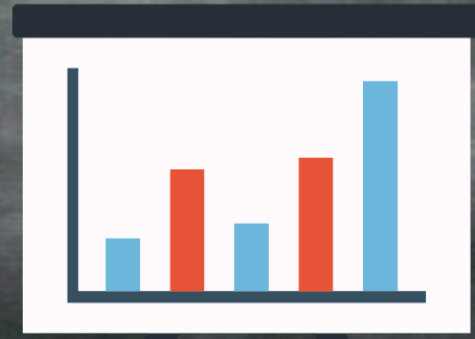




Financial Basics

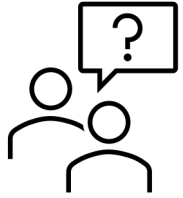


New Director Training Series





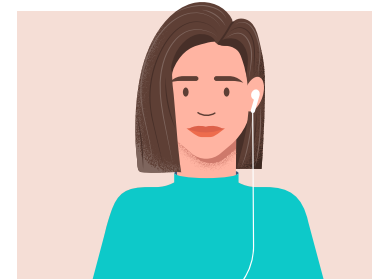
**Georgia Dept
of Early Care
and Learning**
BRIGHT FROM THE START



Questions in the chat to
the host only. Not to
everyone.



Answer the poll questions
in the chat to everyone.



Please always stay muted.

Welcome to: Pre-K Financial Basics Training



- Cherese Myree, Vice President
MH Miles Company CPA PC
- MH Miles Co.- Certified Public
Accounting Firm headquartered
in Decatur, GA
- Specialize in Governmental
Compliance
- Provide Audit, Training and
Consulting Services to BFTS

✓ Provide an overview of good business practices.

✓ Review Selected Pre-K reconciliation line items.

✓ Discuss how to prepare for an Agreed-upon Procedures (AUP) Review.



Learning Outcomes



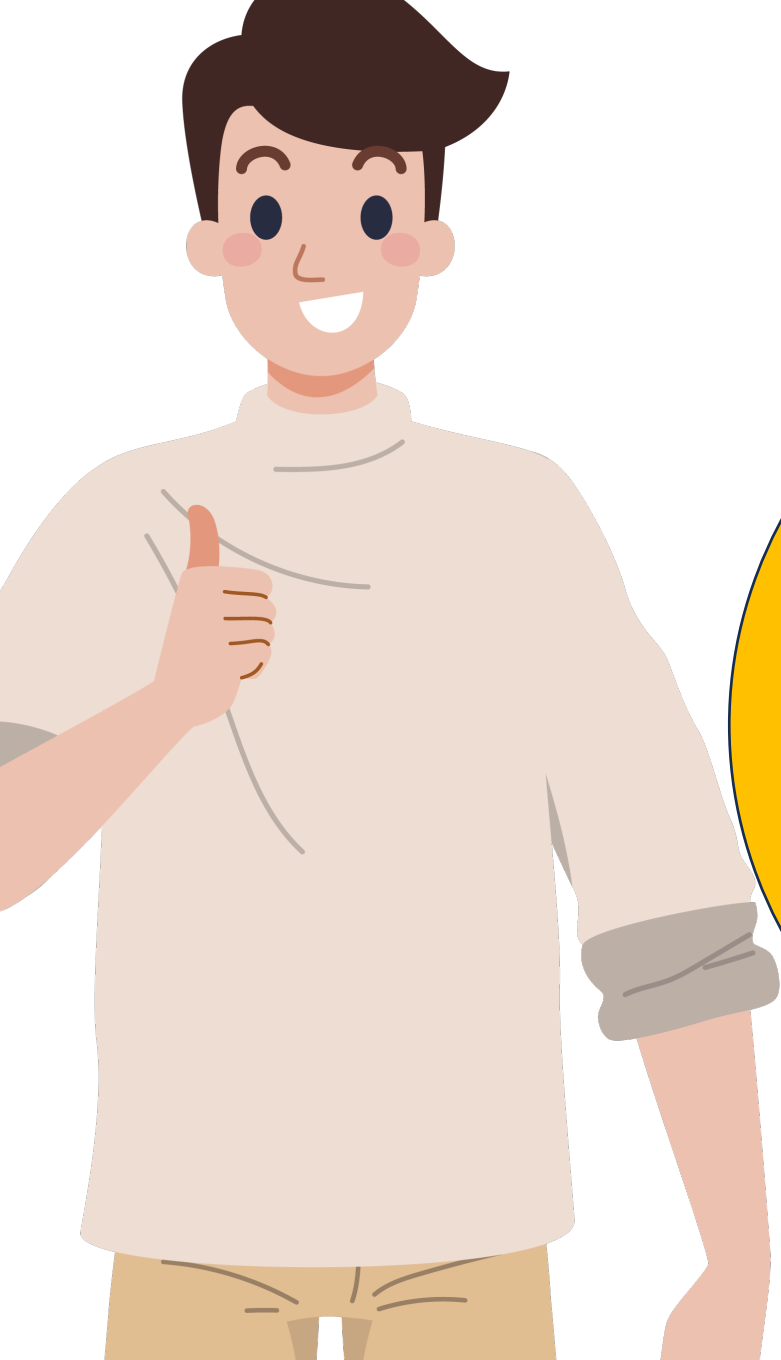
- Understand the expectation to employ sound business practices.
- Recognize the benefits of effective financial management.
- Realize the correlation between effective financial management and Pre-K financial management.
- Identify strategies to support reported costs of key line items on the Pre-K reconciliation.
- Understand the purpose of the AUP process.
- Obtain best practices for preparing for an AUP.

POLL QUESTION



What comes to mind when you hear the word “GOOD” as it relates to business?

Remember: Type your response in the chat to EVERYONE



GOOD BUSINESS PRACTICES

- Beneficial
- Sound
- Safe
- Reliable
- Legal
- Trustworthy
- Useful
- Suitable
- Effective
- Appropriate
- Excellent
- Proficient
- Positive

Good Business Practices

Positive, effective, legal processes and procedures employed, followed, and monitored by a company and its employees in pursuit of the company's overall business goals and objectives.



The planning, directing, monitoring, organizing, and controlling of the monetary resources of an organization.

~ Business Dictionary:

<http://www.businessdictionary.com/definition/financial-management.html>



Effective Financial Management







BENEFITS



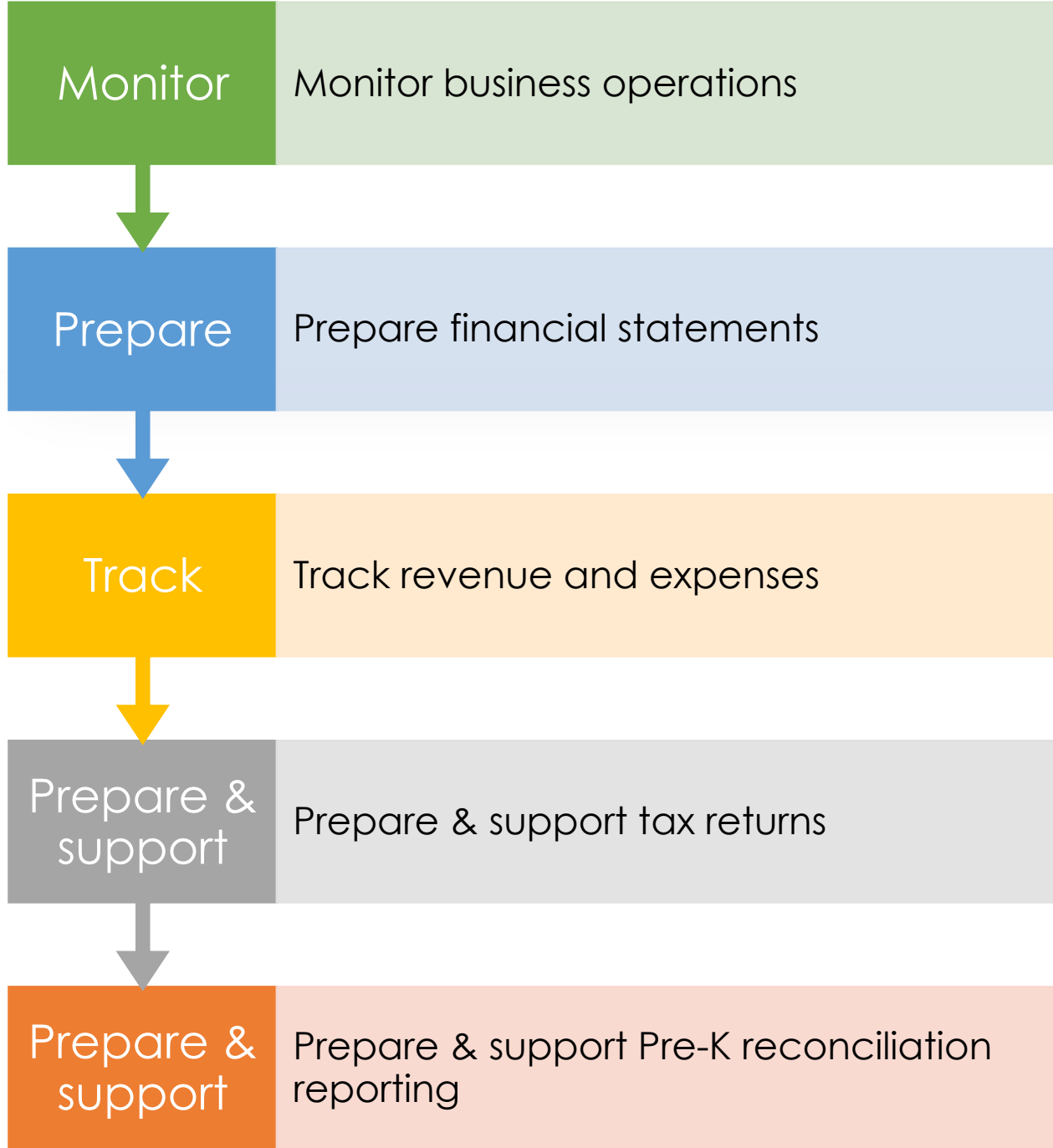
- ✓ Sound business decisions
- ✓ Assess profitability
- ✓ Demonstrate profitability
- ✓ Evaluate capacity
- ✓ Plan business growth
- ✓ Allows for adjustments along the way



