

PUTTING STUDENTS FIRST



TeaTime

***A Resource for District
Treasurers***

State Aid and Financial Planning Service



Areas to be Discussed Today

2

- ✓ Capital Project Contracts
 - ✓ Setting up a new capital project
 - ✓ Recording purchase orders for contracts
 - ✓ Recording accounts payables
 - ✓ Recording change orders
- ✓ Closing out Capital Projects
- ✓ Reporting Capital Fund revenues and expenditures in the ST-3
- ✓ Getting your accounting records ready for the 2025-26 school year

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Capital Project Contracts

Accounting for New Capital Projects



Your District Awarded Bids on a New Capital Project – Now What?

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- ❑ We need to have purchase orders issued for each contract
- ❑ Before that can happen, we need to understand how the bid(s) are supposed to be coded
 - ❑ Project numbers
 - ❑ Amount per building
- ❑ Before that can happen, we need to set up new account codes in the Capital Projects Fund
- ❑ Before that we need a budget by Project number

Budgets and Project Numbers

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- Many times, the voters approve a proposition to do a variety of projects for a set maximum amount of money
 - ▣ To account for all the projects correctly, we need a breakdown of the budget, by individual buildings
 - Reported at this level:
 - In the ST-3
 - In the Schedule of Capital Expenditures (external audit)
 - For the Final Cost Report (FCR)
 - ▣ Request a Project # from Facilities Planning ASAP
 - ▣ Let's look at an example of an upcoming project vote



Project Overview

This proposed project focuses on improving student safety and building security while enhancing the functionality of our educational spaces. Upgrades to facilities and site features, such as parking lots, roads, sidewalks, and traffic flow, will support a more efficient and modern learning community.

Project Scope

Watertown High School

SITE REPAIRS

- Parking area reconstruction
- Track replacement
- ADA upgrades
- Drainage improvements

BUILDING UPGRADES

- Hazardous material abatement
- Toilet room renovations

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- LED lighting upgrades
- Boiler conversion (steam to hot water)
- Upgraded building management system
- Fire alarm replacement

Case Middle School

SITE REPAIRS

- Parking area reconstruction
- Site lighting upgrades
- ADA upgrades
- Drainage improvements

BUILDING UPGRADES

- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- Upgraded building management system
- Fire alarm replacement

H.T. Wiley Intermediate

SITE REPAIRS

- Parking area reconstruction
- Site lighting upgrades
- ADA upgrades
- Drainage improvements
- Parent drop-off reconfiguration
- New playground

BUILDING UPGRADES

- Secure entry vestibule at district office
- Planetarium renovation
- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- LED lighting upgrades
- Upgraded building management system

North Elementary

SITE REPAIRS

- Parking lot reconstruction
- Site lighting upgrades
- ADA upgrades
- Drainage improvements

BUILDING UPGRADES

- Roof replacement
- Toilet room renovations
- Window replacement
- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- LED lighting upgrades
- Boiler conversion (steam to hot water)
- Upgraded building management system

Ohio Elementary

SITE REPAIRS

- Parking lot reconstruction
- Site lighting upgrades
- ADA upgrades
- Drainage improvements

BUILDING UPGRADES

- Masonry restoration
- Window replacement
- Secure entry vestibule
- Corridor renovations
- Main office and nurse office renovation
- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- Upgraded building management system
- Boiler conversion (steam to hot water)

Starbuck Elementary

SITE REPAIRS

- Sidewalk reconstruction and ADA upgrades
- Site lighting upgrades

BUILDING UPGRADES

- Kitchen renovation
- Teacher center renovation
- Secure entry vestibule
- Main office and nurse office renovation
- Hazardous material abatement

Starbuck Elementary (Continued)

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- Boiler conversion (steam to hot water)
- Upgraded building management system
- Fire alarm system replacement

Knickerbocker Elementary

SITE REPAIRS

- Parking lot reconstruction
- Site lighting upgrades
- ADA upgrades
- Drainage improvements

BUILDING UPGRADES

- Special education room renovation
- Toilet room renovations
- Window replacement
- Interior door and hardware replacement
- Corridor renovations
- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- Boiler conversion (steam to hot water)
- Upgraded building management system
- Fire alarm replacement

Sherman Elementary

SITE REPAIRS

- Site lighting upgrades
- ADA upgrades

BUILDING UPGRADES

- Masonry restoration
- Toilet room renovations
- Window replacement
- Classroom renovations
- Hazardous material abatement

MECHANICAL, ELECTRICAL & PLUMBING UPGRADES

- Boiler conversion (steam to hot water)
- Upgraded building management system
- Fire alarm replacement

