LOUISIANA DEPARTMENT OF EDUCATION





Louisiana Scholarship Program (LSP)

Independent Financial Audit
Guide
for Participating Schools

January 2023

Overview

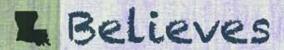
- Scholarship funds are public tax dollars and thus come with a high level of responsibility and accountability.
- La. R.S. 17:4022(3) requires a financial audit of those schools receiving SSEEP funds which must be conducted by a certified public accountant.
- The LDOE coordinates and pays for these audits.
- Audit guidance regarding the annual independent audit is published so as to ensure compliance with the law.



Audit Procedures

 The Allocation Spreadsheet was designed as a tool for each Scholarship school to demonstrate compliance to meet this goal.

- The purpose of the Allocation Spreadsheet is to demonstrate the segregation of funds through an allocation of expenditures based on student population.
- The allocation spreadsheet is completed and submitted to the audit firms to conduct expenditure testing in Spring 2023.



Audit Procedures

Audit Testing:

 A sample of program expenditures will be tested to verify that program funds were spent on educational purpose.

Documentation Needed:

- Program expenditure report (check register or report generated from accounting system)
- Supporting documentation to substantiate the expenditure selected for testing (original invoice, purchase order, contract, payroll documents, cancelled check and/or bank statement)





Allocation Spreadsheet - Part I



Allocation Spreadsheet Part I

- Salary expenditures for employees that serve a portion of the total scholarship population are included in Part I of the spreadsheet.
- The portion of the cost of the teacher's salary attributable to Scholarship students is identified in the spreadsheet.

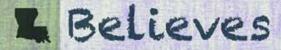
Instructions:

- 1. Column 1 Enter the name of the school employee.
- 2. Column 2 Enter the job title of the school employee listed in Column 1.
- 3. Column 3 Enter the number of students in the respective teacher's classroom (Number of Scholarship Students).
- 4. Column 4 Enter the total number of students in the respective teacher's classroom (Scholarship & Non-scholarship).



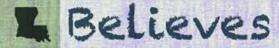
Allocation Spreadsheet Part I Cont'd

- 5. Column 5 This column contains a formula and will auto calculate the percentage of scholarship students in the teacher's classroom based on the data entered in Columns 3 & 4.
- 6. Column 6 Enter the base salary through January 31, 2023 for each employee listed in Column 1.
- 7. Column 7 This column contains a formula and will auto calculate the amount of the salary that is allocable to LSP.
- 8. Column 8 Enter the employer portion of FICA contributions as listed on the employee's payroll records and/or other supporting documentation.
- 9. Column 9 Enter the employer portion of Medicare contributions as listed on the employee's payroll records and/or other supporting documentation.



Allocation Spreadsheet Part I Cont'd

- 10. Column 10 This column contains a formula and will auto calculate the total salary and payroll taxes entered in Columns 6, 8 and 9.
- 11. Column 11 This column contains a formula and will auto calculate the amount allocable to LSP. This formula will apply the percentage of LSP students in Column 5 and multiply that percentage by total salary and payroll taxes in Column 10 to determine the amount of salary and payroll taxes allocable to LSP.



Allocation Spreadsheet - Part I

Please note that the spreadsheet has been pre-populated with example information. Please use the 'Allocation Spreadsheet' tab to enter the school's expenditures through January 31, 2023.

Spreadsheet Instructions: If scholarship funds were received, and scholarship expenditures are not kept in a separate bank account, or coded separately in the accounting system, please use this spreadsheet as a tool to assist in making an allocation of the scholarship funds received. There are five parts to the allocation spreadsheet. You may choose to populate all sections, or the sections of your choice. Please populate only columns that are highlighted yellow.

School Name: DEPARTMENT OF EDUCATION EXAMPLE

Calculate the teacher's salary from the beginning of the school year through January 31, 2023. This salary calculation should not reflect the entire year.

In this column, teachers that teach students that remain in a your class for a full day should be listed here.

