has a written agreement for any amounts identified in Columns D or E, the school should indicate Yes in Column F. If a school identifies it has a written agreement, it will be required to provide it with the budget if the amount of revenue expected to be received is above the threshold we will talk about on the next slide.

The school will also need to identify if the amounts are expected to be raised through fundraising. So, for example, if the school sends out a mailing asking for donations or if it has a benefit dinner to raise funds, the expected amounts from those fundraisers would need to have a Yes in Column G.

Column F and G must be answered for each line with amounts included or the school will receive an error on the error report.

Sch 4-2: External contributions, non govt grants or fundraising

- **New private school based on Wis. Stat. 118.60 or 119.23 or schools in their first year of operation:**
  - The school must have a written agreement to support any amount over $1,000.
  - The source of all funds or description of all activities must be identified.

36

A school that is a new private school as defined in the law or schools in their first year of operation, must provide a written agreement to support any amount over $1,000 in Schedule 4-2. Further, the source of all funds or description of all activities must be identified for these schools.

Sch 4-2: External contributions, non govt grants or fundraising (cont)

Written Agreement Required Components

- Who will provide the funds
- That the funds will be provided to the school
- The amount that will be provided
- When the funds will be provided
- An indication that the amounts do not need to be paid back

37

The written agreement that is provided to support the revenue in this schedule must include who will provide the funds, that the funds will be provided to the school, the amount that will be provided, when the funds will be provided, and an indication that the amounts do not need to be paid back.

Schedule 4-2: Revenues & Church Offerings

Line	A Line Description	B Revenue From Above	C Church Offerings
20	Total 2023-24 Revenues	-	
21	June 30, 2023 Deferred Revenue		
22	June 30, 2023 Accounts Receivable	-	
23	**TOTAL AMOUNT TO BE RECEIVED**	-	-
24	July 2023 Cash Receipts		
25	August 2023 Cash Receipts		
26	September 2023 Cash Receipts		
27	October 2023 Cash Receipts		
28	November 2023 Cash Receipts		
29	December 2023 Cash Receipts		
30	January 2024 Cash Receipts		
31	February 2024 Cash Receipts		
32	March 2024 Cash Receipts		
33	April 2024 Cash Receipts		
34	May 2024 Cash Receipts		
35	June 2024 Cash Receipts		
36	**TOTAL CASH RECEIPTS**	-	-
37	JUNE 30, 2024 Deferred Revenue		
38	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-

- Revenues in Column B will fill in from above.
- Church Offerings should be included in Column C, if any.

38

Similar to Schedule 4-1, the total revenue that is inserted at the top of the schedule will automatically be included on Line 20. If the school's legal entity includes a church, the church offerings must be inserted in Column C. Note that the total revenue received from church offerings is directly input in Line 20, Column C. The church offerings are not separately included at the top of this budget.

Schedule 4-2: Revenues Received Example

	EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING						
Line	A Name of Source or Description of Fundraising	B 6/30/22 Actual	C 6/30/23 Actual/Budget	D Receivable as of 6/30/23	E 6/30/24 Budget	F Written	G Fund-raising
1							
2							
3							

The school anticipates receiving the following:

- $10,000 through a benefit dinner on 10/1/23. The school did a benefit dinner in the 2022-23 school year that raised $9,500.
- $40,000 written pledge raised through a fundraising drive received from Matthew Gibbs in May 2023. The amount will be paid to the school in annual installments of $10,000 beginning December 2023.
- $2,000 in Scrip Income for the 2023-24 school year. The school expects to receive $2,000 for the 2022-23 school year. The amount is received in four quarterly amounts of $500 in September, December, March, and June.

39

We will now go through an example together.

The school expects to receive $10,000 through a benefit dinner on 10/1/23. The school did a benefit dinner in the 2022-23 school year that raised $9,500. So, we will put "Benefit Dinner" on Line 1, Column A. We will then put $9,500 in Column C. Finally, we will insert the amount we expect to receive in the next year of $10,000 in Column E. We do not have a written agreement, so we'll put No in Column F. A benefit dinner would be fundraising, so Column G should be a Yes.

For our next example, we expect to receive a $40,000 written pledge raised through a fundraising drive. We expect that this pledge will be received from Matthew Gibbs in May 2023. The amount will be paid to the school in annual installments of $10,000 beginning December 2023. We will put Matthew Gibbs on Line 2. Since we expect to receive a written pledge during the 2022-23 school year, the full $40,000 will be included in Column C as revenue for the 2022-23 school year. In Column D, we must input the amount that was pledged but not received by June 30, 2023. In this case, we anticipate the full $40,000 will not be received as of June 30, 2023, so the full amount is identified as a receivable in Column D. We do expect to receive a written agreement and this is the result of fundraising, so Yes should be inserted in Columns F and G.

For our third example, the school sells Scrip gift cards. In training 3-3 we identified the school's cost for the Scrip gift cards is $1,500. The school expects to receive $2,000 for the sale of the Scrip gift cards. All amounts in the budget must be shown gross. As a result, we will need to put the $2,000 as Scrip income on the top of Schedule 4-2. Please note we do **not** only insert the profit of $500 here. We also expect to receive $2,000 of Scrip income during the 2022-23 school year. The amount is not a written pledge so we insert No in Column F, but it is fundraising so insert a Yes in Column G.