Massey Building

SITE REPAIRS

- Sidewalk, entry sidewalk, and stair reconstruction

BUILDING UPGRADES

- Exterior door replacement
- Hazardous material abatement

Good Luck
with the
Vote! 😊

Project Numbers Issued From Facilities Planning

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0-015 =
Watertown
High School

-016 = 16th
project
submitted to
Facilities
Planning for
approval

The next
Watertown HS
project will be
numbered
#0015-017

WATERTOWN CITY SCHOOLS STATUS REPORT ON CAPITAL PROJECTS

District No.: 22-20-00-01

last updated on 03/05/25

REVIEW No.	BUILDING NAME/ PROJECT SCOPE	BLDG./ PROJ. NO.	SED APPROVAL	FINAL PROJECT Prj. Mgr.	REVIEW Const.	Mech.
23-1747	North Elementary: Reconstruction	0-010-012	01/09/24	DONE	DONE	DONE
22-0706	Knickerbocker Elementary: Reconstruction	0-011-008	01/13/23	DONE	DONE	DONE
	Watertown High School:					
20-0193	Reconstruction	0-015-014	10/01/20	DONE	DONE	DONE
21-1289	Reconstruction	0-015-015	08/22/22	DONE	DONE	DONE
23-0713	Reconstruction	0-015-016	04/11/24	DONE	DONE	DONE
	Starbuck Elementary School:					
23-1051	Reconstruction	0-017-005	12/21/23	DONE	DONE	DONE
24-0042	Reconstruction	0-017-006	08/13/24	DONE	DONE	DONE
	Wiley Intermediate School:					
21-1290	Reconstruction	0-021-014	08/22/22	DONE	DONE	DONE
24-1465	Reconstruction	0-021-015			UNREVIEWED	
	Case Middle School:					
21-0073	Reconstruction	0-023-004	08/02/21	DONE	DONE	DONE
21-0052XX	Reconstruction	0-023-005			CANCELLED	
21-0112	Reconstruction	0-023-006	08/02/21	DONE	DONE	DONE
21-1291	Reconstruction	0-023-007	08/22/22	DONE	DONE	DONE

<https://www.p12.nysed.gov/facplan/articles/Projects.htm>

Account Codes in Capital Fund

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ST-3 Codes

Final Cost Report Codes

EXPENDITURES BY CONTROL ACCOUNT

Security of Plant

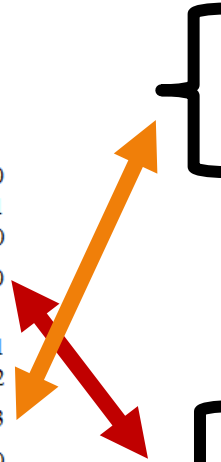
Noninstructional Salaries	H1622.16
Equipment	H1622.2
Contractual and Other	H1622.4
Materials and Supplies	H1622.45
BOCES Services	H1622.49
Employee Benefits	H1622.8
Total Security of Plant	H1622.0
Regular School-Furniture, Equipment, Textbooks	H2110.200
Superintendent of Construction or Clerk of Works	H2110.201
Buses	H5510.210
Contractual and Other (Incl Architecture, Legal, Engineering, and Insurance)	H2110.240

Land	H1940.291
Buildings	H1620.292
General Construction (Including HVAC, Plumbing, Electric, Site Improvement, & Utility & Service)	H1620.293
Maintenance of Plant	H1621.200
TOTAL CAPITAL FUND EXPENDITURES	HT9900.0

INTERFUND TRANSFERS

Transfers to General Fund	H9901.9
Transfers to Debt Service Fund	H9901.96
TOTAL INTERFUND TRANSFERS	HT9951.0
TOTAL EXPENDITURES AND INTERFUND TRANSFERS	HT9999.0

Object of Expenditure	Code	FCR page(s)
Building--purchase of	.292	9
General Construction	.293	3, 9b
Heating and Ventilating	.294	4, 9f
Plumbing	.295	5, 9h
Electric	.296	6, 9j
Utility and Service Systems	.298	7
Other Contracts	--	8 - 8q
Furniture and Equipment	.200	10g
Superintendent of Const.	.201	10
Administrative Expense	.240	10a
Insurance	.243	10f
Legal Services	.244	10
Architect's Fees	.245	10
Survey and Engineering	.246	10
Land -- purchase of	.291	10f
Site Improvements	.297	10f



Recommended Account Codes

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- ❑ I would encourage you to code your projects using the codes from the FCR and then link them to the ST-3 codes in your accounting system
- ❑ Account code structure: Hxxxx.xxx-xx-xxxx
- ❑ So, for a Heating and Ventilation contract for Project #0015-017 some suggestions are:
 - ▣ H1620.294-15-0017 – linked to ST-3 Code H1620.293
 - ▣ H0015.017-25-0294 – linked to ST-3 Code H1620.293



Recording the Budget

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Example: Building #1's (0005-022) budget includes \$3,000,000 for General Construction, \$1,500,000 for Heating and Ventilation and \$500,000 for Electrical Work. This project is one of four projects funded from a \$25,000,000 serial bond.