Correlation

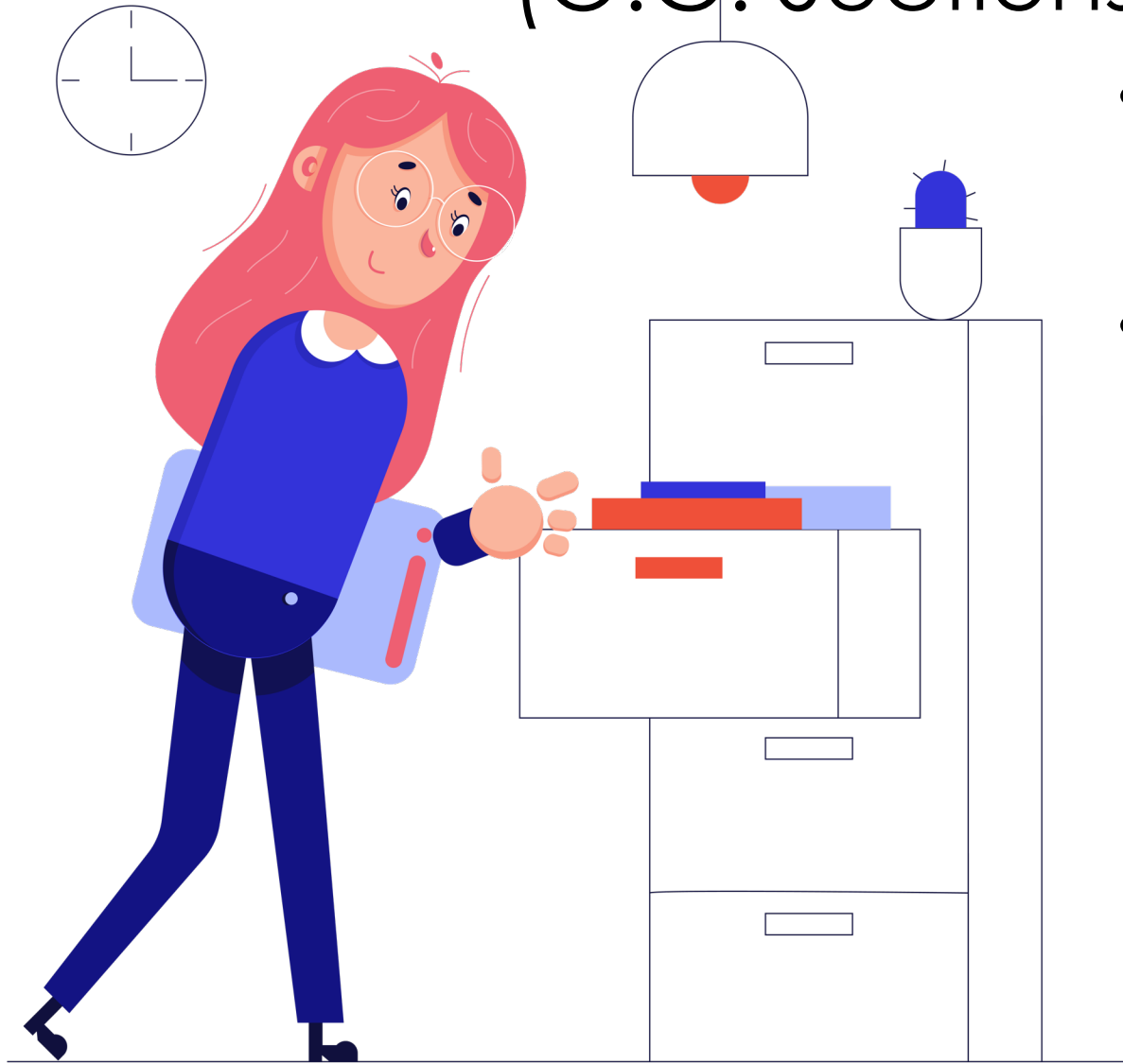
| General Business | Georgia's Pre-K |
|--|------------------------|
| • Budgeting  | ✓ Budgeting |
| • Recordkeeping  | ✓ Recordkeeping |
| • Bookkeeping  | ✓ Bookkeeping |
| • Cash Flow  | ✓ Cash Flow |
| • Financing  | ✓ Financing |
| • Financial Statements  | ✓ Financial Statements |

Recordkeeping



Recordkeeping Requirements

(O.G. Sections 17.7 & 20.10)



- Maintain full and complete funding and expense records pertaining to the grant agreement.
- Must maintain for 3 years beyond the agreement ending date, or until the following has been resolved:
 - Litigation
 - Claims- if started before the expiration of the original 3-year period
 - Audit/review findings- if started before the expiration of the original 3-year period



Recordkeeping Systems

Manual

- Pen and paper
- Spreadsheets
- No computer integration
- Slower process
- Challenging to maintain
- High risk for errors

Automated

- Bookkeeping
- Attendance
- Enrollment
- Streamlined
- Fully integrated
- Only as good as the information being input

Hybrid

- Combination of Manual and Automated



Recordkeeping Systems

- Track revenue and expenses by Program
 - Account name
 - Account number
- Supported by source documentation
- Examples include:
 - Deposits
 - Invoices
 - Receipts
 - Petty cash ledger
 - Canceled checks
 - Credit card Statements
 - Bank statements
 - Accounting policies and procedures
 - Cash purchases
 - Reimbursement



**Recordkeeping Systems:
Tracking & Reporting**

Recordkeeping Systems



Program Revenue

\$ Received by BFTS



Bank Statement

Shows the money was actually received by the Pre-K Provider under contract



Financial Statements

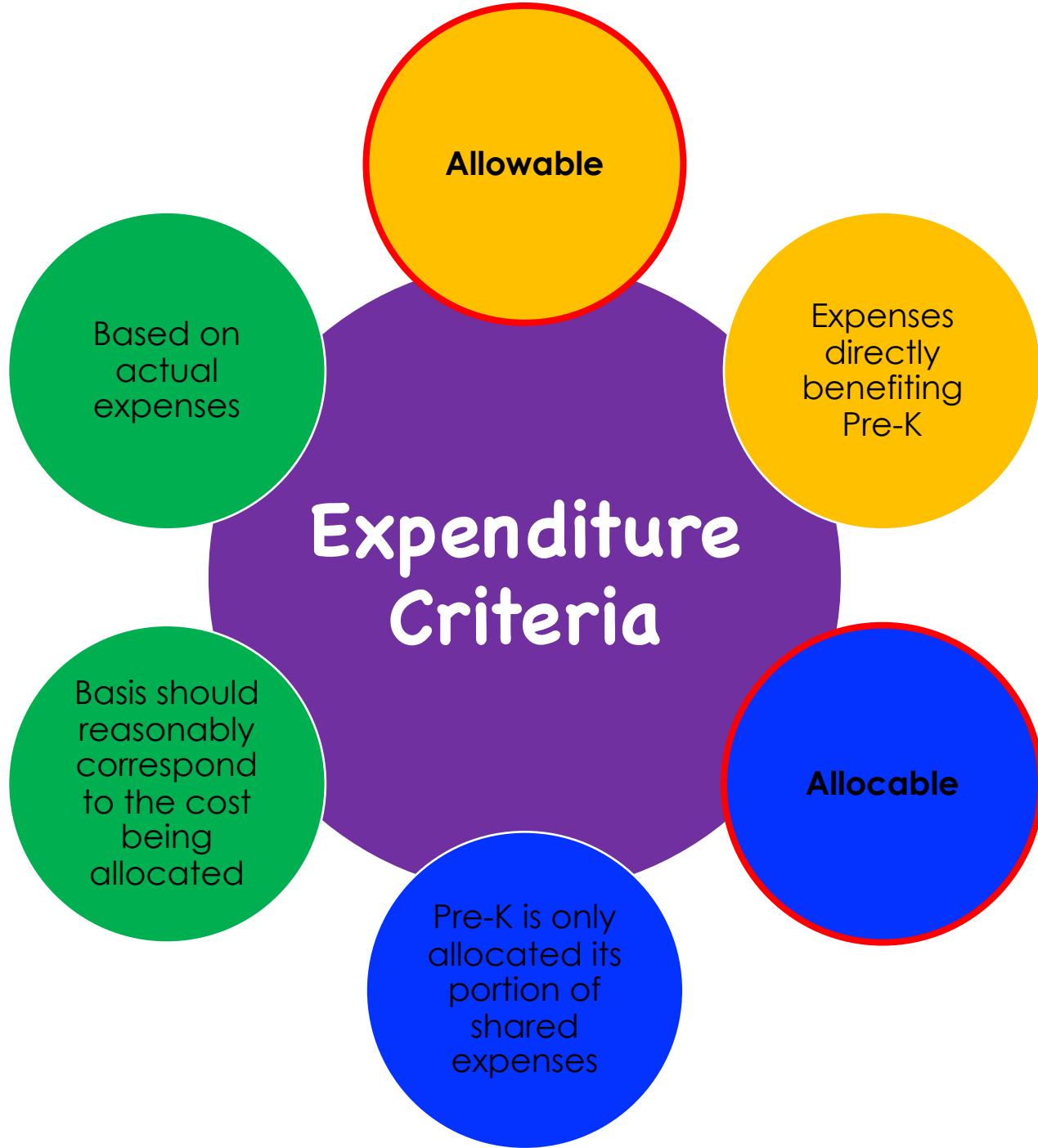
Logs each deposit to Pre-K;
Totals the amount received from BFTS;
Supported by the Pre-k Payment Advice

Expenditure Criteria

Georgia's Pre-Kindergarten Program
O.G. Section 17.0 – 17.7

A woman with dark hair is looking upwards with a thoughtful expression. Above her head is a hand-drawn thought bubble with a scalloped edge. Inside the bubble, the text "Pre-K Expenses" is written in a bold, black, sans-serif font. The background is a plain, light-colored wall.