Schedule 4-2: Revenues Received Example (cont)

EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING

Line	A Name of Source or Description of Fundraising	B 6/30/22 Actual	C 6/30/23 Actual/Budget	D Receivable as of 6/30/23	E 6/30/24 Budget	F Written	G Fund-raising
1	Benefit Dinner		9,500		10,000	No	Yes
2	Matthew Gibbs		40,000	40,000		Yes	Yes
3	Scrip Income		2,000		2,000	No	Yes
19	TOTAL	-	51,500	40,000	12,000	1	3

CASH FLOWS

Line	A Line Description	B Revenue From Above	C Church Offerings
20	Total 2023-24 Revenues	12,000	
21	June 30, 2023 Deferred Revenue		
22	June 30, 2023 Accounts Receivable	40,000	
23	TOTAL AMOUNT TO BE RECEIVED	52,000	-

- The total revenue and Accounts Receivable will automatically flow from the top of Schedule 4-2 to Line 20 and 22 of the cash flow section.

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Once the amounts are included in the top of Schedule 4-2, the 2023-24 revenues and June 30, 2023 Accounts Receivable will automatically flow to Lines 20 and 22 based on the information entered in the top of the schedule. On this screen, you can see how the information in the top of the schedule flows through to the bottom part of the schedule.

Schedule 4-2: Revenues Received Example (cont)

Line	A Line Description	B Revenue From Above
20	Total 2023-24 Revenues	12,000
21	June 30, 2023 Deferred Revenue	
22	June 30, 2023 Accounts Receivable	40,000
23	**TOTAL AMOUNT TO BE RECEIVED**	52,000
24	July 2023 Cash Receipts	
25	August 2023 Cash Receipts	
26	September 2023 Cash Receipts	
27	October 2023 Cash Receipts	
28	November 2023 Cash Receipts	
29	December 2023 Cash Receipts	
30	January 2024 Cash Receipts	
31	February 2024 Cash Receipts	
32	March 2024 Cash Receipts	
33	April 2024 Cash Receipts	
34	May 2024 Cash Receipts	
35	June 2024 Cash Receipts	
36	**TOTAL CASH RECEIPTS**	-
37	JUNE 30, 2024 Deferred Revenue	
38	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	52,000

The school anticipates receiving the following:

- $10,000 through a benefit dinner on 10/1/23. The school did a benefit dinner in the 2022-23 school year that raised $9,500.
- $40,000 written pledge raised through a fundraising drive received from Matthew Gibbs in May 2023. The amount will be paid to the school in annual installments of $10,000 beginning December 2023.
- $2,000 scrip revenue. The amount is received in four quarterly amounts of $500 in September, December, March, and June.

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Finally, we will complete the bottom portion of Schedule 4-2. In our example, we anticipate receiving $10,000 in October and $10,000 in December so we insert $10,000 on Lines 27 and 29. We also anticipate receiving four quarterly installments of scrip revenue of $500 in September, December, March and June. When we do this, the June 30, 2024 Accounts Receivable balance would be $30,000. This is correct, since we would have $30,000 remaining from the written pledge with Matthew Gibbs.

Schedule 4-2: In Class Activity

	EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING						
Line	A Name of Source or Description of Fundraising	B 6/30/22 Actual	C 6/30/23 Actual/Budget	D Receivable as of 6/30/23	E 6/30/24 Budget	F Written	G Fund-raising
1	Benefit Dinner		9,500		10,000	No	Yes
2	Matthew Gibbs		40,000	40,000		Yes	Yes
3	Scrip Income		2,000		2,000	No	Yes
4							
5							

Revenue Source	6/30/22 Actual Revenue	6/30/23 Actual/ Budget Revenue	Expected 6/30/24 Revenue	2023-24 Expected Payments	Written Agreement?
Grantor's Foundation	$12,000	$12,000	$12,000	$12,000 Expected payment in June 2024	Written grant for 2023-24 not yet received. Have written grant from 2022-23.
20 $500 Pledges from various church members	$0	$10,000	$0	$5,000 on Dec 2023 and $5,000 Dec 2024.	Written pledges received May 2023 that were generated through a fundraising drive.
Church offerings	$60,000	$60,000	$60,000	$5,000 each month	No

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Next, please take a few minutes to enter these three examples into the top and bottom portion of Schedule 4-2. Pause the training until you are ready to go through how you should input this information in your budget.

We will now go through how these three examples are included in the budget. The funds from the Grantor's Foundation should go on Line 4. We include $12,000 in Columns B, C, and E. Since we don't have a written agreement for the 23-24 school year, Column F should indicate No. These amounts were not raised through a fundraiser, so No is also inserted in Column G.

We can include the 20 $500 pledges on one line because they are below the threshold where we would need to separately disclose them. The description should explain that they were individually below the threshold. In our example, we stated, "Written Pledges Under Threshold". This language may vary but should generally be sufficient for DPI to determine that although the total amount may be above the threshold, the amount from each individual donor is below the threshold. The $10,000 should be inserted in Columns C and D similar to Matthew Gibbs. Columns F and G would also both say Yes similar to Matthew Gibbs.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-2: In Class Activity (cont)

Line	A Line Description	B Revenue From Above
20	Total 2023-24 Revenues	24,000
21	June 30, 2023 Deferred Revenue	
22	June 30, 2023 Accounts Receivable	50,000
23	**TOTAL AMOUNT TO BE RECEIVED**	74,000
24	July 2023 Cash Receipts	
25	August 2023 Cash Receipts	
26	September 2023 Cash Receipts	500
27	October 2023 Cash Receipts	10,000
28	November 2023 Cash Receipts	
29	December 2023 Cash Receipts	10,500
30	January 2024 Cash Receipts	
31	February 2024 Cash Receipts	
32	March 2024 Cash Receipts	500
33	April 2024 Cash Receipts	
34	May 2024 Cash Receipts	
35	June 2024 Cash Receipts	500
36	**TOTAL CASH RECEIPTS**	22,000
37	JUNE 30, 2024 Deferred Revenue	
38	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	52,000

- The school expects that Grantor's Foundation will give $12,000 in June 2024.
- 20 $500 Pledges from various church members that will be received $5,000 on Dec 2023 and $5,000 Dec 2024.

