

School District Accounting Advisory Committee

Review topics and prepare for changes to the
2026–27 School District Accounting Manual

October 3, 2025



Washington Office of Superintendent of
PUBLIC INSTRUCTION

Topics — Agenda Items

- Subcommittee Recaps and Perspectives
- New Items for Discussion
- Recap of Items Previously Discussed
- Other Discussion Topics





Schedule of Debt and Liabilities

Schedule of Debt and Liabilities (SDAL)

- Subcommittee met on November 3
- Word document illustrates changes
- Adding: Obligations to Other Governments, Arbitrage, and Registered Warrants
- Split BANs and TANs from RANs
- Thoughts from Subcommittee Members
- Future Subcommittee Meetings TBD



SDAL Related:

Changes to Accounting Manual

In Chapter 3

- Rearrange the Chapter Sections for Debts and Liabilities
- Edit RAN Guidance
- New Guidance for Other Government Obligations and Registered Warrants
- Revise Arbitrage Guidance
- Revise Guidance regarding Bonds



SDAL Related:

Changes to Accounting Manual

In Chapter 4

- Update descriptions of Debt and Liabilities GL Codes
- More work to do in Subcommittee regarding Arbitrage and GL 861 Restricted from Bond Proceeds

In Chapter 7

- New AJE illustrations for Arbitrage



SDAL Related:

Changes to Accounting Manual

In Chapter 8

- Update the Schedule of Debt and Liabilities

In Chapter 11

- Remove outdated guidance and update sections
- May have an “bond expert” leading the update
- I may want to create a subcommittee for additional advice





New Special Education Accounting Methodology

Special Education Accounting Changes

- Subcommittee met on November 4
- How and When Local Resources are Charged to Program 21
- Developing Tool For District Use
- Begin Researching the Impact on MOE
- Thoughts from Subcommittee Members
- Future Subcommittee Meetings TBD



Special Education Funding and Accounting

Guidance: E2SSB 5263 — Section 7

- Subsection (2) – requires that 25% of the per student allocation be moved from 3100 to 3121.
- Subsection (3)- requires that the remaining 75% of the per student allocation (3100) be used for excess costs prior to using other funding sources.
- Subsection (4) – clearly states that local funds can be used to support special education students.





MSOC Reporting Categories

MSOC Reporting Categories

- Subcommittee met on November 5
- MSOC Bill 5192
- Reporting Requirement EOY 2026-27
- Discussion on new NCES Codes, Identifying CPF Transfers to support GF MSOCs, Clarify the Reporting Requirements
- Thoughts from Subcommittee Members
- Future Subcommittee Meetings TBD





Financial Health Indicators

Financial Health Indicators

- Subcommittee met on November 6
- Discussion on Changing Current Indicators
- New Forward-Looking Indicators
- Model may Include Discloser of Loans, Advances, & Transfers
- Budgeting Best Practices – In Rule or SDAM
- Thoughts from Subcommittee Members
- Agency Perspective - TJ
- Future Subcommittee Meetings TBD





New Accounting Manual Items

Federal Procurement Thresholds Update

- “Micro-Purchase” threshold increased from \$10K to \$15K
- “Simplified Acquisition” threshold from \$250K to \$350K
- Effective Date October 1, 2025.
- Update to Chapter 9, Federal Grants Management.
- November OSPI–SAFS Hot Topics Newsletter
- A table is available on the OSPI website under [Forms](#)
 - [2025 Federal Procurement Thresholds](#) (Posted October 22, 2025)
 - Districts must comply with the more restrictive of federal / state requirements or their own internal policy.
 - Districts may use the new thresholds as soon as their internal policy is updated and adopted.



Proposal to Change Donations

655* Donated Deposits (Unearned Donations)

Applicable Fund: (GF, ASB, CPF)

This account is used to record amounts donated to the district which can be used to support provisions of RCW 28A.320.030.

- Credit with amounts donated to the district and recorded to Accounts 230 and 240 because they do not represent revenues until final disposition is determined.
- Debit with amounts directed by the board of directors for scholarship and student aid purposes, or for the use or benefit of the school district or its students.
- Contra accounts: GL 340 to apply against bad debt, Revenue 960–2500, or other Revenue accounts.



Unusual or Infrequent Items added to the Budget Status Report

Budget Status Report (F-198)			
A		Total Revenues and Other Financing Sources	
B		Total Expenditures	
C	536	Other Financing Uses – Transfers Out	
D	535	Other Financing Uses	
E	968	Unusual or Infrequent Items - Inflows	
F	538	Unusual or Infrequent Items - Outflows	
G		Net Change in Fund Balance	$\Sigma(+A-B-C-D+E-F)$
H		Total Beginning Fund Balance	
I		Accounting Changes and Error Corrections	
J		Total Ending Fund Balance	$\Sigma (+G + H \pm I)$





Other Topics Discussed in October

CTE-CPF Account Codes

- Accounting Manual Addendum for FY 2025–26
 - Type Code 28—CTE Building Remodeling
 - Type Code 38—CTE Equipment
 - Type Code 48—CTE Energy Upgrades
- Amber and Kevin volunteered to help write descriptions.



Remove Federal Stimulus from the Chart of Accounts

- Remove all ESSER and APR Program and Revenue Codes — and other COVID-19-related guidance — from the 2026–27 Accounting Manual.
- Make edits to 2026–27 Financial Reporting
 - F-195 and F-196: Remove the Revenue & Program codes from view.
- Adjust the S-275 for 26-27 to make codes invalid.
- Edits to the Chart of Accounts and Duty Code lists.



Remove other Obsolete Program and Revenue Codes

- Propose we remove Federal Programs
- **Program 54 Reading First** / Revenues 6154, 6254, 6354
 - ❖ No Activity
- **Program 62 Math & Science PD** / Revenues 6162, 6262, 6362
 - ❖ No resources... Should not be expenditure activity





Big Picture — Changes to School District Funds

SASQUATCH

- Name of Future SAFS Financial Reporting System
- S School
- A Apportionment
- S System for
- QU Quality
- A Accountability
- T Transparency
- C Calculation
- H Hub



The CPF / TVF Combo

- Labeling the idea to combine the Capital Projects Fund with the Transportation Vehicle Fund.



Consideration: New Fund

Child Nutrition Services (Fund 9)

- Move Program 98 and all related nutrition programs into a Separate Fund.
 - This is only possible with Legislative approval.
 - This is still a ways off and we'll create an SDAAC Subcommittee if things appear to be moving forward.
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- In the meantime, Do we need a Revenue 2598 to account for Food Service Donations?



2025–26 SDAAC Meeting Schedule

Thursday, December 11	9-11 am	OSPI Webinar	Regular Meeting
Friday, January 23, 2026	9-11 am	OSPI Webinar	Regular Meeting



Final Thoughts

The next meeting is scheduled for Thursday, December 11th

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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