**COLORADO DEPARTMENT OF EDUCATION**

**SCHOOL TO WORK ALLIANCE PROGRAM (SWAP)**

 **Recommended Updates**

**Effective July, 2011**

SWAP is a federal program that requires a match of state and local funds. It exists as a partnership between the Colorado Division of Vocational Rehabilitation (DVR), the Colorado Department of Education (CDE) and school districts.

Over the years, the accounting treatment of the match and program expenditures have been challenging for the partners. In addition, since SWAP is a federal program, greater accountability is needed as identified through federal monitoring reports along with the ability to leverage funds.

**Moving forward, the following will occur:**

Participating districts and BOCES will treat the SWAP program as a federal grant program CFDA #84.126 and account for the program expenditures through their Grant Fund or General Fund with appropriate grant codes.

* DVR will continue to require a budget for the total program expenditures and enter into contracts with districts.
	+ Districts may seek to expand or reduce their SWAP programming
	+ Reporting and allowable expenditures should follow SWAP federal guidelines
	+ Approved indirect cost rates may be applied to the grant
* The requirement for the state and local match portion will continue to be withheld from the district’s state equalization payment including individual districts associated with BOCES.
	+ For accounting purposes, this deduction from the state share should be coded to the district’s 0960 object code

**Example:**

District X or BOCES Y enters into contract with DVR for $24,000 for total SWAP program (double match amount!)

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| --- | --- | --- |
|  | **SWAP Grant Code 5126 or 6126**  | **General Fund – match requirement** |
| **Federal Revenue from DVR per Contract** | **$24,000** |  |
| **Expenditure Budget per Contract:** |  |  |
| Salaries & Benefits | $12,000 |  |
| Program Supplies | $5,000 |  |
| Training | $5,800 |  |
| Indirect Costs – 5% (EXAMPLE ONLY) | $1,200 |  |
| **Total SWAP Grant Budget** | **$24,000** |  |
| DISTRICTS ONLY: Object Code 0960 – debit (represents amount withheld from state share payments for SWAP match) Remember: Gross up state equalization revenues before SWAP withholding. |  | $1,000 (monthly withholding from State Equalization for a total of $12,000 for the year) |

**Proposed Chart of Accounts Revision:**

**0960 Transfer to Outside Entity.** Funds that are transferred to the Division of Vocational Rehabilitation (DVR) for a district’s School to Work Alliance Program (SWAP). This represents the 50% match withholding from State Equalization payments.

