



West Virginia DEPARTMENT OF  
**EDUCATION**

## Per Pupil Expenditure Data (PPE)

Office of School Finance  
May 12, 2021

### Agenda

- 3: Overview
- 8: Reporting Methodology
- 15: PPE Coding
- 24: PPE Calculation



West Virginia DEPARTMENT OF  
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# Overview

## Every Student Succeeds Act (ESSA) Language

- ESSA requires that all State Education Agencies (SEAs) report the following:

“The per-pupil expenditures of Federal, State and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State and local funds, disaggregated by source of funds, for each local education agency and each school in the State for the preceding fiscal year.”



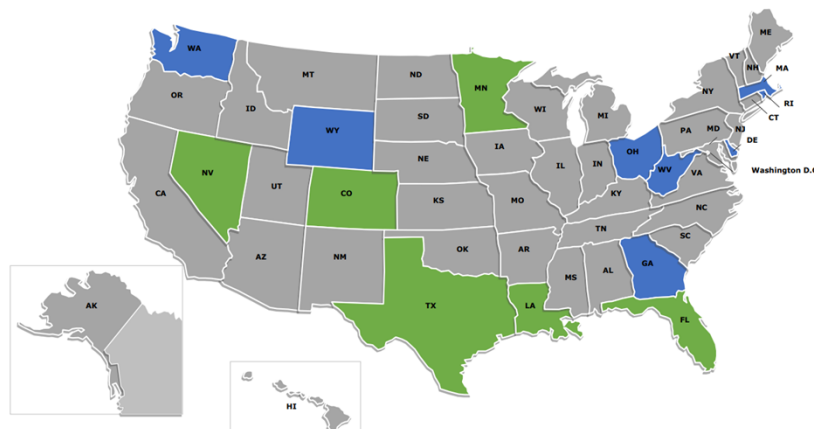
## Reporting Deadlines

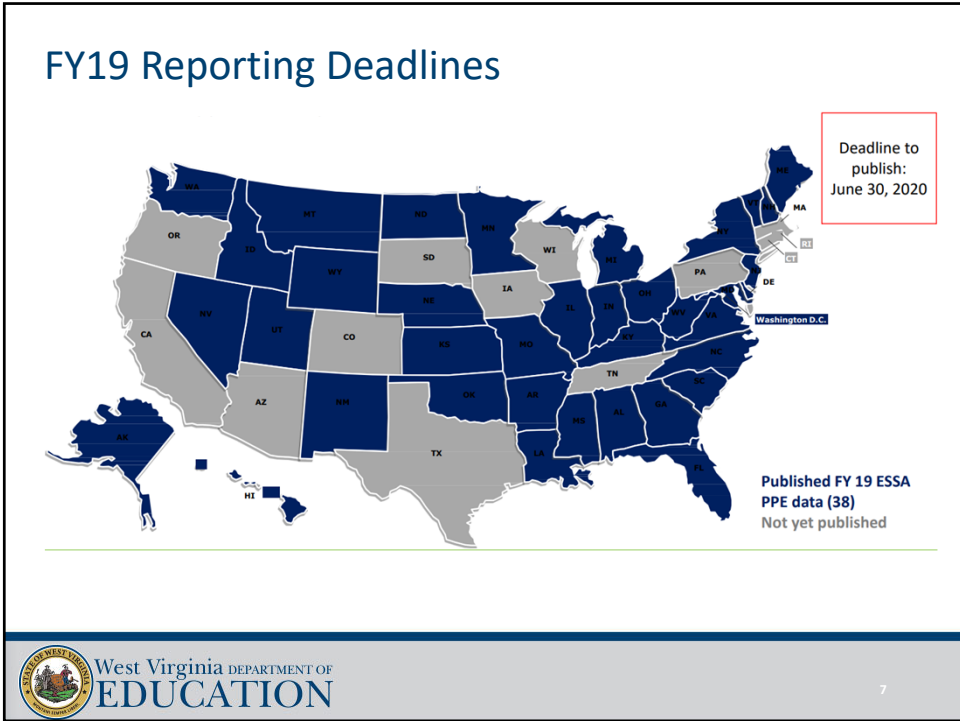
- The initial deadline to include this new data on the SEA's school report cards was December 31, 2018 for the 2017-18 school year.
- On June 28, 2017, the Acting Assistant Secretary for USDE released a letter to all State Title I Directors and State Fiscal Coordinators indicating that SEAs may delay until the reporting until the 2018-19 school year.
- Although there was an extension granted, we still proceeded with the original deadline. We met that deadline and the school level PPE data was posted for the first time on the Balanced Scorecard for each county on December 31, 2018.