Pre-K Expenses



Pre-K Business Rules

- **Instructional supplies and materials**

- \$1,000 per classroom
- Appendix H- Basic Equipment, Materials and Supplies Inventory List

- **Minimum teacher salaries**

- Lead teacher- 90% of the base salary funded by BFTS
- Lead teacher - 100% of the supplemental salary funded by BFTS
- Assistant teacher- 100% of the base salary funded by BFTS

- **Administrative Expenses**

- No more than 6% of the Pre-K budget
- Actual costs and allocation must be supported

Capital Improvements

(O.G. Section 17.6)

- Costs related to improvements that extend the useful life of property, improve the quality of a product, and/or adds value to a capital assets (e.g. buildings and vehicles).
- Examples of unallowable items include the purchase, repair and/or installation of:

| | |
|------------------|-------------------------|
| Roofing | Air Conditioning System |
| Tile | Alarm System |
| Carpet | Buildings |
| Doors or Windows | Transportation Vehicles |
| Wallpaper | |

Supporting Business Documents

| Providers must maintain full and complete records | |
|---|---|
| Original itemized receipts | Deposit Slips |
| Invoices | Payment Advice |
| Vendor Contracts | Bank Statements & Canceled Checks (front and back) |
| Employment Agreements | Credit card statements |
| Pre-K Grant Agreement | Timesheets & Distribution Records |
| Pre-K Operating Guidelines | Payroll Records (time worked, gross, itemized deductions, net pay) |
| Specialist Approvals | Tax forms, EFTPS or evidence of tax remittance to regulatory agencies |
| Waivers | Allocation methodology & support |

This list **IS NOT** all inclusive

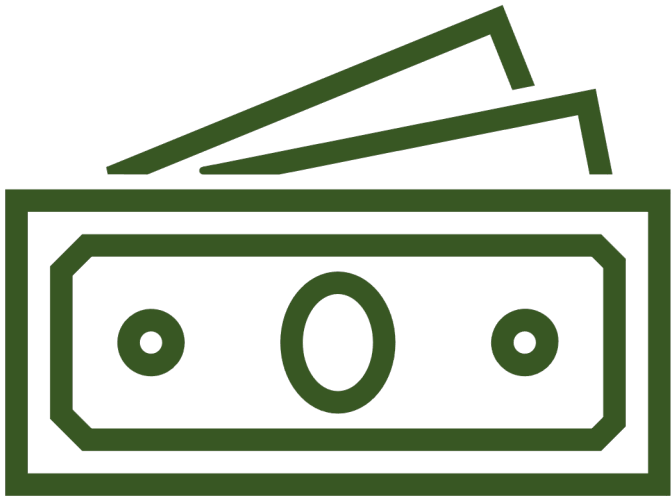


POLL QUESTION

What
documentation
supports items
paid in cash?

Remember: Type your response in the chat to EVERYONE

POLL QUESTION



**What
documentation
supports items
paid in cash?**

1. Itemized receipt, invoice, contract, etc.
2. Pre-K operating guidelines
3. Bank statement
4. Petty cash log
5. Petty cash policy
6. Cash receipt
7. Business financial reporting

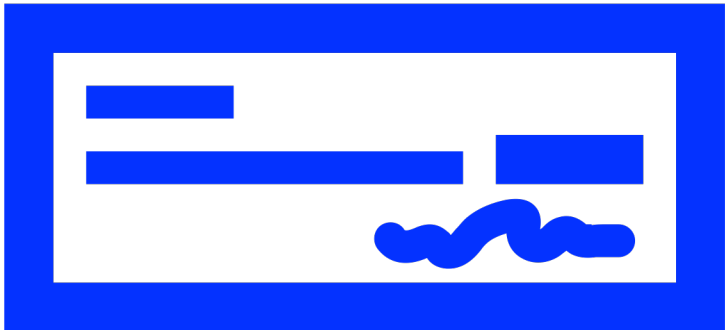


POLL QUESTION

What
documentation
supports items
paid with a
check?

Remember: Type your response in the chat to EVERYONE

POLL QUESTION



**What
documentation
supports items
paid with a
check?**

1. Itemized receipt, invoice, contract, etc.
2. Pre-K operating guidelines
3. Bank statement
4. Canceled check
5. Business financial reporting



POLL QUESTION

What
documentation
supports items
paid with a
credit card?

Remember: Type your response in the chat to EVERYONE

POLL QUESTION



**What
documentation
supports items
paid with a
company credit
card?**

1. Itemized receipt, invoice, contract, etc.
2. Pre-K operating guidelines
3. Bank statement
4. Canceled check
5. Credit card statement
6. Business financial reporting

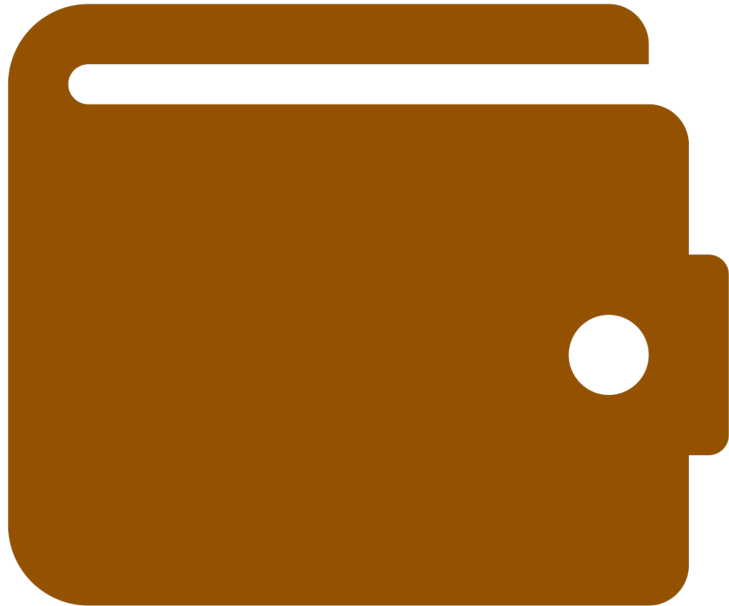


POLL QUESTION

What documentation supports items paid initially by non-Pre-K funds, and is later reimbursed with Pre-K funds within the Program year?

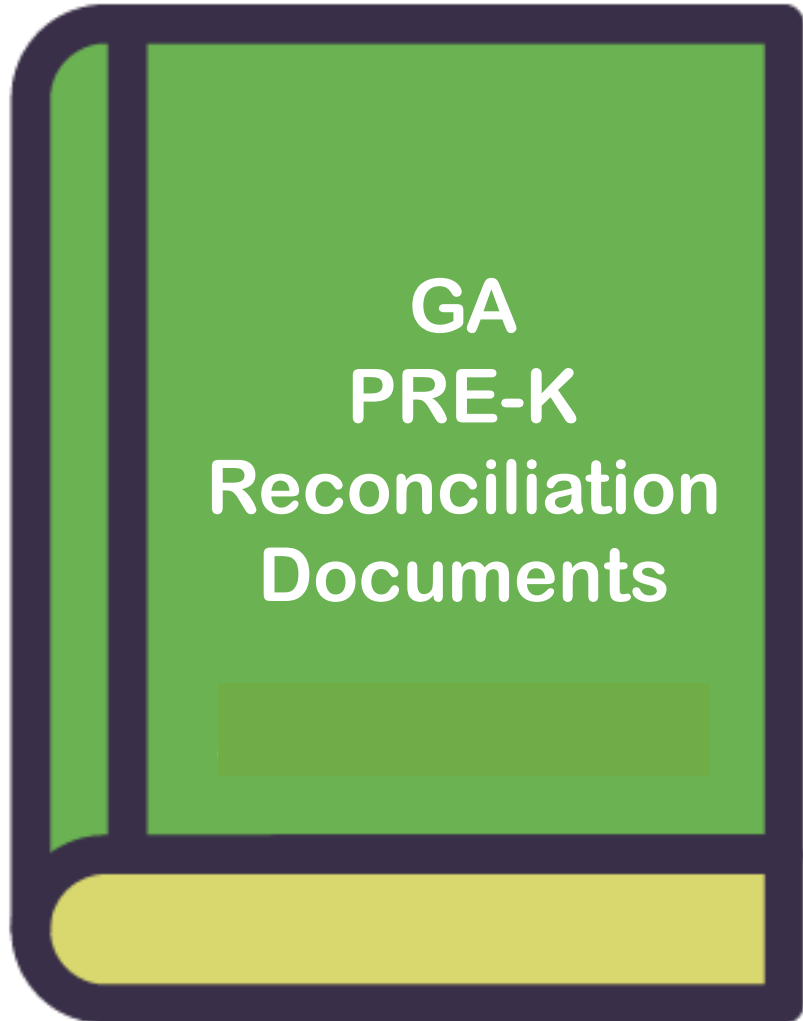
Remember: Type your response in the chat to EVERYONE

POLL QUESTION



What documentation supports items paid initially by non-Pre-K funds, but later reimbursed with Pre-K funds within the Program year?

1. Itemized receipt, invoice, contract, etc.
2. Pre-K operating guidelines
3. Bank statement
4. Canceled check
5. Reimbursement policy
6. Business financial reporting



Let your
records tell
the story!

Audit & Accounting Requirements

O.G. Section 20.0



Audit & Accounting Requirements (O.G. Section 20.0)

- Provide an actual accounting of all expenditures related to Pre-K.
 - This report shall demonstrate that funds were spent in the appropriate categories for their intended uses.
- Allowable costs are those ordinary and necessary expenses directly benefiting or resulting from Pre-K program operations.
- All Pre-K funding must be expended by June 30th .

