

Wisconsin Department of Public Instruction

**Private School Choice Programs
Fiscal Management Training**

March 2020



Private School Choice Programs (Choice) Fiscal Management Training

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School Finance Auditors

Note: Provisions in this presentation are subject to law changes.

Agenda

- WISEdata general overview
- Assessment requirements
- School report card
- Overview of the Choice programs
- Ongoing financial requirements
- Walkthrough of the Budget and Cash Flow Report & the explanation of Choice: hands on training, completing budget schedules using sample financial data, and fiscal requirements.
- Surety Bond

OVERVIEW OF THE CHOICE PROGRAMS

General Program Information

- 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 PI 35 and 48.
- Provisions of this training module are subject to statutory and rule changes.
- Private School Choice Program webpage:
<https://dpi.wi.gov/sms/choice-programs>

Private School Choice Programs

MPCP

- Milwaukee Parental Choice Program (MPCP)
- Students residing in the City of Milwaukee

RPCP

- Racine Parental Choice Program (RPCP)
- Students residing in the Racine Unified School District

WPCP

- Wisconsin Parental Choice Program (WPCP)
- Students residing in Wisconsin outside the City of Milwaukee and the Racine Unified School District

New School Financial Requirements

- Wisconsin Statute 118.60 (7m) and 119.23 (7m) require that schools new to the Choice programs submit one of the following to the DPI by May 1:
 - DPI Budget & Cash Flow Report (including all related attachments); or
 - Surety Bond

If the School Chooses the DPI Budget & Cash Flow Report

- The required DPI Budget & Cash Flow Report will be posted on the School Submitted Reports webpage.
- The budget must show the school meets the following requirements:
 - The school is financially viable.
 - The school has sufficient contingency funding.
- Schools who choose the Budget & Cash Flow option, must use the DPI Budget & Cash Flow Report, including providing required supplemental information to support the budget.
- DPI determines if the school meets the requirements by August 1.

If the School Chooses the Surety Bond

- A prefilled surety bond form will be emailed to the schools that have chosen the surety bond option by the end of March.
- If a school decides to do the surety bond option after the forms have been emailed, the school should email dpichoiceauditreports@dpi.wi.gov for the prefilled form.
- The Surety bond amount must be equal to 25% of the total amount of expected Choice payments to be received by the school in the upcoming school year.
- The bond is also due by May 1st. It must be based on the number of seats identified in the Intent to Participate (ITP).
- **This will be discussed in more detail in the surety bond portion of this training.**

Annual School Budget Requirements for All Schools in the Choice Program

- Schools that participated in one of the Choice programs in the previous year and new schools that choose the surety bond option must complete a budget for the period from July 1 to June 30, no later than June 30 for the upcoming school year.
- These budgets should not be sent to DPI unless specifically requested.
- The external auditor will determine if the budget was completed on a timely basis as part of the Fiscal & Internal Control Practices Report.
- The school may use DPI's budget form or their own form.

Annual School Budget Requirements (Cont)

If schools use their own budget, it must include the following items:

1. Anticipated enrollments for all pupils enrolled in the school (Sept & Jan)
2. Anticipated enrollments for choice program pupils (Sept & Jan)
3. Total revenues
4. Offsetting Choice program revenues
5. Total cost
6. Eligible education expenses
7. Identification of the contingent funding sources the school will use should actual enrollments be less than expected.
8. Schedule of anticipated beginning and ending net assets

***See the School Budgets training (Training 6-3) at <https://dpi.wi.gov/sms/choice-programs/on-demand-training> for additional information on the annual school budget requirements.**

Use of the Budget & Cash Flow Report for Schools that Use the Surety Bond Option

- DPI recommends that schools use the DPI Budget & Cash Flow Report to meet the Choice budget requirement because:
 - It includes all the required components of the budget for Choice program purposes.
 - It tracks your Choice reserve balance. This is the difference between what you have received from the Choice program and what is an eligible education expense for Choice program purposes. If the reserve balance is positive, your school is required to maintain a cash and investment balance that is at least as much as this amount.

Use of the Budget & Cash Flow Report for Schools that Use the Surety Bond Option (cont)

- This training will explain the required components of the annual required Choice budget for all schools participating in the Choice programs.
- If you choose not to use DPI's budget and cash flow report, you will want to make sure you gain an understanding of the required components of the budget in this training so you can create a budget that meets DPI's requirements.

Questions?



Ongoing Financial Requirements

1. External auditor selection
2. Fiscal & Internal Control Practices
3. Enrollment audits
4. Financial audit
 - GAAP financial audit
 - Reserve balance schedule



External Auditor Selection

- The school must select an auditor to complete the 4 required audits and reports.
 - An auditor authorization form must be completed identifying this auditor. This form should be provided by August 15, 2020.
 - The auditor cannot be someone who completes bookkeeping or other non-audit services for the school (Auditor Independence).
- *See the Required forms training (Training 3-3: Auditor Authorization Form) at <https://dpi.wi.gov/sms/choice-programs/on-demand-training> for additional information on the auditor requirements and information on how to complete the form.**

Fiscal & Internal Control Practices

- Fiscal & Internal Control Practices include:
 - Vendor and employee payment requirements
 - Transportation requirements
 - Employee education requirements
 - Insurance requirements
 - Background checks

*See the Fiscal & Internal Control Practices training (Training 6) at:
<https://dpi.wi.gov/sms/choice-programs/on-demand-training>

Enrollment Audits

An independent auditor must complete an audit of the 3rd Friday in September count (due by December 15th) and the 2nd Friday in January count (due by May 1st for WPCP/RPCP participants and June 30th for MPCP only participants).

The auditor will:

- Determine if the Choice applications are eligible.
- Determine which pupils meet the attendance requirements. This may result in ineligible pupils or additional eligible pupils.
- Ensure the data in the Online Application System (OAS) is correct.

Financial Audits (Overview)

- Prepared in accordance with Generally Accepted Accounting Principles (GAAP).
- The financial audit is audited by an independent auditor.
- The fiscal year for the financial audit and budget must be the school year from July 1 to June 30.
- Choice schools that receive less than \$100,000 annually in all of the Choice programs plus the Special Needs Scholarship Program (SNSP) in all previous school years and the school year being audited, may submit a modified financial audit to the DPI.

Financial Audits (Required Financial Statements)

- Modified Financial Audit:
 - Statement of Financial Position-includes assets and liabilities (current year audited only)
- Standard Financial Audit Required Financial Statements:
 - Statement of Financial Position-includes assets and liabilities
 - Statement of Activities-includes revenue and expenses
 - Statement of Cash Flows-shows how cash was generated & used during the year
- Standard Financial Audit Required Years:
 - All of the statements must include an audited current and prior year.
 - The only exception is the first financial audit. The Statement of Activities and Statement of Cash Flows may only include current year audited financial statements.

Financial Audits (Required Level)

- The financial audit may either:
 - Include the school only financial information.
 - If a school is part of a larger organization, the financial audit may be prepared at the consolidated organizational level as permitted by Generally Accepted Accounting Principles (GAAP).
 - If the financial audit is prepared at the school only level:
 - The audit must include all activity and balances of the school, including allocating any shared assets, liabilities, revenue, & expenses between the larger organization and the school.
 - The school must separately track its cash balance throughout the year and reflect that balance in the statement of financial position.

Choice Reserve Balance Schedule

- The financial audit includes a reserve balance schedule to calculate the school's Choice reserve balance.
- The reserve balance schedule for the standard financial audit calculates eligible education expenses as the expenses in the Statement of Activities less the ineligible expenses.
- The reserve balance schedule for the modified financial audit includes the eligible education expenses by category and identifies what expenses of the legal entity of the school have been excluded from eligible education expenses.

Overview of Choice Program Funding

- The schools receive a payment for eligible Choice pupils.
- At the end of the year, the total payments received for eligible Choice pupils are compared to the school's actual net eligible education expenses for the Choice program.
- The difference between the Choice payments received and the school's actual net eligible education expenses is the Choice Reserve balance.
- If the Choice Reserve Balance is positive, the school must maintain a cash and investment balance that is at least as much as this amount for future Choice eligible education expenses.

Financial Audit Available Resources

- **Series 5 trainings** at <https://dpi.wi.gov/sms/choice-programs/on-demand-training>
- **Financial Audit and PSCP/SNSP Reserve Balance Bulletin and PSCP Eligible Education Expenses Bulletin** at <https://dpi.wi.gov/sms/choice-programs/bulletins>

Knowledge Check

True or False:

- 1) If our school selects the surety bond option, the school does not need to complete a budget for the Choice program for the 2020-21 school year. **False**
- 2) The accounting firm that completes the school's bookkeeping and payroll cannot complete the financial audit, enrollment audits, or fiscal and internal control practices report for the Choice programs. **True**
- 3) The Department directly reimburses schools for expenses for Private School Choice Programs pupils. **False**
- 4) If the legal entity of the school does not currently have a fiscal year from July 1st to June 30th, it must change its fiscal year. **True**

Questions?



DPI BUDGET & CASH FLOW REPORT ("BUDGET") DOCUMENT COMPLETION

Using the Budget Document

- Schools that submit a budget by May 1st must use the DPI Budget & Cash Flow Report.
- The budget must be completed using Microsoft Excel.
- Do not use Google Docs.
- No formatting changes may be made to the budget.
- Do not change headers, footers, or how the document is printed (the print area or page set up).

***The budget will be available on the School Submitted Reports and Forms web page at: <https://dpi.wi.gov/sms/choice-programs/school-reports>.**

Completion of the Budget

- The budget is required to be filled out at the legal entity level.
- All activity and balances for the legal entity of the school MUST be included.
- Organizations are considered the same legal entity if:
 - The organizations have the same federal tax id number and use it for all activities including payroll.
 - The organizations are NOT separately set up with the Department of Financial Institutions.

Budget Requirements

- The budget must show the school meets the following requirements:
 - A positive cash balance in every month (schedule 8).
 - The school does not have an operating deficit (schedule 9).
 - Sufficient contingency funding that is available if enrollment is lower than anticipated (schedule 12-1).

Budget Instructions

- The instructions should be read in full during the budget completion process.
- The instructions explain the steps in completing the budget and how to properly submit the budget.
- There is an instructions tab in the budget Excel file, in addition each schedule has its own set of instructions.

Budget Error Report

- The school will see an error if certain items are missing or incomplete.
- The error report does not check for every item that can be incomplete or incorrect.
- Errors within each schedule will be discussed during the training on that schedule.

Budget Error Report

All errors on this page must be removed except if an email from a DPI auditor specifically excusing the error is submitted with the budget. See the comment on the question mark for information on resolving each error. Please be aware certain errors ensure that different amounts match exactly (including with decimal points).

COVER PAGE		
Line	Item	Result
[?]	1 Cover page completed	ERROR
[?]	2 The school must indicate the reason the budget is being completed	OK
[?]	3 The school must revise the reasons the budget is being completed	OK
SCHEDULE 2-1, 2-2, AND 2-3		
[?]	4 Prelim, 3rd Fri Sept, and/or 2nd Fri Sept Choice and SNSP enrollment is more than the all pupil enrollment	OK
[?]	5 The all pupil enrollment counts must be included for all count dates (Prelim, 3rd Fri Sept & 2nd Fri Jan)	OK
[?]	6 The Choice pupil enrollment counts must be included for all count dates (Prelim, 3rd Fri Sept & 2nd Fri Jan)	OK
[?]	7 Choice pupils by program does not equal the total Choice pupils count	OK
[?]	8 The SNSP pupil enrollment counts must be included for all count dates (Prelim, 3rd Fri Sept & 2nd Fri Jan)	OK
[?]	9 Planned outreach activities totaling 87.5 hours must be included on Schedule 2-3	OK
SCHEDULE 3		
[?]	10 Month of hire is not completed	OK
[?]	11 An explanation of who is included in Other Employees is not entered	OK
[?]	12 One or more explanations regarding supplies & utilities have not been entered	OK
[?]	13 One or more provider names have not been provided	OK
[?]	14 Expenses must be included for an auditor	OK
[?]	15 The school has indicated a contractor will provide transportation but no transportation costs are included	OK
[?]	16 The salaries eligible education expenses and primarily SNSP expense salaries are more than the total salaries	OK
[?]	17 Sch 3-1 and/or Sch 3-2 include SNSP expenses but the school isn't participating in SNSP	OK
[?]	18 The prepaid balance on Schedule 3-3 is less than the DPI auditor fee as of 8/30/20 or 8/30/21	OK
[?]	19 Expenses must be included for a student information system	OK
[?]	20 The cash payments section in Schedules 3-1, 3-2, and/or 3-3 are not completed	OK

Error Report (cont)

- If you have an error you are trying to resolve, put your cursor on the [?]. A comment will show explaining how to resolve the error.
- If you are not able to resolve the error, email a copy of your budget to dpichoicedataauditreports@dpi.wi.gov and explain which error you are trying to resolve.

question mark for information on resolving each error. Please be aware certain errors ensure that different amounts match exactly (including with decimal points).

COVER PAGE		
Line	Item	Result
[?]	COVER PAGE COMPLETE:	ERROR
[?]		OK
[?]	The school must complete all yellow cells on the cover page, including indicating all programs it will be participating in.	OK
[?]		
[?]		OK
[?]	5 The all pupil enrollment counts must be included for all count dates (Prelim. 3rd Fri Sept & 2nd Fri Jan)	OK

Budget Cover Page

- Fill out completely.
- Be sure Choice Administrator signs and dates.
- Include the name of the individual preparing the report, if applicable.

Cover Page (cont)

I. GENERAL INFORMATION			
Name of Legal Entity of School <i>Must match entity name associated with the school's Federal Tax ID</i>			
School Name	School City		
Place an "X" next to all programs the school will participate in during the 2020-21 school year. <i>This must match the school's Intent to Participate form (ITP). Note the SNSP requires a different ITP from the other programs.</i>			
<input type="checkbox"/>	Milwaukee Parental Choice Program (MPCP)	<input type="checkbox"/>	Wisconsin Parental Choice Program (WPCP or Statewide)
<input type="checkbox"/>	Racine Parental Choice Program (RPCP)	<input type="checkbox"/>	Special Needs Scholarship Program (SNSP)
II. REASON COMPLETING BUDGET			
Place an "X" next to the reason(s) the school is completing this budget.			
<input type="checkbox"/>	Budget due by August 1, 2019 for schools in their first year of participation in the MPCP, RPCP, and WPCP (collectively 'Choice'). If the school withdrew or was terminated from all Choice programs, the school is in it's first year of participation.		
<input type="checkbox"/>	Budget due by May 1, 2020 for schools in their first year of participation in the MPCP, RPCP, and WPCP (collectively 'Choice'). If the school withdrew or was terminated from all Choice programs, the school is in it's first year of participation.		
<input type="checkbox"/>	Continuing MPCP, RPCP, or WPCP responding to a financial viability request from the department.		
<input type="checkbox"/>	SNSP required financial information for schools that DID NOT participate in SNSP, MPCP, RPCP, or WPCP in both 2018-19 AND 2019-20.		
<input type="checkbox"/>	SNSP required financial information for schools that PARTICIPATED in SNSP, MPCP, RPCP, or WPCP in both 2018-19 AND 2019-20.		

