

School District Accounting Advisory Committee

Review topics and prepare for changes to the
2025–26 School District Accounting Manual

June 18, 2025



Washington Office of Superintendent of
PUBLIC INSTRUCTION

Today's Agenda

- Roll Call – SDAAC Committee Members
- OSPI Updates
- Addendums and Revisions added to the Accounting Manual
- Additional Work for the 2025-26 Accounting Manual
- New work for the 2026-27 Accounting Manual



2024-25 Accounting Manual Addendums

Review Documents Posted to SAFS

- 2425 SDAM Addendum #1 — 250117
- 2425 SDAM Addendum #2 — 250523
- Any Questions or Comments



2025-26 Accounting Manual Revisions

Draft Revision Document Topics — Review

- Topics Discussed in Previous SDAAC Meetings
 - Assessing Financial Conditions – Chapter 8
 - Federal Audit Threshold \$1,000,000
 - SEFA Handbook - Minor Modification
 - Vehicles are not Charged to the CPF
 - Appendix B: ASB Transportation Costs are “Services Provided and Use”



2025-26 Accounting Manual Revisions

Draft Revision Document Topics — Review

- Federal Forest is a Deductible Revenue
 - Federal Forest is a Deductible Revenue — Chapter 2 & 5
 - GL 815 Restricted for Unequalized Deductible Revenue – Chapter 4
 - Revenue 5500 Federal Forest is a deductible revenue



2025-26 Accounting Manual Revisions

Draft Revision Document Topics — Review

- Revenue Codes Opened in CPF and TVF
 - **7301** Nonhigh Participation
 - Applicable Fund: (GFL, **CPF, TVF**)
 - Chapter 392-132-075 WAC
 - **8200** Private Foundations
 - Applicable Fund: (GFL, **CPF, TVF**)



2025-26 Accounting Manual Revisions

Draft Revision Document Topic — Review

White Paper sent to SDAAC on June 4

- CTE Accounting Changes
 - Chapter 3 Interfund Transfers—CTE Carryover Accounting
 - 868 Restricted From CTE Carryover Resources
 - Source Code 8
 - Programs 31 & 34 Expenditure Matrices
 - ✓ Add Activities 63 & 65; Remove Activity 72



CTE Accounting Discussion

This slide is not part of the Final Revision Document

- Programs 31 & 34 are **budgeted separately** on the F-195 and **reported separately** on the F-196.
- Programs 31 & 34 are treated as a single program for Carryover and Recovery accounting purposes.
 - RCW 28A.150.265 (3)
- Changes to the calculation for CTE Minimum expenditures
 - RCW 28A.150.265 (2) & WAC 392-121-573



New CTE-Related Accounting Codes

This slide is not part of the Final Revision Document

- In FY 2026–27, we will add new expenditure Type Codes to the Capital Projects Fund
 - Type Code **28**—CTE Building Remodeling
 - Type Code **38**—CTE Equipment
 - Type Code **48**—CTE Energy Upgrades



CTE Accounting Timeline

1. EOY 2024-25: CTE carryover / recovery calculations
 - Single-program calculations / Single carryover amount to 2025–26
2. Before EOY 2025–26: District declares its option to transfer CTE Carryover to the Capital Projects Fund.
 - Redirection Approval from OSPI
 - Any residual GF—CTE carryover (not redirected) is applied to the calculation of the 2025-26 minimum program expenditures.
3. In FY 2026–27: Districts can begin using the CTE funds, transferred to the Capital Projects Fund.
 - **Type Codes: 28 Building, 38 Equipment, 48 Energy Upgrades.**



2025-26 Accounting Manual Revisions

Draft Revision Document Topic — Review

GASB 103 – Financial Reporting Model Improvements

White Paper sent to SDAAC on June 5

- New GL Codes
- **538 Unusual or Infrequent Items—Outflows**
 - Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF)
- **968 Unusual or Infrequent Items—Inflows**
 - Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF)



GASB 103 Accounting Treatment

Work TO DO in Future SDAAC

- **MATCHING:** GL 538 Expenditures should match GL 968 Resources on the Statement of Revenues, Expenditures, and Change in Fund Balance
 - But not necessarily in the same fiscal period...
- **TIMING:** How do we handle Insurance Recoveries or [State or Federal Awards] to be received in Future Periods?
 - What if pledged resources do not match actual award?
- How do we handle Interfund Transfers in support of Unusual or Infrequent Items impacting another Fund?



