

LOUISIANA DEPARTMENT OF EDUCATION



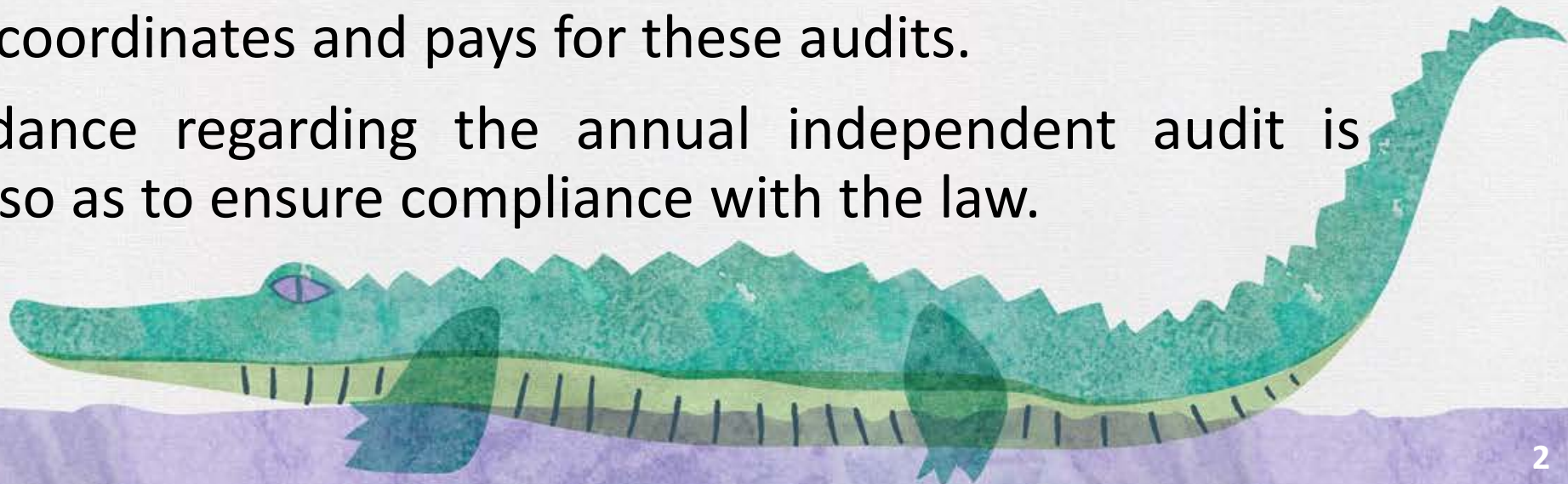
**Louisiana
Scholarship Program
(LSP)**
Independent Financial Audit
Guide
for Participating Schools

January 2023

A decorative green grassy field at the bottom of the page, rendered in a watercolor style.

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 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 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 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 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	88.33%	\$ 883.33	EXAMPLE: Books	
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
Part V Sub-total					\$ 883.33		



88.33%

This percentage is automatically pulled from Part III of the allocation spreadsheet.

I. Total Instructional Salaries	\$20,876.00
II. Total Instructional Benefits	\$101.67
III. Total Schoolwide Salaries	\$19,018.17
IV. 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 Budget
 V total should agree to Purchased Services, Supplies & Materials, 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

Budget Form

Louisiana Department of Education
Student Scholarships for Education Excellence Program (SSEEP) Budget

School Year: 2019-2020
 Participating School: _____ Site Code: _____
 Mailing Address: _____
 City, State, Zip: _____
 Prepared by: _____
 Title: _____
 Telephone Number: _____
 Email Address: _____

Expenditure Category	Original Scholarship Budget	Actual Scholarship Expenditures as of 1/31/2020	Percent Expended
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	\$ -	\$ 50,000.00	0.00%

Reconciliation of Budget to Actual Report to of SSEEP Expenditures as of January 31, 2020:

