Approved by the Advisory Committee

October 21, 2009

Advisory Committee on Financial Management, Accounting and Reporting

The Advisory Committee met on October 21, 2009. Members in attendance: Jeff Yeager, Michelle Knutson, Tom Wieczorek, Nancy Schulzetenberg, Rita Poulton, Lori Mohs, Janet Halonen, Beth Heinze, David Peterson, Darin Jensen. MDE Staff: Janna Duffy, Greg Hein, Karen Dykoski, John Bulger, Pam Schneider and Keri Lewis.

The meeting was opened by Jeff Yeager at 12:09 p.m.

The committee members reviewed the agenda. No additional items were added to the agenda. Tom Wieczorek made a motion to approve the agenda, seconded by Rita Poulton. Unanimous approval by the committee.

The committee reviewed the August 19, 2009, meeting minutes. No corrections were made to the minutes. Motion to approve the minutes was made by Tom. Unanimous approval by the committee.

Janet Halonen had a question regarding the reporting and the levy authority for two schools sharing one teacher under the Career and Technical Program. John Bulger and Pam Schneider discussed Minnesota Statute section 124D.4531. The law states that a district with a career and technical program approved under this statute that participates in an agreement under section 123A.30 or 123A.32 must allocate its levy authority under this section among participating districts. Janet asked whether Uniform Financial Accounting and Reporting Standards (UFARS) Object Codes 396 and 397 could be used since this is similar to special education participation. After discussion, it was determined that there would be no changes to FY 2009 but the concept will be reviewed prior to the reporting for FY 2010.

Janna Duffy has been contacted by a few schools regarding Federal Fiscal Hosts and Agency Funds. With regard to special education, Janna provided a memorandum dated May 15, 2009, from Chas Anderson, Deputy Commissioner, that addressed the cooperatives responsibility for free appropriate public education (FAPE). Governmental Account Standards Board (GASB) 24 was reviewed and it was determined that the cooperative/fiscal host/consortium types of arrangements should rarely, if ever, use an agency fund to report activity related to a grant. Time was spent also discussing the Integration Program. Though the individual districts received their revenue directly and not through the fiscal host, this was a bit different but still did not warrant the use of the agency fund. Further discussions need to take place with the MDE Integration team in order to provide clear instruction on the reporting of these funds.

Janna Duffy gave the committee an update on the status of the UFARS Redesign Committee. She passed out a copy of UFARS Rewrite Goals and reviewed the minutes from the committee meeting held on September 24, 2009.

Next, Janna discussed Medical Assistance Individual Education Plan (MA-IEP) rate reportable categories in UFARS and asked the group for guidance on how to report these types of costs for non-special education programs. Recent guidance provided on the safe school levy maintenance of effort provision did not require the reporting of contracted services for the maintenance of effort calculation in these categories. The question was raised regarding whether or not the new 300 series object codes should be used outside of federal special education. It was determined that in FY 2010, schools must use the new salary codes but the contracted service codes in the MA-IEP reportable categories were not required in non-federal special education programs but may be used, if so desired.

Jeff called for items for the next advisory meeting; the committee did not have any items at this time.

The meeting was adjourned at 1:52 p.m.

The next Advisory Committee meeting is scheduled for Wednesday, January 20, 2010, at the Minnesota Department of Education.