Cover Page (cont)

III. COMPLETENESS REQUIREMENTS

In order to be considered complete, the budget MUST MEET ALL OF THE REQUIREMENTS below. Line 4 may not say ERROR(S) IDENTIFIED! unless an email from one of the DPI Auditors specifically excusing the error is attached to the budget. FAILURE TO PROVIDE ALL OF THE REQUIRED DOCUMENTS ON THE REQUIRED ATTACHMENTS PAGE MAY RESULT IN A NEW CHOICE SCHOOL BEING BARRED FROM PARTICIPATION IN THE PROGRAM IN THE 2020-21 SCHOOL YEAR.

1	The budget is received by DPI no later than the required due date.	
2	The budget submitted to the DPI is the final school version. Drafts are not acceptable.	
3	The Choice/SNSP administrator on the Intent to Participate form must sign and date the yellow box below.	
4	No errors may be included on the error report.	ERROR(S) IDENTIFIED!
5	The budget has been completed at the legal entity level, meaning it includes all balances and activity for the organization with the same Federal Tax ID number as the school.	
6	All of the required documents with a "Yes" in Column B of the required attachments page have been submitted with the budget.	

- There are errors on almost every schedule that feed into line 4.
- The budget isn't complete until all of the errors have been cleared.

Cover Page (cont)

IV. SIGNATURE	
<p>All schools: I certify that the information contained herein is correct and accurate, and includes all liabilities of the legal entity of the school. I understand the budget MUST MEET ALL OF THE REQUIREMENTS in Section III above. I agree that typing my name below constitutes a legal signature.</p> <p>For new schools participating in the MPCP, RPCP, or WPCP for the 2020-21 school year: I understand that the Department of Public Instruction (DPI) must receive a complete budget, including all required attachments, by the date in the instructions. Failure to provide a complete budget and all attachments by the required date may result in the school being ineligible to participate in the Choice program in the 2020-21 school year.</p>	
Electronic Signature of Choice/SNSP Administrator <i>The Administrator must type his/her name below.</i>	Date Signed
V. INDIVIDUAL PREPARING REPORT	
Name of Individual Preparing the Report	E-mail Address
Employer of Individual Preparing the Report - If Self Employed so State	
BUDGET WILL NOT BE CONSIDERED COMPLETE WITHOUT ALL REQUIRED DOCUMENTS WITH A "YES" IN COLMUMN B OF THE REQUIRED ATTACHMENTS PAGE	

Budget Required Attachments

- The required attachments will be identified with a “Yes” and will be green.
- Certain areas in each schedule may trigger an attachment.
- We will discuss attachments applicable for each section as we go through that schedule.
- The Required Attachments tab is not complete until the budget has been fully completed.

***Attachments = Supporting Documentation**

REQUIRED ATTACHMENTS
Budget for the period from July 1, 2020 to June 30, 2021

All required documents indicated below must be submitted with the budget. A "Yes" is indicated in Column B if the document is required. All attachments specifically identified below must be provided. The school may not provide alternative documentation or no documentation. If the school believes alternative documentation is more applicable for a budget or if the school does not have a document available, the school must contact a DPI auditor prior to submitting the budget and the required deadline. In order to be considered complete, budgets with alternative documents must include written authorization from a DPI auditor approving the alternative document. **Label all attachments with the number below. If the school is part of a legal entity that maintains separate financial statements and/or bank accounts for different parts of the legal entity, the balance sheet, income statement, and bank statements for each part of the legal entity must be provided.**

GENERAL ATTACHMENTS		
Line	A Attachment Description	B Document Required
1	Current balance sheet for the legal entity of the school dated no earlier than two months before the due date of the budget.	YES
2	Current year-to-date income statement for the legal entity of the school dated no earlier than two months before the due date of the budget.	YES
3	All cash and investment account bank statements for the legal entity of the school dated no earlier than two months before the due date of the budget.	YES
4	June 30, 2019 balance sheet for the legal entity of school. If the school is a current participant in the MPCP, RPCP, WPCP, or SNSP and submitted a standard 2018-19 financial audit (not a modified financial audit) at the legal entity level by October 15, 2019, this balance sheet is not required.	YES
5	Income statement from July 1, 2018 to June 30, 2019 for the legal entity of school. If the school is a current participant in the MPCP, RPCP, WPCP, or SNSP and submitted a standard 2018-19 financial audit (not a modified financial audit) at the legal entity level by October 15, 2019, this income statement is not required.	YES
6	Classroom configurations by classroom that indicates the number of students and their grade(s), number of teachers, and number of teacher's aides in each classroom.	NO
7	Printscreen from the City assessor office showing the owner of all locations included on Schedule 5-2. If unavailable, a property deed showing the owner. The address on the printscreen or deed must exactly match the address in Schedule 5-2.	NO
8	Lease agreement for all non rent leases with total payments owed in Schedule 5-3, Columns D-F greater than \$10,000. If a lease agreement has not yet been completed, indicate in the box on the next line when it is expected to be completed. A copy must be sent to the Department when completed.	No
9		
10	Rental agreement for all rented locations on Schedule 5-3. If a rental agreement has not yet been completed, indicate in the box on the next line when it is expected to be completed. A copy must be sent to the Department when completed.	NO
11		

General Financial Related Attachments

- Current balance sheet for the legal entity of the school dated no earlier than two months before the due date of the budget (May 1st).
- Current year-to-date income statement for the legal entity of the school dated no earlier than two months before the due date of the budget.
- All current bank statements for the legal entity of the school dated no earlier than two months before the due date of the budget.
- June 30, 2019 balance sheet and an income statement from July 1, 2018 to June 30, 2019 for the legal entity of school. (Prior period financial statements)

Questions?



Knowledge Check

The legal entity of the school includes a church. What activity, balances and general information needs to be included in the budget?

- a. Only the school's activity, balances and general information needs to be included in the budget.
- b. The entire legal entities activity, balances and general information needs to be included in the budget. This means all of the church activity, balances and general information must be included, in addition to the schools.

Knowledge Check

Which of the following attachments is a school not required to provide to DPI with its 2020-21 budget if it selects the budget and cash flow report option?

- a. The balance sheet dated between February 29, 2020 and May 1, 2020 for the legal entity of the school.
- b. The bank statements dated no earlier than February 29, 2020 for all of the bank accounts for the church associated with the school if the church and school have the same federal tax id number.
- c. The income statement for the period from July 1, 2019 to February 29, 2020 for a daycare that is related to the school if the school and daycare have different federal tax id numbers.
- d. The income statement from July 1, 2018 to June 30, 2019 for the legal entity of school.

SCHEDULE 1: BUDGET QUESTIONNAIRE

Schedule 1: Budget Questionnaire

GENERAL	
1) What year did the organization begin operating a school?	
2a) Is the school affiliated with a church?	
2b) If 2a is yes, what is the name of the church?	
2c) If 2a is yes, do the church and school have the same federal tax id number?	
3a) Is the school part of a synod, archdiocese, or other association of churches?	
3b) If 3a is yes, what is the name of the association?	
4a) Does the legal entity of the school operate a daycare/preschool? <i>If part of the legal entity of the school includes a daycare/preschool, "Yes" must be selected from the drop down. This does not include before or aftercare for students in K-12 in educational programming.</i>	
4b) Explain any non-school activities of the legal entity, other than operating a church or daycare. If there are none, insert "None."	
5a) Select the explanation of the operating organization of the school from the drop down.	
5b) No additional information required.	

QUESTION COMPLETED	
Complete question 1	ERROR
Complete question 2a	ERROR
Complete question 2b	OK
Complete question 2c	OK
Complete question 3a	ERROR
Complete question 3a	OK
Complete question 4a	ERROR
Complete question 4b	ERROR
Complete question 5a	ERROR
Complete question 5b	OK

- An error will show if the school has not answered the required questions (These errors will not print).
- The legal entity of the school is based on the Federal Tax ID Number (FEIN) for the school. For example, if a church and school share an FEIN, they are the same legal entity.
- Operating organization is the organization that operates the school. For a combined church/school, this is typically the church.

Schedule 1: Budget Questionnaire

DEBT/LIABILITIES

6a) Does the legal entity of the school have any liens, levies, or other disputed amounts with the IRS, DOR, DWD, or a vendor/third party. All items must be included whether or not the amounts owed are in dispute.

6b) If 6a is yes, describe them below and attach documentation from the other party related to these amounts.

- The organization must disclose any outstanding liens, levies or disputed amounts with a government agency or any other organization; whether or not the organization agrees with them.
 - The school does not need to identify in this section a mortgage that includes a lien on the mortgaged property unless the payments are past due, the school is not in compliance with the debt covenants, or the lender has exercised the lien.
- *Failure to disclose amounts could result in the school not being allowed to participate in the program.**

Schedule 1: Budget Questionnaire

	TRANSPORTATION	
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7a) Place an X next to each type of transportation the school will provide (check all that apply):

<input type="checkbox"/> To and from school	<input type="checkbox"/> Extra-curricular activities	<input type="checkbox"/> Daycare/church
<input type="checkbox"/> No transportation will be provided	<input type="checkbox"/> Field Trips	<input type="checkbox"/> Other (Explain Below)

7b) If the school is providing transportation, how will it be provided (check all that apply):

<input type="checkbox"/> School provides own transportation	<input type="checkbox"/> School district provides and charges the school
<input type="checkbox"/> School district provides free of charge	<input type="checkbox"/> Contracted from other third party

- The organization must disclose if they will provide transportation.
- If the organization will provide transportation, they must disclose how it will be provided.

Schedule 1: Budget Questionnaire

FOOD SERVICES		
8a) Will the school provide food (check all that apply)?		
<input type="checkbox"/> School breakfast, lunch, or milk	<input type="checkbox"/> The school will not provide food	<input type="checkbox"/> Other (Explain Below)
<input type="checkbox"/> Daycare breakfast, lunch, milk or snack	<input type="checkbox"/> Food for church	
8b) How will the food service be provided (check all that apply)?		
<input type="checkbox"/> School district provides free of charge	<input type="checkbox"/> 3rd party contracted by school	<input type="checkbox"/> School provides itself
<input type="checkbox"/> School district provides at a cost	<input type="checkbox"/> 3rd party paid for directly by pupils	

- Indicate what type of food service will be provided in 8a.
- Identify how the food service will be provided in 8b.
- If food is provided directly by a 3rd party vendor and the parents pay the vendor directly, select, “3rd party paid for directly by pupils.”
 - When parents pay the 3rd party vendor directly, then the food costs and revenues should NOT be included in the budget.

Schedule 1: Budget Questionnaire

8c) If the school will provide lunch, breakfast, or milk, insert the amount that will be provided in Columns B and C. If the food will be provided by a contractor, also insert the cost per meal or milk the contractor will charge in Column D. If the school is not providing any of a certain type, insert 0.

	A Type	B Number Served Per Day	C Number of Days	D Contractor Cost Per Meal or Milk
8d)	School Lunch			
8e)	School Breakfast			
8f)	School Milk			

8g) Include any other non-payroll related food costs below. If the school is obtaining food and food supplies other than school lunches, breakfasts, or milks from a contractor, include the cost per meal in line 8h. Insert the cost the school pays for food it provides itself or other food related supplies in line 8i.

Complete number served by day and number of days (Cols B and C, Lns 8d-8f)

OK

OK

- If the organization is providing the food services, complete lines 8d-8f, columns B & C.
- If the organization has a contractor providing food service then complete lines 8d-8f, columns B, C, & D.

Schedule 1: Budget Questionnaire

8g) Include any other non-payroll related food costs below. If the school is obtaining food and food supplies other than school lunches, breakfasts, or milks from a contractor, include the cost in line 8h. Insert the cost the school pays for food it provides itself or other food related supplies in line 8i.

	A Type	B Total Cost	C Eligible Education Expenses
8h)	Other Contracted Food Costs		
8i)	Food Service Supplies		

Complete contractor costs (Col D, Lns 8d-8f and Cols B and C, Ln 8h)	OK
Complete Food Service Supplies	OK

- If the organization has a contracted vendor providing food, then the total cost for the legal entity should be entered in line 8h, except for the payroll costs for school personnel.
 - Column B must include the total cost, even if some of the cost is not for K-12 pupils.
 - Column C must include any other contracted costs that are eligible education expenses.
- If question 8b indicates the school is contracting for food service or paying for food from a district, but the school does not have any other contracted costs, 0 must be inserted in line 8h or the school will receive an error.

Schedule 1: Budget Questionnaire

8g) Include any other non-payroll related food costs below. If the school is obtaining food and food supplies other than school lunches, breakfasts, or milks from a contractor, include the cost in line 8h. Insert the cost the school pays for food it provides itself or other food related supplies in line 8i.

	A Type	B Total Cost	C Eligible Education Expenses
8h)	Other Contracted Food Costs		
8i)	Food Service Supplies		

Complete contractor costs (Col D, Lns 8d-8f and Cols B and C, Ln 8h)

OK

Complete Food Service Supplies

OK

- If the school is purchasing food and/or food related supplies itself, the related costs must go in line 8i.
- If question 8b indicates the school is providing food themselves, contracting for food service, or paying for food from a district, line 8i must be completed or the school will receive an error. If there are no other food service costs, insert 0.

Questions?



Schedule 1: In Class Activity

- The school began operating in 1966.
- It is part of a church, Holy Love.
- The school and the church have the same federal tax id number.
- The legal entity of the school is Holy Love Church and School. It includes a church and a daycare.
- The church is not part of an association of churches.
- Holy Love is the operating organization.
- Holy Love church and school do not have any disputed amounts.
- The school district provides busing for the students to and from school. The school does not receive any money or pay any money for this.
- The school uses a transportation contractor for school field trips.
- The school provides 200 lunches, 50 breakfasts, and 200 milks through a contractor. They are provided 180 days of the year.
- The school's food contractor charges \$3.00 per lunch, \$2.00 per breakfast, and \$0.20 per milk.
- The school also contracts for lunch for the daycare which costs \$60,000.