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At the bottom of Schedule 4-2, the $12,000 expected from the Grantor's Foundation should be included in Line 35 and the $5,000 from the church members who made pledges should be included in December on Line 29.

Since the amounts from Matthew Gibbs and the Scrip income are already included as cash receipts in those months, we will need to increase the existing $10,500 in December to $15,500. We will then need to increase the existing $500 in June to $12,500.

Schedule 4-2: In Class Activity (cont)

Line	A Line Description	B Revenue From Above	C Church Offerings
20	Total 2023-24 Revenues	24,000	
21	June 30, 2023 Deferred Revenue		
22	June 30, 2023 Accounts Receivable	50,000	
23	**TOTAL AMOUNT TO BE RECEIVED**	74,000	-
24	July 2023 Cash Receipts		
25	August 2023 Cash Receipts		
26	September 2023 Cash Receipts	500	
27	October 2023 Cash Receipts	10,000	
28	November 2023 Cash Receipts		
29	December 2023 Cash Receipts	15,500	
30	January 2024 Cash Receipts		
31	February 2024 Cash Receipts		
32	March 2024 Cash Receipts	500	
33	April 2024 Cash Receipts		
34	May 2024 Cash Receipts		
35	June 2024 Cash Receipts	12,500	
36	**TOTAL CASH RECEIPTS**	39,000	-
37	JUNE 30, 2024 Deferred Revenue		
38	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	35,000	-

- The organization also receives $5,000 each month of church offerings, for a total of $60,000 in church offerings.

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The school also anticipates receiving church offerings of $60,000. The total revenue expected to be received should be entered in Line 20, Column C. The expected $5,000 of cash receipts per month are then entered in Lines 24-35.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-3: Endowments & Investments

		ENDOWMENT FUND & OTHER INVESTMENT INCOME			
Line	A Income Type	B Payment Frequency	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
1	Endowment Fund Income				
2	Other Investment Income				

- Include the amount of revenue received from endowment fund income and investment income on lines 1 and 2.
- Payment frequency for these payments and the church/school subsidies is based on how often the school expects to receive a payment.
- If the school has endowment fund income or any endowment funds that are held by the legal entity of the school, the school will be required to provide:
  - The documents establishing the endowment fund.
  - Bank statements showing the balance of the endowment fund.

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The next schedule we will go through is Schedule 4-3. The school must include revenue received from endowment funds on Line 1 and investment income on Line 2. If the school has this type of revenue, it will need to first identify the payment frequency in Column B by selecting the frequency from the drop down. The payment frequency should be based on how often the school expects to receive payments.

The school would then need to input the actual amount it received for the year ended 6/30/22 in Column C, the expected/actual amount received for the year ended 6/30/23 in Column D, and the budgeted amount for the 2023-24 school year in Column E.

If the school has endowment fund income or any endowment funds that are held by the legal entity of the school, the school will be required to provide the documents establishing the endowment fund and the bank statements showing the balance of the endowment fund. The documents establishing the endowment fund need to specify the endowment fund was established and indicate how the funds may be used.

Schedule 4-3: Endowments & Investments (cont)

- The threshold for what to include on a separate line is the same as Schedule 4-2.
- **This part of the schedule may *not* include subsidies from part of the legal entity of the school.**
- The related party definition is on the second tab of the instructions under Step 6. In addition, the related party definition will be covered as part of Schedule 6: Debt.

		RELATED PARTY ORGANIZATION CONTRIBUTIONS			
Line	A Name of Organization Providing Subsidy	B Payment Frequency	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13	TOTAL RELATED PARTY ORGANIZATION CONTRIBUTIONS		-	-	-

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The next section of Schedule 4-3 must identify the name of any related party organizations that are providing funds to the school. This may not include any amounts received from a part of the same legal entity as the school.

This would include any funds received from a related organization. For example, if a school is a high school that is supported by several grade schools and churches, those grade schools and/or churches would be identified on this schedule.

Another example is if 3 churches share a school. The school is part of the legal entity of one of the churches. If the other 2 churches provide subsidies to the church with the school, the subsidies from the 2 churches would be listed here.

The threshold for which organizations need to be included on a separate line is the same as the threshold we discussed earlier for Schedule 4-2.

In order to determine who would be included as a related party, schools should refer to the related party definition on the second tab of the instructions under Step 6. In addition, the related party definition will be covered in the training on Schedule 6, which is on Debt.

New Private School Related Party Organization Supporting Documentation

New private school based on Wis. Stat. 118.60 or 119.23 or schools in their first year of operation must provide the following for any amount above the threshold:

- Related party's current Income Statement
- Related party's current Balance Sheet
- Related party's current bank statements
- Written agreement with related party

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Schools that are a new private school and schools that were not operating as a private school in the previous school year must provide the items on the slide for any related party organizations on Schedule 4-3 providing an amount above the threshold. These items are a current income statement, current balance sheet, and bank statements for each related party organization. Additionally, the school will be required to provide a written agreement for each amount above the threshold.