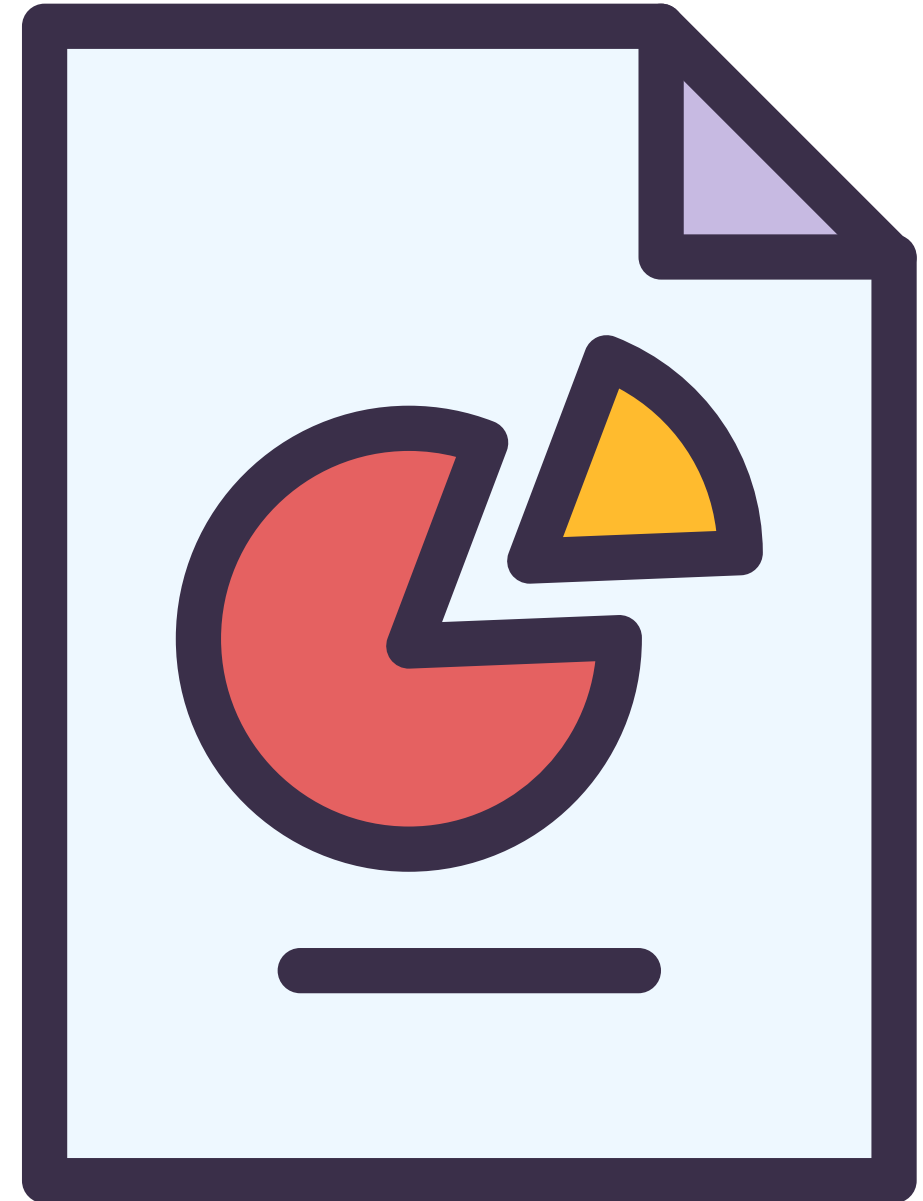


Allocation

(O.G. Section 20.1)

The process of shifting costs to cost objectives, using a rational basis of allotment.

- Allocations should be calculated at the beginning of the school year.
- Records should support an accurate and detailed accounting of how the allocation was determined.
- The basis of allocating costs should be similar to the unit of measure for incurring the cost.





Allocation

- Use the most **logical** basis.
- Allocate for **shared resources**.
- Allocate **shared expenses**.
- **Document and support** the basis for allocation.
- **Document and support** the allocated cost.



Allocation



OFFICE OF HEAD START

An Office of the Administration for Children & Families



USDA Child and Adult Care Food Program



Georgia's Pre-K System

Selected Pre-K Costs

Pre-K reconciliation line items

Pre-K Reconciliation

Selected Line Items



Line Item 4: Instructional Supplies & Materials



Line Item 8: Unreimbursed Food Expenses



Line Item 9: Lead Teacher Base Salary



Line Item 10: Lead Teacher Supplemental
Compensation



Line Item 13: Assistant Teacher Salary



Line Items 20-24: Administrative Costs

Line 4 – Instructional Supplies & Materials

- Must spend a minimum of \$1,000 per classroom for materials and supplies.
- Use the Pre-K Basic Equipment, Materials, and Supplies Inventory List (Appendix H) as a guide.



Line 4 – Instructional Supplies & Materials **Expenditure Waiver (O.G. Section 17.5):**

- ✓ Playgrounds and classrooms are well equipped.
- ✓ Specialist verification.
- ✓ Unexpended IS&M funds can only be used for teacher salary, benefits, fieldtrips, or other instructional activity.
- ✓ Cannot be used for non-instructional items.
- ✓ Approval good for 1 year.
- ✓ Maintain approval on file.



Line 4 – Instructional Supplies & Materials

- Confirm items are on the Pre-K Basic Equipment, Materials, and Supplies Inventory List (Appendix H).
- Maintain detailed receipt and/or invoice
 - Legible
 - Within Pre-K period
- Maintain documentation of proof of payment based on method of payment used.
 - Canceled check image
 - Credit card statement
 - Petty cash log
 - Reimbursement support
 - Paid within Pre-K period
- Maintain Pre-K Specialist approval if applicable.



Line 8 Unreimbursed Food Expenses

- *Expenses covered by other revenue sources cannot be charged to Pre-K.*
- *Unreimbursed food can be allocated to Pre-K.*
 - *Properly Allocated*





Pre-K Business Rule

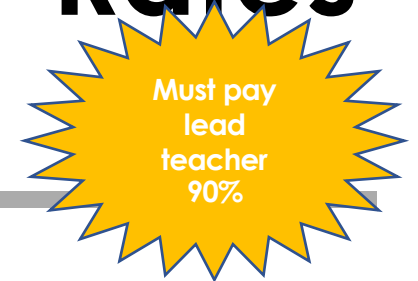
Lead Teacher Salaries (O.G. Section 12.7-12.8)

2 Components

1. **Line 9- Base Salary**
 - Must be paid at 90% of the amount funded by BFTS
2. **Line 10- Supplemental Compensation**
 - Must be paid at 100%
 - Paid with normal payroll cycle
 - Not a bonus

2022-2023 Lead Teacher Salary Rates

(O.G. Section 12.4)



| Lead Teacher Credential | Funded by BFTS | Minimum Paid to Lead Teacher (90%) |
|--|--------------------|------------------------------------|
| Two Year Degree | \$26,449.86 | \$23,804.87 |
| Non-ECE Degree | \$32,315.60 | \$29,084.04 |
| ECE or ECE Related Bachelor's Degree | \$32,315.60 | \$29,084.04 |
| Four-year Degree & T4 | \$40,820.73 | \$36,738.66 |
| Master's Degree & T5 | \$45,343.04 | \$40,808.74 |
| Insufficient Credentials (Paid at 100%) | \$18,190.35 | \$18,190.35 |

Lead Teacher Supplemental Compensation

(O.G. Section 12.7-12.8)

- 100% Paid to teacher.
- Paid with normal payroll cycle, not a bonus.
- Awarded to teachers with 2 years up to 20 years prior experience.
- Based on CYE as a full-time Lead Teacher in Georgia's Pre-K, and/or full-time certified teacher in K-12 public school.
- Does not include experience associated with substitute teaching, student teaching, teacher aide/assistant teacher experience, part-time or temporary teaching positions.



Lead Teacher Supplemental Compensation (O.G. Section 12.7-12.8)

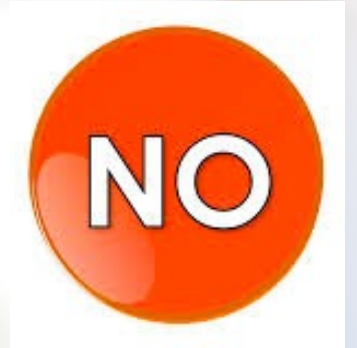
- Pre-K providers are responsible for verifying a teacher's creditable years of experience.
- Written processes and/or policies regarding verification of CYE for their program should be developed and kept on site.
- Written policies should include what the program will use to verify a teacher's creditable years of experience.

CYE Verification

(O.G. Section 12.8)



- ✓ **Teacher contracts**
- ✓ **Letters from human resources**
- ✓ **Letters from former employers**



- Employment applications**
- Resumes**
- Teaching certificates**
- Training certificates**
- Data from the GaPDS**
- Data from the Teacher's Retirement System of Georgia (TRS)**

LT Base Salary & LT Supplemental Compensation

- Maintain detailed payroll records to support gross salary paid.
- Be prepared to distinguish what portion of the salary is base compensation and which portion is supplemental.
- Maintain proof of payment that salaries were paid (e.g. canceled checks, direct deposit ledger, etc.).
- Maintain written process to verify CYE.
- Maintain substitute documentation.
- Confirm funding from BFTS via the PreK payment advice.





Assistant Teacher Salaries (O.G. Section 13.5)

Pre-K Business Rule

Line 13-Assistant Teacher Salary

1. Funded at \$18,190.35
2. 100% must be paid to the Assistant Teacher
3. No supplemental compensation funded by BFTS for Assistant Teachers

Line 13 Assistant Teacher Salary

- Maintain detailed payroll records to support gross salary paid.
- Maintain proof of payment that salaries were paid (e.g., canceled checks, direct deposit ledger, etc.).
- Maintain substitute documentation.
- Confirm funding from BFTS via the PreK payment advice.