Schedule 1: General Information

GENERAL	
1) What year did the organization begin operating a school?	
2a) Is the school affiliated with a church?	
2b) If 2a is yes, what is the name of the church?	
2c) If 2a is yes, do the church and school have the same federal tax id number?	
3a) Is the school part of a synod, archdiocese, or other association of churches?	
3b) If 3a is yes, what is the name of the association?	
4a) Does the legal entity of the school operate a daycare/preschool? <i>If part of the legal entity of the school includes a daycare/preschool, "Yes" must be selected from the drop down. This does not include before or aftercare for students in K-12 in educational programming.</i>	
4b) Explain any non-school activities of the legal entity, other than operating a church or daycare. If there are none, insert "None."	
5a) Select the explanation of the operating organization of the school from the drop down.	
5b) No additional information required.	

QUESTION COMPLETED	
Complete question 1	ERROR
Complete question 2a	ERROR
Complete question 2b	OK
Complete question 2c	OK
Complete question 3a	ERROR
Complete question 3a	OK
Complete question 4a	ERROR
Complete question 4b	ERROR
Complete question 5a	ERROR
Complete question 5b	OK

Schedule 1: Debt/Liabilities & Transportation

DEBT/LIABILITIES

6a) Does the legal entity of the school have any liens, levies, or other disputed amounts with the IRS, DOR, DWD, or a vendor/third party. All items must be included whether or not the amounts owed are in dispute.

6b) If 6a is yes, describe them below and attach documentation from the other party related to these amounts.

TRANSPORTATION

7a) Place an X next to each type of transportation the legal entity of the school will provide (check all that apply):

- | | | |
|---|--|--|
| <input type="checkbox"/> To and from school | <input type="checkbox"/> Extra-curricular activities | <input type="checkbox"/> Daycare/church |
| <input type="checkbox"/> No transportation will be provided | <input type="checkbox"/> Field Trips | <input type="checkbox"/> Other (Explain Below) |

7b) If the legal entity of the school is providing transportation, how will it be provided (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> School provides own transportation | <input type="checkbox"/> School district provides and charges the school |
| <input type="checkbox"/> School district provides free of charge | <input type="checkbox"/> Contracted from other third party |

Complete question 6a

ERROR

Complete question 6b

OK

Complete question 7a

ERROR

Complete question 7b

OK

Schedule 1: Food Services

FOOD SERVICES			
8a) Will the legal entity of the school provide food (check all that apply)?			
<input type="checkbox"/> School breakfast, lunch, or milk	<input type="checkbox"/> The school will not provide food	<input type="checkbox"/> Other (Explain Below)	
<input type="checkbox"/> Daycare breakfast, lunch, milk or snack	<input type="checkbox"/> Food for church		

8b) How will the food service be provided (check all that apply)?			
<input type="checkbox"/> School district provides free of charge	<input type="checkbox"/> 3rd party contracted by school	<input type="checkbox"/> School provides itself	
<input type="checkbox"/> School district provides at a cost	<input type="checkbox"/> 3rd party paid for directly by pupils		

8c) If the school will provide lunch, breakfast, or milk, insert the amount that will be provided in Columns B and C. If the food will be provided by a contractor, also insert the cost per meal or milk the contractor will charge in Column D. If the school is not providing any of a certain type, insert 0.

	A Type	B Number Served Per Day	C Number of Days	D Contractor Cost Per Meal or Milk
8d)	School Lunch			
8e)	School Breakfast			
8f)	School Milk			

8g) Include any other non-payroll related food costs below. If the legal entity of the school is obtaining food and food supplies other than school lunches, breakfasts, or milks from a contractor, include the cost in line 8h. Insert the cost of the food that is directly purchased or other food related supplies in line 8i.

	A Type	B Total Cost	C Eligible Education Expenses
8h)	Other Contracted Food Costs		
8i)	Food Service Supplies		

Complete question 8a	ERROR
Complete question 8b	OK
Complete number served by day and number of days (Cols B and C, Lns 8d-8f)	OK
Complete contractor costs (Col D, Lns 8d-8f and Cols B and C, Ln 8h)	OK
Complete Food Service Supplies	OK
9	Total Number of Errors

SCHEDULE 2: ANTICIPATED ENROLLMENT

Pupil Count Reports

- Pupil count reports are used to count students by grade for purposes of payment of Choice state aid.
 - Schools complete three pupil count reports each year located in the Online Application System (OAS):
 - Preliminary Enrollment Report .
 - 3rd Friday in September Pupil Count Report.
 - 2nd Friday in January Pupil Count Report.
- *Training modules 9-2 & 9-3 are located on the DPI website with instructions on how to properly complete these reports.**

Pupil Count Reports



Private School Choice Programs

Application Summary

School Year:

Student Name:

Enroll Pd:

School Name:

Parent Name:

Filter:

Address:

- Not Yet Verified
- Verified
- Submitted
- Ineligible per DOR
- Ineligible in Semester 1
- Ineligible in Semester 2
- Ineligible in Both Semesters

- Duplicate App
- Expired after 60 Days
- Parent No Show
- Continuing
- New-DPI Method
- New-DOR Method
- New-Foster
- Multiple Apps *

School Phone:

Administrator:

Program:

Grades: [Check All](#) | [Uncheck All](#) K4 KG 01 02 03 04 05 06 07 08 09 10 11 12

[Go to Top](#)

- Choice Program**
- [Logout](#)
- [Training](#)
- [Address Search](#)
- [Milw Addr Search](#)
- [Racine Addr Search](#)

- Applications**
- [App Summary](#)
- [Submit Apps to DPI](#)
- [Export to Excel](#)
- [Export for WISEid](#)
- [Intent to Attend](#)

- Pupil Count**
- [Prelim Enrollment](#)
- [September Count](#)
- [January Count](#)
- [Historical Data](#)
- [Payments](#)



Preliminary Enrollment Report

- Provide the total number of All pupils and Choice pupils enrolled at the school.
- Includes the students with an eligible Choice application who are enrolled at the school at the beginning of the year who have not withdrawn from the school and are not expected to withdraw by the 3rd Friday in September.

3rd Friday in September and 2nd Friday in January Pupil Count Reports

- Identify the following for each Choice pupil as of the applicable count date:
 - The grade the pupil was in; and
 - Whether the pupil met the count requirements.
- Provide the total number of All pupils and Choice pupils at the school.

3rd Friday in September and 2nd Friday in January Pupil Count Reports (cont)

- A pupil meets the attendance requirements if one of the following apply:
 - Pupil was in attendance for instruction on the count date; or
 - The pupil was absent on the count date, but attended the school for instruction at least one day during the school term prior to the count date and at least one day after the count date and was not enrolled in another school in or out of Wisconsin, including another private school, homeschooled, or a charter school.

Full Time Equivalent (FTE)

- 4-year old kindergarten students (K4) are counted as follows:
 - 4-year-old kindergarten students are generally counted as 0.5 FTE.
 - If the school provides an additional 87.5 hours of parental outreach activities for the parents of four year-old kindergarten students, the school may count the students as 0.6 FTE.

Full Time Equivalent (cont)

- **5-year-old kindergarten students (K5)** are counted as:
 - 0.5 FTE if attending less than full-time but at least 437 hours a school year.
 - 0.6 FTE if attending 3 full days of instruction each week
 - 0.8 FTE if attending 4 full days of instruction each week
 - 1.0 FTE if they attend school 5 full-days a week.

- **Students in grades 1-12** are counted as 1.0 FTE.

Choice Programs Payments

- During the school year the department pays the maximum voucher amount for each student.
 - The budget is based on the expected 2020-21 payment rates. **K4-8 payment rate is \$8,300 per FTE and the 9-12 payment rate is \$8,946.**
 - At the end of the year the school's net eligible education expenses are determined:
 - The net eligible education expenses are the school's costs related to educational programming, as defined in the school's policies.
 - You will estimate this amount in the budget and provide the actual net eligible education expenses in the financial audit.
- *This information will be audited by an independent auditor.**

Choice Program Payment Process

- Choice payments are sent to eligible schools in: September, November, February, and May.
 - September payment is 25% of the annual choice payment amount for each student on the Preliminary Enrollment Report.
 - November payment is 50% of the annual FTE choice payment amount less the September payment for each student on the Preliminary Enrollment Report. The summer school payment, if applicable, is sent at the same time through a separate ACH.
 - February & May payments are each 25% of the annual FTE for each student on the January Pupil Count Report with an eligible application.

Schedule 2-1: All Pupil Count

ALL PUPILS ANTICIPATED ENROLLMENTS						
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count	E FTE Factor	F Average FTE
1	4-Year-Old K/437 Hours				0.5	-
2	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach				0.6	-
3	5-Year-Old K/5 Day				0.5	-
4	5-Year-Old K/3 Day				0.6	-
5	5-Year-Old K/4 Day				0.8	-
6	5-Year-Old K/5 Day				1.0	-
7	Grades 1-8				1.0	-
8	TOTAL K4-8 ALL PUPILS	-	-	-		-
9	Grades 9-12				1.0	-
10	TOTAL ALL PUPILS	-	-	-		-

- Include the total anticipated pupils at your school.

Schedule 2-1: All Pupil Count

- Include ALL pupils at your school in grades K4-12, even if a particular grade is not offered to Choice students.
- If the school holds any grade, such as K4, for the public school district do not include:
 - The pupils in the all pupil count,
 - The costs for the pupils in the eligible education expenses (the costs will still be in total costs), or
 - The revenue as offsetting revenue.

Schedule 2-1: All Pupil Count

- If the school has kindergarten age students enrolled in day care, they are not included in the all pupil count.
- If the K4 or K5 are available grades for the choice program or the Special Needs Scholarship Program (SNSP), they must be identified as educational programming.
- If the school is providing educational programming, meets the required number of hours of instruction, and the pupils are age eligible, pupils in K4 and K5 should generally be included in the all pupil count.

Schedule 2-1: Choice Pupils

CHOICE PUPILS ANTICIPATED ENROLLMENTS						
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count	E FTE Factor	F Average FTE
11	4-Year-Old K/437 Hours				0.5	-
12	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach				0.6	-
13	5-Year-Old K/.5 Day				0.5	-
14	5-Year-Old K/3 Day				0.6	-
15	5-Year-Old K/4 Day				0.8	-
16	5-Year-Old K/5 Day				1.0	-
17	Grades 1-8				1.0	-
18	TOTAL K4-8 CHOICE PUPILS	-	-	-		-
19	Grades 9-12				1.0	-
20	TOTAL CHOICE PUPILS	-	-	-		-

- Include the expected number of Choice pupils who are anticipated to attend in columns B, C, & D.
- The Choice counts included on this schedule will determine the Choice revenue included in the budget.

Schedule 2-1: Error Message - All Count Dates Not Completed

ALL PUPILS ANTICIPATED ENROLLMENTS				
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count
1	4-Year-Old K/437 Hours			
2	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach			
3	5-Year-Old K/.5 Day			
4	5-Year-Old K/3 Day			
5	5-Year-Old K/4 Day			
6	5-Year-Old K/5 Day			
7	Grades 1-8			
8	TOTAL K4-8 ALL PUPILS	-	-	-
9	Grades 9-12			
10	TOTAL ALL PUPILS	-	-	-
CHOICE PUPILS ANTICIPATED ENROLLMENTS				
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count
11	4-Year-Old K/437 Hours			
12	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach			
13	5-Year-Old K/.5 Day			
14	5-Year-Old K/3 Day			
15	5-Year-Old K/4 Day			
16	5-Year-Old K/5 Day			
17	Grades 1-8			
18	TOTAL K4-8 CHOICE PUPILS	-	-	-
19	Grades 9-12			
20	TOTAL CHOICE PUPILS	-	-	-

- All three columns must be completed for the All Pupils and Choice Pupils or you will receive an error.

Schedule 2-1: Choice Pupils By Program

CHOICE PUPILS BY PROGRAM						
Line	A Count Category	B MPCP Count	C WPCP Count	D RPCP Count	E High Count	F Difference
21	4-Year-Old K				0	-
22	5-Year-Old K				0	-
23	Grades 1-8				0	-
24	Grades 9-12				0	-
25	TOTAL CHOICE PUPILS	-	-	-	0	-

- The “High Count” (Column E) will automatically populate with the highest number of anticipated Choice pupils in Lines 11-19, Columns B, C, and D.
- Indicate which program the students are in for the high count in Lines 21-24.
- Column F, the Difference Column, must be 0 for all rows after Lines 21-24 are complete or you will have an error on the Error Report

Questions?



Review Question

Which of the following students should be included in the all pupil count?

Pupils participating in the Choice Program	
Tuition paying pupils	
Pupils in day care	
Pupils on scholarship	
Pupils in second grade if the school does not provide second grade as an option for the Choice program	
K4 pupils if they attend the private school in the morning and the public school in the afternoon.	

Schedule 2-1: Summer School

CHOICE 2020 SUMMER SCHOOL PUPILS				
Line	A Line Description	B Grades K-8	C Grades 9-12	D Payment Amount
26	Total Pupils			-

- If the school will have Choice summer school in 2020, include the number of Choice pupils on Line 26.
- The summer school revenue and cash payment will automatically be included in the budget. Do not include it separately elsewhere.

Schedule 2-1: In Class Activity

Category	All Pupil Count	MPCP Pupil Count	WPCP Pupil Count
4-Year-Old K/437 Hours	18	8	2
4-Year-Old K/437 Hours + 87.5 Hrs. Outreach			
5-Year-Old K/.5 Day			
5-Year-Old K/ 3 Day			
5-Year-Old K/ 4 Day			
5-Year-Old K/5 Day	20	13	5
Grades 1-8	60	35	5
Grades 9-12	25	10	5

- The Preliminary Enrollment Report, 3rd Friday in September, and 2nd Friday in January headcounts are all the same, as listed above.