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Schedule 4-3: Endowments & Investments (cont)

CASH FLOWS

Insert the Deferred Revenue and Accounts Receivable balances at the beginning of the year in Lines 15 and 16. Line 17 will then indicate the amount to be received during the school year. Include the amount that will be received for each month in Lines 18-29. Insert any Deferred Revenue balance at the end of the year on line 31. Finally, review the year end Accounts Receivable balance in Line 32 to determine if it is correct.

Line	A Line Description	B Related Party Organization Contributions	C Endowment Fund Income	D Other Investment Income	E Total
14	Total 2023-24 Revenues	-	-	-	-
15	June 30, 2023 Deferred Revenue				-
16	June 30, 2023 Accounts Receivable				-
17	**TOTAL AMOUNT TO BE RECEIVED**	-	-	-	-
18	July 2023 Cash Receipts				-
19	August 2023 Cash Receipts				-
20	September 2023 Cash Receipts				-
21	October 2023 Cash Receipts				-
22	November 2023 Cash Receipts				-
23	December 2023 Cash Receipts				-
24	January 2024 Cash Receipts				-
25	February 2024 Cash Receipts				-
26	March 2024 Cash Receipts				-
27	April 2024 Cash Receipts				-
28	May 2024 Cash Receipts				-
29	June 2024 Cash Receipts				-
30	**TOTAL CASH RECEIPTS**	-	-	-	-
31	JUNE 30, 2024 Deferred Revenue				-
32	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-	-	-

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The bottom of Schedule 4-3 is similar to Schedule 4-1 and 4-2. The revenue on Line 14 will automatically be included based on what you input on the top of this schedule. In this schedule, you will identify deferred revenue, accounts receivable and the cash receipts.

Schedule 4-3: Example

Revenue Source	6/30/22 Actual Revenue	6/30/23 Actual/ Budget Revenue	Expected 6/30/24 Revenue	2023-24 Expected Payments	Asset Balance as of June 30, 2023	Schedule 4-3 Line?
Holy Love Future Scholars Endowment Fund	$4,000	$4,000	$6,000	January 2024	$500,000	
Cornerstone Endowment Fund	$2,500	$2,500	$3,000	January 2024	$1 million	
Other investment interest	$2,000	$2,000	$1,200	$300 in July, October, January and April	$25,000	
St. James-related party who is separate legal entity	$10,000	$10,000	$10,000	$2,500 in July, October, January, and April	N/A	
St. Mary-related party who is separate legal entity	$10,000	$10,000	$10,000	$2,500 in July, October, January, and April	N/A	

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Next, you will put example information into Schedule 4-3. I will give you a moment to read each revenue source and identify which line of Schedule 4-3 it should be included in. Please pause the slide until you are ready to continue.

The income from the endowment funds on the first two lines would be included on Line 1. The other investment interest would be included on Line 2. The amounts received from St. James and St. Mary would be included on Lines 3 and 4 of the schedule.

Now, take a few moments to complete Schedule 4-3. Pause the presentation until you are ready to go through the answers.

Schedule 4-3 : In Class Activity

		ENDOWMENT FUND & OTHER INVESTMENT INCOME			
Line	A Income Type	B Payment Frequency	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
1	Endowment Fund Income				
2	Other Investment Income				

Revenue Source	6/30/22 Actual Revenue	6/30/2123 Actual/ Budget Revenue	Expected 6/30/24 Revenue	2023-24 Expected Payments
Holy Love Future Scholars Endowment Fund	$4,000	$4,000	$6,000	January 2024
Cornerstone Endowment Fund	$2,500	$2,500	$3,000	January 2024
Other investment interest	$2,000	$2,000	$1,200	$300 in July, October, January and April

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The payment frequency is based on how often we expect to receive payments, so annually is inserted on Line 1 and quarterly is inserted in Line 2. We would then input the information for the endowment funds into Line 1, Columns C-E and the other investment interest into Line 2, Columns C-E. Please note that the endowment fund amounts we put in here are the **income** we expect to receive from the fund during the year rather than the asset balance of the endowment fund. Further, any endowment fund income we expect to receive, whether the endowment fund is part of the legal entity of the school or not, is included here.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-3 : In Class Activity

		RELATED PARTY ORGANIZATION CONTRIBUTIONS			
Line	A Name of Organization Providing Subsidy	B Payment Frequency	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
3					
4					

Revenue Source	6/30/22 Actual Revenue	6/30/23 Actual/ Budget Revenue	Expected 6/30/24 Revenue
St. James-related party who is separate legal entity	$10,000	$10,000	$10,000
St. Mary-related party who is separate legal entity	$10,000	$10,000	$10,000

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The amounts received for St. Mary and St. James are input as you can see. These amounts are received quarterly and $10,000 is inserted on Lines 3 and 4 for Columns C through E since the amounts received in prior years are consistent with the expected amount in the next school year.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-3: In Class Activity

Line	A Line Description	B Related Party Organization Contributions	C Endowment Fund Income	D Other Investment Income
14	Total 2023-24 Revenues	20,000	9,000	1,200
15	June 30, 2023 Deferred Revenue			
16	June 30, 2023 Accounts Receivable			
17	**TOTAL AMOUNT TO BE RECEIVED**	20,000	9,000	1,200
18	July 2023 Cash Receipts			
19	August 2023 Cash Receipts			
20	September 2023 Cash Receipts			
21	October 2023 Cash Receipts			
22	November 2023 Cash Receipts			
23	December 2023 Cash Receipts			
24	January 2024 Cash Receipts			
25	February 2024 Cash Receipts			
26	March 2024 Cash Receipts			
27	April 2024 Cash Receipts			
28	May 2024 Cash Receipts			
29	June 2024 Cash Receipts			
30	**TOTAL CASH RECEIPTS**	-	-	-
31	JUNE 30, 2024 Deferred Revenue			
32	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	20,000	9,000	1,200