## Initial FY18 Reporting Deadlines

WV was one of only 8 states to publish the ESSA data on the report cards and meet the December 31, 2018 deadline.





# Reporting Methodology

## County Responsibility

- Although county boards of education are not responsible for performing the school-level PPE calculations, county boards of education are ultimately responsible for the data reported for their schools.
- The calculations performed by WVDE are based on an established methodology that utilizes the WVEIS financial data files submitted by each county board of education as well as the county's certified October 1<sup>st</sup> State Aid Headcount Enrollment.
- Since the calculations are based on the county's financial data, the county finance office will be responsible for answering questions regarding the school-level PPE data reported for their own county. The WVDE will not be able to explain variances between schools within a county.

## Basic Formula

- **PPE=Expenditures/Student Count**
- **Numerator:** current expenditures of federal, state, and local funds disaggregated by source of funds.
  - Current expenditures are comprised of expenditures for the day-to-day operation of schools and LEAs for public elementary and secondary education, including expenditures for staff salaries and benefits, supplies, purchased services, as well as general and school administration expenditures.
  - Exclusions:
    - Debt
    - Capital
    - Non-public school programs
    - Adult education programs
    - Community services
- **Denominator:** second month headcount enrollment

## Report Format

- WVDE’s report format for the school-level PPE information follows, to the extent possible, the Interstate Financial Reporting (IFR) model that was developed by the Financial Transparency Working Group (FiTWiG).
- The FiTWiG is a group of state agencies and school districts that worked collaboratively to develop a voluntary reporting model that met the minimum criteria in the federal regulations but which would also allow for more meaningful comparisons across states.

## Example of Minimum Reporting Requirements

		School #1	School #2	LEA Average
School-Level Expenditures	Federal	\$1,047	\$1,204	\$476
	State & Local	\$11,969	\$9,910	\$14,876
	Total	\$13,016	\$11,114	\$15,352
LEA-Level Expenditures	Federal	\$526	\$526	\$526
	State & Local	\$2,751	\$2,751	\$2,751
	Total	\$3,277	\$3,277	\$3,277
GRAND TOTAL	GRAND TOTAL	\$16,293	\$14,391	\$18,629

[WV Balanced Scorecard \(k12.wv.us\)](http://k12.wv.us)

## Gilmer County Example:

- Gilmer PPE on Balanced Scorecard

Per Pupil Expenditures for GILMER County - School Year 2019 - 2020

District Schools	Enr #	School-Level Per Pupil Expenditures \$			District-Level Per Pupil Expenditures \$			Total Per Pupil Expenditures \$
		State/Local	Federal	Subtotal	State/Local	Federal	Subtotal	
Gilmer County Elementary School	364	8,463.07	1,533.47	9,996.54	4,327.71	979.94	5,307.65	15,304.19
Gilmer County High School	441	8,936.40	450.00	9,386.40	4,327.71	979.94	5,307.65	14,694.05
County Total	805	8,722.37	939.92	9,662.29	4,327.71	979.94	5,307.65	14,969.94
<b>Total District Expenditures \$</b>		12,368,211.98	<b>Excluded Expenditures include:</b>		Debt, capital, non-public school programs, adult education programs, and community services.			
<b>Total District Expenditures Less Exclusions \$</b>		12,050,818.19						
<b>Total Excluded Expenditures \$</b>		317,393.79	<b>Enrollment Count Procedure:</b>		October 1 Certified Enrollment Count			

