

# School District Accounting for COVID-19 Expenditures

School districts incurring expenditures related to the COVID-19 pandemic should account for these costs in a manner that can be easily identified and compiled for reporting purposes. The Office of Superintendent of Public Instruction (OSPI) is developing a reporting platform and it will be available to districts in the late summer or early fall.

Because school districts manage their own unique accounting systems, OSPI cannot prescribe a statewide method to account for COVID-19, nor collect the data systematically in the annual financial reporting process. Business managers are encouraged to develop a unique accounting identifier for COVID-19 within their account code structure, for internal tracking purposes. Best practices, suggested by business officials already tracking these costs, include, but, are not limited to: creating a sub-program identifier; or creating a unique project identifier at the end of the account code string.

Not all expenditures by a district during the period of school closure are considered COVID-19-related expenditures. Base-Contracts and contract stipends being paid and programs operating in a typical capacity, are not COVID-19 expenditures; even though the tasks performed may be altered.

***OSPI cannot perceive every situation a district may encounter. The agency encourages district officials to use professional judgement to determine whether a particular cost is COVID-19 related. In general, COVID-19 costs are expenditures that would not have been incurred without the COVID-19 emergency.***

## Childcare for Emergency Responders

School districts will want to account for the cost of providing childcare for emergency responders in Program 88 – Childcare. While apportionment is an allocation only, and districts can use apportionment resources for staff reassigned to other duties, the governor’s order to implement this program elevates this activity to emergency status. Code the costs to implement this program as COVID-19 related.



## Donating Personal Protective Equipment (PPE)

There is an opportunity for districts to donate PPE, medical supplies and gloves, held in stock by athletic departments to eligible healthcare agencies. Schools should track the donated PPE inventory and its cost. Business Managers should reclassify PPE expenditures to Program 97, Activity 11, and Object Code 7950. Identify the costs as COVID-19. The district credits the original expenditure account code and charges (debits) account code 97-11-7950. This will transfer the donated PPE to a specific account code called "Special Items" under the Board of Directors. We recognize the cost of supplies are an Object Code 5 and that we are asking districts to change the expenditure type to Object Code 7.

Below are some other scenarios for consideration.

## Allowable COVID-19 Expenditures

- **Additional hours** worked over the contracted hours may be COVID-19 related. For example, overtime and extra hours to clean facilities would be considered allowable.
- **Additional supplies** (hand sanitizer, facial tissues, etc.) purchased to prevent the spread of the virus may be COVID-19 related.
- **Additional instructional materials** provided for student learning/enrichment from home.
- **Additional meals** not reimbursed (meals on weekends) may be COVID-19 related.
- **Additional time** by a bus driver to deliver instructional materials and meals to home locations may be considered COVID-19 related.
- **Administrative leave** provided to staff under the Governor's emergency instructions order.

## Unallowable COVID-19 Expenditures

- Normal custodial duties and supplies.
- Normal cleaning of facilities.
- Normal employee hours and supplies necessary for the preparation of meals, even though schools are closed.
- Reimbursable meals, even though schools are closed.
- Regular staff time.
- Staff time reassigned to perform other duties, in other programs, during the period of school closure.
- A bus driver's contracted hours to perform "To and From" transportation is used to deliver instructional materials and meals to home locations.



## Tracking Lost Revenue

The opportunities lost to produce revenues through programs and facility use is not a revenue, nor an expense for this reporting platform. It cannot be accounted for in the accounting structure nor reported on the F-196. Districts may track lost opportunities for revenue on a separate spreadsheet and retain the information. At this time, OSPI cannot imply that this information will be collected or requested later.

## Expenditure Reporting

When the reporting platform is available, expenditures will be reported by the following Program and Object Code groupings:

<b>School District Program Expenditures Related to COVID-19</b>	
<b>Expenditures by Program Group</b>	<b>Amount of Expenditures</b>
Regular Instruction – 0X	
Special Education Instruction – 2X	
Vocational Instruction – 3X	
Skills Center Instruction – 4X	
Compensatory Education – 5X & 6X	
Other Instructional Programs – 7X	
Community Services – 8X except Program 88	
Program 88 – Childcare	
Program 97 – except 97-11-7950	
PPE Donated: record as 97-11-7950	
Program 98	
Program 99	
Total Expenditures	



### School District Expenditures, by Object Code, Related to COVID-19

<b>Expenditures by Object</b>	<b>Amount of Expenditures</b>
Debit Transfers – 0XXX	
Credit Transfers – 1XXX	
Salaries – Certificated Employees – 2XXX	
Salaries – Classified Employees – 3XXX	
Benefits and Payroll Taxes – 4XXX	
Supplies, Instructional Resources – 5XXX	
Purchased Services – 7XXX	
Travel – 8XXX	
Capital Outlay – 9XXX	
Total Expenditures	

