



JTED Cost Reporting

May 16, 2017

Cris Cable
Amanda Winn



JTED Cost Reporting Requirement

A.R.S. §15-393.01(D)

The Office of the Auditor General, in consultation with the Department of Education, shall develop and establish **uniform cost reporting guidelines, policies and procedures** for joint technical education district programs. Any guideline, policy or procedure **shall allow for the effective comparison of cost** between the joint technical education district programs.



Developing JTED Cost Reporting Guidance

- Comparability through new Program Codes
- Program 300
- Programs 301-399
- Programs 450 and 460

**Effective date:
July 1, 2017**



USFR Chart of Accounts

270	Vocational and Technical Education (Effective July 1, 2017, do not include JTED costs here.)	Updated
280	Career Education	
300	JOINT TECHNICAL EDUCATION (JTED) (See additional bold codes below, effective July 1, 2017)	Updated
301	Accounting and Related Services	CIP # 52.0300.00
302	Agribusiness Systems	CIP # 01.0100.90
303	Air Transportation	CIP # 49.0100.00
304	Aircraft Mechanics	CIP # 47.0600.50
305	Animal Systems	CIP # 01.0100.40
306	Animation	CIP # 10.0200.60
307	Architectural Drafting	CIP # 15.1300.20
308	Arts Management	CIP # 50.0500.30
309	Automation/Robotics	CIP # 48.0500.20

Program 300 should be used to code expenditures made for multiple JTED programs that are not directly assignable to Programs 301-399.

Use detailed Programs 300-399 in all funds, not just Fund 596.



USFR Chart of Accounts

Transportation Costs

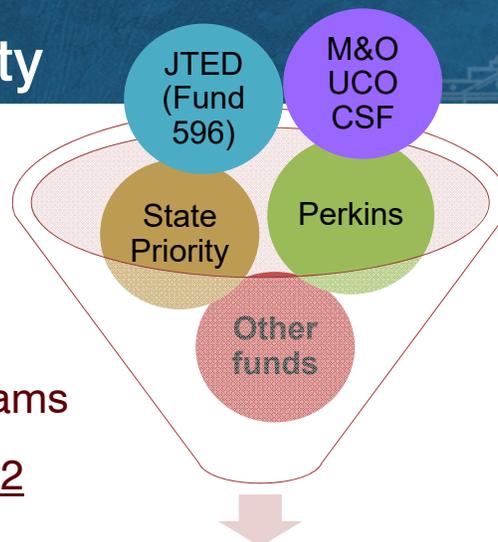
450	JTED Central (Effective July 1, 2017)	Updated
460	JTED Satellite (Effective July 1, 2017)	
470	Vocational and Technical Education (Effective July 1, 2017, do not include JTED costs here.)	



Goal is Comparability

Include costs from:

- All funds
- For JTED approved programs
- For students in grades 9-12



JTED Reporting

Defining JTED Program Costs

- Salaries and Benefits (75% of costs in 2016)
- Purchased Services
- Supplies
- Property (9% of costs in 2016)
- Other

Cost can be coded directly to the assigned program code or indirect costs can be allocated to programs at year-end.



Additional Guidance

Separate videos and instructions

- Overview
- Draft forms
 - Reporting direct costs
 - Allocating other costs
- Reconciling reported costs to accounting records



How to fill out this page (see detailed instructions to the right of the tables)

1. Enter statewide and local occupational need program costs in Form B below.
2. Enter costs in the Reconciliation of Central JTED Costs to the right.
3. Retain documentation to support all direct and indirect costs reported, including cost allocation bases.

Central

RECONCILIATION OF CENTRAL JTED COSTS

1. CENTRAL CAMPUS COST TOTAL (from table below)	\$0.00
2. Costs for JTED Satellite Programs	
3. Costs for Adult CTE programs	
4. Total costs (Sum of lines 1 - 3 above, should agree to line 5)	\$0.00
5. Total costs from the JTED's accounting records (should agree to line 4)	

Reconciliation of Central JTED Costs Table (complete after FORM B)

The reconciliation table should be used to reconcile the costs of Central program costs reported on Form B program costs to the total JTED costs recorded in the accounting records.

- Amount will pull from total calculated in FORM B.
- Enter any applicable Satellite program costs incurred (e.g. pass through payments to member districts programs).
- Enter any costs related to CTE programs for non-ADM eligible adults.
- Enter total costs from the accounting records reported in all district funds, except student activities, if amount calculated on line 4. If the amount on this line does not agree to the amount calculated on line 5, identify corrections.