- Gilmer PPE Grid Results

DIST	LOC	ENR	EXP_ST	EXP_FED	ST PER PUP	FED PER PUP	TOTAL SITE PUP	SH_ST PER PUP	SH_FED PER PUP	SH_TOT	GR_TOT	LOC_NAME
22	001	0	3,483,812.60	788,851.85	-	-	-	-	-	-	-	GILMER COUNTY SCHOOLS
22	206	364	3,080,560.57	558,186.26	8,463.07	1,533.47	9,996.54	4,327.71	979.94	5,307.65	15,304.19	GILMER COUNTY ELEMENTARY SCHOOL
22	501	441	3,940,952.78	198,453.69	8,936.40	450.00	9,386.40	4,327.71	979.94	5,307.65	14,694.05	GILMER COUNTY HIGH SCHOOL
22	9999	805	10,505,326.15	1,545,492.04	8,722.37	939.92	9,662.29	4,327.71	979.94	5,307.65	14,969.94	COUNTY TOTAL



# PPE Coding

## Expenditure Coding in West Virginia

- West Virginia is one of the fortunate states that has a statewide chart of accounts with an existing location code field.
- Approximately 80% of the expenditures in West Virginia are already coded at the location level because salary and benefit costs are coded by location.
- That leaves 20% of the expenditures in a county that may or may not be coded to a specific location. There are some costs that do not need to be recorded at the school location level because of the significant burden it would cause on LEA finance staff. Examples include central office expenditures, student transportation costs, etc.





## Personnel Expenditure Coding

- All payroll-related costs should be associated with a specific location code in WVEIS.
- Employees who are serving a specific school or schools should be coded accordingly to those location codes. This may involve split-coding an employee's salary in WVEIS to multiple location codes as appropriate based on the amount of time spent at each location.
- Employees who work in the central office can be coded to a central office location code.

## Non-Personnel Expenditure Coding

- If you can easily identify an expenditure with a specific school or schools, charge that expenditure to the appropriate location code(s):
  - If a purchase is made for a particular school, it should be charged to that location.
  - If a purchase is made for a particular student, it should be charged to the location code of the school in which the student is enrolled in WVEIS. One example would be Mountaineer Challenge Academy (MCA) tuition – charge the tuition to the specific location level of the student sent to MCA.
  - Utility costs should be coded at the specific location level (ex: electric, gas, water, sewer, etc.).
  - Supplies (Maintenance, Custodial, General, etc.) purchased for a specific school.
  - School specific Professional Development programs.

## Non-Personnel Expenditure Coding (Cont.)

- **Food and other non-payroll child nutrition costs should be reported at the individual school locations.**
  - It is permissible for counties to record at a central office location code throughout the year and allocate the costs at year-end via a journal entry in WVEIS to the school locations **based on the number of meals served** at each location.
  - This allows county boards to continue their practice for recording invoices, budgeting, etc. but also ensures that child nutrition costs are included in the same bucket (school specific costs instead of allocated central office costs) for all LEAs in West Virginia.



## Non-Personnel Expenditure Coding (Cont.)

- **All Pre-K Collaborative payments should also be coded to a specific school location so that the costs follow the student.**
  - Unfortunately, county boards seem to handle Pre-K enrollment differently so more specific guidance can't be given.
  - **Each CSBO will need to work with their Pre-K director to determine at which school the students attending each Pre-K Collaborative site are enrolled in WVEIS and code the payments to the Pre-K Collaborative site to that school location since the students are included in that school's enrollment count.**
  - Ideally, the school in which the students are enrolled in WVEIS will be the same school that provides lunches to the collaborative site (if applicable).