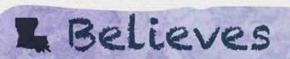
Student Scholarship for Educational Excellence Program (SSEEP) Allocation Template

EXPENDITURES SHOULD BE REPORTED THROUGH JANUARY 31, 2023

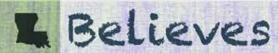
Part I

PART 1 INSTRUCTIONS: This section is seed to allocate payroll expenditures for employees that serve a sub-set of the total scholarship population

| Name(s) | | | Number of SSEEP Students | Total Number of Classroom Students | SSEEP Percentage | Salary through January 31, 2023 | Total Salary amount Allocable to SSEEP | FICA | Medicare | Total Salary and Payroll Taxes | Total Salary and Payroll Taxes Allocable to SSEEP |
|--------------------|------------------|---------------------|-----------------------------|---------------------------------------|------------------|--|---|-----------------|----------|-----------------------------------|--|
| C | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 | Col. 11 |
| | | | | 33.1 | | 2 | FORMULA | | | FORMULA | FORMULA |
| EXAMPLE: Joe Smith | | Teacher | | 3 10 | 30.00% | \$30,000.00 | \$9,000,00 | \$1.860.00 | \$435.00 | \$32,295,00 | \$9.688.50 |
| EXAMPLE: Susy Que | | Teacher | | 5 12 | 41.67% | \$25,000.00 | \$10,416.67 | \$1,500.00 | \$350.00 | \$26,850.00 | \$11,187.50 |
| | <u> </u> | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | _11 | 100.00% | Maria de la companya | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 11 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | listed here should | be before | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | | | | \$0.00 | \$0.00 |
| · | | 11 1 1 | | 1 1 | 100.00% | taxes ar | nd should not include | de any benefits | | \$0.00 | \$0.00 |
| lhis se | ection of the sp | readsheet allocate | s | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| раугоп | expenditures | for employees that | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| SARVA S | sub-set of the | e total scholarship | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | e total scholarship | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| popula | tion. | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| Пороже | | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| | | | | 1 1 | 100.00% | | \$0.00 | | | \$0.00 | \$0.00 |
| Part I Sub-total | | | | | | \$55,000.00 | \$19,416.67 | \$3,360.00 | \$785.00 | \$59,145.00 | \$20,876.00 |



Allocation Spreadsheet - Part II



Allocation Spreadsheet Part II

- Benefits expenditures for employees that serve a portion of the total scholarship population are included in Part I of the spreadsheet.
- The portion of the cost of the employee's benefits attributable to Scholarship students is identified in the spreadsheet.
- This Part is designed only for the portion of the employee's benefits that are *directly paid by the school.*
- If the school does not offer benefits, this section should be left blank.
- If the school only pays one benefit (i.e. Health insurance), this amount should be reported and the remaining benefits listed should reflect zero.

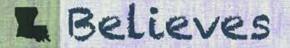


Allocation Spreadsheet Part II

Part II is used to allocate employee benefits paid by the school

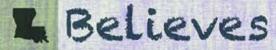
Instructions:

- 1. Column 1 Enter the name of school employee(s)
- 2. Column 2 Enter the job title of the school employee(s) listed in Column 1
- 3. Column 3 Enter the number of students in the teacher's classroom scholarship students)
- 4. Column 4 Enter the total number of students in the teacher's classroom (Scholarship & Non-scholarship)
- 5. Column 5 This column contains a formula and will auto calculate the percentage of scholarship students in the employee's classroom based on the data entered in Columns 3 & 4



Allocation Spreadsheet Part II, Cont'd

- 6. Column 6 Enter the amount of life insurance your school pays on behalf of each employee listed, if applicable.
- 7. Column 7 Enter the amount of health insurance your school pays on behalf of each employee listed, if applicable.
- 8. Column 8 Enter the amount of retirement your school pays on behalf of each employee listed, if applicable.
- 9. Column 9 This column contains a formula and will auto calculate the benefit amount entered in Column 6 through Column 8 for a total benefit amount.
- 10. Column 10 This column contains a formula and will auto calculate the amount allocable to LSP. It will apply the percentage of LSP students in Column 5 and multiply that percentage by total benefits in Column 9 to determine the amount of benefits allocable to LSP.



Allocation Spreadsheet - Part II

Part I

PART 2 INSTRUCTIONS: This section is used to allocate employee benefits paid by the school. The employees should be the same as listed in Part I

In this section, the percentage rate of what the school pay towards the teacher's retirement i.e Schools pays 4.5% retirement

| | | | | | Benefits | | | | |
|-------------------|-----------|-----------------------------|---------------------------------------|------------------|----------------|---------------------|------------|----------------|-----------------------------------|
| Name(s) | Job Title | Number of SSEEP Students | Total Number of Classroom Students | SSEEP Percentage | Life Insurance | Health Insurance | Retirement | Total Benefits | Total Benefits allocable to SSEEI |
| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 |
| | | | | | | | | | FORMULA |
| AMPLE: Joe Smith | Teacher | 3 | 10 | 30.00% | \$100.00 | \$100.00 | \$0.00 | \$200.00 | \$60.00 |
| AMPLE: Susy Que | Teacher | - 5 | 12 | 41.67% | \$100.00 | \$0.00 | \$0.00 | \$100.00 | \$41.67 |
| | | = 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| | | 1 | 1 | 100.00% | | | | \$0.00 | \$0.00 |
| Part II Sub-total | | | | | \$200.00 | \$100.00 | \$0.00 | \$300.00 | \$101.67 |



Columns 6, 7, & 8 Should only include the portion of each employee's benefits that are directly paid for by the school.