Expenditure Category	Scholarship Expenditures (per above)*	Scholarship Expenditures per detail listing of costs**	Total \$ Variance, if any
Salaries & Benefits	\$ 50,000.00	\$ 17,313.25	(32,686.75)
Non-payroll Expenditures	\$ -	\$ -	-
GRAND TOTAL	\$ 50,000.00	\$ 17,313.25	\$ (32,686.75)

** As reported on Budget and Actual report above.*

***As reported in the LDE approved school Scholarship Program cost allocation spreadsheet or school system generated schedule of SCHOLARSHIP Program expenditures through January 31, 2020.*

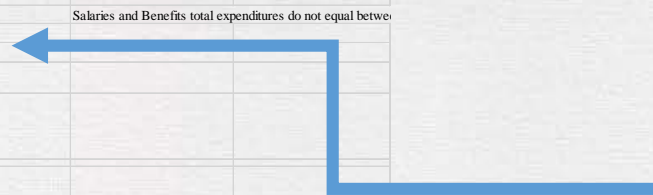
Please provide explanation of any variance identified above:

Representative of the entity: _____ Date: _____

EMAIL TO:
Staudt@l.gov

Grade	Participating Students	Tuition and Fees	Total
K			\$0.00
1			\$0.00
2			\$0.00
3			\$0.00
4			\$0.00

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.

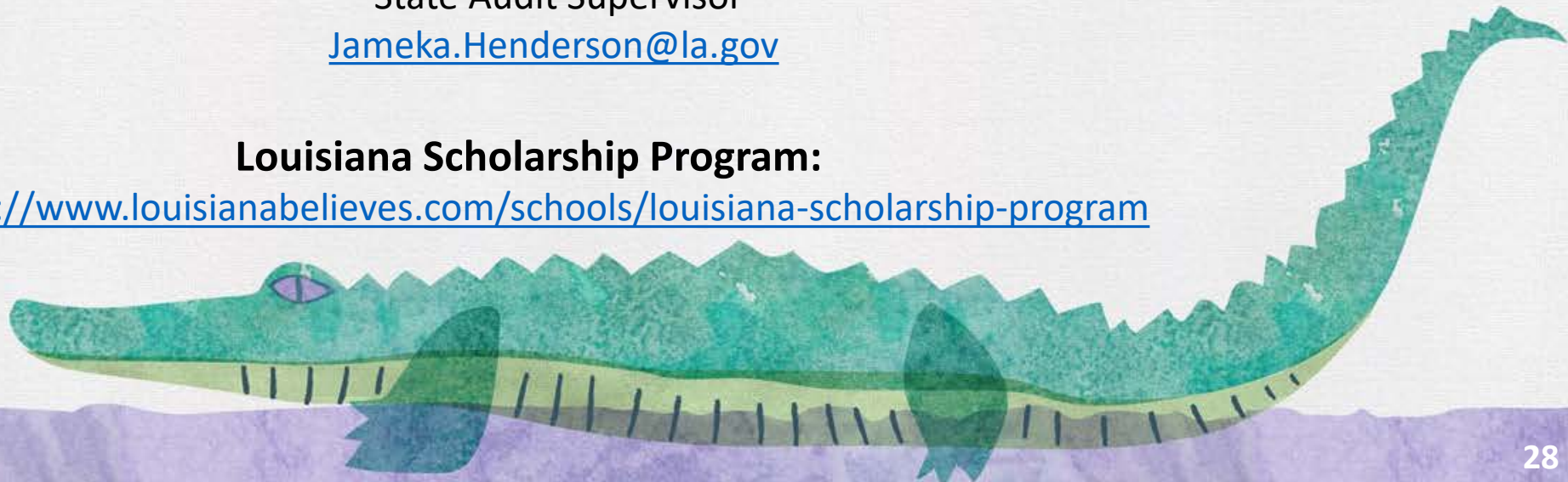
Department Contacts

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