Revenue Source	2023-24 Expected Payments
Holy Love Future Scholars Endowment Fund	January 2024
Cornerstone Endowment Fund	January 2024
Other investment interest	$300 in July, October, January and April
St. James-related party who is separate legal entity	$2,500 in July, October, January, and April
St. Mary-related party who is separate legal entity	$2,500 in July, October, January, and April

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Next, we insert the cash receipts into Lines 18-29. The amounts received from St. James and St. Mary are inserted in Column B in the aggregate so we have $5,000 received in July, October, January and April. The full endowment income is expected to be received in January so the $9,000 should be included in Line 24, Column C. Finally, the other investment income of $300 is included in July, October, January and April in Column D.

If you need additional time to enter this information into your budget Excel document or check the information you have entered, please pause the training until you are ready to proceed.

Schedule 4-4: Other Revenues

OTHER REVENUE EXPLANATION

Include any other revenues received by the legal entity of the school not in Schedule 4-1, 4-2, or 4-3. Include the revenue type in Column A and the source name and additional detail in Column B. Then insert the actual amount received in the past two years and the budgeted amount. THE SCHOOL MAY NOT INCLUDE REVENUE FROM ITS LEGAL ENTITY IN THIS SCHEDULE.

Line	A Type of Revenue Explanation *e.g. rental revenue*	B Name(s) of Source(s) *If related to rent or property sales, identify the location being rented or sold*	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
1					

- If the school has any other type of revenue, include it in Schedule 4-4.
- If the school is receiving rental income, include the location being rented.
- If the school sells fixed assets, include the proceeds from the sale of the fixed assets on this schedule.
- The description must be completed and be sufficient for the DPI to understand the source of the revenue. If it is not completed, the school will receive an error.

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The last revenue schedule is Schedule 4-4. This is only used if a revenue type doesn't fit in one of the preceding revenue schedules we've discussed. The most common item that would be included on this schedule is if the organization rents out one of their buildings. In this case, identify the location being rented in Column B. If the school sells fixed assets, include the proceeds from the sale of the fixed assets on this schedule.

The description of the revenue item must be sufficient so that the DPI understands the source of the revenue. There will be an error to the right if the required columns are not completed.

Schedule 4-4: Other Revenues

Line	A LINE DESCRIPTION	B	C	D	E	F	G TOTAL OTHER REVENUE
6	Total 2023-24 Revenues	-	-	-	-		-
7	June 30, 2023 Deferred Revenue						-
8	June 30, 2023 Accounts Receivable						-
9	**TOTAL AMOUNT TO BE RECEIVED**	-	-	-	-	-	-
10	July 2023 Cash Receipts						-
11	August 2023 Cash Receipts						-
12	September 2023 Cash Receipts						-
13	October 2023 Cash Receipts						-
14	November 2023 Cash Receipts						-
15	December 2023 Cash Receipts						-
16	January 2024 Cash Receipts						-
17	February 2024 Cash Receipts						-
18	March 2024 Cash Receipts						-
19	April 2024 Cash Receipts						-
20	May 2024 Cash Receipts						-
21	June 2024 Cash Receipts						-
22	**TOTAL CASH RECEIPTS**	-	-	-	-	-	-
23	JUNE 30, 2024 Deferred Revenue						-
24	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-	-	-	-	-	-

- The description for the other revenue will show in the top line of the cash flow section once the top section is completed.

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The description for the other revenue will show in the top line of the cash flow section once the top section is completed.

This bottom cash flow schedule is similar to the previous schedule 4s.

Schedule 4-4: Other Revenues

- The school leases their location to Weight Watchers every month for $100 per month.
- Weight Watchers pays $1,200 in July for the whole school year.
- The school received $1,200 from the Weight Watchers for the last two years.

Line	A Type of Revenue Explanation *e.g. rental revenue*	B Name(s) of Source(s) *If related to rent or property sales, identify the location being rented or sold*	C 6/30/22 Actual	D 6/30/23 Actual/Budget	E 6/30/24 Budgeted
1	Rental Revenue	Weight Watchers, 100 E. Main St.	1,200	1,200	1,200

Line	A LINE DESCRIPTION	B Rental Revenue
6	Total 2023-24 Revenues	1,200
7	June 30, 2023 Deferred Revenue	
8	June 30, 2023 Accounts Receivable	
9	**TOTAL AMOUNT TO BE RECEIVED**	1,200
10	July 2023 Cash Receipts	1,200
11	August 2023 Cash Receipts	
12	September 2023 Cash Receipts	
13	October 2023 Cash Receipts	
14	November 2023 Cash Receipts	
15	December 2023 Cash Receipts	
16	January 2024 Cash Receipts	
17	February 2024 Cash Receipts	
18	March 2024 Cash Receipts	
19	April 2024 Cash Receipts	
20	May 2024 Cash Receipts	
21	June 2024 Cash Receipts	
22	**TOTAL CASH RECEIPTS**	1,200
23	JUNE 30, 2024 Deferred Revenue	
24	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	-

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We will go through a brief example for Schedule 4-4. The school leases their location to Weight Watchers every month for $100 per month. Weight Watchers pays $1,200 in July for the whole school year. The school received $1,200 from Weight Watchers for the last two years.

For this example, “Rental Revenue” is identified as the revenue type in Column A. In Column B, the school must identify the source name, which is Weight Watchers, and the address of the location being rented. Columns C-E each have $1,200 since the school received $1,200 for the last two years and expects to receive the same in the next year.