Pre-K Payment Advice

18.6 O.G.



Students are developing social skills during center time in this Summer Transition Program classroom. DECAL serves over 3000 students in our Rising Pre-K and Rising Kindergarten classes which run for six weeks in June and July.



Pre-K Application aNd Database Access System

Georgia's Pre-K System

Login

Session Timeout.

Log In

 [Forgot your password?](#)

Click [here](#) for easy access to the PANDA Resources page on our website. Here you will find helpful documents including the Roster Data Entry Training Documents, Roster/WaitList Upload templates, Calendar instructions, Recon instructions, Frequently Asked Questions, and more.

Pre-K Payment Advice

O.G. Section 18.6

The screenshot shows the PANDA system dashboard. At the top left is the logo for BRIGHT FROM THE START, Georgia Department of Early Care and Learning. To the right of the logo is a date display 'Today is: 6/18/2019', a 'Contact Us' button with an envelope icon, and a 'Help' button with a question mark icon. Below the logo is a 'System Admin' menu item with a right-pointing arrow. A hand icon with the number '1' points to the 'Pre-K' menu item, which is highlighted with a red box. Below 'Pre-K' are several menu items: 'Enter Application', 'Aff. Lawful Presence Pre-K', 'Edit Company Profile', 'Rosters', 'Waiting List', 'Payments', 'View/Print Pmt Advice', 'Retro Payment History Report', 'Recon Form', 'CLASS Observation', and 'View/Edit Calendar'. A hand icon with the number '2' points to the 'Payments' menu item, which is highlighted with a red box. A hand icon with the number '3' points to the 'View/Print Pmt Advice' sub-item, which is also highlighted with a red box. Below these are three more menu items: 'RK-STP', 'RPK-STP', and 'QRSG', each with a right-pointing arrow. The main content area of the dashboard is titled 'Dashboard' and 'Home'. It features a large heading 'Welcome to PANDA' and a message box that reads: 'Congratulations, you have successfully logged into PANDA, DECAL's Pre-K Application aNd Database Access system.' Below the message box is instructional text: 'You are now ready to enter required data. On the left of this screen is a menu. Menu items determine what information may be entered or reviewed. The number of menu items displayed is based on your role within your organization. More menu items will appear as DECAL adds more functionality to the PANDA system.' Further down, it says: 'Choose a menu item by using the left button of your mouse to click on the item. For example, to enter your application for the next program year, click on "Enter Application"; to enter a roster, click on "View/Edit Roster".' At the bottom of the message box, it states: 'If you need assistance, detailed manuals are available for download on the PANDA Resources page. You may also e-mail your questions to panda.support@dec.al.ga.gov. Emails to PANDA Support will be answered during normal business hours.'

Pre-K Payment Advice

Payment Advices

[Home](#) > [Pre-K](#) > [Payments](#) > [View/Print Pmt Advice](#)

Search Criteria

Payment Advice For Provider

School
Year:

2023



From Date:

mm/dd/yyyy



To Date:

|_|/|_|/|_|



Search



Pre-K Payment Advice



Print Payment Advice

Showing 1 to 4 of 4 entries

Search in Results:

| <input type="checkbox"/> Select to Print | School Year | Processed Date | Amount | Review Grant Agreement Retros | Review Retro Details | Report |
|--|-------------|----------------|------------|-------------------------------|----------------------|--------|
| <input checked="" type="checkbox"/> | 2023 | 8/27/2023 | \$8,275.11 | | | |
| <input type="checkbox"/> | 2023 | 9/3/2023 | \$8,275.11 | | | |
| <input type="checkbox"/> | 2023 | 10/8/2023 | \$8,275.11 | | | |
| <input type="checkbox"/> | | | | | | |



Internet Explorer blocked a pop-up from *.**dec.al.ga.gov**

Allow once

Options for this site

Always allow
More settings



Pre-K Payment Advice

Bright from the Start: Georgia Department of Early Care and Learning
 Vendor Code: 000012345
 TIN: 20-1234567

Mother Goose and Friends, LLC
 123 Anywhere Street
 Anywhere, GA 12345

EFT Payment Advice

Pay Cycle: September

Pay Run #: 1

Payment Processed Date: 9/3/2023

| September Payment Summary | LT Base Salary | * LT Base Sal. Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating |
|-------------------------------|----------------|----------------------|----------------------------|------------------|-------------|------------|-------------------|------------------------------|-----------|----------------|--------------------|
| Mother Goose and Friends, LLC | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 |
| | | | | | | | | Startup Payment | | | \$0.00 |
| | | | | | | | | Special Adjustments | | | \$0.00 |
| Total Sites Paid: | | 1 | Total Classes Paid: | | 3 | | | Program Total Payment | | | \$27,761.88 |

| Class Payment Details for Mother Goose #2 | | | | | | | | | | | Classes Paid: | | 3 |
|--|----------|---|-------------------|------------|------------------|-------------|------------|-------------------|-----------------|-----------|--------------------|------------|---|
| Class ID | Students | LT Salary | * LT Salary Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating | |
| 12345 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Mona Lisa | | GaPSC Certification, T4 | | | 7.0 | | | | Startup Payment | | | \$0.00 | |
| Class 90913 Total Payment | | | | | | | | | | | \$9,637.36 | | |
| 67890 | 22.0 | \$3,031.56 | \$0.00 | \$253.29 | \$0.00 | \$780.48 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Mary Mack | | No GaPSC Credential, ECE Bachelor or higher | | | 6.0 | | | | Startup Payment | | | \$0.00 | |
| Class 90914 Total Payment | | | | | | | | | | | \$8,487.16 | | |
| 34567 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Donald Duck | | GaPSC Certification, T4 | | | 6.0 | | | | Startup Payment | | | \$0.00 | |
| Class 90915 Total Payment | | | | | | | | | | | \$9,637.36 | | |
| Total for Mother Goose #2 | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 | |
| Total Startup Payments | | | | | | | | | | | \$0.00 | | |
| Total Program Payments | | | | | | | | | | | \$27,761.88 | | |
| Grand Total | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 | |
| Total Startup Payments | | | | | | | | | | | \$0.00 | | |
| Total Program Payments (Less Sp. Adjustments) | | | | | | | | | | | \$27,761.88 | | |

| *September Retro Payment Details | | | | | | | | |
|----------------------------------|----------------------|-----------------|------------------|-------------------|-----------------|-------------------|-----------------|-----------------|
| Class ID | Retro Payment is for | LT Salary Retro | CYE Salary Retro | LT Benefits Retro | AT Salary Retro | AT Benefits Retro | Transport Retro | Operating Retro |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Pre-K Payment Advice

Bright from the Start: Georgia Department of Early Care and Learning
 Vendor Code: 000012345
 TIN: 20-1234567

Mother Goose and Friends, LLC
 123 Anywhere Street
 Anywhere, GA 12345

EFT Payment Advice
 Pay Cycle: September
 Pay Run #: 1
 Payment Processed Date: 9/3/2023

| September Payment Summary | LT Base Salary | * LT Base Sal. Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating |
|-------------------------------|----------------|----------------------------|------------|------------------|-------------|------------|-------------------|------------------------------|-----------|----------------|--------------------|
| Mother Goose and Friends, LLC | 10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 |
| | | | | | | | | Startup Payment | | | \$0.00 |
| | | | | | | | | Special Adjustments | | | \$0.00 |
| Total Sites Paid: | 1 | Total Classes Paid: | 3 | | | | | Program Total Payment | | | \$27,761.88 |

| Class Payment Details for Mother Goose #2 | | | | | | | | | | | Classes Paid: | 3 |
|---|----------|---|-------------------|------------|------------------|-------------|------------|-------------------|-------------|--|----------------|-------------------|
| Class ID | Students | LT Salary | * LT Salary Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating |
| 12345 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 |
| Mona Lisa | | GaPSC Certification, T4 | | | 7.0 | | | | | Startup Payment | | \$0.00 |
| | | | | | | | | | | Class 90913 Total Payment | | \$9,637.36 |
| 67890 | 22.0 | \$3,031.56 | \$0.00 | \$253.29 | \$0.00 | \$780.48 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 |
| Mary Mack | | No GaPSC Credential, ECE Bachelor or higher | | | 6.0 | | | | | Startup Payment | | \$0.00 |
| | | | | | | | | | | Class 90914 Total Payment | | \$8,487.16 |
| 34567 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 |
| Donald Duck | | GaPSC Certification, T4 | | | 6.0 | | | | | Startup Payment | | \$0.00 |
| | | | | | | | | | | Class 90915 Total Payment | | \$9,637.36 |
| Total for Mother Goose #2 | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 |
| | | | | | | | | | | Total Startup Payments | | \$0.00 |
| | | | | | | | | | | Total Program Payments | | \$27,761.88 |
| Grand Total | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 |
| | | | | | | | | | | Total Startup Payments | | \$0.00 |
| | | | | | | | | | | Total Program Payments (Less Sp. Adjustments) | | \$27,761.88 |

| *September Retro Payment Details | | | | | | | | |
|----------------------------------|----------------------|-----------------|------------------|-------------------|-----------------|-------------------|-----------------|-----------------|
| Class ID | Retro Payment is for | LT Salary Retro | CYE Salary Retro | LT Benefits Retro | AT Salary Retro | AT Benefits Retro | Transport Retro | Operating Retro |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Pre-K Payment Advice

Bright from the Start: Georgia Department of Early Care and Learning
 Vendor Code: 000012345
 TIN: 20-1234567