Schedule 2-1: In Class Activity All Pupils Answers

ALL PUPILS ANTICIPATED ENROLLMENTS						
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count	E FTE Factor	F Average FTE
1	4-Year-Old K/437 Hours				0.5	-
2	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach				0.6	-
3	5-Year-Old K/5 Day				0.5	-
4	5-Year-Old K/3 Day				0.6	-
5	5-Year-Old K/4 Day				0.8	-
6	5-Year-Old K/5 Day				1.0	-
7	Grades 1-8				1.0	-
8	TOTAL K4-8 ALL PUPILS	-	-	-		-
9	Grades 9-12				1.0	-
10	TOTAL ALL PUPILS	-	-	-		-

Schedule 2-1: In Class Activity Choice Pupils Answers

CHOICE PUPILS ANTICIPATED ENROLLMENTS						
Line	A Count Category	B Preliminary Enrollment	C 3rd Friday Sept Count	D 2nd Friday Jan Count	E FTE Factor	F Average FTE
11	4-Year-Old K/437 Hours				0.5	-
12	4-Year-Old K/437 Hours + 87.5 Hrs. Outreach				0.6	-
13	5-Year-Old K/5 Day				0.5	-
14	5-Year-Old K/3 Day				0.6	-
15	5-Year-Old K/4 Day				0.8	-
16	5-Year-Old K/5 Day				1.0	-
17	Grades 1-8				1.0	-
18	TOTAL K4-8 CHOICE PUPILS	-	-	-		-
19	Grades 9-12				1.0	-
20	TOTAL CHOICE PUPILS	-	-	-		-
CHOICE PUPILS BY PROGRAM						
Line	A Count Category	B MPCP Count	C WPCP Count	D RPCP Count	E High Count	F Difference
21	4-Year-Old K				0	-
22	5-Year-Old K				0	-
23	Grades 1-8				0	-
24	Grades 9-12				0	-
25	TOTAL CHOICE PUPILS	-	-	-	0	-

Schedule 2-2: SNSP Counts

- Schools participating in the Special Needs Scholarship Program (SNSP) complete Schedule 2-2.
- Registration for the SNSP for the 2020-21 school year was due by March 1, 2020.
- SNSP students may only be included in Schedule 2-2 if the school completed the 2020-21 Intent to Participate for the SNSP by March 1, 2020.

*Additional information on this program is available at:

<http://dpi.wi.gov/sms/special-needs-scholarship>

Schedule 2-1, 2-2 & 2-3: Error Message for Choice, SNSP & All Pupil Counts

SCHEDULE 2-1, 2-2, AND 2-3

[?]	4	Prelim, 3rd Fri Sept, and/or 2nd Fri Sept Choice and SNSP enrollment is more than the all pupil enrollment	OK
-----	---	--	----

- The Choice and SNSP pupils in the budget cannot be more than the All Pupil Count. Otherwise, you will receive an error.

SCHEDULE 2-3: K4 PARENTAL OUTREACH ACTIVITIES

See the K4 parental outreach training (Training 1-3) for information on the K4 parental outreach requirements:
<https://dpi.wi.gov/sms/choice-programs/on-demand-training>

See K4 Parental Outreach Activities Bulletin:
<https://dpi.wi.gov/sms/choice-programs/bulletins>

Schedule 2-3: K4 Parental Outreach Activities Summary

- List all activities that will be provided, what the educational component is for the K4 parents, the dates of the activity, and the hours of outreach provided for a K4 parent.

0 SCHEDULE 2-3: OUTREACH ACTIVITIES SUMMARY Budget for the period from July 1, 2020 to June 30, 2021				
K4 OUTREACH ACTIVITIES				
<p>If the school has included pupils in the K4 with outreach (.6 FTE) category, the following schedule must be completed. All activities must have an educational component for the K4 parents in their role as a K4 parent. The school must explain in column B how the outreach activity assists the K4 parent/caregiver in their parental role or the outreach activity will not be allowed. Activities that take place during the normal school day, including volunteering in the classroom, are not acceptable K4 outreach activities. Fundraising is also not an allowable K4 outreach activity. For guidance on outreach activities, see the Outreach Activities bulletin located at http://dpi.wi.gov/sms/choice-programs/bulletins and http://dpi.wi.gov/sms/special-needs-scholarship-program/bulletins. If additional space is needed put "See additional sheet" in line 21 and put the total hours from the sheet.</p>				
Line	A Outreach Activity Description	B K4 Parent Educational Component for Role as K4 Parent	C Date(s) of Activity	D Hours
1				
2				
3				

Schedule 2-3: K4 Parental Outreach Error

- The total of all K4 outreach activities must be at least 87.5 hours or you will receive an error if you have identified you will have students in the K4 with outreach category.

Questions?



SCHEDULE 3: EXPENSES



Expenses for the Legal Entity

- All expenses for the legal entity must be included in the budget.
- The budget Excel file will require identification of eligible vs. non-eligible education expenses.

Eligible Education Expenses

Eligible education expenses are all direct and indirect costs associated with a school's educational programming for pupils enrolled in kindergarten through 12th grade that are reasonable for the private school to achieve its educational purposes as determined by the school's written policy and tested by an independent auditor.

Eligible Education Expenses (cont)

- In order to include an expense as an eligible education expense, the expense must be included in the Statement of Activities (similar to an income statement), except for the cost of land.
- In order to include something as an eligible education expense, it must relate to a cash disbursement (either now or projected for the future).
- If a previously included eligible education expense is forgiven or it is determined it was not an appropriate expense, the current year eligible education expenses are reduced.

Non-eligible Education Expenses

- Contributed services - the expense for donated services (such as accounting or legal services)
- Contributed fixed assets or goods
- Scholarship awards and financial support for pupils
- Bad debt expense
- Daycare expenses
- Expenses for those enrolled in a public school district and attending the private school (such as K4 programs offered through the school districts)
- Church expenses

Eligible Education Expense Policy Requirements

- Written policy that is approved by the school's governing board.
- Describes the school's educational purpose.
- Describes the services related to educational programming that the school provides to pupils enrolled in kindergarten through 12th grade that are reasonable for the private school to achieve its educational purpose.
- Identifies any allocation methods that will be used, if applicable.

Related Services Expenses (Indirect Costs)

- Management/administrative
- Extracurricular programming and activities
- Development (fundraising) expenses
- Before and after school care for K-12 pupils
- Transportation
- Food service

Expense & Revenue Allocation Examples

- If an expense or revenue is partially related to educational programming and partially not related to educational programming, the expense/revenue must be allocated using an allocation method.
- Some examples include:
 - Church & school operations
 - Day care & school operations
 - Central administration for two or more schools
 - Transportation provided to the school's pupils and other schools' pupils

Expense & Revenue Allocation

- The budget first determines the eligible education expenses for all students at the school.
- Do not allocate for Choice versus Non-Choice pupil expense.
- The school must determine what allocation methods will be used.

Potential Allocation Methods

- Pupil full-time equivalency (FTE) or headcount
- Employee full-time equivalency (FTE) or headcount
- Time spent
- Number of transactions for allocating items such as accounting costs.
- Square footage or square footage used over time for items such as rent.
- Miles driven or driver hours for items such as transportation costs.

Accrual Basis of Accounting

The budget and financial audit must be prepared using the accrual basis of accounting:

- Revenues are included when they are earned.
- Expenses are included as an expense in the period they relate.
- Revenues and expenses are not necessarily included when the cash is received or paid.

Accrual Basis of Accounting (cont)

- Expenses:

- Prepaid expenses are amounts that are paid but are related to a future time period.
- Accounts Payable balances represent amounts that were owed for (relate to) the school year that have not yet been paid.

- Revenues:

- Deferred revenues are amounts that are received but are related to a future time period.
- Accounts receivable balances represent amounts owed to the school that relate to the school year that have not yet been received by the school.

Class Activity: Determine the Correct Classification

First determine if the item is an expense or revenue.

Second determine which of the following classification applies:
Deferred Revenue, Prepaid Expense, Accounts Receivable or Accounts Payable?

Description	Classification
The school participated in the school nutrition program and was owed \$5,000 for the June 2020 meals served but did not receive the payment until August 2020.	
The school had a landscaping business perform work in June 2020 but did not pay for the work until August 2020.	
The school pays for the July 2020 rent on June 30, 2020.	
The school receives tuition for the 2020-21 school year in May 2020.	

Questions?



Schedule 3-1: Salaries & Related Expenses

- Indicate the total number of individuals in each category in the Total HC (headcount) column.
- Indicate the teaching full time equivalent (FTE) for employees that are teaching in the Teaching FTE column. For example, if a pastor is a teacher, include the portion of their time spent teaching. If they spend 20% of their time teaching, .2 should be included for the FTE in the Teaching FTE column.

STAFFING INFORMATION						
Identify the total headcount (HC) for each category and the teacher FTE (full time equivalent) for each category. Also identify the earliest month of hire for each position. Existing schools should put the month of hire as the first month the employees will work in the school year. Then, insert the total salaries that will be paid for each position category.						
Line	A Position Categories	B Total HC	C Teaching FTE	D Month of Hire	E Salaries	F Average Salaries
1	Administrative Staff					-
2	K-12 Before & After School Care Only Staff					-
3	Classroom Teachers					-
4	Classroom Teacher Aides					-
5	Maintenance Employees					-
6	Food Service Employees					-
7	Transportation Employees					-
8	SNSP Only Employees					-
9	Church Employees					-
10	Daycare/Preschool Employees					-
11	Other Employees					-
12	TOTAL	-	-		-	
	Explain below what employees are included in Other Employees (Line 11).					
13						

Schedule 3-1: Salaries & Related Expense Errors

- Ensure you select the month of hire.
- If any other employees are included on line 11, line 13 must be completed explaining their position.

SCHEDULE 3-1: SALARIES & RELATED EXPENSES

STAFFING INFORMATION						
Line	A Position Categories	B Total HC	C Teaching FTE	D Month of Hire	E Salaries	F Average Salaries
1	Administrative Staff					-
2	K-12 Before & After School Care Only Staff					-
3	Classroom Teachers					-
4	Classroom Teacher Aides					-
5	Maintenance Employees					-
6	Food Service Employees					-
7	Transportation Employees					-
8	SNSP Only Employees					-
9	Church Employees					-
10	Daycare/Preschool Employees					-
11	Other Employees					-
12	TOTAL	-	-		-	

If average salaries is less than \$20,000, an explanation is required on Sch 11:	NO	Month of Hire Completed
	NO	OK
	0	0

13 Explain below what employees are included in Other Employees (Line 11).

ERROR REPORT

Line	Item	Result
[?] 10	Month of hire is not completed	OK
[?] 11	An explanation of who is included in Other Employees is not entered	OK

Schedule 3-1: Salaries & Related Expenses & Cashflows

EXPENSES & CASH FLOWS

Insert the primarily SNSP expenses in Line 15 and the eligible education expenses, excluding primarily SNSP expenses, in Line 14. Insert the total expenses for the school year in Line 16 and the Accounts Payable and Prepaid balances at the beginning of the school year in Lines 17 and 18. Line 19 will then indicate the amount that must be paid during the school year. Include the amount that will be paid for each month in lines 20-31. If the school will have a Prepaid Expense balance at the end of the year, insert it in Line 33. Finally, review the year end Accounts Payable balance in Line 34 to determine if it is correct.

Line	A Line Description	B Salaries	C FICA & Medicare	D State & Federal Unemployment	E Employer Paid Benefits	
14	Eligible Education Expenses <i>Excluding Ln 15</i>		-			
15	Primarily SNSP Expenses	-	-			
16	Total 2020-21 Expenses	-	-			
17	June 30, 2020 Prepaid Expenses					
18	June 30, 2020 Accounts Payable					
19	TOTAL AMOUNT TO BE PAID	-	-	-	-	
20	July 2020 Cash Payments					
21	August 2020 Cash Payments					
22	September 2020 Cash Payments					
23	October 2020 Cash Payments					
24	November 2020 Cash Payments					
25	December 2020 Cash Payments					
26	January 2021 Cash Payments					
27	February 2021 Cash Payments					
28	March 2021 Cash Payments					
29	April 2021 Cash Payments					
30	May 2021 Cash Payments					
31	June 2021 Cash Payments					
32	TOTAL CASH PAYMENTS	-	-	-	-	
33	JUNE 30, 2021 Prepaid Expenses					
34	JUNE 30, 2021 ACCOUNTS PAYABLE	-	-	-	-	
Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	0			-	0

Schedule 3-1: Salaries Expenses & Cashflows

Line	A Line Description	B Salaries
14	Eligible Education Expenses <i>Excluding Ln 15</i>	
15	Primarily SNSP Expenses	-
16	Total 2020-21 Expenses	-
17	June 30, 2020 Prepaid Expenses	
18	June 30, 2020 Accounts Payable	
19	TOTAL AMOUNT TO BE PAID	-

- Enter the eligible education expenses in Line 14.
- Enter the Total Expenses in Line 16 for all categories except salaries (which is prefilled based on the information on the top of the schedule).
- Enter any Prepaid payroll related Expenses (line 17).
- Enter any beginning Accounts Payable (line 18). (Reminder: Accounts Payable balances represent amounts that are owed by the school for the year they relate to but have not yet been paid.)
- The total amount to be paid will then show on Line 19.

