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Washington Office of Superintendent of
PUBLIC INSTRUCTION
Chris Reykdal, Superintendent

September 5, 2025

TO: Educational Service District Fiscal Officers and Assistant Fiscal Officers

FROM: Shawn Lewis, Director, School Apportionment and Financial Services

RE: Fiscal Year 2024-25 Educational Service District Annual Financial Statements (F-185)

PURPOSE

Form F-185 requires ESDs to display amounts in a prescribed format to OSPI. This facilitates an accurate compilation of the ESDs' financial activities into a statewide financial summary. These instructions contain information for preparing and submitting Educational Service District (ESD) Annual Financial Statements (F-185) for Fiscal Year (FY) 2024-25.

TIME SCHEDULE—FORM SPI F-185

According to WAC 392-125-085, each ESD must submit a financial report to the Office of Superintendent of Public Instruction (OSPI) within 90 calendar days following the end of its fiscal year. For FY 2024-25, this due date is Monday, December 1, 2025. If financial information, applicable to all ESDs, is not available in a timely fashion and deprives the ESDs of the ability to complete their financial reporting by this deadline, OSPI will grant an automatic extension until December 15, 2025 as long as notice is provided on or before December 1. OSPI may provide an additional extension to December 30, 2025 for exceptional circumstances. This additional extension requires pre-approval.

Utilization of—FORM SPI F-185

Form SPI F-185, ESD Annual Financial Statements, is the format specified by OSPI. The F-185 is a spreadsheet-driven report.

The workbook includes a hidden data spreadsheet and item codes for each cell in each of the five reports. The data that populates the hidden sheet just transfers the amounts to a format that is usable for aggregating for posting in the short term and will also help in the development of the next generation of EDS.

Also, we are now asking for a simple data pull for the submission of Revenues and Expenditures. ESDs must provide a spreadsheet for both, which are included in the workbook template. There is no need to create a matrix or have any revenue/expenditure subtotal data included. We are hoping that it makes the submission easier, which will make posting the data more efficient and

ensure accuracy in our Federal Reporting. As an option, ESDs are encouraged to submit revenue and expenditure data to OSPI. In turn, OSPI can create revenue reports and program expenditure matrices and return these to the district for preliminary results.

The completed F-185 excel workbook should be returned without modifications to row descriptions or cells containing formulas. Row and columns in the F-185 worksheets should remain intact. Spreadsheets not applicable to an individual ESD should remain intact and not deleted. Adding rows or columns in any worksheets is not authorized without prior notification and approval from OSPI.

F-185 financial reports not submitted to OSPI in the original format will not be accepted and will require resubmission.

The F-185 Annual Financial Statements and the F-185 template are available on the OSPI website by selecting the "ESD Reports and Resources" link from the School Apportionment website.

Because the ESDs prepare the F-185 on an excel template, each ESD may need to modify their financial statements for GAAP presentation. If circumstances require the district to modify financial reports, retain a copy of the completed F-185 as submitted to OSPI and prepare appropriate financial statements for other reporting purposes.

Immaterial differences are anticipated between the F-185 reports prepared for OSPI and other financial reporting requirements. These differences include, but are not limited to, converting the documents to PDF or Word format; modifications to row descriptions; changing cell formulas to values; deleting blank rows or columns; deleting spreadsheets or supplemental reports which are not applicable; adding rows or columns as necessary for appropriate financial statement presentation.

PLEASE NOTE: SAO provides general observations about the F-185 template below.

GENERAL OBSERVATIONS FROM SAO REGARDING THE F-185 TEMPLATE

Since ESDs are proprietary fund type entities, they can also refer to SAO's guidance on [proprietary fund financial statements](#) in BARS to help ensure their statements are fairly presented. The [GFOA checklist](#) is also an excellent resource.

On the Statement of Revenues, Expenses, and Changes in Fund Net Position

- **"Change in Compensated Absences"** balance could be misleading. Wages and benefits are an operating expense, and we would expect any adjustment to be allocated to

General Operations and Administration, Instructional Support Programs, and Non-Instructional Support Programs.

OTHER SAO OBSERVATIONS

- The template does not include a column for discreetly presented component units (if applicable).
- Intangible assets and infrastructure are not included in the template (if applicable).
- The template does not include other deferred outflows/inflows of resources prescribed by GAAP (i.e. "Grants Paid in Advance").
- Amounts in the financial statements and notes should be reported in whole dollars only, no cents.
- When presenting financial statements for audit, lines with nothing to report should not be included.

FILING

ESDs must file the Annual Financial Statements with both School Apportionment and Financial Services at OSPI and with Audit Services at the Office of the State Auditor. Form F-185 may be filed electronically via email, with an attached file. The signed Certification Page may be scanned and signed (either hard signature or electronically certified) and emailed in PDF format.

If an ESD has a Property, Casualty, and Liability Risk Pool, please file that portion of the Annual Financial Statements within 150 days with State Risk Management, Office of Financial Management 360-902-7311, PO Box 41027, Olympia, WA 98504, and with each participating member of your insurance pool. The part of the statement concerning the Industrial Insurance Fund is to be filed with Certification Services Manager, Department of Labor and Industries, within six months after the end of the fiscal year 360-902-6867.

ASSISTANCE

If you have any questions regarding the ESD Annual Financial Statements, please contact Mike Sando, Supervisor ESD Financial Reporting, at mike.sando@k12.wa.us or Paul Stone, Supervisor ESD Accounting at paul.stone@k12.wa.us. The agency TTY number is 360-664-3631.