GASB 103 Accounting Treatment

Work TO DO in Future SDAAC

- AJEs to record transactions into GL 968
- Actual Revenues should remain intact
- Credit Transfers into GL 968—**X999**?
- Debits Transfers from Contra Revenue Accounts
- Contra Revenue Accounts? (1999, 2999, 3999, 4999, 5999, 6999, 7999, 8999, 9999)?



GASB 103 Accounting Treatment

Work TO DO in Future SDAAC

- AJEs to record transactions into GL 538
- Actual Expenditures should remain intact
- Debit Transfers into GL 538—**X970**?
- Credit Transfers from Contra Expenditures Object Codes across all Program, Activity, Objects [PP-AA-X970]
- Contra Expenditure Object Codes: NCES Codes: 2970, 3970, 4970, 5970, 7970, 8970, 9970 Unusual and Infrequent Items?



GASB 103 Accounting Treatment

Work TO DO in Future SDAAC

- Do we need Chapter 3 Accounting Guidance?
- Do we need Chapter 7 AJE Illustrations?
- Accounting Transactions in the CPF and TVF?



GASB 103 Accounting Treatment

Work TO DO in Future SDAAC

- Note Disclosure Template
 - Specificity of Event
 - Identifying Expenditures by Type
 - Identifying Resources by Type
 - Disclosure Carryforward until Matching – Close Out



2025-26 Accounting Manual Revisions

Draft Revision Document Topic — Review

Insurance Recoveries — Revenue 9400

White Paper sent to SDAAC on June 5

- **Revenue 9400—Insurance Recoveries**
- The accounting treatment differs based on the type of loss.
- **Restoration** or **Replacement** is always reported as 9400.
- **Impairment** is either GL 530 or Revenue 9400 depending on the timing of when the insurance proceeds are received.



Insurance Recoveries Revenue 9400

Work TO DO in Future SDAAC

- Do we need Accounting Guidance in Chapter 3 regarding Insurance Recoveries?
- Do we need Chapter 7 AJE Illustrations?



2025-26 Accounting Manual Revisions

Draft Revision Document Topic — Review

Other Revision – PILT – and Future Research

- **1400 Local in Lieu of Taxes**
 - Applicable Fund: (GFS, DSF, CPF, TVF)
 - Providing clarity on the types of PILTs to record here.
 - PILT is a topic for research and future discussion.





A Beginning List of Work Topics for 2025–26 & 2026–27

2025–26 Work Items

- CTE Type Code 28, 38, 48 in the Capital Projects Fund
- GASB 103 Unusual or Infrequent Accounting
- Clarify Accounting for Insurance Recovery—Types
- PILT Research & Clarification for Revenue Codes



2025–26 Work Items

- Modifications to the Schedule of Long-Term Liabilities
- Changes to Chapter 3 Guidance:
 - Align Chapter Sections to the SLTL
- Possible Addition of GL Codes for the L-T Debt Account Group to Align to the SLTL
- Compare Accounting for RANs versus TANs and BANs
- Debt Service Fund — Expenditure Type Codes



2026–27 Student Transportation

SB-5009: Student Transportation – **White Vans in TVF**

- New Type Codes in TVF
 - Diesel Buses – Electric Buses – Gas Vans – Electric Vans
- How to separate Maintenance expenditures by Vehicle Type in Program 99.
- Vans are not allowed to be purchased in Program 99.
- Other uses of Transportation Vans:
 - “Non-To-and-From Student” Transportation — OK
 - “Non-Pupil” Transportation — not allowed.



2026–27 MSOC Reporting Compliance

SB-5192: MSOC Expenditures will be reported annually by school districts — In disaggregated categories, (other categories not shown):

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- Technology Devices
 - Software Licenses
 - Technology or Software Maintenance/Repair
 - Election Fees – Board
 - Election Fees – Bonds and Levies
 - Contracted Professional Development
 - Safety and Security
 - Dues and Fees
 - Contracted Technology Staff
 - Library Materials
 - Utilities
 - Insurance
 - Curriculum and Textbooks
 - Facilities Maintenance – not funded by CPF
 - Property & Equipment – not funded by CPF



2025–26 SDAAC Meeting Schedule

Friday, October 3	9-11 am	OSPI Webinar	Regular Meeting
Friday, November 7	9-11 am	OSPI Webinar	Regular Meeting
Thursday, December 11	9-11 am	OSPI Webinar	Regular Meeting
Friday, January 23	9-11 am	OSPI Webinar	Regular Meeting



Final Thoughts

The next meeting is scheduled for Friday, October 3rd.

OSPI will host an In-Person; and Broadcast the meeting via Zoom or through another media platform.

If you have taken notes of today's meeting, I would appreciate having a copy. Your notes help as a reminder of items discussed.

Thank you for participating.



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