## Non-Personnel Expenditure Coding (Cont.)

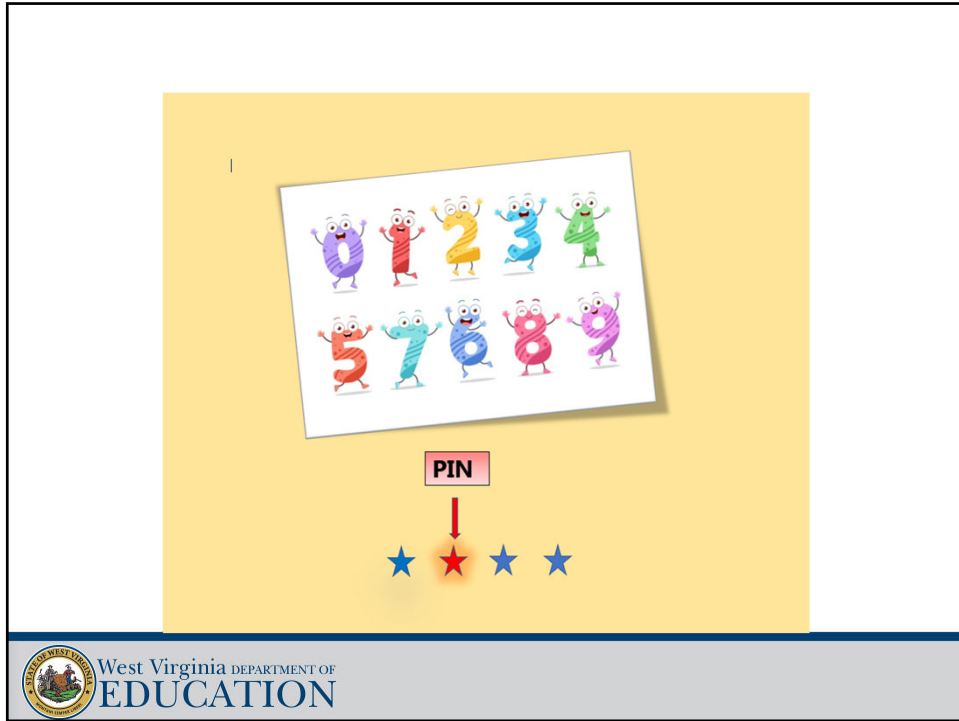
- **The coding of textbook expenditures will be at the discretion of each LEA since they will generally be immaterial to the overall PPE calculation.**
  - If it is relatively easy to allocate the cost of the textbooks to the applicable schools based on student enrollment or some other similar factor, county boards are encouraged to code to the school location level.
  - However, we recognize that for county boards with a larger number of schools, this may be more difficult and coding to a centralized location code will be acceptable.



## Examples of Central Office Level Expenditures that Do Not Require Allocation in WVEIS

- Student Transportation Costs
- Maintenance Supplies not specific to a school (purchases made for specific repairs at a school should be coded to the location level)
- Custodial Supplies not specific to a school (purchases made for custodial supplies at a specific school should be coded to the location level)
- Supplies purchased for central office staff
- Financial statement audit costs
- Most legal fees (unless directly associated with an issue for a specific school that can be easily identified)
- County-wide professional development programs (programs for a specific school should be coded to the location level)
- Unfunded Retirement Liability For/On Behalf Payments
- Out-of-State Tuition for Special Education Students





# PPE Calculation

## PPE Breakdown – School Level

- The Per Pupil School Level Expenditures are based on the expenditures coded in WVEIS to the specific location code for that school, divided by the October 1<sup>st</sup> headcount enrollment for that school.
- The expenditures are broken down into federal versus state/local amounts based on the specific account codes utilized in WVEIS, with the project code of the expenditures as the primary factor determining in which category the costs fall.
- Because the costs are specific to each school location within the county, the Per Pupil School Level Expenditure amounts will vary among schools.