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H510-Estimated Revenues			\$ 5,000,000	
	H5710-Proceeds of Bonds	\$ 5,000,000		
	H960-Appropriations			\$ 5,000,000
	H1620.293-05-0022 - General Construction	\$ 3,000,000		
	H1620.294-05-0022 - Heat and Vent Work	\$ 1,500,000		
	H1620.296-05-0022- Electrical Work	\$ 500,000		

RESOLUTION
AWARDING CONTRACTS FOR CAPITAL CONSTRUCTION
PROJECT

WHEREAS, the Board of Education of the Central School District (the “Board of Education”) solicited bids from prime contractors for construction services in conjunction with its 2024 Capital Improvement Project - Phase 1A (the “Project”); and

WHEREAS, bids were received and publicly opened on February 4, 2025; and

WHEREAS, the Project Architect and the Project Construction Manager reviewed the bids and bidders’ qualifications for the Project, discussed the Project with the lowest responsible bidders and by letter dated February 7, 2025, recommend award of contracts as set forth herein; and

WHEREAS, the Board of Education accepts the recommendation of the Project Architect and the Project Construction Manager and determines that it is in the best interest of the School District to accept the bids and award contracts as set forth herein;

NOW THEREFORE, the Board of Education hereby resolves to award the following contracts for the Project:

1. Prime Contract #01: Roofing Work Prime Contract to Niko K. Construction Corp.

Contract Amount: \$4,970,000

2. Prime Contract #02: Site Work Prime Contract to M. Sullivan Construction

Contract Amount: \$1,251,000

3. The Board hereby authorizes its President or the Superintendent of Schools to execute contracts and related documents in compliance with this Resolution with such provisions other than a material increase in the scope of the work or the approved amount as may be approved by the Superintendent of Schools which approval shall be conclusively shown by the execution thereof and take all actions necessary or convenient to proceed under the contract in connection with the Project and to comply with all applicable laws, regulations, and executive orders relating to the contract or the Project, and to do all other acts as may be necessary or proper to effectuate the purposes of the foregoing Resolution.
4. Upon approval by the Board of Education, this Resolution shall take effect immediately.

You should review the Board agendas/minutes for contracts being awarded.

This way, you can set up the budget/account codes before the purchase order needs to be issued with the proper account codes.

The purchase order should happen before the first invoice is received.

APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER: Sample School District

PROJECT:

FROM CONTRACTOR:

VIA ARCHITECT:

Niko K. Construction

CONTRACT Roofing

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$ 4,970,000
2. Net change by Change Orders	\$
3. CONTRACT SUM TO DATE (Line 1 ± 2)	\$ 4,970,000
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 200,000
5. RETAINAGE:	
a. 10 % of Completed Work (Column D + E on G703)	\$ 20,000
b. % of Stored Material (Column F on G703)	\$
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	20,000
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$ 180,000
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$ 0
8. CURRENT PAYMENT DUE	\$ 180,000
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$ 4,790,000

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		
TOTALS		
NET CHANGES by Change Order		

AIA DOCUMENT G702

APPLICATION NO: #1

PERIOD TO: February 28, 2025

PROJECT NO'S:

COMMITMENT NO'S

CONTRACT DATE: February 10, 2025

PAGE ONE OF

PAGES

Distribution to:
☒ OWNER
☐ ARCHITECT
☐ CONTRACTOR

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: Niko Kapstatio Date: 3/3/2025

State of: New York County of: Albany
Subscribed and sworn to before me this 3rd day of March 2025
Notary Public: Mr. Notary
My Commission expires: 8/2/26

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 180,000

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: J. M. Architect Date: 3/5/25

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE OF PAGES

APPLICATION NO:
APPLICATION DATE:
PERIOD TO:
NNI's PROJECT NO:

[illegible]



Recording the Contract/PO

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Assume the following budgets were recorded previously for the Roof Work:

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H510-Estimated Revenues			\$ 5,000,000	
	H5710-Proceeds of Bonds	\$ 5,000,000		
	H960-Appropriations			\$ 5,000,000
	H1620.293-03-0012 - General Construction	\$ 3,000,000		
	H1620.293-14-0007 - General Construction	\$ 1,970,000		
	H1620.293 - Contingency	\$ 30,000		

To record encumbrances for the purchase order issued to Niko K Construction:

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H521-Encumbrances			\$ 4,970,000	
	H1620.293-03-0012 - General Construction	\$ 3,000,000		
	H1620.293-14-0007 - General Construction	\$ 1,970,000		
	H821-Reserve for Encumbrance			\$ 4,970,000



Recording the Payment Application

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To record a payable for Application #1 and release related encumbrance:

H522-Expenditure Control			\$ 180,000	
	H1620.293-0003-012			
	General Construction	\$ 180,000		
	H600-Accounts Payable			\$ 180,000
H821-Reserve for Encumbrances			\$ 180,000	
	H521-Encumbrances			\$ 180,000
	H1620.293-0003-012			
	General Construction	\$ 180,000		

Balance of the encumbrances is now \$4,790,000 (\$4,970,000 - \$180,000)

APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER: Sample School District

PROJECT:

FROM CONTRACTOR:

VIA ARCHITECT:

Niko K. Construction

CONTRACT: Roofing

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$ 4,970,000
2. Net change by Change Orders	\$ 20,000
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$ 4,990,000
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 2,200,000
5. RETAINAGE:	
a. 10 % of Completed Work (Column D + E on G703)	\$ 220,000
b. % of Stored Material (Column F on G703)	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	220,000
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$ 1,980,000
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	1,680,000
8. CURRENT PAYMENT DUE	\$ 300,000
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$ 3,010,000

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month	20,000	
TOTALS	20,000	
NET CHANGES by Change Order	20,000	

AIA DOCUMENT G702

APPLICATION NO: #5

PERIOD TO: June 30, 2025

PROJECT NO'S:

COMMITMENT NO'S

CONTRACT DATE: February 10, 2025

PAGE ONE OF

PAGES

Distribution to:

XX OWNER
ARCHITECT
CONTRACTOR

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: Niko Kapstatio Date: 7/3/2025
State of: New York County of: Albany
Subscribed and sworn to before me this 3rd day of July 2025
Notary Public: Mr. Notary
My Commission expires: 8/2/26

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 300,000

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:
By: J. M. Architect Date: 7/5/25

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE OF PAGES

APPLICATION NO: #5
APPLICATION DATE:
PERIOD TO:
NNI's PROJECT NO:

[illegible]



Recording the Change Order

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To record a change order for Application #5:

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H960-Appropriations			\$ 20,000	
	H1620.293-Contingency	\$ 20,000		
	H960-Appropriations			\$ 20,000
	H1620.293-03-0012 - General Construction	\$ 20,000		



Recording the Year End Payables

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To record accounts payable for Application #5: (Reduction of encumbrance not shown here)

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H522-Expenditure Control			\$ 300,000	
	H1620.293-03-0012 - General Construction	\$ 200,000		
	H1620.293-14-0007 - General Construction	\$ 100,000		
	H600-Accounts Payable			\$ 300,000

Work completed in June:

003-0012: \$222,222 - 10% Retainage = \$200,000 A/P

014-0007: \$111,111 - 10 % Retainage = \$100,000 A/P

At Year-End

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- Review each open contract and:
 - ▣ Tie out amount in accounts payable
 - ▣ Tie out expenditures to date, by project #
 - ▣ Tie out balance in reserve for encumbrances
 - Make sure change orders have all been accounted for

Reporting Expenditures in ST-3

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Report expenditures by function and object of expense on the top half of Schedule G3

Tip: Now is a good time to review your accounting software to ensure all expenditure lines are linked properly to a ST-3 code

Schedule G3 - Capital Funds Expenditures by Project and by Control Account				2022-23 School Year SED File (Prior)	2023-24 School Year DP Code 67 (Actual)
Account					
EXPENDITURES BY CONTROL ACCOUNT					
Security of Plant					
Noninstructional Salaries	H1622.16	1a			
Equipment	H1622.2	1b			
Contractual and Other	H1622.4	1c			
Materials and Supplies	H1622.45	1d			
BOCES Services	H1622.49	1e			
Employee Benefits	H1622.8	1f			
Total Security of Plant	H1622.0	1g			
Regular School-Furniture, Equipment, Textbooks	H2110.200	1			
Superintendent of Construction or Clerk of Works	H2110.201	2			
Buses	H5510.210	3			
Contractual and Other (Incl Architecture, Legal, Engineering, and Insurance)	H2110.240	4			
		5	not used		
Land	H1940.291	6			
Buildings	H1620.292	7			
General Construction (Including HVAC, Plumbing, Electric, Site Improvement, & Utility & Service)	H1620.293	8			
Maintenance of Plant	H1621.200	9			
TOTAL CAPITAL FUND EXPENDITURES	HT9900.0	10			
INTERFUND TRANSFERS					
Transfers to General Fund	H9901.9	11			
Transfers to Debt Service Fund	H9901.96	12			
TOTAL INTERFUND TRANSFERS	HT9951.0	13			
TOTAL EXPENDITURES AND INTERFUND TRANSFERS	HT9999.0	14			

EXPENDITURES BY PROJECT

Title	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project (H522 + H524)
15.Buses			
16.Non-aidable Projects			
17.Not Used			

CAPITAL OUTLAY EXCEPTION AID (LINES 18-29)

Project < \$100,001 for Capital Outlay Exception Aid	Proj #			
18.				
Approved Small City Waiver for Capital Outlay Exception Aid				
19.				
Approved Emergency Projects for Capital Outlay Exception Aid				
20.				
21.				
22.				
23.				
24.				
25.				
26.				
27.				
28.				
29.				