Name:	CTO	FORM B 2016-2017 JTED Program Cost CENTRAL DISTRICT SUMMARY FORM
JTED District:		

FORM B Instructions (complete before Reconciliation)

For FY 2017, if the new program codes 300-399, 450, and 460 (required beginning July 1, 2017) were early records, report the costs from those program codes in the applicable JTED programs to complete FORM B program codes 270 and 470 to complete FORM B.

Program Number (CPI)	USFR Chart of Accounts Program Code	ADE Program Title	Program Cost	ALL Funds						Allocated Indirect Costs (from all object codes)
				Salaries 610X	ERE 620X	Purchased Services 630X, 640X, 650X (excluding 6490)	Supplies (including Textbooks & Test Aids) 660X	Property (including Land & Bldg, Equipment purchases and leases) 6450, 670X, 6832, & 6842	Other 680X (excluding 6832 & 6842)	
52.0300.00	301	Accounting and Related Services								
01.0100.30	302	Agribusiness Systems								
49.0100.30	303	Air Transportation								
47.0600.50	304	Aircraft Mechanics								
01.0100.40	305	Animal Systems								
10.0200.60	306	Animation								
15.1300.20	307	Architectural Drafting								
48.0500.20	309	Automation/Robotics								
47.0600.30	310	Automotive Collision Repair								
47.0600.20	311	Automotive Technologies								
41.0100.00	312	Bioscience								
52.0200.00	313	Business Management and Administrative Services								
52.0400.00	314	Business Operations Support and Assistant Services								
46.0400.40	315	Cabinetmaking								
46.0400.30	316	Carpentry								
15.1200.20	317	Computer Maintenance								
46.0400.20	318	Construction Technologies								

Direct Costs - To the extent possible, costs from all district funds, except student activities, if any, (e.g. travel, etc.) that can be easily attributable to a specific JTED Program should be reported on the respective column. Do not include pass through payments to member districts or costs of Adult CTE Programs as those amounts are entered only in the reconciliation portion of the table.

Salaries (610X) - those salary amounts that can be easily attributable to a specific JTED Program.
ERE (620X) - corresponding employee benefit amounts easily attributable to a specific JTED Program.
Purchased Services (630X, 640X, 650X, excl. 6450) - services purchased from persons or vendors that can be easily attributable to a specific JTED Program. Exclude costs coded to Object Code expenditures should be reported in the Property column.

Supplies (660X) - expenditures for all supplies (including textbooks and instructional aids) that can be easily attributed to a specific JTED Program.

Property (6450, 670X, 6832, 6842) - all property expenditures for purchases and leases of land that can be easily attributed to a specific JTED Program.

Other (680X, excl. 6832 and 6842) - all miscellaneous expenditures that can be easily attributed to a specific JTED Program. Exclude costs coded to Object Codes 6832 - Redemption of Principal-Other than Bonds and 6842 - Interest on Bonds, as those expenditures should be reported in the Property column.

Indirect Costs - those remaining JTED Central Program costs from all district funds, except student activities, grants, tax credit, etc.) that cannot be directly reported for an individual JTED Central Program should be reported on the Allocated Indirect Costs column. All Central JTED program transportation costs should be allocated to applicable JTED programs. Do not include pass through payments to member districts or costs of Adult CTE Programs as those amounts are entered only in the reconciliation portion of the table.

How to fill out this page (see detailed instructions to the right of the tables)

1. Enter statewide and local occupational need program costs in Form B below.
2. Enter costs in the Reconciliation of Member District Costs to the right.
3. Retain documentation to support all direct and indirect costs reported, including cost allocation bases.

Member

RECONCILIATION OF MEMBER DISTRICT COSTS

1. MEMBER DISTRICT COST TOTAL (from table below)	\$0.00
2. Costs for JTED Central Programs	
3. Costs that were not for JTED approved CTE programs	
4. Costs coded to program codes 270 and 470 (or programs 300-399, 450, and 460, if used in FY 2017) in functions 230X-260X, 290X, and 300X.	
5. Total costs (Sum of lines 1 - 4 above, should agree to line 6)	\$0.00
6. Total costs from the District's accounting records (should agree to line 5)	

Reconciliation of Member District Costs Table (complete after FORM B)

The reconciliation table should be used to reconcile the Satellite program costs reported on FORM B to the total member district's accounting records.

