**Finance Newsletter January/February 2024**

**ESSER District Data Collection for FY2023**

The FY2023 ESSER district data collection will open in KDE’s Grant Management Application and Planning System (GMAP) from April 1 through May 3, 2024. Districts are urged to review the slides from the December 2023 Finance Officer’s Webcast, which provide an overview of new questions added to the data collection by the US Department of Education. If you have questions about the FY2023 ESSER Data Collection, please contact Robin Morley at (robin.morley@education.ky.gov).

**FY2023 Audit Cost Increase Justification**

The estimated cost of a district’s financial audit is established in the audit contract. The audit contract is a three-party agreement between the State Committee for School District Audits (SCSDA), the school district, and the audit firm. The audit contract requires a written justification from the audit firm for any fee increase of $1,000 or 10%, whichever is less, to be approved by the SCSDA. Please submit the written justification to the Finance.Reports@education.ky.gov mailbox on or before February 28, 2024.

**FY2024 Audit Preparation**

The audit contract for the 2024 fiscal year is currently being revised with an anticipated release early April. KDE would like to encourage each district to begin steps to ensure an audit firm is in place for the FY2024 financial audit. The completed audit contracts are anticipated to be due to KDE at the end of May.

**2024-2025 SEEK Trend Web Form**

The [2024-2025 SEEK Trend](https://applications.education.ky.gov/Login/Applications) web form is now open and ready for districts to submit data for use in the determination of SEEK payments for July, August, and September 2024. The form will be open until **March 1, 2024,** and is located under the ‘SEEK Forms & Tools’ section of the website.

If your district does not provide estimates for Adjusted Average Daily Attendance (AADA); At Risk (Free Lunch); Home & Hospital; Limited English Proficiency (LEP) Learners and property assessments; the Kentucky Department of Education (KDE) will use trended data which **may not be as accurate as your district’s estimates, impacting your SEEK payments for several months.**

You will not need to estimate exceptional child data, as the actual data will be available in early 2024.  If you have questions, please contact Sarah Tandy or (502) 564-3846, ext. 4454, or Krystal Smith or (502) 564-3846, ext. 4425.  If you do not have access to SEEK, your district WAAPOC can assist.

**School Nutrition Annual Financial Reporting**

The Division of School and Community Nutrition (SCN) is starting its annual financial reporting process for sponsors of the National School Lunch Program for SY 23-24. All sponsors will be contacted in January and February regarding their financial position and notified if an excess balance/spend-down plan is required.

Just as a reminder, SCN utilizes the unaudited AFR submission to ensure compliance with 7 CFR 210.9(b)2. Per 7 CFR 210.9(b)2, a district shall limit its net cash resources to an amount not exceeding three months average expenditures for its nonprofit school food service fund.

SCN evaluates the reported information to determine if a potential excess balance exists. The district’s AFR submission satisfies the requirement to report the financial position of the food service account on an annual basis. The food service fund includes funds for all child nutrition programs.  If it’s determined an excess balance exists, SCN will work with districts to ensure the accuracy of the information before establishing a spend-down plan to achieve compliance. Spend-down plans will be individually developed to ensure they are effective and reasonable for the district’s financial situation. SCN and the district will be responsible for monitoring the plan to ensure it remains relevant as the financial position of the program changes. Spend-down plans can vary with regards to purchases and timeframes, i.e., they may be short-term (in place for a zzl

**Former School Official Arrested**

A former Orange County, California official is accused of embezzling more than $14 million over seven years from a school district which serves about 5,300 students, many from low-income schools that receive millions in federal aid.

According to the prosecutors, he used stolen money to purchase a $1.5 million house and various luxury items while using a music production company as a front, according to the charging documents.

The official was placed in charge of fiscal services in 2013, earning $220,000 annually as the senior director of fiscal services at Magnolia School District in West Anaheim and Stanton. He stole money from district funds and deposited more than 250 checks into his personal bank account.

To view the entire article, please visit [Ex-O.C. school official arrested in $14-million embezzlement case - Los Angeles Times (latimes.com)](https://www.latimes.com/california/story/2023-10-20/former-o-c-school-official-arrested-in-14-million-embezzlement-case).

## ****Finance Officer Spotlight****

Jennifer Head has been the finance officer for Ballard County Schools for four years in addition to processing payroll and assisting with human resources. This is her sixth year in school finance.

Head is a 2014 graduate of Livingston Central High School and a 2018 graduate of Murray State University with a bachelor’s degree in marketing. She earned her MBA from Murray State in 2021 and her School Financial Management Institute (SFMI) certification this past spring.

Head loves her family, work family, and friends. She enjoys going to concerts, St. Louis Cardinals games, and the beach.