EXAMPLE 1:

In this example, an SEA creates, through its electronic consolidated funding application system, a process that allows an LEA to list the program funds each school plans to consolidate in its schoolwide program. This enables the LEA to create a consolidated schoolwide pool, with its own accounting code, for all of the schools operating a schoolwide program. The program funds distributed to a school operating a schoolwide program that are included in the consolidation lose their identity and may be used for any activity consistent with the school's schoolwide plan.

As illustrated in Chart A below, an LEA determines for each of its Title I schools operating a schoolwide program how much each program included in its schoolwide program contributes to the consolidated schoolwide pool. As each of its schoolwide schools spends money for activities to support its schoolwide plan, the LEA draws down funds and charges them to each program contributing to the consolidated schoolwide pool based on the proportionate shares shown. For example, because Title I, Part A contributed 8 percent of the funds to the consolidated schoolwide pool, the LEA would know that 8 percent of the expenditures made from the consolidated schoolwide pool for all its schoolwide schools should be attributed to Title I, Part A. Note that any Federal funds not included in the consolidated schoolwide pool must be accounted for separately.

Chart A

Programs Contributing Funds to the Consolidated Schoolwide Pool						
	Federal Funds					
School Building	Title I - A Disadvantaged	Title II-A Improving Teacher Quality	Title IV-A Safe and Drug Free Schools	IDEA- B	State and Local Funds	Total for Each Building
A	$182,535	$25,000	$10,685	$94,462	$2,048,115	$2,360,797
B	115,455	25,000	20,071	27,709	1,380,884	1,569,119
C	181,780	25,000	23,686	69,272	1,940,161	2,239,899
D	141,900	110,437	22,351	93,202	1,999,902	2,367,792
E	229,460	110,437	27,546	61,715	1,936,291	2,365,449
F	169,860	110,437	23,796	54,158	1,525,307	1,883,558
Total Funds LEA Distributes to Individual Schools	1,020,990	406,311	128,135	400,518	10,830,660	12,786,614
Percent of Total	8%	3%	1%	3%	85%	100%

The first line of the table reads: School A contributes $182,535 in Title I-A funds, $25,000 in Title II-A funds, $10,685 in Title IV-A funds, $94,462 in IDEA-B funds, and $2,048,115 in State and local funds to the consolidated schoolwide pool within the LEA.

Although programs consolidated in a schoolwide setting lose their identity and LEAs are not required to track expenditures by specific program, State accounting guidelines generally require that an LEA be

able to identify expenditures for the entire consolidated schoolwide pool by functional categories like salaries, travel, and supplies, etc. [1] However, an LEA would not be required to track how much it spends on salaries, for example, back to a specific program included in the consolidated schoolwide pool.

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[1] An LEA would account for indirect costs for all Federal programs on a district basis in accordance with §§75.560 through 75.563 of EDGAR before allocating Federal funds to individual schools for consolidation, where applicable, in a schoolwide pool.

EXAMPLE 2:

This example looks at a single school. Here an LEA establishes a consolidated schoolwide pool from which a schoolwide building uses all or a portion of the Federal, State, and local funds it receives to support its schoolwide activities consistent with its schoolwide plan. Although the program funds included in the consolidated schoolwide pool lose their identity and may be used for any activity consistent with the school's schoolwide plan, the LEA, for accounting purposes, still attributes expenditures of those funds back to a specific program regardless of what services those funds support. An LEA may use any reasonable method to demonstrate that the funds in a schoolwide program have been expended. Two options are illustrated below:

Option 1 – Distribution of Expenditures Based on Revenues

A building has a schoolwide program with a total of $1,000,000 in revenues from the programs shown in Chart A below:

Chart A

Source of Funds	Revenues	Percent of Total	Expenditures
Total	$1,000,000	100.0%	$950,000
State and Local Funds (included in schoolwide program)	520,000	52.0%	494,000
Federal Programs (included in schoolwide program)			
Title I, Part A	240,000	24.0%	228,000
Title II, Part A -- Improving Teacher Quality	40,000	4.0%	38,000
IDEA Part B (Special Education) *	50,000	5.0%	47,500
Title V, Part A	70,000	7.0%	66,500
Carl D. Perkins Career and Technical Education Act	80,000	8.0%	76,000

The first two lines of the table read: Of the $1,000,000 included in the consolidated schoolwide pool for the school building, $520,000 (52 percent) is from State and local sources and $240,000 (24 percent) is from Title I, Part A. Thus, 52 percent ($494,000) of the expenditures are attributed to State and local sources and 24 percent ($228,000) to Title I, Part A.

* See response in E-10 concerning how a schoolwide program may consolidate funds received under Part B of IDEA.

In this option, the LEA allocates all building schoolwide program expenditures based on the proportion of program revenues coming into the building and budgeted for schoolwide activities. Expenditures are allowable without regard to whether they support the program that generated the funds so long as they are incurred to support the schoolwide program plan.

Like the first example, although programs consolidated in a schoolwide setting lose their identity and LEAs are not required to track expenditures by specific program, State accounting guidelines generally require that an LEA be able to identify expenditures for the entire schoolwide consolidated pool by functional categories such as salaries, travel, and supplies, etc. [2] However, an LEA would not be required to track how much it spent on salaries, for example, back to a specific program included in the consolidated schoolwide pool.

Option 2 – Sequence Charging of Schoolwide Expenditures

Another option is for an LEA to charge 100 percent of all employee and non-employee schoolwide expenditures in a school building first to State and local sources and then to Title I, Part A and other Federal programs until these funds are spent in their entirety or until the maximum carryover amount is all that remains unexpended. The chart below uses the figures from Option 1 to illustrate how sequence charging might work.

Source of Funds	Revenues	Total Expenditures ($950,000) Charged to Federal, State, and Local Programs	Amount Remaining
Total Included in Schoolwide Consolidated Pool	$1,000,000		
State and Local Sources	520,000	- $520,000	
Title I, Part A	240,000	- 240,000	
Title II, Part A -- Improving Teacher Quality	40,000	- 40,000	
IDEA Part B (Special Education) *	50,000	- 50,000	
Title V, Part A	70,000	- 70,000	
Carl D. Perkins Career and Technical Education Act	80,000	- 30,000	50,000

This table reads: Of the $950,000 expended from the consolidated schoolwide pool for the school building, the first $520,000 in expenses is charged to State and local sources; the next $240,000 is charged to Title I, Part A; and the next $40,000 is charged to Title II, Part A. $50,000 remain available for expenditure in the following year from the Carl D. Perkins Career and Technical Education Act program.

* See response in E-10 concerning how a schoolwide program may consolidate funds received under Part B of IDEA.

An LEA may attribute employee and non-employee expenditures to particular fund sources without regard to whether they actually support the fund source so long as the expenditures incurred support the schoolwide program plan. Like the other examples, although programs consolidated in a schoolwide

[2] An LEA would account for indirect costs for all Federal programs on a district basis in accordance with §§75.560 through 75.563 of EDGAR before allocating Federal funds to individual schools for consolidation, where applicable, in a schoolwide pool.

setting lose their identity and an LEA is not required to track expenditures by specific program, State accounting procedures generally require that an LEA be able to identify expenditures for the entire consolidated schoolwide pool by functional categories such as salaries, travel, and supplies, etc. However, an LEA would not be required to track how much it spent on salaries, for example, back to a specific program included in the consolidated schoolwide pool.