- Amount will pull from total calculated in FORM B.
- Enter any costs that the member district incurred related to JTED Central programs, such as transportation costs, if used in FY 2017.
- Enter any costs coded to program codes 270 and 470 that were not for JTED approved CTE programs (those program codes were coded to programs 300-399 and 460, enter zero on this line).
- Enter any costs recorded in functions 230X, 240X, 250X, 260X, 290X, and 300X (excluded from FORM B) to reconcile accounting records to the amounts included in this report.
- Enter total costs from the accounting records reported in all district funds, except student activities, if any, for JTED program expenditures were coded to programs 300-399, 450, and 460, then enter total costs from the District's accounting records for program codes 300-399, 450, and 460. If the amount on this line does not agree to the amount calculated on line 5, identify corrections.

Name:	CTO(S)	FORM B 2016-2017 JTED Program Cost MEMBER DISTRICT SUMMARY FORM
Home District:		
JTED District:		

FORM B Instructions (complete before Reconciliation)

For FY 2017, if the new program codes 300-399, 450, and 460 (required beginning July 1, 2017) were early records, report the costs from those program codes in the applicable JTED programs to complete FORM B. Do not include program codes 270 and 470 to complete FORM B.

Program Number (CPI)	USFR Chart of Accounts Program Code	ADE Program Title	Program Cost	ALL Funds						Allocated Indirect Costs (from all object codes)
				Salaries 610X	ERE 620X	Purchased Services 630X, 640X, 650X (excluding 6490)	Supplies (including Textbooks & Test Aids) 660X	Property (including Land & Bldg, Equipment purchases and leases) 6450, 670X, 6832, & 6842	Other 680X (excluding 6832 & 6842)	
52.0300.00	301	Accounting and Related Services								
01.0100.30	302	Agribusiness Systems								
49.0100.30	303	Air Transportation								
47.0600.50	304	Aircraft Mechanics								
01.0100.40	305	Animal Systems								
10.0200.60	306	Animation								
15.1300.20	307	Architectural Drafting								
48.0500.20	309	Automation/Robotics								
47.0600.30	310	Automotive Collision Repair								
47.0600.20	311	Automotive Technologies								
41.0100.00	312	Bioscience								
52.0200.00	313	Business Management and Administrative Services								

Direct Costs - To the extent possible, costs from all district funds, except student activities, if any, (e.g. M&O credit, etc.) that can be easily attributable to a specific JTED Program should be reported on the respective column. Do not include pass through payments to member districts or costs of Adult CTE Programs as those amounts are entered only in the reconciliation portion of the table.

Salaries (610X) - those salary amounts that can be easily attributable to a specific JTED Program.
ERE (620X) - corresponding employee benefit amounts easily attributable to a specific JTED Program.
Purchased Services (630X, 640X, 650X, excl. 6450) - services purchased from persons or vendors that can be easily attributable to a specific JTED Program. Exclude costs coded to Object Code 6450 expenditures should be reported in the Property column.

Supplies (660X) - expenditures for all supplies (including textbooks and instructional aids) that can be easily attributed to a specific JTED Program.

Property (6450, 670X, 6832, 6842) - all property expenditures for purchases and leases of land that can be easily attributed to a specific JTED Program.

Other (680X, excl. 6832 and 6842) - all miscellaneous expenditures that can be easily attributed to a specific JTED Program. Exclude costs coded to Object Codes 6832 - Redemption of Principal-Other than Bonds and 6842 - Interest on Bonds, as those expenditures should be reported in the Property column.

Exercise



JTED Cost Reporting

Walk through for 5 JTED approved programs to record the direct and allocated indirect costs



How to fill out this page (see detailed instructions to the right of the tables)		RECONCILIATION OF MEMBER DISTRICT COSTS	
1. Enter statewide and local occupational need program costs in Form B below. 2. Enter costs in the Reconciliation of Member District Costs to the right. 3. Retain documentation to support all direct and indirect costs reported, including cost allocation bases.		1. MEMBER DISTRICT COST TOTAL (from table below)	\$2,064,500.00
		2. Costs for JTED Central Programs	
		3. Costs that were <u>not</u> for JTED approved CTE programs	
		4. Costs coded to program codes 270 and 470 (or programs 300-399, 450, and 460, if used in FY 2017) in functions 23XX-26XX, 29XX and 3XXX.	
		5. Total costs (Sum of lines 1 - 4 above, should agree to line 6)	\$2,130,100.00
		6. Total costs from the District's accounting records (should agree to line 5).	