Schedule 3-1: Salaries Expenses & Cashflows

Line	A Line Description	B Salaries
14	Eligible Education Expenses <i>Excluding Ln 15</i>	
15	Primarily SNSP Expenses	-
16	Total 2020-21 Expenses	-
17	June 30, 2020 Prepaid Expenses	
18	June 30, 2020 Accounts Payable	
19	TOTAL AMOUNT TO BE PAID	-
20	July 2020 Cash Payments	
21	August 2020 Cash Payments	
22	September 2020 Cash Payments	
23	October 2020 Cash Payments	
24	November 2020 Cash Payments	
25	December 2020 Cash Payments	
26	January 2021 Cash Payments	
27	February 2021 Cash Payments	
28	March 2021 Cash Payments	
29	April 2021 Cash Payments	
30	May 2021 Cash Payments	
31	June 2021 Cash Payments	
32	TOTAL CASH PAYMENTS	-
33	JUNE 30, 2021 Prepaid Expenses	
34	JUNE 30, 2021 ACCOUNTS PAYABLE	-

- Enter the monthly cash payments (lines 20-31).
- Enter any ending prepaid payroll expenses (line 33).
- The difference between the total amount to be paid (Line 19), the total cash payments (line 32), and prepaid expenses (line 33) will be included in the June 30, 2021 Accounts Payable (line 34).
- **Review the final Accounts Payable to ensure it is appropriate.**

Schedule 11-1: Explanations

Line	A Position Categories	B Total HC	C Teaching FTE	D Month of Hire	E Salaries	F Average Salaries
1	Administrative Staff					-
2	K-12 Before & After School Care Only Staff					-
3	Classroom Teachers					-
4	Classroom Teacher Aides					-
5	Maintenance Employees					-
6	Food Service Employees					-
7	Transportation Employees					-
8	SNSP Only Employees					-
9	Church Employees					-
10	Daycare/Preschool Employees					-
11	Other Employees					-
12	TOTAL	-	-		-	

If average salaries is less than \$20,000,
an explanation is required on Sch 11:

NO
0

- If any of the average salaries are less than \$20,000 the school must explain why
 - Typically this is because of hourly part-time employees
 - Any categories that require an explanation will have a “Yes” in the far right column in Schedule 3-1
 - The explanation needs to be added to the Schedule 11-1 explanations

Payroll Requirements

- All schools are required to have:
 - A schedule of all pay dates for the 2020-21 school year (from July 1, 2020 to June 30, 2021).
 - 2020-21 written agreements for each employee specifying the employee's compensation and the dates they will be paid.
 - The agreement must require the signature of the employee and school representative.
 - The schedule of all pay dates and written agreements for each employee must be submitted as attachments to the budget.
 - If the school uses the same template for categories of employees, the school may provide an example of each template rather than providing all employee agreements.
 - The pay dates in Schedule 3-1 must be consistent with the schedule of pay dates and written agreements.
- *These agreements must be completed and signed before the first day that the employee starts working at the school for the 2020-21 school year.**

Schedule 3-1: In Class Activity Recording Salaries

STAFFING INFORMATION

Identify the total headcount (HC) for each category and the teacher FTE (full time equivalent) for each category. Also identify the earliest month of hire for each position. Existing schools should put the month of hire as the first month the employees will work in the school year. Then, insert the total salaries that will be paid for each position category.

Line	A Position Categories	B Total HC	C Teaching FTE	D Month of Hire	E Salaries	F Average Salaries
1	Administrative Staff					-
2	K-12 Before & After School Care Only Staff					-
3	Classroom Teachers					-
4	Classroom Teacher Aides					-
5	Maintenance Employees					-
6	Food Service Employees					-
7	Transportation Employees					-
8	SNSP Only Employees					-
9	Church Employees					-
10	Daycare/Preschool Employees					-
11	Other Employees					-
12	TOTAL	-	-		-	

If average salaries is less than \$20,000, an explanation is required on Sch 11:

NO
0

Month of Hire Completed

OK
0

Complete Columns B, D, and E with the following information:

Year Round Staff:

- 1 Administrator: \$60,000
- 1 Secretary: \$36,000
- 2 Food services staff: \$33,000
- 1 Pastor: \$55,800
- 2 Day care staff: \$48,000

School year staff (begin working in August for 2020-21 school year):

- 5 teachers: \$220,000
- 3 teacher aides: \$77,000

Schedule 3-1: In Class Activity Recording Teaching FTE

Line	A Position Categories	B Total HC	C Teaching FTE	D Month of Hire	E Salaries	F Average Salaries
1	Administrative Staff					-
2	K-12 Before & After School Care Only Staff					-
3	Classroom Teachers					-
4	Classroom Teacher Aides					-
5	Maintenance Employees					-
6	Food Service Employees					-
7	Transportation Employees					-
8	SNSP Only Employees					-
9	Church Employees					-
10	Daycare/Preschool Employees					-
11	Other Employees					-
12	TOTAL	-	-		-	

Complete **Column C** with the following information:

- The administrator teaches classes for 25% of her time
- The Pastor teaches religion for 20% of his time
- The 5 teachers & 3 teacher aides teach 100% of their time

Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher
35	123	8	15

Allocating Eligible Education Expenses–Salaries Example

- The administrative staff & food service staff plan on spending 90% of their time on the school and 10% of their time on the day care .
- The Pastor teaches religion for 20%, teachers & teachers aids are 100% of their time.

Line	A Line Description	B Salaries
14	Eligible Education Expenses <i>Excluding Ln 15</i>	



Position Type	Total Salaries	Percent Related to Educational Programming	Eligible Education Expenses
Administrator	60,000		
Secretary	36,000		
Pastor	55,800		
Teachers	220,000		
Teacher Aides	77,000		
Food Service Staff	33,000		
Day Care Staff	48,000		
Total	529,800		

Schedule 3-1: In Class Activity - Recording Salaries Expense

Line	A Line Description	B Salaries
14	Eligible Education Expenses <i>Excluding Ln 15</i>	
15	Primarily SNSP Expenses	-
16	Total 2020-21 Expenses	-
17	June 30, 2020 Prepaid Expenses	
18	June 30, 2020 Accounts Payable	
19	TOTAL AMOUNT TO BE PAID	-
20	July 2020 Cash Payments	
21	August 2020 Cash Payments	
22	September 2020 Cash Payments	
23	October 2020 Cash Payments	
24	November 2020 Cash Payments	
25	December 2020 Cash Payments	
26	January 2021 Cash Payments	
27	February 2021 Cash Payments	
28	March 2021 Cash Payments	
29	April 2021 Cash Payments	
30	May 2021 Cash Payments	
31	June 2021 Cash Payments	
32	TOTAL CASH PAYMENTS	-
33	JUNE 30, 2021 Prepaid Expenses	
34	JUNE 30, 2021 ACCOUNTS PAYABLE	-

- All salaries are paid on a one month lag:
 - Year round employees are paid a total of \$19,400 a month.
 - School year employees, who start working in August, are paid \$29,700 a month. School year employees are paid over 10 months.
- The school had one month of pay owed as of June 30, 2020 and June 30, 2021 for all year round employees. The employees had the same pay in the 2019-20 school year.
- Determine if the ending June 30, 2021 Accounts Payable (line 34) balance is correct.

Schedule 3-1: FICA & Medicare Taxes

Line	A Line Description		B Salaries	C FICA & Medicare	D State & Federal Unemployment	E Employer Paid Benefits
14	Eligible Education Expenses <i>Excluding Ln 15</i>		424,260	32,456		
15	Primarily SNSP Expenses		-	-		
16	Total 2020-21 Expenses		529,800	40,530		
17	June 30, 2020 Prepaid Expenses					
18	June 30, 2020 Accounts Payable		19,400			
19	TOTAL AMOUNT TO BE PAID		549,200	40,530	-	-
Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	8	15	7.65%	7,455	(7,455)

- FICA & Medicare expenses are automatically calculated in Column C .
- The budget multiplies the total and eligible salaries in Column B by 7.65%.
- If your school's amount is different, update the amounts in Column C and provide an explanation in Schedule 11-1.
- Enter the cash payments for FICA and Medicare in lines 20-31.
- The school's percentage is calculated on Line 35.

Schedule 3-1: State & Federal Unemployment

Line	A Line Description		B Salaries	C FICA & Medicare	D State & Federal Unemployment	E Employer Paid Benefits
14	Eligible Education Expenses <i>Excluding Ln 15</i>		424,260	32,456		
15	Primarily SNSP Expenses		-	-		
16	Total 2020-21 Expenses		529,800	40,530		
17	June 30, 2020 Prepaid Expenses					
18	June 30, 2020 Accounts Payable		19,400			
19	TOTAL AMOUNT TO BE PAID		549,200	40,530	-	-
Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	8	15	7.65%	7,455	(7,455)

- Include the State and Federal unemployment total expenses, eligible expenses & monthly cash payments. The expected unemployment is on Line 35.
 - The expected amount is calculated as:
 - Number of employees x .06% x \$7,000 (Federal unemployment)
 - Number of employees x 3.25% x \$14,000 (State unemployment)
 - If the unemployment difference is negative, you will be required to explain how you are exempt or explain how you calculated the unemployment.
- *If the school uses the reimbursement financing option for state unemployment, a letter from the DWD indicating the school is using the reimbursement financing option will be required.**

Schedule 3-1: Employer Paid Benefits

Line	A Line Description		B Salaries	C FICA & Medicare	D State & Federal Unemployment	E Employer Paid Benefits
14	Eligible Education Expenses <i>Excluding Ln 15</i>		424,260	32,456		
15	Primarily SNSP Expenses		-	-		
16	Total 2020-21 Expenses		529,800	40,530		
17	June 30, 2020 Prepaid Expenses					
18	June 30, 2020 Accounts Payable		19,400			
19	TOTAL AMOUNT TO BE PAID		549,200	40,530	-	-
Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	8	15	7.65%	7,455	(7,455)

- Determine what benefits will be provided and how much they will cost. These amounts must be inserted in Column E.

Schedule 3-1: Average Pupils per Teacher

Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	8	15	7.65%	7,455	(7,455)

- The Average Pupils per Teacher is calculated based on the Highest Pupil Count from Schedule 2-1 divided by the Teaching FTE.
- If the average pupil per teacher ratio is greater than 25, you will be required to provide classroom configurations by classroom that indicates the number of students and their grade(s), number of teachers, and number of teacher's aides in each classroom.

Schedule 3-1: Taxes & Benefits

- For our example organization (Holy Love), the organization is exempt from FICA/Medicare and unemployment taxes. So, the formulas in Column C (lines 14 and 16) were deleted to remove the costs.
- In addition, our example organization does not provide any benefits.

Line	A Line Description		B Salaries	C FICA & Medicare	D State & Federal Unemployment	E Employer Paid Benefits
14	Eligible Education Expenses <i>Excluding Ln 15</i>		424,260			
15	Primarily SNSP Expenses		-	-		
16	Total 2020-21 Expenses		529,800			
17	June 30, 2020 Prepaid Expenses					
18	June 30, 2020 Accounts Payable		19,400			
19	TOTAL AMOUNT TO BE PAID		549,200	-	-	-
Line	Highest Pupil Count	Teaching FTE	Average Pupils per Teacher	FICA & Medicare	Expected Unemployment	Unemployment Difference
35	123	8	15	0.00%	7,455	(7,455)

Questions?



Schedule 3-2 (General Expenses)

- Complete the total cost and education expenses (Columns B & C).
- If an amount is not included in either lines 1-4 or lines 6-7, an explanation must be provided in Column D or you will receive an error.

Line	A Item Description	B Total Cost	C Education Expenses	D If no costs are included, explain how the utilities or supplies are being provided.
1	Telephone & Internet Access			
2	Electricity			
3	Gas			
4	Water and Other Utilities			
5	TOTAL UTILITY	-	-	
6	Administrative Supplies			
7	Classroom Supplies			
8	Pupil Transportation Supplies			
9	Food Service Supplies <i>Sch 1, Ln 8i</i>	-	-	
10	Building & Equipment Supplies			
11	TOTAL SUPPLIES	-	-	
12	Contributed Services, Assets, or Goods		-	
13	Bad Debt Expense		-	
14	Church Expenses		-	
15	Daycare & Preschool Expenses		-	
16	TOTAL NON-ELIGIBLE EXPENSES	-	-	

Schedule 3-2 (General Expenses)

		EXPENSES		
Line	A Item Description	B Total Cost	C Education Expenses	D If no costs are included, explain how the utilities or supplies are being provided.
12	Contributed Services, Assets, or Goods		-	
13	Bad Debt Expense		-	
14	Church Expenses		-	
15	Daycare & Preschool Expenses		-	
16	TOTAL NON-ELIGIBLE EXPENSES	-	-	

- The non-eligible expenses in Column B (lines 12-15) are not eligible expenses. So, the education expenses in Column C are prefilled with a 0.
- **Other Church and Daycare expenses for the legal entity that were not included in total costs in the budget must be included here.**

Schedule 3-2 (General Expenses)

Line	A Line Description	B Utility	C Supplies	D Non-Eligible Expenses	E Insurance
17	Total Eligible Education Expenses	-	-	-	
18	Total 2020-21 Expenses	-	-	-	
19	June 30, 2020 Prepaid Expenses				
20	June 30, 2020 Accounts Payable				
21	TOTAL AMOUNT TO BE PAID	-	-	-	-
22	July 2020 Cash Payments				
23	August 2020 Cash Payments				
24	September 2020 Cash Payments				
25	October 2020 Cash Payments				
26	November 2020 Cash Payments				
27	December 2020 Cash Payments				
28	January 2021 Cash Payments				
29	February 2021 Cash Payments				
30	March 2021 Cash Payments				
31	April 2021 Cash Payments				
32	May 2021 Cash Payments				
33	June 2021 Cash Payments				
34	TOTAL CASH PAYMENTS	-	-	-	-
35	JUNE 30, 2021 Prepaid Expenses				
36	JUNE 30, 2021 ACCOUNTS PAYABLE	-	-	-	-

- The utilities, supplies & non-eligible costs expenses that were input in the last slide automatically display in Columns B, C, & D (lines 17-18).
- Insurance expenses must be input separately in Column E.
- All Choice schools are required to have insurance.

Schedule 3-2 (Expense Payment Requirements)

Line	A Line Description	B Utility
17	Total Eligible Education Expenses	-
18	Total 2020-21 Expenses	-
19	June 30, 2020 Prepaid Expenses	
20	June 30, 2020 Accounts Payable	
21	TOTAL AMOUNT TO BE PAID	-
22	July 2020 Cash Payments	
23	August 2020 Cash Payments	
24	September 2020 Cash Payments	
25	October 2020 Cash Payments	
26	November 2020 Cash Payments	
27	December 2020 Cash Payments	
28	January 2021 Cash Payments	
29	February 2021 Cash Payments	
30	March 2021 Cash Payments	
31	April 2021 Cash Payments	
32	May 2021 Cash Payments	
33	June 2021 Cash Payments	
34	TOTAL CASH PAYMENTS	-
35	JUNE 30, 2021 Prepaid Expenses	
36	JUNE 30, 2021 ACCOUNTS PAYABLE	-

- All expenses must be paid:
 - As required by the written agreement.
 - If there is no written agreement, expenses must be paid within 90 days of the invoice or payment request.
 - When entering the cash payments for expenses ensure the payments meet this requirement.

