



Financial Reporting Considerations – Fiscal Year 2017-2018

The following information is designed to help school districts understand financial reporting requirements and how these requirements relate to:

- [Financial December Data Pipeline](#)
- [Financial Transparency district website requirements](#)
- [Financial Transparency for Colorado Schools website](#)
- Federal requirements under the Every Student Succeeds Act (ESSA)
 - [ESSA per-pupil expenditures reporting \(June 28, 2017\)](#)
 - [Every Student Succeeds Act – a New Education Law](#)
 - [Interstate Financial Reporting](#)

Requirements:

- All districts are required to follow the Financial Policies and Procedures (FPP) Chart of Accounts (FPP approved).
- All districts are required to post required financial transparency documents
- BrightBytes will use district financial information for the Financial Transparency for Colorado Schools website.
- All districts are required to submit Financial December Data Pipeline data to CDE.
- Districts will be asked during the submission if they give CDE permission to supply BrightBytes with this data.
- Regardless of allowing CDE to supply this data, all districts are required to post an Excel financial data file on the district website.
- Data Pipeline edits require all districts to tie expenditures to the unique schools within the district:
 - It is the district's discretion on which expenditures should be tied to the unique schools in the district.
- Small rural school districts – The Every Student Succeeds Act (ESSA) requires all school districts to report expenditures at the unique school level.
- Despite Colorado HB15-1321, small rural districts are now required to report expenditures at the school site level – Federal reporting requirements take precedence over state statute
- Four Digit Unique School Code - CDE has assigned a four digit unique school code to every school in each district. Using the Chart of Accounts, you will want to consider how you will report expenditures to the unique school codes assigned to your district.
- Use of these four digit school codes will allow you to illustrate the financial information specific to your individual schools



DISTRICT	ADMIN	SCHOOL	FUND	LOCATION	SRE	PROGRAM	OBJECT	JOB	GRANT	AMOUNT
1234	00000	5540	10	375	00	1500	0100	201	0000	3796937
1234	00000	5540	10	375	00	1500	0200	201	0000	2199631

These two example accounts are a salary account and a benefit account for a regular teacher, social sciences, at Unique School Code 5540

- Expenditure Considerations - What kind of an LEP are you? Think about the story your district's financial data is going to tell about your district and your individual schools.
- Every LEP is unique, and Colorado is a local control state which allows LEPs to determine the appropriate level of budget management and control. The expenditures you report at your unique school sites are decisions specific to your district.
- Treatment of costs is a key component - LEPs that allocate centralized costs to unique schools will demonstrate higher per pupil expenditures than LEPs that manage costs/expenditures at the district level.
- Are you more of a centralized LEP, where budgets/costs are managed at the district level?
- Or are you more of a decentralized LEP where budgets/costs are managed at the school level with guidance from central staff?
- Either approach is allowable. Be aware that how you choose to report expenditures might generate questions that the district will need to be prepared to discuss.
- If CDE has assigned a unique school code to multiple schools within one building, each of those schools is considered a unique school for the financial transparency website. The district must determine what expenditures should be shown at each school assigned its' own unique school code, including schools within the same parent building.
- Review your expenditures, and think about the expenditures that should be tied to unique schools in your district:
 - Salaries and Benefits
 - Supplies and Materials
 - Custodial
 - Special Education
 - Utilities
 - Grounds and Maintenance
 - Transportation
 - Risk Management etc.