Check reconciliation amounts. Amounts on lines 5 and 6 should agree

Name:		CTD(S)	FORM B 2016-2017 JTED Program Cost MEMBER DISTRICT SUMMARY FORM
Home District:			
JTED District:			

ALL FUNDS									
				Direct Costs					Allocated Indirect Costs (from all object codes)
Program Number (CIP)	USFR Chart of Accounts Program Code	ADE Program Title	Program Cost	Salaries 61XX	ERE 62XX	Purchased Services 63XX, 64XX, 65XX (excluding 6450)	Supplies (including Textbooks & Inst Aids) 66XX	Property (including Land & Bldg, Equipment purchases and leases) 6450, 67XX, 6832, & 6842	
01.0100.90	302	Agribusiness Systems							
47.0600.20	311	Automotive Technologies							
12.0500.00	320	Culinary Arts							
51.0800.60	349	Medical Assisting Services							
51.3900.00	354	Nursing Services							
MEMBER DISTRICT COST TOTAL			\$2,064,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

All Funds Programs 270 and 470 (or programs 300-399, 450 and 460, if used in FY 2017)							
Function	Object						Total
	Salaries 61XX	ERE 62XX	Purchased Services 63XX, 64XX, 65XX (excluding 6450)	Supplies 66XX	Property 6450, 67XX, 6832, 6842	Other 68XX (excluding 6832 and 6842)	
1000	399,000	79,800	0	15,000	390,000	800	1,959,600
21XX	36,000	7,200	200	600	0	0	44,000
22XX	45,000	9,000	6,000	400	0	0	60,400
23XX	0	0	0	0	0	0	0
24XX	0	0	0	0	0	0	0
25XX	10,000	2,000	5,000	200	0	0	17,200
26XX	0	0	10,000	0	0	0	10,000
27XX	32,000	6,400	500	0	0	0	38,900
29XX	0	0	0	0	0	0	0
3XXX	0	0	0	0	0	0	0
4XXX	0	0	0	0	1,075,000		
Total	522,000	104,400	21,700	16,200	1,465,000	800	2,130,100

Salaries and ERE

- 9 teachers' salaries and ERE included in function 1000

	Salary	ERE	Programs
2 Teachers	73,000	14,600	Agribusiness Systems
1 Teacher	42,000	8,400	Automotive Technologies
2 Teachers	84,000	16,800	Culinary Arts
1.5 Teachers			Nursing Services
2.5 Teacher			Medical Assisting Services

- There are 4 teachers in the Nursing and Medical Assisting Services programs. One teaches only in the Nursing Services program; One teacher splits her time between the 2 programs; and the other 2 teachers teach only in Medical Assisting Services. Each teacher has a salary of \$50,000 and ERE of \$10,000. Fill in the total Salary and ERE amounts in the table above for these two programs.
- Salaries and ERE in function 27XX were for transporting students to central programs that will be included in the reconciliation.
- Salaries and ERE in the other functions support all 5 JTED Programs and will be included in the allocated costs after all direct costs are reviewed.

Exercise

ADE Program Title	Salaries 61XX	ERE 62XX
Agribusiness Systems	\$73,000.00	\$14,600.00
Automotive Technologies	\$42,000.00	\$8,400.00
Culinary Arts	\$84,000.00	\$16,800.00
Medical Assisting Services	\$125,000.00	\$25,000.00
Nursing Services	\$75,000.00	\$15,000.00
	\$399,000.00	\$79,800.00



Property

- Equipment and construction of buildings for programs includes

Programs	Equipment 673X, 6832, 6842	Construction 6450
Agribusiness Systems	25,000	0
Automotive Technologies	15,000	0
Culinary Arts	0	75,000
Nursing Services	150,000	
Medical Assisting Services	200,000	

- Construction on a joint use building for the Nursing and Medical Assisting Services programs was completed in 2017. The Nursing Services program uses the building 40% of the time and Medical Assisting Services uses it the remaining 60%. Construction costs in 2017 were \$1 Million for this building. Fill in the total Construction amounts in the table on the bottom of page 1 for these two programs.