Schedule 3-2 & 3-3 (Prepaid Expenses)

Line	A Line Description	B Utility
17	Total Eligible Education Expenses	-
18	Total 2020-21 Expenses	-
19	June 30, 2020 Prepaid Expenses	
20	June 30, 2020 Accounts Payable	
21	TOTAL AMOUNT TO BE PAID	-
22	July 2020 Cash Payments	
23	August 2020 Cash Payments	
24	September 2020 Cash Payments	
25	October 2020 Cash Payments	
26	November 2020 Cash Payments	
27	December 2020 Cash Payments	
28	January 2021 Cash Payments	
29	February 2021 Cash Payments	
30	March 2021 Cash Payments	
31	April 2021 Cash Payments	
32	May 2021 Cash Payments	
33	June 2021 Cash Payments	
34	TOTAL CASH PAYMENTS	-
35	JUNE 30, 2021 Prepaid Expenses	
36	JUNE 30, 2021 ACCOUNTS PAYABLE	-

- Schedule 3-2 and 3-3 also include lines for Prepaid Expenses (lines 19 & 35).
- Reminder: Prepaid Expenses are amounts that are paid but are related to a future time period.

Schedule 3-2 (Recording of Insurance Cost Example)

Line	A Line Description	E Insurance
17	Total Eligible Education Expenses	
18	Total 2020-21 Expenses	
19	June 30, 2020 Prepaid Expenses	
20	June 30, 2020 Accounts Payable	
21	TOTAL AMOUNT TO BE PAID	-
22	July 2020 Cash Payments	
23	August 2020 Cash Payments	
24	September 2020 Cash Payments	
25	October 2020 Cash Payments	
26	November 2020 Cash Payments	
27	December 2020 Cash Payments	
28	January 2021 Cash Payments	
29	February 2021 Cash Payments	
30	March 2021 Cash Payments	
31	April 2021 Cash Payments	
32	May 2021 Cash Payments	
33	June 2021 Cash Payments	
34	TOTAL CASH PAYMENTS	-
35	JUNE 30, 2021 Prepaid Expenses	
36	JUNE 30, 2021 ACCOUNTS PAYABLE	-

- Example: Total insurance expense is \$12,000 (line 18).
 - \$2,000 of the insurance expense is non-school related.
- The amount of insurance is the same for the 2019-20 and 2020-21 school years.
- The school prepays insurance for the next quarter on:
 - June 30th
 - September 30th
 - December 31st
 - March 31st

Questions?



Cost Allocation Examples

- The next slides will discuss cost allocation examples using employee's time and pupil count.
- As a reminder our example organization is a church, school and operates a daycare (K3 and younger).
- Food is provided for the school and the daycare.



Example – Employee FTE Allocation Calculation

Position Categories (Sch 3-1, Column A)	Employee FTE (Head Count)	% of Employee's Work Time Spent at School	<u>School FTE</u>
Administrative Staff	2.00	90%	
K-12 Before & After School Care Only	0.00		
Classroom Teachers	5.00	100%	
Classroom Teacher Aides	3.00	100%	
Maintenance Employees	0.00		
Food Service Employees	2.00	90%	
Transportation Employees	0.00		
SNSP Only Employees	0.00		
Church Employees	1.00	20%	
Daycare/Preschool Employees	2.00	0%	
Other Employees	0.00		
TOTAL	15.00		

Example – Allocation for Food Related Costs

- The percent of children is as follows:
 - The daycare has 30 children and operates for 12 months.
 - The school has a headcount of 215 and operates for 10 months.

	Number of Children	Months	Totals
Daycare	30	12	360
School	215	10	2,150
		Grand Total:	2,510

School related percentage: 86%

(calculated as $2,150 \text{ School Total} / 2,510 \text{ Grand Total} = 86\%$)

In Class Activity - Complete Schedule 3-2 using the following information

Expense Item Description	Annual Expense (Total Cost)	Eligible Education Expense Using an Allocation Method	Cash Payments	Payment Timing
Telephone & Internet	\$2,400	Employee FTE= 79%	All utilities= \$1,700 per month	Paid month after incurred (monthly payment was the same in 2019-20)
Electricity	\$12,000	Employee FTE		
Gas	\$6,000	Employee FTE		
Water	Included with rent	Employee FTE	N/A	
Administrative supplies	\$2,000	Employee FTE	All supplies= \$1,125 per month	
Classroom Supplies	\$10,000	100% Eligible		
Food Services Supplies	\$1,500	Food Provided Allocation =86%		
Church Expenses	\$12,000	N/A	All non-eligible= \$1,500 per month	
Daycare Expense	\$6,000	N/A		
Accountant donates their time	\$10,000 Fair Market Value	N/A	N/A	
Receivable Write Off	\$2,000	N/A	N/A	N/A

Schedule 3-2: In Class Activity Answers

(line 9 amounts come from Schedule 1 line 8i)

	A Type	B Total Cost	C Eligible Education Expenses
8h)	Other Contracted Food Costs	60,000	0
8i)	Food Service Supplies		



Line	A Item Description	B Total Cost	C Education Expenses	D If no costs are included, explain how the utilities or supplies are being provided.
1	Telephone & Internet Access			
2	Electricity			
3	Gas			
4	Water and Other Utilities			
5	TOTAL UTILITY	-	-	
6	Administrative Supplies			
7	Classroom Supplies			
8	Pupil Transportation Supplies			
9	Food Service Supplies <i>Sch 1, Ln 8i</i>	-	-	
10	Building & Equipment Supplies			
11	TOTAL SUPPLIES	-	-	
12	Contributed Services, Assets, or Goods		-	
13	Bad Debt Expense		-	
14	Church Expenses		-	
15	Daycare & Preschool Expenses		-	
16	TOTAL NON-ELIGIBLE EXPENSES	-	-	

Schedule 3-2: In Class Activity Answers

Line	A Line Description	B Utility	C Supplies	D Non-Eligible Expenses	E Insurance
17	Total Eligible Education Expenses	16,116	12,870	-	10,000
18	Total 2020-21 Expenses	20,400	13,500	18,000	12,000
19	June 30, 2020 Prepaid Expenses				3,000
20	June 30, 2020 Accounts Payable				
21	TOTAL AMOUNT TO BE PAID	20,400	13,500	18,000	9,000
22	July 2020 Cash Payments				
23	August 2020 Cash Payments				
24	September 2020 Cash Payments				3,000
25	October 2020 Cash Payments				
26	November 2020 Cash Payments				
27	December 2020 Cash Payments				3,000
28	January 2021 Cash Payments				
29	February 2021 Cash Payments				
30	March 2021 Cash Payments				3,000
31	April 2021 Cash Payments				
32	May 2021 Cash Payments				
33	June 2021 Cash Payments				3,000
34	TOTAL CASH PAYMENTS	-	-	-	12,000
35	JUNE 30, 2021 Prepaid Expenses				3,000
36	JUNE 30, 2021 ACCOUNTS PAYABLE	20,400	13,500	18,000	-

Questions?



Schedule 3-3 (General Expenses)

Line	A Item Description	B Total Cost	C Education Expenses	D Provider Name <i>If not known, insert TBD</i>
1	Accounting Services			
2	Independent Auditing Services			
3	Consultant, Legal & Other Services			
4	TOTAL SERVICES COSTS	-	-	
5	Contractor Provided Pupil Transportation			
6	Student Information System			
7	Contractor Provided Food Service	-	-	
8	TOTAL CONTRACTOR COSTS	-	-	

- Include the provider name for any lines items with amounts. If the provider is not yet known, insert TBD (column D).
- All schools must have costs for independent auditing services (line 2).
- Contractor transportation costs are required based on the answers on Schedule 1.
- Food service automatically fills in based on the information in Schedule 1. Add the provider name if there are costs included.

***You will receive errors if the required information is not recorded.**

Schedule 3-3 (Student Information System)

Line	A Item Description	B Total Cost	C Education Expenses	D Provider Name <i>If not known, insert TBD</i>
1	Accounting Services			
2	Independent Auditing Services			
3	Consultant, Legal & Other Services			
4	TOTAL SERVICES COSTS	-	-	
5	Contractor Provided Pupil Transportation			
6	Student Information System			

- Private schools participating in Choice programs must have a commercially-available **Student Information System (SIS)** capable of exchanging data with the state data system.
 - Schools are required to submit secure, student-level assessment, attendance, graduation and demographic data, which will be used to create the annual school report cards mandated by the state legislature.
 - For more information on the SIS, see Training 4-1 on the on-demand training webpage.
- *You must include the costs for a SIS vendor in your budget or you will receive an error.**

Schedule 3-3 (DPI Auditor Fee)

9	DPI Auditor Fee	350	350
10	Field Trips & Extracurricular Activities		
11	Marketing & Continuing Ed		
12	SNSP Exclusive Expenses		
13	Non-Administrative Fundraising Expenses		
14	Other Expenses		
15	TOTAL OTHER EXPENSES	350	350

- The Choice DPI auditor fee is automatically included as a cost and education expenses if the school is participating in the Choice program. (On the Cover page when you select at least one of the choice programs, line 9 will be populated automatically.)
- You must include payment of the Choice DPI auditor fee for the 2021-22 school year if you are participating in the Choice program. Since it is due by January 10, 2021, the cash payment must be included in the cashflow.
- The auditor fee must be included as a Prepaid Expense as of June 30, 2020 and June 30, 2021 or you will receive an error (lines 18 & 34).

Schedule 3-3 (Non-Administrative Fundraising Expenses)

Line	A Item Description	B Total Cost	C Education Expenses	D Provider Name <i>If not known, insert TBD</i>
9	DPI Auditor Fee	-	-	
10	Field Trips & Extracurricular Activities			
11	Marketing & Continuing Ed			
12	Primarily SNSP Expenses			
13	Non-Administrative Fundraising Expenses			
14	Other Expenses			
15	TOTAL OTHER EXPENSES	-	-	

- Non-Administrative Fundraising Expenses are included on line 13. These should be included in both the Total Cost and Education Expenses (Columns B & C).
 - Examples of non-administrative fundraising expenses would include cost of Scrip cards or cost of food for a benefit dinner
 - **Administrative expenses include expenses for: school personnel, mailings, copying, and fixed assets used for other school purposes!**

Knowledge Check

Are the following items administrative or non-administrative fundraising expenses?

Example Expenses	Administrative or Non-administrative Fundraising Expense?
Development director salary & benefits	
Cost for scrip gift cards	
Mailings and copying	
Cost for food for benefit dinner	
Allocated cost for school gym for benefit dinner	
Allocated costs for school personnel who help with benefit dinner	

Questions?



In Class Activity - Complete Schedule 3-3 using the following information

Expense Item Description	Annual Cost (Total Expense)	Allocation Method for Eligible Education Expense	Cash Payments
Accountant- Accountants R Us	\$6,000	Employee FTE=79%	\$500 per month for that month
Auditor- The External Audit Specialists	\$15,000	Employee FTE	\$5,000 in December 2020, \$5,000 in May 2021, and \$5,000 in October 2021
Transportation Contractor- Ride With Us!	\$2,000	Only School Related=100%	\$6,000 in October 2020 and \$6,000 in March 2021
Student Information System- Students Inc.	\$10,000		
Food Service Contractor- Yummy, Yum Foods	Already entered (included based on completion of Schedule 1, lines 8d - 8h)	Already entered (included based on completion of Schedule 1, lines 8d - 8h)	\$5,000 in Aug 2020-Sept 2020 \$18,320 from Oct 2020-July 2021 Payments are made the month after they are incurred
DPI Auditor Fee	\$350	Only School Related	\$350 in January 2020 and January 2021
Field Trip Admission Fees	\$200	Only School Related	\$725 per month for that month
Clubs & Sports Costs	\$1,000		
Marketing	\$3,000		
Staff development	\$2,000		
Costs for Benefit Dinner	\$2,500		

Schedule 3-3: In Class Activity Answers

Line	A Item Description	B Total Cost	C Education Expenses	D Provider Name <i>If not known, insert TBD</i>
1	Accounting Services			
2	Independent Auditing Services			
3	Consultant, Legal & Other Services			
4	TOTAL SERVICES COSTS	-	-	
5	Contractor Provided Pupil Transportation			
6	Student Information System			
7	Contractor Provided Food Service	-	-	
8	TOTAL CONTRACTOR COSTS	-	-	
9	DPI Auditor Fee	-	-	
10	Field Trips & Extracurricular Activities			
11	Marketing & Continuing Ed			
12	Primarily SNSP Expenses			
13	Non-Administrative Fundraising Expenses			
14	Other Expenses			
15	TOTAL OTHER EXPENSES	-	-	

Schedule 3-3: In Class Activity Answers

Line	A Line Description	B Services Costs	C Contractor Costs	D Other Expenses
16	Total Eligible Education Expenses	-	-	-
17	Total 2020-21 Expenses	-	-	-
18	June 30, 2020 Prepaid Expenses			
19	June 30, 2020 Accounts Payable			
20	TOTAL AMOUNT TO BE PAID	-	-	-
21	July 2020 Cash Payments			
22	August 2020 Cash Payments			
23	September 2020 Cash Payments			
24	October 2020 Cash Payments			
25	November 2020 Cash Payments			
26	December 2020 Cash Payments			
27	January 2021 Cash Payments			
28	February 2021 Cash Payments			
29	March 2021 Cash Payments			
30	April 2021 Cash Payments			
31	May 2021 Cash Payments			
32	June 2021 Cash Payments			
33	TOTAL CASH PAYMENTS	-	-	-
34	JUNE 30, 2021 Prepaid Expenses			
35	JUNE 30, 2021 ACCOUNTS PAYABLE	-	-	-

Schedule 3-1, 3-2 & 3-3 (General Expense Related Errors)

[?]	20	The cash payments section in Schedules 3-1, 3-2, and/or 3-3 are not completed	OK
[?]	21	The amount of eligible education expenses must be completed in Schedules 3-1, 3-2, and/or 3-3	OK
[?]	22	The ending accounts payable balance cannot be negative in Schedules 3-1, 3-2, and/or 3-3	OK

- The cash payment section at the bottom of Schedule 3-1, 3-2, and 3-3 must be completed for all expenses.
- The amount that is an eligible education expense must also be completed for each schedule.
- The school will receive an error if this is not completed on any of the schedules.
- The ending Accounts Payable balance cannot be negative.
- The school should ensure that each schedule has the required information.

Schedule 3-1, 3-2 & 3-3 (Reminders for Expense Schedules)

- Include all expenses for the entire legal entity.
- Identify both total and then eligible education expenses.
- Make sure the cash flow by month is completed for each column that includes expenses.
- Reflect accounts payable and prepaid expenses - check the June 30, 2021 accounts payable amounts and make sure the amounts are reasonable.
- Include insurance expense, all budgets must include insurance expense (Schedule 3-2, column E).
- Make sure all errors on the schedules and on the Error tab are OK.
- **Include supporting documentation as identified on the Required Attachments tab.**

Questions?