Mother Goose and Friends, LLC
 123 Anywhere Street
 Anywhere, GA 12345

EFT Payment Advice
 Pay Cycle: September
 Pay Run #: 1
 Payment Processed Date: 9/3/2023

| September Payment Summary | LT Base Salary | * LT Base Sal. Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating |
|-------------------------------|----------------|----------------------|----------------------------|------------------|-------------|------------|-------------------|------------------------------|-----------|----------------|--------------------|
| Mother Goose and Friends, LLC | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 |
| | | | | | | | | Startup Payment | | | \$0.00 |
| | | | | | | | | Special Adjustments | | | \$0.00 |
| Total Sites Paid: | | 1 | Total Classes Paid: | | | 3 | | Program Total Payment | | | \$27,761.88 |

| Class Payment Details for Mother Goose #2 | | | | | | | | | | | Classes Paid: | 3 | |
|---|----------|---|-------------------|------------|------------------|-------------|------------|-------------------|-----------------|-----------|--|------------|-------------------|
| Class ID | Students | LT Salary | * LT Salary Retro | CYE Salary | * CYE Sal. Retro | LT Benefits | AT Salary | * AT Salary Retro | AT Benefits | Transport | * Trans. Retro | Operating | |
| 12345 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Mona Lisa | | GaPSC Certification, T4 | | | 7.0 | | | | Startup Payment | | | \$0.00 | |
| | | | | | | | | | | | Class 90913 Total Payment | | \$9,637.36 |
| 67890 | 22.0 | \$3,031.56 | \$0.00 | \$253.29 | \$0.00 | \$780.48 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Mary Mack | | No GaPSC Credential, ECE Bachelor or higher | | | 6.0 | | | | Startup Payment | | | \$0.00 | |
| | | | | | | | | | | | Class 90914 Total Payment | | \$8,487.16 |
| 34567 | 22.0 | \$3,882.07 | \$0.00 | \$332.16 | \$0.00 | \$1,001.30 | \$1,619.04 | \$0.00 | \$384.68 | \$0.00 | \$0.00 | \$2,418.11 | |
| Donald Duck | | GaPSC Certification, T4 | | | 6.0 | | | | Startup Payment | | | \$0.00 | |
| | | | | | | | | | | | Class 90915 Total Payment | | \$9,637.36 |
| Total for Mother Goose #2 | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 | |
| | | | | | | | | | | | Total Startup Payments | | \$0.00 |
| | | | | | | | | | | | Total Program Payments | | \$27,761.88 |
| Grand Total | | \$10,795.70 | \$0.00 | \$917.61 | \$0.00 | \$2,783.08 | \$4,857.12 | \$0.00 | \$1,154.04 | \$0.00 | \$0.00 | \$7,254.33 | |
| | | | | | | | | | | | Total Startup Payments | | \$0.00 |
| | | | | | | | | | | | Total Program Payments (Less Sp. Adjustments) | | \$27,761.88 |

| *September Retro Payment Details | | | | | | | | | |
|----------------------------------|----------------------|-----------------|------------------|-------------------|-----------------|-------------------|-----------------|-----------------|--------|
| Class ID | Retro Payment is for | LT Salary Retro | CYE Salary Retro | LT Benefits Retro | AT Salary Retro | AT Benefits Retro | Transport Retro | Operating Retro | |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

WAIVER



Lead and Assistant Teacher Salary Waiver

(O.G. Section 17.5)



Providers must meet the minimum salary requirements for lead teachers and assistant teachers.



Unused funds due to subs paid at a lower rate for the base portion of teacher salary received by the program can be applied to instructional items.



Unused salary funds cannot be used for non-instructional items.



The Project Director should submit the *Request for Waiver of Teacher Salary* form to the Pre-K Specialist.



The waiver is approved for one year only and should be kept on site.

Administrative Costs

O.G. Section 17.1

Pre-K Reconciliation Line Items 20-24



Administrative Costs Line Items

Line
20

Director's Salary

Line
21

Office Supplies

Line
22

Bookkeeping/Clerical

Line
23

Royalties

Line
24

Total Administrative Costs

Administrative Costs



IS NOT CREDITED AS A BLANKET
6% OF PRE-K FUNDING



MUST BE SUPPORTED BY
DOCUMENTATION



TYPICALLY REPRESENTS
ALLOCATED COSTS

Line 24

Total
Administrative
Costs

You may use Pre-k funds to cover up to
6% of supported administrative
expenses.



Report the **total amount** administrative
expenses paid with Pre-K funds.



Amount reported must be supported.

Special Allotment/Refurbishment- Line 25



**Classroom
Grant**



**New
Classroom
Grant**

Special Allotment/Refurbishment- Line 25 New Classroom Grant

- One-time supplemental payment of \$5,000
- Instructional materials, technology, and furniture
- Specialist approval
- Funds expended, and goods received by June 30, 2023
- Report on Line 25

Special Allotment/Refurbishment- Line 25 Classroom Grant

- \$5,000
- technology, instructional materials, approved Pre-K curricula, and furniture
- You do not need prior approval to purchase approved Pre-K curricula and items on the *Georgia's Pre-K Program Basic Equipment, Materials and Supplies Inventory List*.
- Purchases items not included on the *Basic Equipment, Materials and Supplies Inventory List* require written approval from your Pre-K Specialist prior to expending these funds.
- Classroom grant funds may not be used for reimbursement of purchases made prior to the grant payment.
- Funds expended, and goods received by June 30, 2023
- Report on Line 25

POLL QUESTION

What positions and salary components are required to be paid 100% of the funds issued by Georgia's Pre-K?



Remember: Type your response in the chat to EVERYONE



POLL QUESTION

**What positions
and salary
components are
required to be
paid 100% of the
funds issued by
Georgia's Pre-K?**

1. Assistant Teacher
2. Lead Teacher Supplement (CYE)
3. Lead Teacher Salary- Insufficient Credential

POLL QUESTION



What position
is required to
be paid 90% of
the funds
issued by
Georgia's
Pre-K?

Remember: Type your response in the chat to EVERYONE



POLL QUESTION

**What position
is required to
be paid 90% of
the funds
issued by
Georgia's
Pre-K?**

Lead Teacher

POLL QUESTION



What
percentage of
Pre-K funds
can be used
for
Administrative
Costs?

Remember: Type your response in the chat to EVERYONE

POLL QUESTION

6%

**What
percentage of
Pre-K funds
can be used
for
Administrative
Costs?**

6%

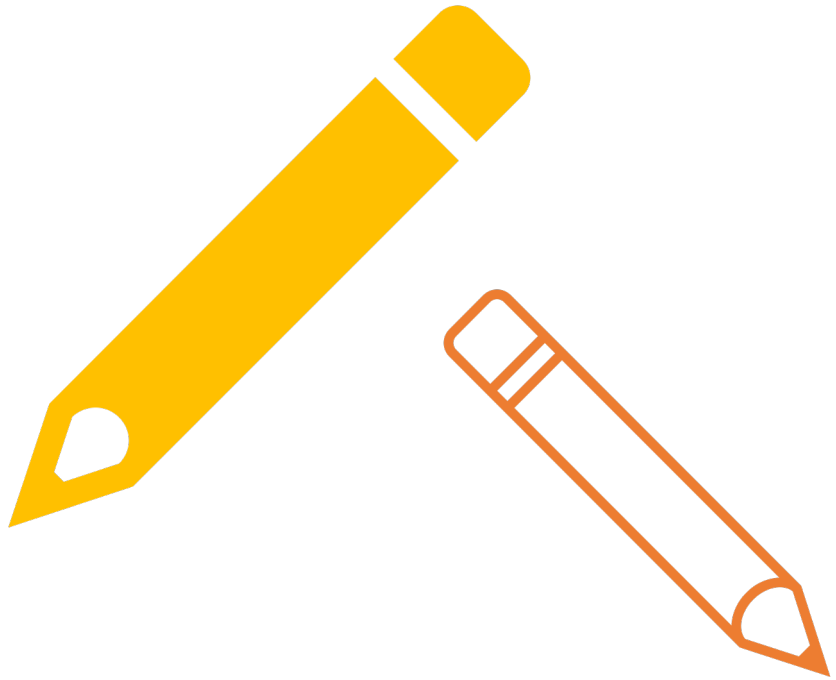
POLL QUESTION

What is the minimum funds that must be spent on instructional supplies & materials for each Pre-K classroom?



Remember: Type your response in the chat to EVERYONE

POLL QUESTION



**What is the
minimum funds
that must be spent
on instructional
supplies &
materials for each
Pre-K classroom?**

\$1,000 per classroom

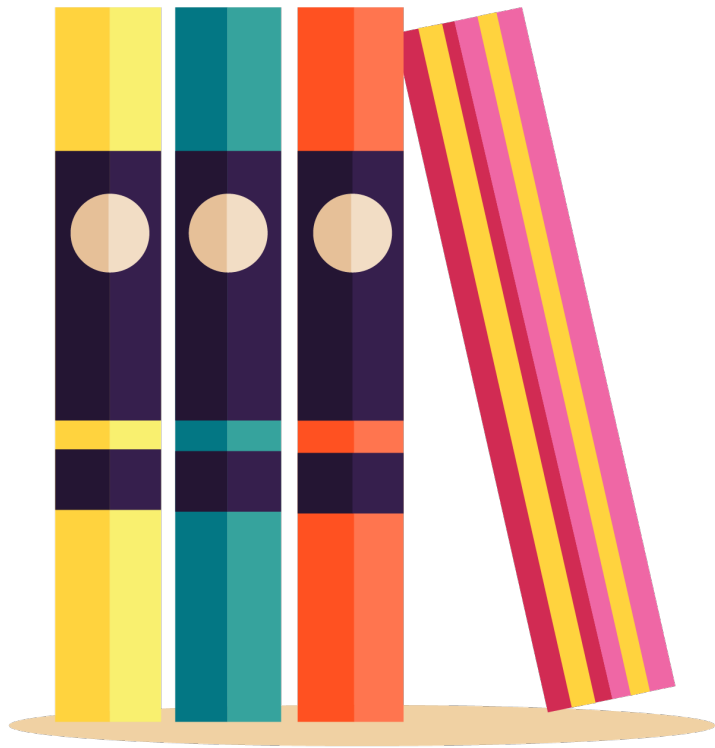
POLL QUESTION



How long
must
Program
records be
retained?