Allocation Spreadsheet - Part III



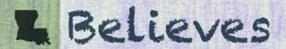
Allocation Spreadsheet Part III

- Part III identifies the costs associated with any employee that serves both Scholarship and non-Scholarship students.
- This section uses the overall LSP percentage (Column 5) and applies that percentage to all salaries and payroll taxes entered in Part III.

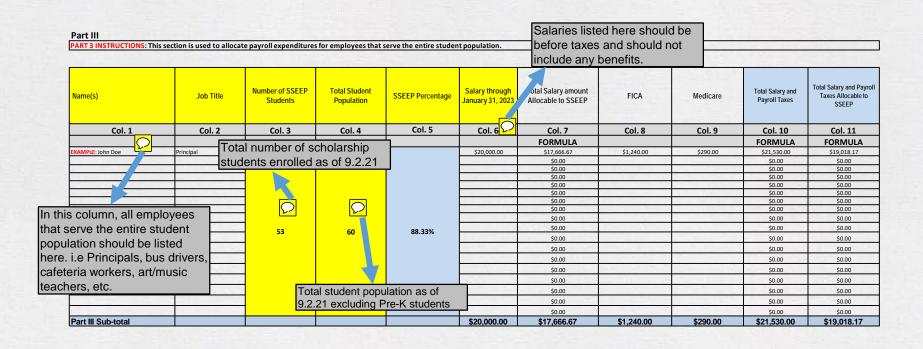
Notes:

The same instructions apply as in Part I with the exception of employees listed. Employees listed in this section serve all students (LSP & Non-LSP) and may include but are not limited to:

- a) Principals
- b) Guidance Counselors
- c) Secretaries
- d) Bookkeepers
- e) PE Instructors
- f) Art Instructors



Allocation Spreadsheet - Part III





Allocation Spreadsheet - Part IV



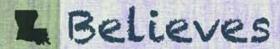
Allocation Spreadsheet Part IV

- Part IV identifies benefit costs associated with any employee that serves both Scholarship and non-Scholarship students.
- This section uses the overall LSP percentage (Column 5) and applies that percentage to all benefits entered in Part III.

Notes:

The same instructions apply as in Part II with the exception of employees listed. Employees listed in this section serve all students (LSP & Non-LSP) and may include but are not limited to:

- a) Principals
- b) Guidance Counselors
- c) Secretaries
- d) Bookkeepers
- e) PE Instructors
- f) Art Instructors



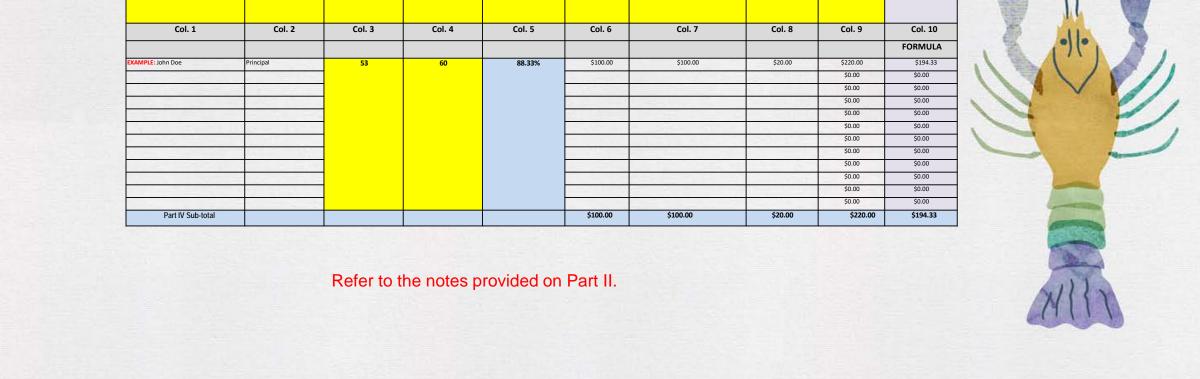
Allocation Spreadsheet – Part IV

Part IV

PART 4 INSTRUCTIONS: This section is used to allocate employee benefits paid by the school. The employees are the same as listed in Part III