Finally, at the bottom of Schedule 4, the full $1,200 is recorded as a cash receipt in July 2023.

Pause the presentation until you have this information entered in your budget and you are ready to proceed.

Schedule 7-1: Current & Long Term Receivables

		ASSETS			
Line	A Item	B June 30, 2023	C Uncollectable Accounts	D Category Changes (A)	E June 30, 2024
1	Cash				69,836
2	Short-Term Investments (A)				-
3	Current Receivables				
4	Prepaid Expenses	3,350			3,350
5	**Total Current Assets**	3,350			73,186
6	Fixed Assets	-			-
7	Accumulated Depreciation	-			-
8	Operating/Finance Lease Right of Use Assets	-			-
9	Long Term Receivables	50,000			40,662
10	Long Term Investments (A)				-
11	Other Assets (A)				-
12	**TOTAL ASSETS**	53,350	-	-	113,848

- The receivables balance will automatically default to Long Term Receivables on line 9 (meaning the amount will not be received for more than a year).
- If anything will be received within the next year, it should be included in Current Receivables on Line 3. This will automatically update the long term portion on Line 9.
- This must be done as of June 30, 2023 and June 30, 2024.
- All receivables must be on Schedule 4-1 through 4-4 in the correct category. They cannot be directly added to Schedule 7-1 . If Line 9 is negative, the school will receive an error.

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We will now look at how the receivable balances are included on Schedule 7-1. The receivable balances will automatically default to Long Term Receivables on line 9 (meaning the amount will not be received for more than a year). If anything will be received within the next year, it should be included in Current Receivables on Line 3. This will automatically update the long term portion on Line 9. This must be done as of June 30, 2023 and 2024.

All receivables must be on Schedule 4-1 through 4-4 in the correct category. They cannot be directly added to Schedule 7-1 . If Line 9 is negative, the school will receive an error.

Schedule 7-1: Current & Long Term Receivables Example

- $40,000 written pledge by Matthew Gibbs in May 2023. The amount will be paid to the school in annual installments of $10,000 beginning December 2023.

	June 30, 2023	June 30, 2024
Total Remaining Pledge	$40,000	$30,000
Current	$10,000	$10,000
Long Term	$30,000	$20,000

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The pledge receivable from Matthew Gibbs is identified on this screen. For each item, we need to determine what portion is a current receivable and what portion is a long term receivable. Current receivables are receivables we expect to receive within one year. So, the current receivable as of June 30, 2023, would be amounts that we expect to receive from July 1, 2023 to June 30, 2024.

For the Matthew Gibbs pledge, we have a $40,000 pledge outstanding as of June 30, 2023. The pledge agreement states that we will receive $10,000 annually in December beginning December 2023. So, the current portion of the pledge receivable would be $10,000 as of June 30, 2023 and 2024, because that is what we expect to receive for the 12 months after June 30th. The long term portion is the difference between our total receivable and the current portion. As of June 30, 2023, this would be $30,000, which is calculated as the total pledge of $40,000 less the $10,000 current amount.

The long term portion as of June 30, 2024 would be $20,000, which is calculated as the $30,000 remaining balance as of June 30, 2024 less the $10,000 current portion.

Schedule 7-1: Current & Long Term Receivables Example

- The school has 20 $500 pledges from various members of the church. The written pledges were received in May 2023. The amount will be paid to the school in two equal installments on December 2023 and December 2024.

	June 30, 2023	June 30, 2024
Total Remaining Pledge	$10,000	$5,000
Current		
Long Term		

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Now that we have gone through the pledge with Matthew Gibbs together, take a few minutes to determine the current and long term portion of the $10,000 of pledges from various members as of June 30, 2023 and 2024. Please pause the presentation until you are ready to go through the answer.

For these pledges, we expect to receive half of them in December 2023 and the other half in December 2024. Since we expect to receive $5,000 in each of the next school years, the current portion as of the end of each school year will be $5,000. The long term portion is then the difference between the total remaining pledge and the current portion, which is $5,000 for the year ended June 30, 2023 and $0 as of June 30, 2024.

Schedule 4-1: Current & Long Term Receivables Example

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2023-24 Revenues	134,500	46,584
19	June 30, 2023 Deferred Revenue	42,000	
20	June 30, 2023 Accounts Receivable		
21	**TOTAL AMOUNT TO BE RECEIVED**	92,500	46,584
22	July 2023 Cash Receipts	3,500	
23	August 2023 Cash Receipts	43,500	
24	September 2023 Cash Receipts	3,500	
25	October 2023 Cash Receipts	4,550	4,658
26	November 2023 Cash Receipts	4,550	4,658
27	December 2023 Cash Receipts	4,550	4,658
28	January 2024 Cash Receipts	4,550	4,658
29	February 2024 Cash Receipts	4,550	4,658
30	March 2024 Cash Receipts	4,550	4,658
31	April 2024 Cash Receipts	4,550	4,658
32	May 2024 Cash Receipts	39,550	4,658
33	June 2024 Cash Receipts	4,550	4,658
34	**TOTAL CASH RECEIPTS**	126,450	41,922
35	JUNE 30, 2024 Deferred Revenue	35,000	
36	**JUNE 30, 2024 ACCOUNTS RECEIVABLE**	1,050	4,662

- The other accounts receivables were tuition and fees and government assistance that the school expects to receive during 2024-25, so they are also current.