Remember: Type your response in the chat to EVERYONE

POLL QUESTION

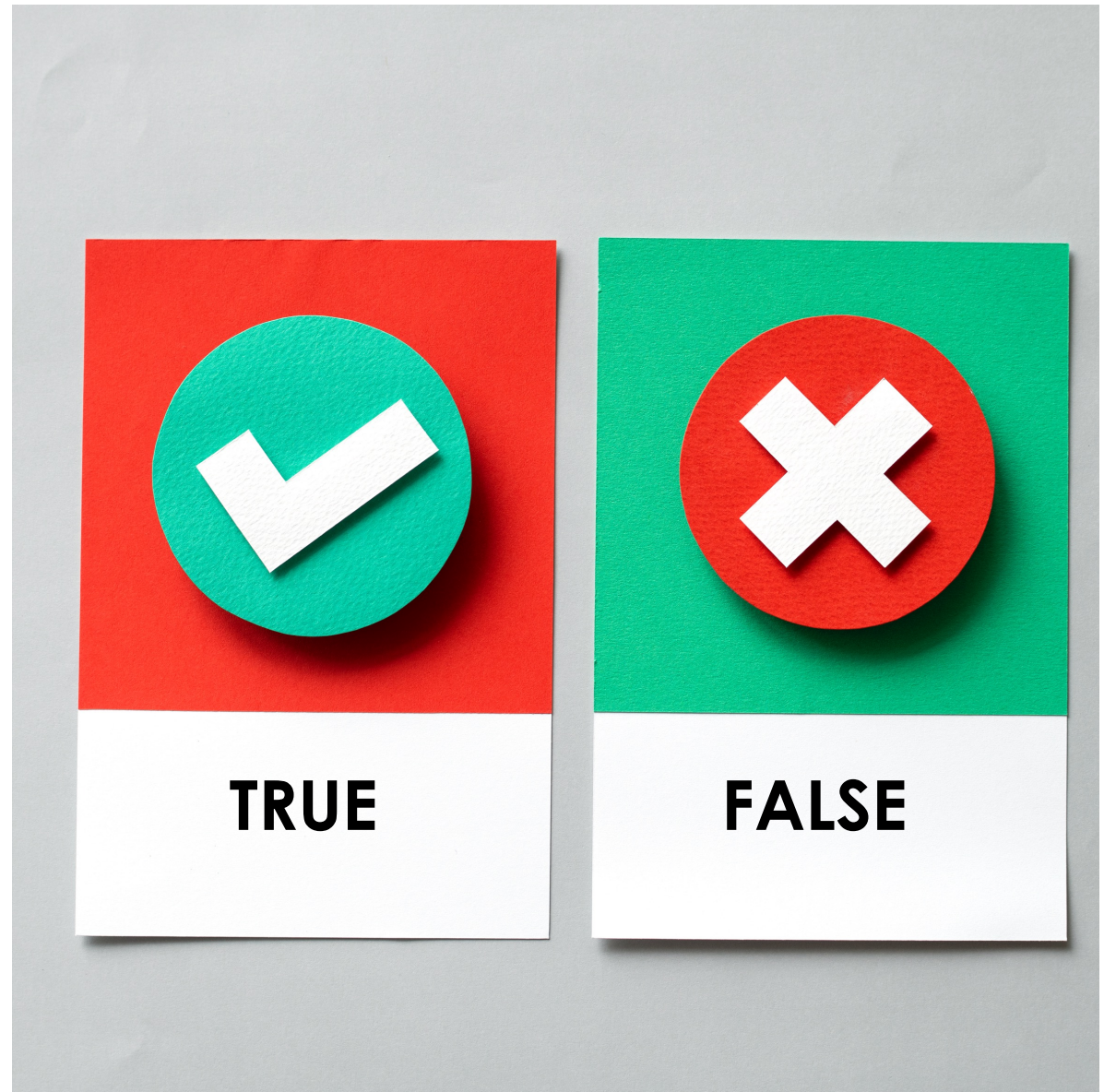


How long must Program records be retained?

- Program records include financial records!
- Must maintain for 3 years beyond the agreement ending date, or until the following has been resolved:
 - Litigation
 - Claims- if started before the expiration of the original 3-year period
 - Audit/review findings- if started before the expiration of the original 3-year period

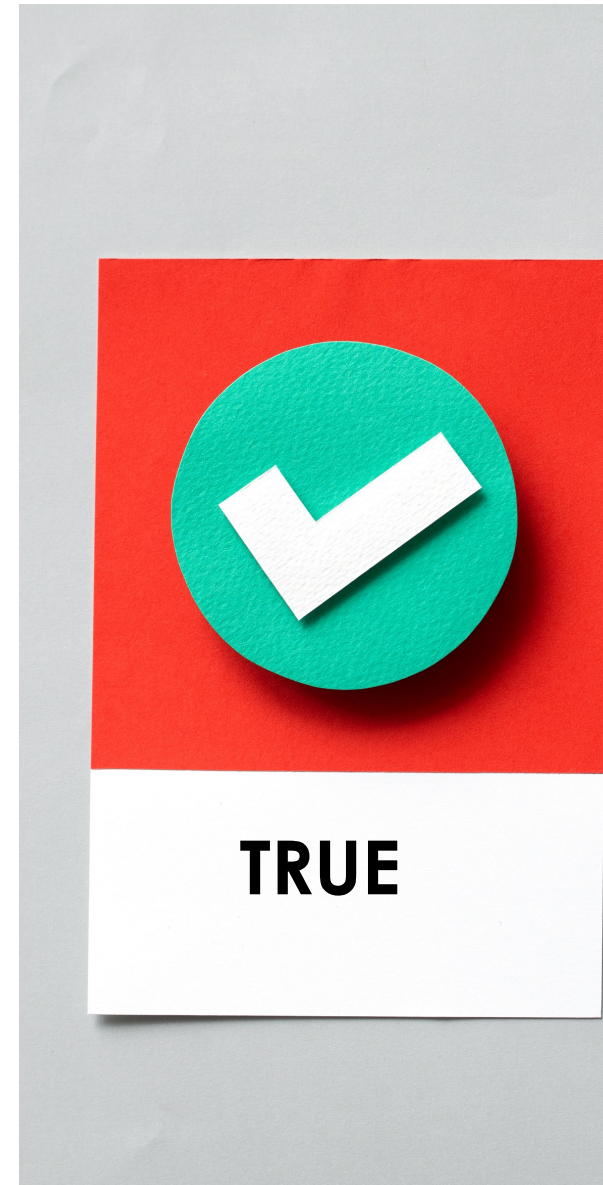
POLL QUESTION

**Classroom Grant
and New
Classroom Grant
purchases should
be reported on Line
25- Special
Allotment**



Remember: Type your response in the chat to EVERYONE

**Report
Classroom and
New Classroom
Grant purchases
on Line 25**



Let's Recap:

100%

- Assistant Teacher Minimum Salary
- Lead Teacher Supplemental Compensation
- Lead Teacher Salary- Insufficient Credential

90%

- Lead Teacher Minimum Salary

6%

- Administrative Costs

3 years

- Record Retention Requirement
- Or until the resolution of:
 - Litigation
 - Claims
 - Audit findings

\$1,000

- Instructional Supplies and Materials- Per Classroom Minimum



It's "Audit" Time!

Preparing for the Pre-K Agreed-upon
Procedures Review

What's the Difference?



Audit

- Intended to provide a basic level of assurance on the accuracy of the financial statements.
- CPA provides a formal opinion on company's financial statements.

AUP

- Client determines sufficiency of procedures.
- Targeted information-answers specific client questions.
- Findings of fact.
- No CPA opinion.
- Client draws conclusion.

Selection Process

- Oversight responsibility.
- Ongoing monitoring.
- All sub-recipients will be monitored.
- It just may be your turn.



**Georgia Dept
of Early Care
and Learning**
BRIGHT FROM THE START



Preparing for a Review

- During Pre-K Operations
- After the Notification

To Do List

1. REVIEW MY GRANT AGREEMENT
2. VERIFY EXPENSES MONTHLY
3. MAKE SURE I HAVE ALL OF MY RECORDS
4. PERFORM AN INTERNAL REVIEW
5. LET MY RECORDS TELL THE STORY





NOW!

During Pre-K
Operations

Pre-K Grant Agreement

O.G. Section 20.4

To Do List

1. REVIEW MY GRANT AGREEMENT ✓
2. VERIFY EXPENSES MONTHLY
3. MAKE SURE I HAVE ALL OF MY RECORDS
4. PERFORM AN INTERNAL REVIEW
5. LET MY RECORDS TELL THE STORY



III. GRANTEE RESPONSIBILITIES:

- A. The Grantee will coordinate and provide services to eligible four-year-old children and their families for an approved academic school year. The services to be provided during the 6.5-hour instructional day shall begin no earlier than 7:30 am. Any changes to the approved school calendar must be approved in writing by the Department.
- B. The Grantee will comply with the ²⁰²²⁻²⁰²³ version of the *Georgia's Pre-K Providers' Operating Guidelines*, the Pre-K Program Assurances, and any addenda thereto that are incorporated by reference herein.
- C. The Grantee will permit the Department, or its authorized representatives, to observe and evaluate the delivery or performance of services without notice at any time during normal business/operating hours of the Grantee. This includes access to any and/or all books, documents, papers and records of the Grantee that are directly related to this Grant for the purpose of making an audit, examination, photocopies, excerpts and transcriptions.

Grantee agrees to cooperate fully with Grantor auditors and/or agents providing Audit or Agreed Upon Procedures (AUP) review services. Grantee will coordinate with auditors/reviewers to have appropriate staff available during the scheduled audit/review period. Grantee will make advanced preparations for scheduled audits/reviews to make available for auditors or reviewers all identified documents, records, and entity related materials requested by the auditors/reviewers for the current school year, as well as for prior school years in which Grantee participated in Georgia's Pre-K Program as requested by the Grantor. Grantee's failure to substantially prepare for a scheduled audit engagement or provide requested documentation or information to an auditor/reviewer during the scheduled audit period may result in the withholding of grant payments. The failure of Grantor to review and/or inspect the services provided or to discover a breach of this Grant or any amendment thereto shall not subsequently operate as a waiver of any remedies available to the Grantor.