| Employee Benefits - Use the applicable SSEEP % to allocate SSEEP expenditure | 20 |
|--|----|
| | |

| | | | | | | Benefits | | | | |
|-------------------|-----------|-------------------------------|--------------------------------|------------------|----------------|---------------------|------------|----------------|--------------------------------------|--------|
| Name(s) | Job Title | itle Number of SSEEP Students | Total Student Population | SSEEP Percentage | Life Insurance | Health Insurance | Retirement | Total Benefits | Total Benefits allocable to SSEEP | |
| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 | |
| | | | | | | | | | FORMULA | |
| AMPLE: John Doe | Principal | 53 | 60 | 88.33% | \$100.00 | \$100.00 | \$20.00 | \$220.00 | \$194.33 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | | \$0.00 | \$0.00 |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| | | | | | | | | \$0.00 | \$0.00 | |
| Part IV Sub-total | | | | | \$100.00 | \$100.00 | \$20.00 | \$220.00 | \$194.33 | |





Allocation Spreadsheet - Part V



Allocation Spreadsheet – Part V

Part V is used to allocate non-payroll expenditures.

Instructions:

- 1. Column 1 Enter the date of the expense
- 2. Column 2 Enter the check number that was used to pay the expense
- 3. Column 3 Enter the name of the Payee
- 4. Column 4 Enter the amount of the total charges
- 5. Column 5 Percentage of LSP students; this percentage auto populates; it is linked to Column 5, Part III
- 6. Column 6 This column will auto calculate the amount allocable to LSP based on the percentage in Column 5
- 7. Column 7 Enter a description of the expense



Allocation Spreadsheet - Part V

Part V

PART 5 INSTRUCTIONS: This section is used to allocate non-payroll expenditures. Please choose line item expenditures to allocate to the scholarship funds.

| Date of Expense | Check # | Payee | Amount | SSEEP Percentage | SSEEP Amount | Description of Expense |
|------------------|---------|--------|-------------|---|---------------------------|------------------------|
| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 |
| | 123 | | \$ 1,000.00 | | \$ 883.33 \$ - \$ - | EXAMPLE: Books |
| TEN. | | | | | \$ - \$ - \$ - | |
| | | | | <u> </u> | \$ - \$ - \$ - | |
| | | | | 88.33% | \$ - \$ - \$ - | |
| | | | | This percer automatica III of the all | natically pu | lled from Part |
| | | | | | dsheet. | |
| Part V Sub-total | | | | | \$ 883.33 | |

| | |
|-----------------------------------|--------------|
| 1. Total Instructional Salaries | \$20,876.00 |
| II. Total Instructional Benefits | \$101.67 |
| Total Schoolwide Salaries | \$19,018.17 |
| V. Total Schoolwide Benefits | \$194.33 |
| V. Total Non-Payroll Expenditures | \$ 883.33 |

| TOTAL ALLOCATED SSEEP COSTS: \$41,073.50 |
|--|
|--|

Important Notes:

I and III Totals should agree to Salaries on Scholarship Budget

II and IV totals should agree to employee benefits on Scholarship Budgi

/ total should agree to Purchased Services, Supplies &

naterials, Property, Other and reserved on Scholarship

Budget

TOTAL ALLOCATED SSEEP COSTS SHOULD AGREE TO GRAND TOTAL

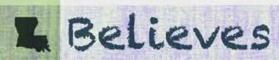
ON BUDGET

***This section is designed for all non-payroll expenditures. Some examples of expenditures are books, utilities

and supplies for the school, etc.***



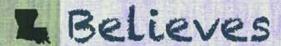
Budget Form



| Studer | | artment of Education n Excellence Program (SSEE) | P) Rudget | |
|--------------------------------|--------------------------------|--|----------------|---|
| Studen | | Lacenence 1 logram (35EE) | , Duaget | |
| School Year: | 2019-2020 | | | |
| Participating School: | | | Si | Site Code: |
| Mailing Address: | | | | |
| City, State, Zip: | | | | |
| n 11 | | | | |
| Prepared by: | | | | |
| Title: Telephone Number: | | | | |
| Email Address: | | | | |
| Linan Address. | | | | |
| | | | | |
| | | | | |
| Expenditure | Original Scholarship | Actual Scholarship | Percent | |
| Category | Budget | Expenditures as of 1/31/2020 | | |
| Salaries | | \$ 50,000.00 | 0.00% | |
| Employee Benefits | | | 0.00% | |
| Purchased Services | | | 0.00% | |
| Supplies and Materials | | | 0.00% | |
| Property | | | 0.00% | |
| Other | | | 0.00% | |
| Reserved | | | 0.00% | |
| GRAND TOTAL | s - | \$ 50,000.00 | 0.00% | |
| | - | | | |
| Reconciliation of Budget to | Actual Report to of SSEEP | Expenditures as of January 31 | 2020: | |
| Acconcination of Dauger to | Tenna Report to of Sozza 2 | superior as of garmany 51 | , 2020. | |
| | | | | |
| Expenditure | Scholarship | | Total \$ | |
| Lapenature | беномизир | Scholarship Expenditures | Variance, if | |
| Category | Expenditures (per above)* | per detail listing of costs** | any | |
| Salaries & Benefits | \$ 50,000.00 | \$ 17,313.25 | (32,686.75) | Salaries and Benefits total expenditures do not equal bet |
| Non-payroll Expenditures | \$ - | \$ - | - | |
| GRAND TOTAL | \$ 50,000.00 | \$ 17,313.25 | \$ (32,686.75) | |
| | | | | |
| * As reported on Budget and Ac | tual report above. | | | |
| | | | | |
| **As raported in the LDE appro | wad school Scholarship Program | n cost allocation spreadsheet or sch | and evetam | |
| | RSHIP Program expenditures the | | loor system | |
| | | I Total Control of the Control of th | - | |
| Please provide explanation of | any variance identified above | | | |
| | | | | |
| | | | | |
| | | | | |
| Representative of the entity: | | | Date: | |
| | | | | |
| EMAIL TO: | | - 14 e | | |
| Staudit@la.gov | | | | |
| Staudite la.gov | | | | |
| | | | | |
| | | | | |
| Total Original Enrollment | | | | |
| (Count Date: 9/5/2019) | | | | |
| | | D 41 4 6 7 1 | Tuition and | |
| | Grade | Participating Students | Fees To | Total |
| | K | | | \$0.00 |
| | 1 | | | \$0.00 |
| | 2 | | | \$0.00 |
| | 3 | | | \$0.00 |
| | 4 | | | \$0.00 |

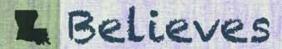
Budget Form

The Budget Form is populated by the information that has been entered in the Allocation Spreadsheet. Therefore, in the reconciliation section of the budget form, if you find anything reflected in this section in red, the data will need to be reviewed and corrected. (Something was reported incorrectly in the budget form or the allocation spreadsheet.)



FAQs

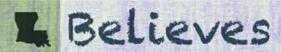
- 1. Should the school's portion of payroll taxes be included as benefits in the Allocation Spreadsheet Parts II and IV?
 - No, the school's portion of payroll taxes should be included in Parts I and III (Columns 8 & 9).
- 2. Do I have to list every teacher/employee on the Allocation Spreadsheet Parts I and III?
 - No, if the teacher/employee does not teach scholarship students, they should not be listed.
- 3. A teacher/employee was hired/resigned in the middle of the school year, should they be listed on the allocation spreadsheet?
 - Any teacher/employee that was employed during the testing period (Beginning of the school year through January 31, 2023) should be listed.
 - ❖ If they were hired during the school year, the actual salary earned should be listed from the time of hire through January 31, 2023.
 - ❖ If they resigned during the school year, the actual salary paid up until the date of resignation should be listed.



FAQs CONT'D

- 4. Should I list employees who were hired after January 31, 2023?
 - No, as the school would not have paid any wages to this employee during the testing period.
- 5. Should Pre-K expenditures be listed on the allocation spreadsheet?
 - No, expenditures related to pre-k should not be listed because the Scholarship Program only funds K-12.
- 6. How can I receive and prepare all of this paperwork in such a way as to avoid any audit findings?
 - Review all documents for accuracy prior to submitting to the audit firm.
 - Review amounts entered on the allocation spreadsheet for salaries and benefits for all employees to ensure that amounts agree to supporting documentation.

Note: Amount entered should only be the amount paid directly by the school.



Department Contacts

Louisiana Department of Education 1-877-453-2721

Office of School System Financial Services

Jameka Henderson

State Audit Supervisor

Jameka.Henderson@la.gov

Louisiana Scholarship Program:

https://www.louisianabelieves.com/schools/louisiana-scholarship-program



Questions

- Please address questions to the following email addresses:
 - Financial or Audit questions:
 - Staudit@la.gov
 - Program questions:
 - Studentscholarships@la.gov

