

School District Accounting Advisory Committee

Review topics and prepare for changes to the
2027–28 School District Accounting Manual

October 8, 2026



Washington Office of Superintendent of
PUBLIC INSTRUCTION

Topics — Agenda Items

- 2026-27 SDAAC Meeting Schedule
 - Budget Summary Page
 - F-196 Transfer Reconciliation Schedule
 - Proposed Accounting Manual changes
 - New Note Disclosure for 25-26 (Selling Property)
 - SASQUATCH Notes
-
- F-197 & Financial Condition Slides included – but not necessarily on the agenda...



2026–27 SDAAC Meeting Schedule

Thursday, December 3, 2026	9-11 am	OSPI Webinar	Regular Meeting Billings Conf Room
Thursday, January 7, 2027	9-11 am	OSPI Webinar	Regular Meeting Brouillet Conf Room
Thursday, February 11, 2027	9-11 am	OSPI Webinar	Regular Meeting Brouillet
Thursday, March 11, 2027	9-11 am	OSPI Webinar	Regular Meeting Brouillet



F-195 Budget Summary Changes

- Review Handout
- **Transfers In** separated from Other Financing Sources and placed next to Other Financing Uses and **Transfers Out**
- Unusual or Infrequent Items added
- **New Section C — Interfund Loans to the General Fund**
 - Loans authorized during the current year
 - Loan Balances at the beginning and end of the budget period



F-196 MSOC Data Requirement for 26-27

- Review PDF Handouts
- This is a new Supplemental Schedule in the F-196 to reconcile CPF Technology and Maintenance Transfers to the General Fund with Revenue Code 9902.
- The MSOC Bill — [SB 5192](#)
- RCW 28A.150.260(8)(d)(i)
- (8)(d)(ii) — The office of the superintendent of public instruction shall report additional categories as determined necessary to meet other state and federal reporting requirements.



Rename Programs and Revenues in the Accounting Manual

- Subcommittee to review titles
- Program 31 **Vocational**-Basic-State changed to **Career and Technical Education**-Basic-State
- Program 98 **School Food Services** changed to **Child Nutrition Services**
- Revenue Codes and GL Account Code name alignment
- Consider other Program and Revenue Codes



Proposed addition of new Revenue Codes

- Same Subcommittee will look at adding new Revenue Codes.
- 4179, 4379, 6179, 6279, 6379, 7179, 8179,
- 7101,
- 4169, 4369, 6169, 6269, 6379, 7169, 8169



NCES for Unusual or Infrequent Items?

GASB 103 Unusual or Infrequent (Handout)

- Do we need new NCES Codes — **or** — Can we change the titles and narrative guidance for Special Items and Extraordinary Items?
- Special Items are NCES 7950 and 9950
- Extraordinary Items are NCES 7960 and 9960
- **IF we need New NCES Codes:**
- Unusual or Infrequent Items 7970 and 9970.



FYI – GASB 104 Note Disclosure for 2025-26

This Statement requires disclosures for capital assets held for sale.

A capital asset is a capital asset held for sale if:

- (a) the government has decided to pursue the sale of the capital asset and
- (b) it is probable that the sale will be finalized within one year of the financial statement date.

Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame.

This Statement requires that capital assets held for sale be evaluated... and other disclosure requirements....



SASQUATCH Notes

- Wire Frames (Reporting Templates) will not be available until November for the Stakeholder Subcommittee to review.
- A date for the Stakeholder meeting is still TBD.



SASQUATCH QUESTION – 095SAFS

- Pretty sure we know the answer to this...
- The system shall have the ability to allow authorized district users to create Budget Extension Statement (F-200) for one or more funds—including General, Capital Project, Debt Service, ASB, and Transportation Vehicle Funds—directly within the Budgeting and Accounting System (F-195) workflow. It shall retain the original budget version alongside all subsequent revisions, allowing users to view, track, and submit extensions without requiring a separate Budget Extension Statement (F-200) form. All changes shall be version-controlled, timestamped, and subject to applicable approval workflows.
- **Q — Funds 7 & 8 are not part of the F-195.** Does anyone foresee a future where we need to include Fund 7 & 8 in the Budget Process....
- This is presumed a hard “NO”.