Exercise

ADE Program Title	Property (including Land & Bldg, Equipment purchases and leases) 6450, 67XX, 6832, & 6842
Agribusiness Systems	\$25,000.00
Automotive Technologies	\$15,000.00
Culinary Arts	\$75,000.00
Medical Assisting Services	\$800,000.00
Nursing Services	\$550,000.00
	\$1,465,000.00



Exercise

Purchased Services

- The purchased services in function 22XX were for training for the teachers in the Agribusiness and Automotive programs. Using the number of teachers in each program to allocate the costs, fill in the total direct Purchased Service amounts in the reporting form for these two programs.
- The remaining \$700 in functions 21XX and 27XX supported all 5 JTED Programs and will be included in the allocated costs after all direct costs are reviewed.



Exercise

ADE Program Title	Purchased Services 63XX, 64XX, 65XX (excluding 6450)
Agribusiness Systems	\$4,000.00
Automotive Technologies	\$2,000.00
Culinary Arts	
Medical Assisting Services	
Nursing Services	
	\$6,000.00



Exercise

Supplies

- \$8,000 of supplies in function 1000 was for the Culinary Arts program.
- The remaining \$8,000 in functions 1000, 21XX and 22XX supported all 5 JTED Programs and will be included in the allocated costs after all direct costs are reviewed.

Other

- The \$800 in function 1000 was for admission fees related to field trips for all 5 JTED Programs and will be included in the allocated costs after all direct costs are reviewed.



Exercise

ADE Program Title	Supplies (including Textbooks & Inst Aids) 66XX	Property (including Land & Bldg, Equipment purchases and leases) 6450, 67XX, 6832, & 6842	Other 68XX (excluding 6832 & 6842)
Agribusiness Systems		\$25,000.00	
Automotive Technologies		\$15,000.00	
Culinary Arts	\$8,000.00	\$75,000.00	
Medical Assisting Services		\$800,000.00	
Nursing Services		\$550,000.00	
	\$8,000.00	\$1,465,000.00	\$0.00



Allocated Indirect Costs

The table below provides the allocation calculation based on percentage of direct expenditures for the costs related to satellite programs that are not already reported as direct costs. Fill in the Allocated Indirect Costs amounts in the reporting form for each program.

Type of Cost to Allocate	Amount	Program	Direct Costs	% of Direct Cost	Allocation Amount
Salaries	81,000	Agribusiness Systems	91,600	19	20,273
ERE	16,200	Automotive Technologies	52,400	11	11,737
Purchased Services	700	Culinary Arts	108,800	22	23,474
Supplies	8,000	Nursing Services	90,000	18	19,206
Other	800	Medical Assisting Services	150,000	30	32,010
Total	106,700	Total	492,800	100%	106,700

Exercise

ADE Program Title	Allocated Indirect Costs (from all object codes)
Agribusiness Systems	\$20,273.00
Automotive Technologies	\$11,737.00
Culinary Arts	\$23,474.00
Medical Assisting Services	\$32,010.00
Nursing Services	\$19,206.00
	\$106,700.00



Exercise

Reconciliation

- Salaries and ERE in function 27XX of \$38,400 were for transporting students to central programs.
- All costs in the program codes for CTE in the District's accounting records were for JTED approved CTE programs.
- The District's accounting records included \$27,200 of costs coded to functions 23XX-26XX, 29XX and 3XXX in CTE program codes.
- The District's total costs from the accounting records is in the data table on the top of page 1 of the exercise.



RECONCILIATION OF MEMBER DISTRICT COSTS

1. MEMBER DISTRICT COST TOTAL (from table below)	\$2,064,500.00
2. Costs for JTED Central Programs	\$ 38,400.00
3. Costs that were <u>not</u> for JTED approved CTE programs	\$ -
4. Costs coded to program codes 270 and 470 (or programs 300-399, 450, and 460, if used in FY 2017) in functions 23XX-26XX, 29XX and 3XXX.	\$ 27,200.00
5. Total costs (Sum of lines 1 - 4 above, should agree to line 6)	\$2,130,100.00
6. Total costs from the District's accounting records (should agree to line 5).	\$ 2,130,100.00

Questions

Contact Us:

Phone: 602-553-0333

Email: asd@azauditor.gov

Website: www.azauditor.gov

Additional JTED Resource
JTED Cost Reporting, FAQ #1