## PPE Breakdown – District Level

- The Per Pupil District Level Expenditures are based on the expenditures coded in WVEIS to a central office location code, divided by the October 1<sup>st</sup> headcount enrollment for the entire county.
- The expenditures are broken down into federal versus state/local amounts based on the specific account codes utilized in WVEIS, with the project code of the expenditures as the primary factor determining in which category the costs fall.
- Because the costs are at the district level within the county and divided by the county total enrollment, the Per Pupil District Level Expenditure amounts will be the same for all schools within the county.

## Gilmer County Example:

- **Gilmer PPE on Balanced Scorecard**

Per Pupil Expenditures for GILMER County - School Year 2019 - 2020

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<b>Total District Expenditures (State/Local + Federal)</b>								
<b>Total District Expenditures \$</b>		12,368,211.98	<b>Excluded Expenditures include:</b> Debt, capital, non-public school programs, adult education programs, and community services.					
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- **Gilmer PPE Grid Results**

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## Location Codes without Enrollment

- 6XX (Special Education Centers) and 7XX (Vocational/Technical and Adult Centers)
  - These location codes do not have enrollment associated with them.
  - Those expenses will be included in the district wide amounts and allocated across the district.



## Location Codes without Enrollment (Cont.)

- Location Codes 1XX – 5XX
  - Sometimes there are elementary through high school location codes with expenses coded to them, but no enrollment associated with them.
  - There could be valid reasons for expenses with no enrollment at these locations:
    - A school was closed, but there were final expenses associated with that location.
    - A building is being used for storage or some other reason, and there are utility costs, etc. associated with it.
  - **Expenses for locations without enrollment will be included in the district wide amounts and allocated across the district.**



## PPE Calculations: Exclusions

- Certain expenditures are excluded from the PPE calculations performed for the county boards of education. The exclusions were determined based on the discussions of the FITWIG as well as informal guidance to follow the federal financial reports (NPEFS and F33) to the extent possible.
- Expenditures recorded in the following funds are excluded from the calculation:
  - Fund 16 – Trust/Agency
  - Fund 14, 64, and 74 – RESA/ESC
  - Fund 13, 63, and 73 – MCV
- Expenditures recorded in the following Program/Function Codes are excluded from the calculation:
  - 5XXXX – Nonpublic School Expenditures
  - 6XXXX – Adult Education Programs
  - 7XXXX – Interfund Transfers
  - 8XXXX – Community Services
  - X4XXX – Facilities Acquisition and Construction
  - X51XX – Debt Service



## PPE Calculations: Exclusions (Cont'd)

- Expenditures recorded in the following object codes are excluded from the calculation:
  - Object 56X – Tuition
  - Object 71X – Land & Improvements
  - Object 72X – Buildings
  - Object 83X – Debt Related Expenditures
  - Object 84X – Reserved
  - Object 91X – Fund Transfers Out
  - Object 92X – Bond Related Payments
- Expenditures recorded in the following location codes are excluded from the calculation:
  - 8XX – Private Schools
  - 9XX – Parochial Schools