SCHEDULE 4: NON-CHOICE REVENUES



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

		REVENUE DETAIL				
Line	A Item Description <i>Do not include revenue from the Choice program or SNSP.</i>	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	Other Fees Charged to Non-Choice Pupils				-	
5	Other Fees Charged to Choice Pupils				-	
6	Daycare/Preschool Tuition & Fees				-	
7	Other Fees Charged					
8	TOTAL TUITION AND FEES				-	

- Insert the average amount of revenue expected to be received for tuition and fees per pupil.
- Insert the number of pupils that tuition and fees are received from.
- Revenue from the department for students participating in the Choice and SNSP programs are automatically included in the budget and should not be included in this schedule. (This is based on pupil counts included on Schedules 2-1 and 2-2.)

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

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

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2020-21 Revenues	-	-
19	June 30, 2020 Deferred Revenue		
20	June 30, 2020 Accounts Receivable		
21	TOTAL AMOUNT TO BE RECEIVED	-	-
22	July 2020 Cash Receipts		
23	August 2020 Cash Receipts		
24	September 2020 Cash Receipts		
25	October 2020 Cash Receipts		
26	November 2020 Cash Receipts		
27	December 2020 Cash Receipts		
28	January 2021 Cash Receipts		
29	February 2021 Cash Receipts		
30	March 2021 Cash Receipts		
31	April 2021 Cash Receipts		
32	May 2021 Cash Receipts		
33	June 2021 Cash Receipts		
34	TOTAL CASH RECEIPTS	-	-
35	JUNE 30, 2021 Deferred Revenue		
36	JUNE 30, 2021 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.

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

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2020-21 Revenues	-	-
19	June 30, 2020 Deferred Revenue		
20	June 30, 2020 Accounts Receivable		
21	TOTAL AMOUNT TO BE RECEIVED	-	-
22	July 2020 Cash Receipts		
23	August 2020 Cash Receipts		
24	September 2020 Cash Receipts		
25	October 2020 Cash Receipts		
26	November 2020 Cash Receipts		
27	December 2020 Cash Receipts		
28	January 2021 Cash Receipts		
29	February 2021 Cash Receipts		
30	March 2021 Cash Receipts		
31	April 2021 Cash Receipts		
32	May 2021 Cash Receipts		
33	June 2021 Cash Receipts		
34	TOTAL CASH RECEIPTS	-	-
35	JUNE 30, 2021 Deferred Revenue		
36	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-

- Insert when the cash will be received in lines 22-33.
- If Deferred Revenue will be outstanding at the end of the year, complete line 35.
- June 30, 2021 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, 2021 Accounts Receivable (line 36) to ensure it appears correct.

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 Receipt Timing * All are related to the 2020-21 school year unless otherwise noted
2020-21 Tuition from Non-Choice Pupils (published rate is \$2,700 per pupil)	\$2,000	10	\$20,000	1/2 of the tuition (\$10,000) is received prior to start of the 2020-21 school year. The other 1/2 (\$10,000) is received in August 2020.
Food Service Charges	\$100	30	\$3,000	Fees of \$375 are received from October 2020-July 2021 (for food service and field trips).
Non-Choice Pupil Charge for Field Trips	\$50	15	\$750	
Non-Choice Pupil Charge for Registration	\$100	15	\$1,500	All received in May 2020
Daycare Tuition	\$4,000	12	\$48,000	Daycare cash receipts are \$4,000 per month from July 2020 - June 2021.
Public Paying Admission to Sporting Events	N/A	N/A	\$450	Fees of \$50 are received from October 2020 - June 2021
2021-22 Tuition from Non-Choice Pupils	N/A	N/A	N/A	\$15,000 received in May 2021 (received prior to June 30, 2021)

Schedule 4-1: In Class Activity Tuition & Fees

		REVENUE DETAIL				
Line	A Item Description	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	Other Fees Charged to Non-Choice Pupils				-	
5	Other Fees Charged to Choice Pupils				-	
6	Daycare Tuition & Fees				-	
7	Other Fees Charged					
8	TOTAL TUITION AND FEES				-	

- Step 1: Complete the revenue detail section based on the first three columns of the previous slide.

Schedule 4-1: In Class Activity Tuition & Fees

- Step 2: Determine if there is any Deferred Revenue or Accounts Receivable as of June 30, 2020 (lines 19 & 20).

Line	A Line Description	B Tuition & Fees
18	Total 2020-21 Revenues	-
19	June 30, 2020 Deferred Revenue	
20	June 30, 2020 Accounts Receivable	
21	TOTAL AMOUNT TO BE RECEIVED	-

Schedule 4-1 (Tuition & Fees Example Cont.)

Line	A Line Description	B Tuition & Fees
18	Total 2020-21 Revenues	-
19	June 30, 2020 Deferred Revenue	
20	June 30, 2020 Accounts Receivable	
21	TOTAL AMOUNT TO BE RECEIVED	-
22	July 2020 Cash Receipts	
23	August 2020 Cash Receipts	
24	September 2020 Cash Receipts	
25	October 2020 Cash Receipts	
26	November 2020 Cash Receipts	
27	December 2020 Cash Receipts	
28	January 2021 Cash Receipts	
29	February 2021 Cash Receipts	
30	March 2021 Cash Receipts	
31	April 2021 Cash Receipts	
32	May 2021 Cash Receipts	
33	June 2021 Cash Receipts	
34	TOTAL CASH RECEIPTS	-
35	JUNE 30, 2021 Deferred Revenue	
36	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-

- Step 3: Determine what the monthly cash receipts are for the 2020-21 school year (lines 22-33).
- Step 4: Determine what monthly cash receipts in 2020-21 school year need to be included in following school year as Deferred Revenue (line 35).

Schedule 4-1 (Tuition & Fees Example Cont.)

Line	A Line Description	B Tuition & Fees
18	Total 2020-21 Revenues	-
19	June 30, 2020 Deferred Revenue	
20	June 30, 2020 Accounts Receivable	
21	TOTAL AMOUNT TO BE RECEIVED	-
22	July 2020 Cash Receipts	
23	August 2020 Cash Receipts	
24	September 2020 Cash Receipts	
25	October 2020 Cash Receipts	
26	November 2020 Cash Receipts	
27	December 2020 Cash Receipts	
28	January 2021 Cash Receipts	
29	February 2021 Cash Receipts	
30	March 2021 Cash Receipts	
31	April 2021 Cash Receipts	
32	May 2021 Cash Receipts	
33	June 2021 Cash Receipts	
34	TOTAL CASH RECEIPTS	-
35	JUNE 30, 2021 Deferred Revenue	
36	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-

- Step 5: Review the Accounts Receivable balance to ensure it is correct (line 36).
- The Accounts receivable balance should be \$375 for the July payment of food services and field trip fees.

Questions?



Schedule 4-1 (Government Assistance)

Line	A Item Description <i>Do not include revenue from the Choice program or SNSP.</i>	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
9	Government Food Service-Lunch	-	-	-	-	-
10	Government Food Service-Breakfast	-	-	-	-	-
11	Government Food Service-Milk	-	-	-	-	-
12	School District Transportation Payments				-	-
13	School District Partnership Revenue					-
14	{Insert description of government assistance}					-
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.
- Government assistance for educational programming is offsetting.
- If the school is receiving food service assistance or transportation payments, insert the average received per pupil. The number of pupils and number of days automatically fills in from Schedule 1. If the number should be less, it can be updated.
- If you receive any other government assistance, insert the amount and a description of the assistance received in lines 14-16. If it is not being included as offsetting, the description should be sufficient to explain why it is not offsetting.

Schedule 4-1 (School District Partnership Revenue)

Line	A Item Description <i>Do not include revenue from the Choice program or SNSP.</i>	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
9	Government Food Service-Lunch		-	-	-	-
10	Government Food Service-Breakfast		-	-	-	-
11	Government Food Service-Milk		-	-	-	-
12	School District Transportation Payments				-	-
13	School District Partnership Revenue					-
14	{Insert description of government assistance}					-
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 13.
 - Any expenses for these students 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 with the budget.**

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

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.

Knowledge Check

- The school has K4 kindergarten students 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.

Schedule 4-1: Food Program Revenue Example

- The school will participate in the USDA food program. The number of pupils and days served is the same for the revenue as it was for the expense. The anticipated average amount the school will receive per pupil is: \$2.50 for lunch, \$1.00 for breakfast, and \$0.20 for milk.
- 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.

Schedule 4-1: Food Program Revenue Example

- The school will participate in the USDA food program. The number of pupils and days served is the same for the revenue as it was for the expense. The anticipated average amount the school will receive per pupil is: \$2.50 for lunch, \$1.00 for breakfast, and \$0.20 for milk.

		REVENUE DETAIL				
Line	A Item Description <i>Do not include revenue from the Choice program or SNSP.</i>	B Average Received per Pupil	C Number of Pupils	D Number of Days Served	E Total Revenue	F Offsetting Revenue
9	Government Food Service-Lunch		200	180	-	-
10	Government Food Service-Breakfast		50	180	-	-
11	Government Food Service-Milk		200	180	-	-
12	School District Transportation Payments				-	-
13	{Insert description of government assistance}					-
14	{Insert description of government assistance}					-
15	{Insert description of government assistance}					-
16	{Insert description of government assistance}					-
17	TOTAL GOVERNMENT ASSISTANCE				-	-

Schedule 4-1: Food Program Revenue Example

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2020-21 Revenues	73,700	106,200
19	June 30, 2020 Deferred Revenue	11,500	
20	June 30, 2020 Accounts Receivable		
21	TOTAL AMOUNT TO BE RECEIVED	62,200	106,200
22	July 2020 Cash Receipts	4,000	
23	August 2020 Cash Receipts	14,000	
24	September 2020 Cash Receipts	4,000	
25	October 2020 Cash Receipts	4,425	
26	November 2020 Cash Receipts	4,425	
27	December 2020 Cash Receipts	4,425	
28	January 2021 Cash Receipts	4,425	
29	February 2021 Cash Receipts	4,425	
30	March 2021 Cash Receipts	4,425	
31	April 2021 Cash Receipts	4,425	
32	May 2021 Cash Receipts	4,425	
33	June 2021 Cash Receipts	4,425	
34	TOTAL CASH RECEIPTS	61,825	-
35	JUNE 30, 2021 Deferred Revenue		
36	JUNE 30, 2021 ACCOUNTS RECEIVABLE	375	106,200

- 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.

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		

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

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

Questions?



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

EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING							
Line	A	B	C	D	E	F	G
	Name of Source or Description of Fundraising	6/30/19 Actual	6/30/20 Actual/Budget	Receivable as of 6/30/20	6/30/21 Budget	Written	Fund-raising
1							
2							
3							
4							

- Insert on the top of Schedule 4-2 any amount the school received in the past two years, has an outstanding receivable as of 6/30/20, or is budgeting to receive in 2020-21 in any of the following categories:
 - external contributions from individuals or unrelated organizations,
 - non government grants
 - fundraising.
- Include the actual amount received for the prior year and the expected amount for the current and the next budget.
- If the school will have any receivables outstanding, insert the amount that will be outstanding as of 6/30/20 in Column D.

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

EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING							
Line	A	B	C	D	E	F	G
	Name of Source or Description of Fundraising	6/30/19 Actual	6/30/20 Actual/Budget	Receivable as of 6/30/20	6/30/21 Budget	Written	Fund-raising
1							
2							
3							
4							

- 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.**

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.
 - **Existing Schools:**
 - Any amount above the lesser of \$10,000 or 10% of the school's non-Choice and non-SNSP revenue must be included on a separate line.
 - The total below this threshold may be included on one line.
 - The school must be able to support amounts included based on the actual amounts for the past 2 years or based on written agreements.
- *Any written agreements for amounts above the threshold must be provided with the budget.**

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

- The written agreement must include the following:
 - 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 2020-21 Revenues	-	
21	June 30, 2020 Deferred Revenue		
22	June 30, 2020 Accounts Receivable	-	
23	TOTAL AMOUNT TO BE RECEIVED	-	-
24	July 2020 Cash Receipts		
25	August 2020 Cash Receipts		
26	September 2020 Cash Receipts		
27	October 2020 Cash Receipts		
28	November 2020 Cash Receipts		
29	December 2020 Cash Receipts		
30	January 2021 Cash Receipts		
31	February 2021 Cash Receipts		
32	March 2021 Cash Receipts		
33	April 2021 Cash Receipts		
34	May 2021 Cash Receipts		
35	June 2021 Cash Receipts		
36	TOTAL CASH RECEIPTS	-	-
37	JUNE 30, 2021 Deferred Revenue		
38	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-

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

Schedule 4-2: Revenues Received Example

EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING							
Line	A	B	C	D	E	F	G
	Name of Source or Description of Fundraising	6/30/19 Actual	6/30/20 Actual/Budget	Receivable as of 6/30/20	6/30/21 Budget	Written	Fund-raising
1							
2							
3							
4							

The school anticipates receiving the following:

- \$10,000 through a benefit dinner on 10/1/20. The school did a benefit dinner in the 2019-20 school year that raised \$9,500.
- \$40,000 written pledge raised through a fundraising drive received from Matthew Gibbs in May 2020. The amount will be paid to the school in annual installments of \$10,000 beginning December 2020.

Schedule 4-2: Revenues Received Example

Line	A Line Description	B Revenue From Above
20	Total 2020-21 Revenues	10,000
21	June 30, 2020 Deferred Revenue	
22	June 30, 2020 Accounts Receivable	40,000
23	TOTAL AMOUNT TO BE RECEIVED	50,000
24	July 2020 Cash Receipts	
25	August 2020 Cash Receipts	
26	September 2020 Cash Receipts	
27	October 2020 Cash Receipts	
28	November 2020 Cash Receipts	
29	December 2020 Cash Receipts	
30	January 2021 Cash Receipts	
31	February 2021 Cash Receipts	
32	March 2021 Cash Receipts	
33	April 2021 Cash Receipts	
34	May 2021 Cash Receipts	
35	June 2021 Cash Receipts	
36	TOTAL CASH RECEIPTS	-
37	JUNE 30, 2021 Deferred Revenue	
38	JUNE 30, 2021 ACCOUNTS RECEIVABLE	50,000

The school anticipates receiving the following:

- \$10,000 through a benefit dinner on 10/1/20 (line 20).
- \$40,000 written pledge raised through a fundraising drive received from Matthew Gibbs in May 2020 (line 22).
- Matthew Gibbs will pay the school in annual installments of \$10,000 beginning December 2020 (line 29).