SASQUATCH QUESTION – 128SAFS

- The apportionment system shall allow school districts to save multiple budgets within the Budgeting and Accounting System (F-195) module. Users shall be able to create, store, and manage more than one budget version to support scenario planning, revisions, and historical comparisons while maintaining data integrity and auditability.
- **Q** — What do districts want to do with multiple versions of the F-195 as working papers?



SASQUATCH QUESTIONS – 129SAFS

- The apportionment system shall allow school districts to copy an existing budget within the Budgeting and Accounting System (F-195) module to create up to two budgets for a given fiscal year.
- **Q** — Regarding how many copies can be created. If you can copy over an F-195 to a new file, do you want to be able copy over F-200 changes?



SASQUATCH QUESTIONS – 092SAFS

- The system shall have the ability to maintain and display both the original and the most recent official revised version of each district's Annual Financial Statement (F-196) report for a given school year. It shall retain all internal versions for audit and historical purposes but publicly display only the most recent approved revision. The system shall include configurable controls to define how many district-level corrections are permitted before OSPI approval is required.
- **Q — Regarding F-196 Revisions: Your thoughts on the number.** One scenario — limit revisions to a single version. The revision could be started by the district — and saved and printed to present to the auditors. But it could be further updated by SAO for a final audited revision document.
- Both the Original and Audited Revision are Public-Facing.



SASQUATCH & the F-197

- Provide OSPI with a high-level overview of the current F-197 process.
- How the financial information moves from the County Treasurer to the EDS system.
- What are some reasons the F-197 is not updated timely.
- When do you expect the annual F-197 rollover to occur.



Final Thoughts

- ✓ The next meeting is scheduled for Thursday, December 3rd.
- ✓ OSPI will host In-Person if you choose to attend the meeting at the Old Capital Building in Olympia; and we will broadcast the meeting via Teams 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.





Future Discussion Topics



F-197 Cash File — Some Thoughts

F-197 System Upgrade

- F-197 System Upgrade Subcommittee
 - **ALL ESD—AFOs:** Andrew Raab (ESD123); Charles Hole (ESD112); Dustin Kinley (ESD105); Jason Williams (ESD171); Jordan Coleman (ESD114); Julie Rupe (ESD113); Justin Lanting (ESD121); Kristin Correll (ESD112); Leslie Oliver (ESD101); Lori McLeod (ESD189); Stephen Lord (ESD121);
 - And if your name is not on the list, please let me know.
 - Paul Stone; Julie Salvi
- **Progress on this topic is currently stopped/tabled**
- Interfund Activity Tracking in the F-197
 - Interfund Expenditure Reimbursements
 - Interfund Transfers
 - Interfund Loans
- EDS System modifications to produce user-friendly reports.



F-197 Concept to Review

- Interfund Reimbursement year-end reconciliation is difficult, and it is always an SAO audit focus.
- Feasibility Study to explore new alignments on the F-197
 - Identifying Interfund Reimbursements — a priority
 - Aligning Interfund Transfers with Other Financing Uses — a priority
 - Aligning Interfund Loan Receivables and Payables — a priority
 - Create new Item numbers.
- Add procedures into the SDAM to add leverage.
- Possibly include County Treasurers in future conversations.



F-197 Partial Illustration		ITEM No	General Fund 1	Capital Projects Fund 2
Beginning Cash Balance			\$	
ADD:	School District Deposits Received In	01		
	Investment Earnings	02		
	Investments Sold (Exclude Interest)	03		
	Interfund Loan Proceeds from another Fund	52		
	Repayment of Interfund Loan Principal from another Fund	49		
	(Exclude Interest)			
	Proceeds from Revenue Anticipation Notes Issued	15		
	Total Schedule A Cash Increases (see page 8)	04		
	Interfund Expenditure Reimbursements from another Fund	#		
	Interfund Transfer from another Fund – Move here ? -	48 #	9900 & 9901 & 9902	9900 & 9901
	Other Cash Increases - Identify	19		
DEDUCT:	Warrants Redeemed	05		
	Warrant Interest Paid	06		
	Investments Purchased	07		
	Interfund Loans to Another Fund	13		
	Repayment of Interfund Loan Principal to another Fund	08		
	(Exclude Interest)			
	Interfund Loan Interest Paid	09		
	Revenue Anticipation Notes Redeemed	16		
	Revenue Anticipation Note Interest Paid	17		
	Transfer to Funds	10	535 or 536	535 or 536
	Bond Issuance Expenditures	18		
	Interfund Expenditure Reimbursements to another Fund	#		
	Other Cash Decreases - Identify	11		
Ending Cash Balance			\$	