Other Projects	Project No	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project
30.				
31.				
32.				
33.				
34.				

For the bottom half of Schedule G3 you report expenditures by project #

Lines 18-29 are for projects that you are claiming **Capital Outlay Exception Aid**

Lines 30-59 are for projects that will be aided over 15, 20 or 30 years

Note: You will need to divide the expenditures for each project by funding source (either H522 or H524)

TOTAL CAPITAL FUND EXPENDITURES	HT9900.0	10	1,243,169	4,796,623
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INTERFUND TRANSFERS

Transfers to General Fund	H9901.9	11	9,406	61,606
Transfers to Debt Service Fund	H9901.96	12		
TOTAL INTERFUND TRANSFERS	HT9951.0	13	9,406	61,606
TOTAL EXPENDITURES AND INTERFUND TRANSFERS	HT9999.0	14	1,252,575	4,858,229

EXPENDITURES BY PROJECT

Title	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project (H522 + H524)
15. Buses			0
16. Non-aidable Projects			0
17. Not Used			

CAPITAL OUTLAY EXCEPTION AID (LINES 18-29)

Project < \$100,001 for Capital Outlay Exception Aid		Proj #		
18. 2023-24 TRANSFER TO CAPITAL	0002028	98,462		98,462

SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2024

PROJECT TITLE	Original Appropriation	Revised Appropriation	Expenditures			Unexpended Balance	Proceeds of Obligations	Methods of Financing			Fund Balance June 30, 2024
			Prior Years	Current Year	Total			State Aid	Local Sources	Total	
HS - Kitchen Auditorium Tech	\$ -	\$ 1,100,244	\$ 746,083	\$ -	\$ 746,083	\$ 354,161	\$ 90,769	\$ -	\$ 1,000,000	\$ 1,090,769	\$ 344,686
CES Phase 1 23/24	-	357,000	176,438	166,352	342,790	14,210	-	-	200,000	200,000	(142,790)
HS Phase 1 23/24	-	2,035,000	471,862	1,059,720	1,531,582	503,418	-	-	1,564,559	1,564,559	32,977
MS Phase 1 23/24	-	321,200	77,060	433,622	510,682	(189,482)	-	-	150,000	150,000	(360,682)
BG Phase 2 24/25	-	607,000	41,943	709,580	751,523	(144,523)	-	-	100,000	100,000	(651,523)
CES Phase 2 24/25	-	668,525	37,496	153,966	191,462	477,063	-	-	75,000	75,000	(116,462)
HS Phase 2 24/25	-	4,459,900	255,189	2,087,598	2,342,787	2,117,113	-	-	300,000	300,000	(2,042,787)
MS Phase 2 24/25	-	315,900	17,711	87,325	105,036	210,864	-	-	75,000	75,000	(30,036)
23-24 CPTL Project	100,000	98,462	-	98,462	98,462	-	-	-	98,462	98,462	-
Total	\$ 100,000	\$ 9,963,231	\$ 1,823,782	\$ 4,796,625	\$ 6,620,407	\$ 3,342,824	\$ 90,769	\$ -	\$ 3,563,021	\$ 3,653,790	\$ (2,966,617)

Other Projects	Project No	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project
30. CES PHASE I	0001020		166,352	166,352
31. HS PHASE I	0002027		1,059,720	1,059,720
32. MS PHASE I	0004017		433,621	433,621
33. BUS GARAGE PHASE II	5005011		709,580	709,580
34. CES PHASE II	0001019		153,966	153,966
35. HS PHASE II	0002026		2,087,597	2,087,597
36. MS PHASE II	0002016		87,325	87,325

Closing a Capital Project

When a Capital Project is Completed and FCR Submitted, it Should be Closed Out



Capital Projects – Time to Close?

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- ❑ When a capital project has had the Final Cost Report submitted, all expenditures should have already been paid.
- ❑ If the district received more funding than the actual expenditures, there will be a remaining cash balance.
- ❑ Extra funds should be sent back to the fund that provided the original funding and/or that is servicing the debt service on the project.