Schedule 4-2: In Class Activity

EXTERNAL CONTRIBUTIONS, NON GOVERNMENT GRANTS, & FUNDRAISING							
Line	A	B	C	D	E	F	G
	Name of Source or Description of Fundraising	6/30/19 Actual	6/30/20 Actual/Budget	Receivable as of 6/30/20	6/30/21 Budget	Written	Fund-raising
1							
2							
3							
4							

Revenue Source	6/30/19 Actual Revenue	6/30/20 Actual/Budget Revenue	Expected 6/30/21 Revenue	2020-21 Expected Payments	Written Agreement?
Grantor's Foundation	\$12,000	\$12,000	\$12,000	Expected payment in June 2021	Written grant for 2020-21 not yet received. Have written grant from 2019-20.
10 \$1,000 Pledges from various church members	\$0	\$10,000	\$0	\$5,000 on Dec 2020 and \$5,000 Dec 2021.	Written pledges received May 2020 that were generated through a fundraising drive.

Schedule 4-2: In Class Activity

The organization also receives \$10,000 each month (lines 24-35) of church offerings, for a total of \$120,000 in church offerings (line 36).

Line	A Line Description	B Revenue From Above	C Church Offerings
20	Total 2020-21 Revenues	-	
21	June 30, 2020 Deferred Revenue		
22	June 30, 2020 Accounts Receivable	-	
23	TOTAL AMOUNT TO BE RECEIVED	-	-
24	July 2020 Cash Receipts		
25	August 2020 Cash Receipts		
26	September 2020 Cash Receipts		
27	October 2020 Cash Receipts		
28	November 2020 Cash Receipts		
29	December 2020 Cash Receipts		
30	January 2021 Cash Receipts		
31	February 2021 Cash Receipts		
32	March 2021 Cash Receipts		
33	April 2021 Cash Receipts		
34	May 2021 Cash Receipts		
35	June 2021 Cash Receipts		
36	TOTAL CASH RECEIPTS	-	-
37	JUNE 30, 2021 Deferred Revenue		
38	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-

Questions?



Schedule 4-3: Endowments & Investments

- 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.

		ENDOWMENT FUND & OTHER INVESTMENT INCOME			
Line	A Income Type	B Payment Frequency	B 6/30/19 Actual	C 6/30/20 Actual/Budget	D 6/30/21 Budgeted
1	Endowment Fund Income				
2	Other Investment Income				

Schedule 4-3: Endowments & Investments

- The threshold for what to include on a separate line is the same as Schedule 4-2.
- This schedule may not include subsidies from part of the legal entity of the school.

		RELATED PARTY ORGANIZATION CONTRIBUTIONS			
Line	A Name of Organization Providing Subsidy	B Payment Frequency	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 Budgeted
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13	TOTAL RELATED PARTY ORGANIZATION CONTRIBUTIONS		-	-	-

Schedule 4-3: Endowments & Investments

- The school will be required to provide one of the following for any related party organizations providing a contribution above the threshold:
 1. Income statement, balance sheet, and bank statements for each related party organization.
 2. Alternative option if the 6/30/2021 budgeted amount is equal to or less than the 2019-20 amount: Cancelled checks for all 2019-20 contributions made through one month prior to the due date of the budget and the school's bank statements showing the amounts deposited into the school's account.
 3. The school will also be required to provide a written agreement for each amount above the threshold.

***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 required items in 1.**

Schedule 4-3: Endowments & Investments

		RELATED PARTY ORGANIZATION CONTRIBUTIONS			
Line	A Name of Organization Providing Subsidy	B Payment Frequency	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 Budgeted
3					
4					
5					
6					

- If the school would like the DPI to make a selection of organizations, the school must provide a completed Schedule 4-3, Lines 3-12 to the DPI auditors at least two weeks in advance of the budget due date. If a sample of organizations is selected by a DPI auditor, then upload the email from the DPI auditor with the selection to Kiteworks.
- **Note: Kiteworks is a secure content communication platform that DPI utilizes. It will be discussed in the later part of the presentation.**
- See related party definition on the second tab of instructions under Step 6. In addition, the related party definition will be covered as part of Schedule 6: Debt.

Schedule 4-3: Endowments & Investments

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
14	Total 2020-21 Revenues	-	-	-
15	June 30, 2020 Deferred Revenue			
16	June 30, 2020 Accounts Receivable			
17	TOTAL AMOUNT TO BE RECEIVED	-	-	-
18	July 2020 Cash Receipts			
19	August 2020 Cash Receipts			
20	September 2020 Cash Receipts			
21	October 2020 Cash Receipts			
22	November 2020 Cash Receipts			
23	December 2020 Cash Receipts			
24	January 2021 Cash Receipts			
25	February 2021 Cash Receipts			
26	March 2021 Cash Receipts			
27	April 2021 Cash Receipts			
28	May 2021 Cash Receipts			
29	June 2021 Cash Receipts			
30	TOTAL CASH RECEIPTS	-	-	-
31	JUNE 30, 2021 Deferred Revenue			
32	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-	-

Schedule 4-3: In Class Activity

Revenue Source	6/30/19 Actual Revenue	6/30/20 Actual/Budget Revenue	Expected 6/30/21 Revenue	2020-21 Expected Payments	Asset Balance as of June 30, 2020
Clark Kent Endowment Fund	\$4,000	\$4,000	\$6,000	January 2021	\$500,000
Bruce Wayne Endowment Fund	\$2,500	\$2,500	\$3,000	January 2021	\$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

Schedule 4-3 : In Class Activity

ENDOWMENT FUND & OTHER INVESTMENT INCOME					
Line	A Income Type	B Payment Frequency	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 Budgeted
1	Endowment Fund Income				
2	Other Investment Income				
RELATED PARTY ORGANIZATION CONTRIBUTIONS					
Line	A Name of Organization Providing Subsidy	B Payment Frequency	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 Budgeted
3					
4					
5					
-					

Schedule 4-3: In Class Activity

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
14	Total 2020-21 Revenues	-	-	-
15	June 30, 2020 Deferred Revenue			
16	June 30, 2020 Accounts Receivable			
17	TOTAL AMOUNT TO BE RECEIVED	-	-	-
18	July 2020 Cash Receipts			
19	August 2020 Cash Receipts			
20	September 2020 Cash Receipts			
21	October 2020 Cash Receipts			
22	November 2020 Cash Receipts			
23	December 2020 Cash Receipts			
24	January 2021 Cash Receipts			
25	February 2021 Cash Receipts			
26	March 2021 Cash Receipts			
27	April 2021 Cash Receipts			
28	May 2021 Cash Receipts			
29	June 2021 Cash Receipts			
30	TOTAL CASH RECEIPTS	-	-	-
31	JUNE 30, 2021 Deferred Revenue			
32	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-	-

Questions?



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 <i>e.g. rental revenue</i>	B Name(s) of Source(s) <i>If related to rent or property sales, identify the location being rented or sold</i>	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 Budgeted
1					
2					

- 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.**

Schedule 4-4: Other Revenues

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

OTHER REVENUE CASH FLOW							
Line	A	B	C	D	E	F	G
	LINE DESCRIPTION						TOTAL OTHER REVENUE
6	Total 2020-21 Revenues	-	-	-	-	-	-
7	June 30, 2020 Deferred Revenue						-
8	June 30, 2020 Accounts Receivable						-
9	TOTAL AMOUNT TO BE RECEIVED	-	-	-	-	-	-
10	July 2020 Cash Receipts						-
11	August 2020 Cash Receipts						-
12	September 2020 Cash Receipts						-
13	October 2020 Cash Receipts						-
14	November 2020 Cash Receipts						-
15	December 2020 Cash Receipts						-
16	January 2021 Cash Receipts						-
17	February 2021 Cash Receipts						-
18	March 2021 Cash Receipts						-
19	April 2021 Cash Receipts						-
20	May 2021 Cash Receipts						-
21	June 2021 Cash Receipts						-
22	TOTAL CASH RECEIPTS	-	-	-	-	-	-
23	JUNE 30, 2021 Deferred Revenue						-
24	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-	-	-	-	-	-

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 <i>e.g. rental revenue</i>	B Name(s) of Source(s) <i>If related to rent or property sales, identify the location being rented or sold</i>	C 6/30/19 Actual	D 6/30/20 Actual/Budget	E 6/30/21 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 2020-21 Revenues	1,200
7	June 30, 2020 Deferred Revenue	
8	June 30, 2020 Accounts Receivable	
9	TOTAL AMOUNT TO BE RECEIVED	1,200
10	July 2020 Cash Receipts	1,200
11	August 2020 Cash Receipts	
12	September 2020 Cash Receipts	
13	October 2020 Cash Receipts	
14	November 2020 Cash Receipts	
15	December 2020 Cash Receipts	
16	January 2021 Cash Receipts	
17	February 2021 Cash Receipts	
18	March 2021 Cash Receipts	
19	April 2021 Cash Receipts	
20	May 2021 Cash Receipts	
21	June 2021 Cash Receipts	
22	TOTAL CASH RECEIPTS	1,200
23	JUNE 30, 2021 Deferred Revenue	
24	JUNE 30, 2021 ACCOUNTS RECEIVABLE	-

- 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.

Questions?



Schedule 7-1: Current & Long Term Receivables

		ASSETS			
Line	A Item	B June 30, 2020	C Uncollectable Accounts	D Category Changes (A)	E June 30, 2021
1	Cash				-
2	Short-Term Investments (A)				-
3	Current Receivables				
4	Prepaid Expenses	-			-
5	Total Current Assets	-			-
6	Fixed Assets	-			-
7	Accumulated Depreciation	-			-
8	Operating/Finance Lease Right of Use Assets				
9	Long Term Receivables	-			-
10	Long Term Investments (A)				-
11	Other Assets (A)				-
12	TOTAL ASSETS	-	-	-	-

- The receivables balance will automatically default to Long Term Receivables on line 9 (meaning the asset 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, 2020 and June 30, 2021.
- 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 2020. The amount will be paid to the school in annual installments of \$10,000 beginning December 2020.

	June 30, 2020	June 30, 2021
Current	\$10,000	\$10,000
Long Term	\$30,000	\$20,000

- The school has 10 \$1,000 pledges from various members of the church. The written pledges were received in May 2020. The amount will be paid to the school in two equal installments on December 2020 and December 2021.

	June 30, 2020	June 30, 2021
Current	\$5,000	\$5,000
Long Term	\$5,000	\$0

Schedule 4-1: Current & Long Term Receivables Example

Line	A Line Description	B Tuition & Fees	C Government Assistance
18	Total 2020-21 Revenues	73,700	106,200
19	June 30, 2020 Deferred Revenue	11,500	
20	June 30, 2020 Accounts Receivable		
21	TOTAL AMOUNT TO BE RECEIVED	62,200	106,200
22	July 2020 Cash Receipts	4,000	
23	August 2020 Cash Receipts	14,000	
24	September 2020 Cash Receipts	4,000	
25	October 2020 Cash Receipts	4,425	10,620
26	November 2020 Cash Receipts	4,425	10,620
27	December 2020 Cash Receipts	4,425	10,620
28	January 2021 Cash Receipts	4,425	10,620
29	February 2021 Cash Receipts	4,425	10,620
30	March 2021 Cash Receipts	4,425	10,620
31	April 2021 Cash Receipts	4,425	10,620
32	May 2021 Cash Receipts	4,425	10,620
33	June 2021 Cash Receipts	4,425	10,620
34	TOTAL CASH RECEIPTS	61,825	95,580
35	JUNE 30, 2021 Deferred Revenue		
36	JUNE 30, 2021 ACCOUNTS RECEIVABLE	375	10,620

- The other receivables were tuition and fees and government assistance that the school expects to received during 2021-22, so they are also current.

Schedule 7-1: Current & Long Term Receivables Example

Current Portion of Receivables

	June 30, 2020	June 30, 2021
Matthew Gibbs	\$10,000	\$10,000
10 \$1,000 pledges	\$5,000	\$5,000
Tuition & Fees	\$0	\$375
Government Assistance	\$0	\$10,620
Total	\$15,000	\$25,995

Long Term Portion of Receivables

	June 30, 2020	June 30, 2021
Matthew Gibbs	\$30,000	\$20,000
10 \$1,000 pledges	\$5,000	\$0
Total	\$35,000	\$20,000

Schedule 7-1: Current & Long Term Receivables Example

		ASSETS			
Line	A Item	B June 30, 2020	C Uncollectable Accounts	D Category Changes (A)	E June 30, 2021
1	Cash				
2	Short-Term Investments (A)				-
3	Current Receivables	15,000			25,995
4	Prepaid Expenses	3,400			3,400
5	Total Current Assets	18,400			29,395
6	Fixed Assets	-			-
7	Accumulated Depreciation				
8	Operating/Finance Lease Right of Use Assets				
9	Long Term Receivables	35,000			20,000
10	Long Term Investments (A)				-
11	Other Assets (A)				-
12	TOTAL ASSETS	53,400	-	-	49,395

Schedule 7-1: Receivables & Bad Debt Expense

		ASSETS	
Line	A Item	B June 30, 2020	C Uncollectable Accounts
1	Cash		
2	Short-Term Investments (A)		
3	Current Receivables	15,000	
4	Prepaid Expenses	3,400	
5	Total Current Assets	18,400	
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	53,400	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.

Questions?



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.

Knowledge Check

What schedule and line should each revenue be included in?

Revenue Type	Schedule & Line
Amounts received from the church that is part of the legal entity of the school.	
Scrip sales	
Endowment fund proceeds	
Interest from a bank account	
Amounts received from churches, which are part of the school's association of churches. The churches are different legal entities than the school.	
Revenue received from the school district for the private school providing K4 for the district.	
Amounts received from other schools, which are part of the school's association of churches.	
Amounts received from the USDA milk program.	

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

[?]	26	The cash receipts section in Schedules 4-1, 4-2, and/or 4-3 are not completed	ERROR
[?]	27	The ending accounts receivable balance cannot be negative in Schedules 4-1, 4-2, 4-3, and/or 4-4	OK

- 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.
- 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.

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.
- 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.
- Reflect accounts receivable and deferred revenues - check the June 30, 2021 accounts receivable balance for each column that includes revenue and make sure the amount is reasonable.
- Provide supporting documentation as required based on instructions and Required Attachment tab.

***Make sure all errors on the schedules and on the Error tab are OK!**

Questions?