Best Practices for Review Preparation

- Establish & maintain sound recordkeeping practices
- Reconciliation & Financial Basics Training
- Organize records by line item
- Maintain source documentation
 - Itemized receipts
 - Invoices
 - Credit card statements
 - Shipping statements
 - Petty cash ledger
 - Bank statements
 - Canceled checks

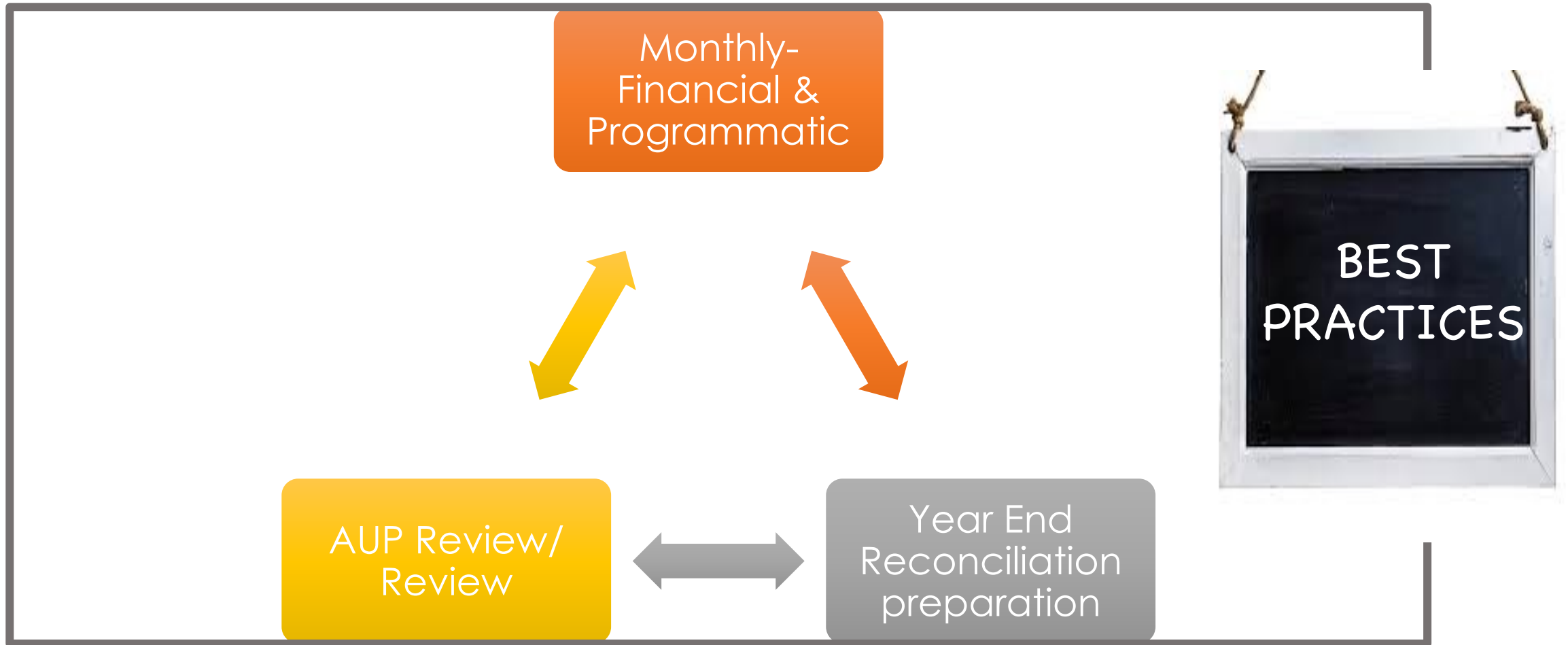


Best Practices for Review Preparation

- Track expenses monthly
 - Compare monthly expenses to Pre-K business rules
- Maintain documentation of waivers and approvals
- Maintain documentation of participant records
 - Health & Immunization
 - Attendance



Internal Monitoring





**After the
Notification**



Selected for an AUP?

AUP Review Preparation

- Engagement Notification
 - Engagement questionnaire
- Provide information requested
- Provide information in advance
- Conduct a “dry run”
- Be prepared

**BE
RESPONSIVE**

What to expect...

- Entrance Conference
- Fieldwork
- Preliminary Exit Conference
- Final Exit Conference (Virtual)
- Management Representation Letter
- Notification from BFTS



FINDINGS

- **Statements of Fact**
- **Recordkeeping**
 - Generally, no adverse action.
 - General variances in reporting.
 - Programmatic recordkeeping errors .
- **Funds due back to BFTS**
 - Failure to support unreimbursed food costs.
 - Failure to meet lead teacher salary requirements.
 - Failure to meet the instructional supplies and materials expenditure requirements.
 - Failure to support that payroll taxes were forwarded to the relevant taxing authorities.
 - Failure to support that the use of all monies received from Bright from the Start were used in accordance with applicable regulations and guidelines.
 - Failure to support funding was expended within the Program period.



O.G. Section 20.5

COMMON FINDINGS

- Reconciliation variances
- Salary minimum not met
 - Substitute salary
- Administrative Costs
 - Blanket 6%
- Unsupported expenses
 - Unsupported cash payments
 - Itemized receipts/invoices
 - Proof of payment/reimbursement
 - Credit card statements
 - Payment deadlines
- Active participation not met

Avoiding Common Findings

- Reconciliation variances
 - Monthly tracking & the “dry run”
- Salary minimum not met
 - Monitor payments and track absences
 - Documenting substitute salary
 - Remitting payroll taxes
 - Track and pay the minimum within the period
 - Maintain labor records
 - Maintain proof of payment for salary
- Administrative Costs- Blanket 6%
 - Not a blanket 6%, costs and allocation must be supported



Avoiding Common Findings

- Unsupported expenses
 - Maintain itemized receipts/invoices (source documents)
 - Maintain proof of payment/reimbursement (e.g., canceled checks, bank statements, petty cash logs, cash payments)
 - Maintain the credit card statement + receipts + proof of payment
 - Adhere to Pre-k period and required payment deadlines
- Active participation
 - Document participation and interventions



Payments

O.G. 18.3

Prorated Teacher Salary

- A teacher's salary is prorated over 12 months, programs **must** pay the prorated salary from the school year funds.
 - contract must reflect the period of work 10 months (Pre-K school year) with the annualized salary to be paid over 12 months.
 - Funds **must** be fully expended by the end of the grant period.
- If a Pre-K teacher works through the summer (June and July) and receives a **12-month** prorated salary
 - The teacher should receive the prorated salary **AND** compensation for services rendered in the summer.
 - The prorated salary is strictly for services rendered during the **10-month** Pre-K school year.
 - All Pre-K funding must be expended by **June 30th**, including prorated salaries.

Summer Salaries

- Payment of salaries clearly segregated
- **May not** be used to pay staff to supervise children in a private class or perform other duties which include, but are not limited to, bus driver, office manager, cook, and receptionist.
- Providers who incur summer salary personnel expenses for Pre-K teaching staff for the school year should have written policies in place for payment of staff from funds **other than Pre-K funds**.

Georgia Dept
of Early Care
and Learning

BRIGHT FROM THE START



Take Aways

Let the Records
Tell the Story

Ready to Go!

- Ask your Pre-K Specialist for guidance
- Contact Audits & Compliance
- Rely on your team
- Embrace the process





- Pre-K
 - About Pre-K
 - Book List
 - Classroom Assessment Scoring System (CLASS)
 - Creating a Quality Learning Environment
 - Curriculum
 - Enrolling in Pre-K
 - Families
 - FAQ
 - GA's Pre-K At Home
 - Georgia Early Learning and Development Standards
 - Operating Guidelines
 - Pre-K Supports
 - Professional Learning
 - Project Directors
 - Basic Materials List
 - Pre-K CAPS
 - Child Registration Forms
 - Curriculum
 - Director Grant Requirement Checklist
 - Ownership Change Request
 - PANDA Resources**
 - Payments
 - Reconciliation
 - Rosters
 - Webinars
 - Search for Pre-K
 - Starting a Pre-K Program
 - Summer Transition Program

PANDA RESOURCES

PANDA (Pre-K Application and Database Access) is the online provider service system for Georgia's Pre-K Program. Through PANDA, providers can submit applications, complete rosters and waiting lists, check on payments, submit their reconciliation, and update site and contact information. The documents below are designed to assist providers with performing these functions in PANDA. For questions about PANDA, please contact Georgia's Pre-K Program at panda.support@decal.ga.gov.

Documents List

- PANDA Frequently Asked Questions (FAQ)
- PANDA Payment Advice Instructions**
- PANDA Provider Calendar Instructions
- PANDA Student Data Training Document
- PANDA Teacher Data Entry Training Document
- Race & Ethnicity Instructions
- PANDA Student Roster Template 2021
- Teacher Roster Tips- Tips for Updating Roster | Teacher Data
- Roster Tips- Entering and Correcting Student information
- PANDA QRSG Data Training Document
- PANDA Waiting List Instructions
- PANDA Waiting List Template 2021
- PANDA Pre-K Application Manual
- Reconciliation Form Instructions 2019-2020
- PANDA Summer Transition Program Application Manual
- PANDA Provider User Management
- PANDA Reconciliation Training Document**
- PANDA Site Update Instructions
- PANDA: Uploading Student Documents



<https://decal.ga.gov>

Recap



- Understand the expectation to employ sound business practices.
- Recognize the benefits of effective financial management.
- Realize the correlation between effective financial management and Pre-K financial management.
- Identify strategies to support reported costs of key line items on the Pre-K reconciliation.
- Understand the purpose of the AUP process.
- Obtain best practices for preparing for an AUP.

Questions?



**Georgia Dept
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BRIGHT FROM THE START

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THANK
YOU