

Mary Taylor, CPA

Auditor of State

Bulletin 2007-005

Date Issued: July 3, 2007

TO: School District Treasurers
 JVSD Treasurers
 Educational Service Center Treasurers
 Community School Finance Officers
 Independent Public Accountants

FROM: Mary Taylor, CPA
 Ohio Auditor of State

SUBJECT: Educational Service Center Receipt Codes

A review of annual reports of educational service centers revealed inconsistent reporting of the money received from the State. The purpose of this Bulletin is to provide specific guidance regarding the classification of these receipts. Money provided by the State consists of the following:

<u>Nature of Receipt</u>	<u>Related Code Section</u>	<u>Recommended Receipt Code</u>
<u>Paid By the State</u>		
Transporting pupils w/disabilities	3317.11(H)(2), 3317.024 (G)	3110
Gifted units (instructional and coordination)	3317.024 (L)	3110
Handicapped preschool classroom units	3317.052 (A)(1)	3110
Handicapped preschool related services units	3317.052 (A)(2)	3110
\$37 - \$40.52 times service center ADM	3317.11(F)	3110
Bus purchases	3317.11(H)(2), 3317.07	3212
Special Ed home instruction (Note: one ESC received payment in FY05, none in FY06)		3110
Bus driver training		3219
<u>Paid By Locals</u>		
Supervisory units	3317.11(B)(1)	122X
Additional supervisory services approved by local and client districts	3317.11(B)(2)	122X
\$6.50 per student (or a higher amount if approved by local client boards) for local and client districts based on districts' student count	3317.11 (C)	122X
Special education extended service	3317.11 (H)	122X
Driver Education (high school students)	3317.11(H)(4)	122X

The recommended receipt codes are the result of consultation with educational service center treasurers from around the State. The use of 122X as the recommended code reflects the desire of some treasurers to record the receipt in more detail than just 1220, which this recommendation allows as the "X" is a variable.

The receipt codes which appear on the bi-monthly settlement sheet will be adjusted to reflect this recommended coding beginning with the first settlement in July. If these recommendations result in changes in the accounts you have been using to record these receipts, changes should be made beginning with the 2008 fiscal year. The adjustments are reflected in the following table.

<u>Nature of Receipt</u>	<u>Old Classification</u>	<u>New Classification</u>
Paid By State		
Special education		
Preschool	3110	3110
Gifted	3110	3110
State per pupil amount	3110	3110
Paid By Locals		
Supervisory allowance	3110	122X
Amount per pupil	3110	122X
Special ed extended service	3110	122X
Contract amount paid by locals	3110	122X

The classification of the contract amounts as 122X (Tuition) assumes that the educational service center is providing instructional services (special education, gifted etc.) to pupils of the client district. The receipt code may need to be modified if non-instructional services are being provided.

We hope that these changes result in more consistent and comparable reporting by the educational service centers. If you have any questions regarding the information presented in this Bulletin, please contact the Local Government Services Section at (800) 345-2519.



Mary Taylor, CPA
Auditor of State