F-197: Review of **Schedule A** – Cash Increases

County Treasurer Report: Schedule A (Condensed View of Items Shown)				
Rev Code	Source	Item No.	General Fund	Capital Projects
1100	Local Property Tax	20		
1900	Other Local Tax	31		
XXXX	Apportionment 1197 Total	32		
2900	Other Local Support Non-Tax	38		
5500	Federal Forest	27		
XXXX	Other Federal (include 5200 & 6100)	40		
2300	Investment Earnings	02		
2400	Interfund Loan Interest	41		
7100	Participation Payments from Other	46		
7301	Non-High Participation	47		
9900	Transfers (Apportionment Redirection)	48	Remove Fm Schd A	
9901	Transfers - Other	#	Remove Fm Schd A	
9902	Transfers – Technology & Maintenance	#	Remove Fm Schd A	
Total Schedule A Cash Increases to Item 04				





Financial Health Indicators

Financial Health Indicators

- New Forward-Looking Indicators may Include Discloser of Loans, Advances, & Transfers
- We will Continue Discussions on Changing Current Indicators
- Thoughts from SDAAC Members
- Agency Perspective - TJ
- Future Subcommittee Meetings TBD



Potential Adjustments to Weights

Financial Health Indicator Weighted Values		
	Current Weights	Proposed Weights
Fund Balance to Revenue	40 %	40%
Expenditures to Revenues	35 %	35%
Days Cash on Hand	15 %	24%
F195F 4-year Budget Plan Summary	10 %	1%



Potential Adjustments to Cut Scores

Fund Balance to Revenue (Current Weight 40%)					
Current Scoring			Proposed Scoring		New Scoring Indicates
< 0%	0		< 2.00%	0	Less than a week Fund Balance in reserve.
0.00% - 1.99	1		2.00% - 4.99%	1	A "7 to 18" day reserve
2.00% - 5.99	2		5.00% - 7.99%	2	Up to a 28-day reserve
6.00% - 12.49	3		8.00% - 12.49%	3	Up to a 45-day reserve
≥ 12.50%	4		≥ 12.50%	4	Greater than a 45-day FB



Potential Adjustments to Cut Scores

Expenditures to Revenues (Current Weight is 35%)					
Current Scoring			Proposed Scoring		New Scoring Indicates
0.00% - 99.99	4		0.00% - 97.99	4	Retaining more than 2% of Resources / Increasing Fund Balance.
100.00% - 101.99	3		98.00% - 99.99	3	Current Resources sufficient to pay Current Expenditures
102.00% - 104.99	2		100.00% - 101.99	2	Using Less than 2% of Fund Balance to pay Current Expds
105.00% - 109.99	1		102.00% - 107.99	1	Up to a 10% Fund Balance draw down.
≥ 110.00%	0		≥ 108.00%	0	Fund Balance draw down exceeds 8 %.



Potential Adjustments to Cut Scores

Days Cash on Hand (Current Weight is 15%)					
Current Scoring			Proposed Scoring		New Scoring Indicates
Days			Days		The average is currently around 32 days.
0 – 30	0		0 - 30	1	
30 - *Average	1		30 – 44	2	
*Average - 59	2		45 - 59	3	
60 - 89	3		60 - 90	4	
90 +	4		90 +	1	

The average is currently around 32 days.



Review Scoring Methodology

4-Year Budget Plan		
No Scoring Change		Change in Weight from 10% to 1%
0 Negative Years	4	Must be included in Financial Health analysis but it is very difficult for us to apply significance in weight scoring.
1 year	3	
2 years	2	
3 years	1	
4 years	0	



Committee Involvement

- **Let us know your ideas for improving the Financial Health Indicators**
- **Let us know how we can help elevate the importance of Financial Health to stakeholders**
- **Let us know how we can support your messaging that Financial Health must be an organizational priority**