Schedule of Project Expenditures - From Your External Audit

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SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2023

PROJECT TITLE	Original Appropriation	Revised Appropriation	Expenditures			Unexpended Balance	Proceeds of Obligations	Methods of Financing			Fund Balance June 30, 2023
			Prior Years	Current Year	Total			State Aid	Local Sources	Total	
HS - Kitchen Auditorium Tech	\$ -	\$ 1,100,244	\$ 746,083	\$ -	\$ 746,083	\$ 354,161	\$ 90,768	\$ -	\$ 1,000,000	\$ 1,090,768	\$ 344,685
School Bus Purchase 2021-22	195,500	189,033	190,475	-	190,475	(1,442)	190,475	-	-	190,475	-
2020-21 CPTL Project Admin Hot Water	100,000	100,000	100,000	-	100,000	-	100,000	-	-	100,000	-
2020-21 CPTL Project - CES Library	100,000	100,000	100,000	-	100,000	-	-	-	100,000	100,000	-
2021-22 Jri/Sr HS Roof - Voter Approved	350,000	350,000	281,175	56,987	318,162	31,838	-	-	350,000	350,000	31,838
2021-22 CPTL Project - Bus Garage Roof	100,000	100,000	18,588	55,436	74,024	25,976	-	-	100,000	100,000	25,976
2022-23 CPTL Project - HS Gym	100,000	100,000	-	96,207	96,207	3,793	-	-	100,000	100,000	3,793
CES Phase 1 23/24	-	357,000	-	176,438	176,438	180,562	-	-	200,000	200,000	23,562
HS Phase 1 23/24	-	2,035,000	-	471,862	471,862	1,563,138	-	-	1,564,559	1,564,559	1,092,697
MS Phase 1 23/24	-	321,200	-	77,060	77,060	244,140	-	-	150,000	150,000	72,940
BG Phase 2 24/25	-	607,000	-	41,943	41,943	565,057	-	-	100,000	100,000	58,057
CES Phase 2 24/25	-	668,525	-	37,496	37,496	631,029	-	-	75,000	75,000	37,504
HS Phase 2 24/25	-	4,459,900	-	255,189	255,189	4,204,711	-	-	300,000	300,000	44,811
MS Phase 2 24/25	-	315,900	-	17,711	17,711	298,189	-	-	75,000	75,000	57,289
2024-25 Capital Project	8,764,559	-	43,160	(43,160)	-	-	-	-	-	-	-
Total	\$ 9,710,059	\$ 10,803,802	\$ 1,459,481	\$ 1,243,169	\$ 2,702,650	\$ 8,101,152	\$ 381,243	\$ -	\$ 4,114,559	\$ 4,495,802	\$ 1,793,152

Projects ready to be closed = \$31,838 + \$25,976 + \$3,793 = \$61,607

- Step 1 – Identify projects that can be closed.
- Step 2 – Determine funding source(s) of remaining balance.
- Step 3 – Have the Board of Education approve closing the project(s).
- Step 4 – Prepare journal entries to close project(s).

Identify Projects to be Closed

27

- ❑ 21-22 Jr/Sr HS Roof / Project #0001-023
 - ❑ Funded from \$350,000 Transfer to Capital from the Capital Reserve
- ❑ 21-22 Bus Garage Roof / Project #5015-010
 - ❑ Funded from \$100,000 Transfer to Capital
- ❑ 22-23 HS Gym / Project #0001-024
 - ❑ Funded from \$100,000 Transfer to Capital





To Close The Three Projects

28

To close Project #0001-023 which had a remaining balance of \$31,838 from a transfer from the Capital Reserve.

		<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H522-Expenditure Control			\$ 31,838	
	H9901.9-Transfer to General Fund	\$ 31,838		
	H630-Due to General Fund			\$ 31,838
A391-Due from Capital Fund			\$ 31,838	
	A980-Revenue Control			\$ 31,838
	A5031-Interfund Transfer from Capital	\$ 31,838		



To Close The Three Projects

29

At year end, this Interfund Transfer from Capital would be closed against the Capital Reserve as that was the original source of the funds:

			<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
A909-Fund Balance				\$ 31,838	
	A878-Capital Reserve				\$ 31,838
Entry assumes that revenue control was closed against A909. This would be the correcting entry.					



To Close The Three Projects

30

To close Project #5015-010 which had a remaining balance of \$25,976 and Project #0001-024 which had a remaining balance of \$3,793 both from a transfer from the General Fund.