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Other than the pledge receivables, we had receivables in Schedule 4-1 as of June 30, 2024. Since the school expects to receive the amounts during the 2024-25 school year, the total of these amounts is a current receivable.

Schedule 7-1: Current & Long Term Receivables Example

Current Portion of Receivables

	June 30, 2023	June 30, 2024
Matthew Gibbs	$10,000	$10,000
20 $500 pledges	$5,000	$5,000
Tuition & Fees	$0	$1,050
Government Assistance	$0	$4,662
Total	**$15,000**	**$20,712**

Long Term Portion of Receivables

	June 30, 2023	June 30, 2024
Matthew Gibbs	$30,000	$20,000
20 $500 pledges	$5,000	$0
Total	**$35,000**	**$20,000**

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This slides shows how we would calculate the total current and long term portion of the current and long term receivables based on our examples we talked about in the previous screens. If we add up all of the current receivables we have as of June 30, 2023, we have $15,000 of current receivables as of June 30, 2023. We have $20,712 of current receivables as of June 30, 2024. We will need to input these numbers into Schedule 7-1 as we will show on the next screen.

Schedule 7-1: Current & Long Term Receivables Example

	June 30, 2023	June 30, 2024
Total Current	$15,000	$20,712
Total Long Term	$35,000	$20,000

		ASSETS			
Line	A Item	B June 30, 2023	C Uncollectable Accounts	D Category Changes (A)	E June 30, 2024
1	Cash				69,836
2	Short-Term Investments (A)				-
3	Current Receivables				
4	Prepaid Expenses	3,350			3,350
5	**Total Current Assets**	3,350			73,186
6	Fixed Assets				
7	Accumulated Depreciation				
8	Operating/Finance Lease Right of Use Assets				
9	Long Term Receivables	50,000			40,712
10	Long Term Investments (A)				-
11	Other Assets (A)				-
12	**TOTAL ASSETS**	53,350	-	-	113,898

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The top box is based on what we determined in the previous slides. You will notice our full receivable balance defaults to be long term. So, all of the receivables are included on Line 9 until we enter in the current receivable balances on Line 3.

Once we enter in the current portion on Line 3, the long term portion will be the difference between the total receivables from the other schedules and the long term portion. On Line 3, insert 15,000 in Column B and 20,712 in Column E.

Once you do this, you will see that the long term portion on Line 9 will update. As a double check, you should confirm that the long term portions equal the amounts you expect. In our example, Line 9 equals the total long term receivables we calculated as of June 30, 2023 and 2024. The 35,000 is included on Line 9, Column B and the 20,000 is included on Line 9, Column E.

Schedule 7-1: Receivables & Bad Debt Expense

		ASSETS	
Line	A Item	B June 30, 2023	C Uncollectable Accounts
1	Cash		
2	Short-Term Investments (A)		
3	Current Receivables	15,000	
4	Prepaid Expenses	3,350	
5	**Total Current Assets**	18,350	
6	Fixed Assets	-	
7	Accumulated Depreciation	-	
8	Operating/Finance Lease Right of Use Assets	-	
9	Long Term Receivables	35,000	2,000
10	Long Term Investments (A)		
11	Other Assets (A)		
12	**TOTAL ASSETS**	53,350	2,000

- If the school included anything in bad debt expense on Schedule 3-2, the uncollectable amount must be included in Column C in the respective category.
- If the amount in Schedule 7-1, column C doesn't match the bad debt expense on Schedule 3-2, the school will receive an error.

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If the school included anything in bad debt expense on Schedule 3-2, the uncollectable amount must be included in Column C in the respective category.

If the amount in Schedule 7-1, column C doesn't match the bad debt expense on Schedule 3-2, the school will receive an error.

In our example, we had $2,000 of bad debt expense that was entered in conjunction with the Schedule 3-3 training. So, you should already have $2,000 on Line 9, Column C.

Knowledge Check

Where in the budget should the school include anticipated Choice revenue?

a. It should be included in Schedule 4-1, Line 2.

b. It should be included on Schedule 4-2 in the first section.

c. The school should not include the anticipated Choice revenue in the budget. The anticipated Choice revenue is automatically calculated based on the number of Choice pupils on Schedule 2-1 and summer school on Schedule 2-2.

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I will give you a minute to read through this question and determine what you think the answer is.

The correct answer to this is c. The school should **not** include the anticipated Choice revenue in the budget. The anticipated Choice revenue is automatically calculated based on the number of Choice pupils on Schedule 2-1 and summer school on Schedule 2-2. If you include the revenue from the Choice program in a schedule separately, you will be including the revenue twice.

General Revenue Errors for Sch 4-1 thru 4-4

[?]	30	The cash receipts section in Schedules 4-1, 4-2, and/or 4-3 are not completed	ERROR

- The cash receipts section at the bottom of Schedules 4-1, 4-2, 4-3 & 4-4 must be completed for all schedules with revenue.
- The school will only receive an error if none of the 4-1, 4-2, 4-3 & 4-4 have any cash receipts.
- The school should ensure that each schedule has the cash receipts included.

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The first general error we will review is an error that is identified if you have not completed the cash receipts sections in Schedule 4-1, 4-2, 4-3, **or** 4-4. Please note this error only shows if you have not put cash receipts in any of the Schedule 4 series. So, if you miss entering the cash receipts in **one** of the schedules but one of the other Schedule 4s is correctly completed, this error will not show. As a result, it is important that you review the cash receipts section of each Schedule 4 and ensure you have entered in cash receipts for any type of revenue that you expect to receive cash from.