			<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
H522-Expenditure Control				\$ 29,769	
		H9901.900-15-010-Transfer to General Fund	\$ 25,976		
		H9901.900-01-024-Transfer to General Fund	\$ 3,793		
		H630-Due to General Fund			\$ 29,769
A391-Due from Capital Fund				\$ 29,769	
		A980-Revenue Control			\$ 29,769
		A5031-Interfund Transfer from Capital	\$ 29,769		



To Close The Three Projects

31

At year end, the Interfund Transfer from Capital for Projects #5015-010 and #0001-024 would be closed against unassigned fund balance as that was the original source of the funds:

			<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
A980-Revenue Control				XX	
A909-Fund Balance					XX
Returned funds have no restrictions on them.					

Transfer of Closed Projects balances are reported here.

If the remaining funds had been from bond proceeds and the Debt Service Fund is used to pay for debt service, the transfer would have been to Debt Service and Interfund Transfer in Debt Service Fund would be closed against the V884-Reserve for Debt.

TOTAL CAPITAL FUND EXPENDITURES		HT9900.0	10	1,243,169	4,796,623
INTERFUND TRANSFERS					
Transfers to General Fund	H9901.9	11	9,406	61,606	
Transfers to Debt Service Fund	H9901.96	12			
TOTAL INTERFUND TRANSFERS	HT9951.0	13	9,406	61,606	
TOTAL EXPENDITURES AND INTERFUND TRANSFERS	HT9999.0	14	1,252,575	4,858,229	

EXPENDITURES BY PROJECT

Title	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project (H522 + H524)
15. Buses			0
16. Non-aidable Projects			0
17. Not Used			

CAPITAL OUTLAY EXCEPTION AID (LINES 18-29)

Project < \$100,001 for Capital Outlay Exception Aid		Proj #		
18.	2023-24 TRANSFER TO CAPITAL	0002028	98,462	98,462
Approved Small City Waiver for Capital Outlay Exception Aid				
19.				0
Approved Emergency Projects for Capital Outlay Exception Aid				
20.				0
21.				0
22.				0
23.				0
24.				0
25.				0
26.				0
27.				0
28.				0
29.				0

Other Projects	Project No	H522 Current Funds (Bud Apps, EXCEL Other & Cap Res)	H524 Obligations (Bonds, BANS, Cap Notes)	Total Project
30.	CES PHASE I	0001020	166,352	166,352
31.	HS PHASE I	0002027	1,059,720	1,059,720
32.	MS PHASE I	0004017	433,621	433,621
33.	BUS GARAGE PHASE II	5005011	709,580	709,580
34.	CES PHASE II	0001019	153,966	153,966
35.	HS PHASE II	0002026	2,087,597	2,087,597
36.	MS PHASE II	0002016	87,325	87,325

What if the Project was Funded From Multiple Sources?

33

- To be able to distribute the remaining balance to the proper fund and/or fund balance and to complete the Final Cost Report properly, tracking expenditures by funding source *from the beginning of the project* is a best practice.

Example: Project #0007-001 was funded \$5,000,000 from serial bonds & \$500,000 from an Interfund Transfer from the General Fund. The district uses the Debt Service Fund to pay for debt service.

Activity over Life of the Project

34

	Bond Proceeds/ BAN \$	Interfund Transfer
2022-23 School Year: Revenues/BAN Payable Expenditures	\$2,000,000 (1,750,000)	
2023-24 School Year: Revenues/\$4.75M Bond (new funds is \$3 M, District paid \$250,000 on BAN) Expenditures	\$3,000,000 <u>(3,100,000)</u>	\$500,000 <u>(450,000)</u>
2024-25 School Year: Balances	\$150,000	\$50,000
2024-25 School Year: Project Closed by BOE Interfund Transfer: To Debt Service Fund To General Fund	\$150,000	\$50,000

Other Projects

Project No

H522
Current Funds
(Bud Apps,
EXCEL
Other & Cap Res)

H524
Obligations
(Bonds, BANS,
Cap Notes)

Total Project

30.	For 22-23:				
31.					
32.	Project #1	0007-001	0	1,750,000	
33.					
34.					
35.	For 23-24:				
36.					
37.	Project #1	0007-001	450,000	3,100,000	
38.					

39.					Bond Proceeds/ BAN \$	Interfund Transfer
40.						
41.				2022-23 School Year: Revenues/BAN Payable	\$2,000,000	
42.				Expenditures	(1,750,000)	
				2023-24 School Year: Revenues/\$4.75M Bond (new funds is \$3 M, District paid \$250,000 on BAN)	\$3,000,000	\$500,000
				Expenditures	(3,100,000)	(450,000)
				2024-25 School Year: Balances	\$150,000	\$50,000
				2024-25 School Year: Project Closed by BOE		
				Interfund Transfer: To Debt Service Fund	\$150,000	
				To General Fund		\$50,000

For 24-25:

TOTAL CAPITAL FUND EXPENDITURES

HT9900.0

10

INTERFUND TRANSFERS

Transfers to General Fund

H9901.9

11

\$ 50,000

Transfers to Debt Service Fund

H9901.96

12

\$150,000

TOTAL INTERFUND TRANSFERS

HT9951.0

13

TOTAL EXPENDITURES AND INTERFUND
TRANSFERS

HT9999.0

14



To Close Project #0007-001

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In the Capital Fund:

H522-Expenditure Control			\$	200,000	
	H9901.900-07-001-				
	Transfer to General	\$	50,000		
	H9901.960-07-001-				
	Transfer to Debt Service	\$	150,000		
	H630-Due to General Fund				\$ 50,000
	H630-Due to Debt Service Fund				\$ 150,000



To Close Project #0007-001

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In the Other Funds:

	<u>Sub Acct</u>	<u>Debit</u>	<u>Credit</u>
A391-Due from Capital Fund		\$ 50,000	
A980-Revenue Control			\$ 50,000
A5031-Interfund Transfer	\$ 50,000		
Revenue is not restricted so would close to unassigned fund balance.			
V391-Due from Capital Fund		\$ 150,000	
V980-Revenue Control			\$ 150,000
V5031-Interfund Transfer	\$ 150,000		
Revenue is restricted to only be used to repay outstanding debt service, so would close to Reserve for Debt (V)884.			

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Getting Our Accounting Records Ready for 25-26

Time to Prepare for the Outcome of the Budget Vote



Getting Ready for 25-26 SY

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- ❑ Budget vote is May 20th
- ❑ Once the 25-26 school budget is approved, the General Fund budget can be entered into your accounting records
 - ▣ This will allow departments to begin entering purchase requisitions which can be approved by the Purchasing Agent so they can be released starting July 1st
- ❑ What can you do now to make that process go smoother?

Tips on Getting Ready

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- ❑ Does the district's budget have new account codes?
 - ❑ New programs?
 - ❑ Budget restructure?
 - ❑ New revenue sources?
- ❑ Are there Special Aid Fund grants that need new accounts codes?
- ❑ Set them up now so that they will be available when you want to use them.

Tips for Getting Ready (con't)

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- Are there new staff that handle purchasing requests?
 - ▣ Either administrators or clerical support?
 - ▣ Consider training sessions on how to roll over purchase requests/review budget reports
- Enter budget and distribute to key stakeholders the portion that they are responsible for, so everyone understands what is in the final budget (and what isn't), provide guidance on new codes, purchase request process, etc.

Tips for Getting Ready (con't)

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- Review with Payroll and HR any new salary codes and account codes for new positions
 - This may help when payroll is rolled over and/or so account codes can be updated appropriately
 - Also, when new positions are filled, all involved understand what account codes are in the new budget that should be used for paperwork related to the new positions and processing payroll
- Your efforts done this spring, should make summer 2025 go smoother!



Conclusion



44

- ✓ Accounting for capital projects properly requires some pre-planning for best results.
- ✓ When the work of a capital project is complete, take the time to close the capital project in your accounting records too.
- ✓ The ST-3 for the Capital Projects Fund requires detailed reporting for revenues and expenditures by each SED project number.
- ✓ The 25-26 budget will be here soon. It is not too early to get your accounting records ready!

Index to Tea Time Topics

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March 2023	June 2023	September 2023	December 2023
Overview of double entry bookkeeping	Food Service bad debts and subsequent collections	Accounting for Summer 4408 activity	Due To/From accounting and how to reconcile
Areas to check mid-year	Accounting for BANs		Grossing up TRS/State Aid
Recording Deferred Taxes	Accounting for fund balance reserves		Accounting for ERS payment
Recording budget with funding/use from reserves in it			Cleaning up old payables
			Cleaning up old receivables

Index to Tea Time Topics

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March 2024	June 2024	Aug/Sept 2024	January 2025
Journal entries to correct opening fund balance	Excel tips and tricks for SBO and treasurers	Tips for preparing the ST-3	Mid-Year Review
Accounting for FS-10As and moving expenses between A and F	Aggregation functions: SUMIF COUNTIF	Tips for reviewing and revising the ST-3	When to use H5730-BANs vs. H5731-BANs Redeemed from Appropriations
23-24 waiver for Food Service Fund bad debt	Lookup & Reference Functions VLOOKUP		Deferred Building Aid – What Causes it and How to Account for It
Accounting for Propositions	Date & Time Functions DATEIF		
Accounting for Prior Year State Aid recoveries			

Index to Tea Time Topics

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March 2025	June 2025		
Accounting for capital construction contracts			
Journal entries for closing out capital projects			
Reporting Capital Fund revenues and expenditures in the ST-3			
Getting your accounting records ready for next year's budget			



Questions?



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