General Revenue Errors for Sch 4-1 thru 4-4 (cont)

[?]	31	The ending accounts receivable balance cannot be negative in Schedules 4-1, 4-2, 4-3, and/or 4-4	OK

- The ending accounts receivable balance at the bottom of Schedules 4-1, 4-2, 4-3 & 4-4 cannot be negative.
- Adjust the cash flow receipts, deferred revenue or prior year accounts receivable to remove any negative ending accounts receivable balance.

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The other general error we will review is an error that is identified if the ending Accounts Receivable balance is negative in Schedule 4-1, 4-2, 4-3, or 4-4. Remember, one of the last steps you should do as you complete each schedule is to review the ending Accounts Receivable balance and ensure it is correct based on what you anticipate your ending Accounts Receivable balance will be. If you have a negative amount as an ending receivable, you will need to adjust the information in the schedule to remove the negative and correct the Accounts Receivable balance. This might include adjusting the cash flow receipts, deferred revenue, or prior year accounts receivable balance.

As a reminder, if you are unsure how to resolve an error, first put your mouse on the question mark next to the error. A comment will show that explains how to resolve the error. If you are still unsure how to resolve the error after reviewing the comment, you can send an email to dpichoiceauditreports@dpi.wi.gov that includes a copy of your budget and identifies which error you have a question on. The Choice auditors will review the error and help you resolve it.

Revenue Reminders for Schedules 4-1 thru 4-4

- Include all revenues for the legal entity.
- State paid Choice revenue is already included based on Choice pupils on Schedule 2-1 and 2-2.
- Read instructions at the top of each schedule and in the instructions tab.
- Make sure the cash flow by month is completed for each column that includes revenue.
- Identify the Accounts Receivable and Deferred Revenues - check the June 30, 2024 Accounts Receivable balance for each column that includes revenue and make sure the amount is reasonable.
- Provide supporting documentation as required based on the instructions and Required Attachment tab.
- Make sure all errors on the schedules and on the Error tab are OK.

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As we conclude the non-Choice revenue section, we will review a few key items to remember as you complete Schedules 4-1 through 4-4.

First, you must include the full revenue for the entire legal entity of the school. So, if a church is part of the legal entity, any revenue the church expects to receive must be included in the budget. Next, the Choice revenue is automatically included as a cash receipt and in revenue. It should not be separately entered in the budget. Make sure to carefully read the instructions tab that explains how to complete these schedules and the top of each schedule.

Ensure you complete the cash flow section for each type of revenue the school expects to receive. Also, make sure you include the beginning and ending Accounts Receivable and deferred revenue balances. Make sure the calculated June 30, 2024 Accounts Receivable balance is correct. If it is not, that means you have to correct another number in the schedule.

You will need to provide documentation supporting certain amounts in Schedule 4. For example, you will need to provide certain written agreements. Make sure you review the attachments tab of the budget after you have completed Schedule 4-1, 4-2, 4-3 and 4-4. The required attachments are identified based on the information you enter in the schedules. So, if you modify the information in any of the schedules, you must check the Attachments page to determine if the required attachments changed.

Finally, make sure you resolve any errors on the error tab. They must all say OK when you finish the budget.

Available Resources

On Demand Trainings	Bulletins
• K4 Parental Outreach (Training 1-3) • Auditor Authorization Form (Training 3-3) • Financial Audit Requirements (Training 5) • Fiscal & Internal Control Practices (Training 6) • Payment Process, Pupil Count Overview, Audit Overview (Training 9-1) • Count Reports (Training 9-2 & 9-3)	• Financial Audit and PSCP/SNSP Reserve Balance Bulletin • PSCP Eligible Education Expenses Bulletin • K4 Parental Outreach Activities Bulletin • Student Tuition and Fees Bulletin • Criminal Background Check Bulletin • Staff Credentials Bulletin • Summer School Bulletin • Accreditation Bulletin • Insurance & Fidelity Bond Bulletin
https://dpi.wi.gov/parental-education-options/choice-programs/on-demand-training	https://dpi.wi.gov/parental-education-options/choice-programs/bulletins

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The department has on demand trainings and bulletins available to help schools understand programmatic requirements. Schools are encouraged to review these trainings and bulletins throughout the year when you have questions on the Choice requirements.

The trainings and bulletins that relate to the revenue section we just discussed include the Financial Audit Requirements training, which includes information on offsetting revenues. The last two trainings describe the payment process and how Choice payments are made.

The Financial Audit and PSCP/SNSP Reserve Balance Bulletin describes offsetting revenue and how it is included in the calculation of the reserve balance. As we discussed earlier, the student tuition and fees bulletin includes an explanation of when schools can charge tuition and fees and the requirements if a school chooses to charge them.

Questions?

Auditors for the Choice Program

Andrea Kratz
Andrea.kratz@dpi.wi.gov
608-267-1291

Rob Monroe
Robert.Monroe@dpi.wi.gov
608-266-2658

Doug Kohanski
Douglas.Kohanski@dpi.wi.gov
608-224-6169

Elizabeth Whynot
Elizabeth.whynot@dpi.wi.gov
608-264-9553

Budget questions should be sent to:
dpichoiceauditreports@dpi.wi.gov

General program questions should be sent to:
privateschoolchoice@dpi.wi.gov

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The contact information for each of the Choice program auditors is listed on the screen. Questions on this training, including questions on the budget and cash flow report, should be directed to dpichoiceauditreports@dpi.wi.gov, rather than a specific auditor. This mailbox is monitored by all of the Choice program auditors.

If you have general Choice program questions, they should be directed to the Choice program consultants at privateschoolchoice@dpi.wi.gov.