OVERALL for School Level Reporting	STATE & LOCAL BREAKDOWN
<p><b>Funds</b></p> <p>Exclude:</p> <ul style="list-style-type: none"> <li>16 - Trust/Agency</li> <li>14 and 64 - ESC</li> <li>13 and 63 - MCVC</li> </ul> <p><b>Program/Function</b></p> <p>Include:</p> <ul style="list-style-type: none"> <li>1XXXX, 2XXXX, 3XXXX, 4XXXX, 9XXXX</li> </ul> <p>Exclude:</p> <ul style="list-style-type: none"> <li>5XXXX - Non-Public School Programs</li> <li>6XXXX - Adult Education Programs</li> <li>7XXXX - Interfund Transfers</li> <li>8XXXX - Community Services</li> <li>X4XXX - Facilities Acquisition and Construction</li> <li>X51XX - Debt Service</li> </ul> <p><b>Objects</b></p> <p>Include:</p> <ul style="list-style-type: none"> <li>1XX, 2XX, 3XX, 4XX, 5XX, 6XX, 8XX, 9XX</li> <li>73X, 74X</li> </ul> <p>Exclude:</p> <ul style="list-style-type: none"> <li>Object 56X - Tuition</li> <li>Object 71X - Land &amp; Improvements</li> <li>Object 72X - Buildings</li> <li>Object 83X - Debt Related Expenditures/Expenses</li> <li>Object 84X - Reserved</li> <li>Object 91X - Fund Transfers Out</li> <li>Object 92X - Bond Related Payments</li> </ul> <p><b>Location:</b></p> <p>Exclude:</p> <ul style="list-style-type: none"> <li>8XX - Private</li> <li>9XX - Parochial</li> </ul>	<p><b>Include Projects</b></p> <ul style="list-style-type: none"> <li>00YXX - 29YXX</li> <li>35YXX ← Per NCES, these should be</li> <li>38Y7X ← treated as local expenditures.</li> <li>61Y1X, 61Y5X, 61Y7X, 61Y8X</li> <li>62Y1X and 62Y3X</li> <li>63Y1X and 63Y3X</li> <li>67Y1X and 67Y3X</li> <li>68Y1X and 68Y3X</li> <li>70Y1X and 70Y3X</li> <li>71Y1X and 71Y3X</li> <li>72Y1X and 72Y3X</li> <li>74Y1X and 74Y3X</li> <li>78YXX</li> <li>79Y3X</li> <li>80Y1X and 80Y3X</li> <li>84Y1X</li> <li>89YXX</li> <li>90YXX - 99YXX</li> </ul> <p><b>FEDERAL</b></p> <p><b>Include Projects</b></p> <ul style="list-style-type: none"> <li>31YXX - 34YXX</li> <li>38Y1X-38Y6X</li> <li>39YXX - 60YXX</li> <li>61Y2X, 61Y3X, 61Y4X, 61Y6X</li> <li>62Y2X</li> <li>63Y2X</li> <li>67Y2X</li> <li>68Y2X</li> <li>70Y2X</li> <li>71Y2X</li> <li>72Y2X</li> <li>74Y2X</li> <li>79Y2X</li> <li>80Y2X</li> <li>84Y5X</li> </ul>



## Food Service Expenditure Calculations

- Food Service expenditures are allocated based on how the Food Service revenues are coded.
- How to calculate the food service expenditures:
  - Step 1: Calculate the Federal and State/Local percentage of total food service revenues
  - Step 2: Calculate the Federal and State/Local expenditures by multiplying the total expenditures by the Federal and State/Local percentage of total food service revenues



## Food Service Expenditure Calculations (Cont.)

### • Step 1 Detail

- Calculate the state/local Food Service Revenues:
  - Include Funds 11, 12, and 61
  - Include Project 88YXX
  - Include Revenue Source 01YXX-03YXX and 052XX
- Calculate the federal Food Service Revenues:
  - Include Funds 11, 12, and 61
  - Include Project 88YXX
  - Include Revenue Source 04YXX

### • Scenario:

1,500,000	State/Local revenue
500,000	Federal revenue
<hr/>	
\$ 2,000,000	Total Food Service Revenue

75% State/Local  
25% Federal

\*\*\* This means that for all the locations for your county, 75% of the food service expenditures will be allocated to state/local and 25% will be allocated to federal.



## Food Service Expenditure Calculations (Cont.)

### • Step 2 Detail

- Calculate the federal and state/local food service expenditures - multiply the total food service expenditures by the federal and state/local percentage of the total food service revenues calculated in step 1.
  - Include Funds 11, 12, and 61
  - Include Project 88YXX

### • Scenario:

The revenue percentages from Step 1 were:

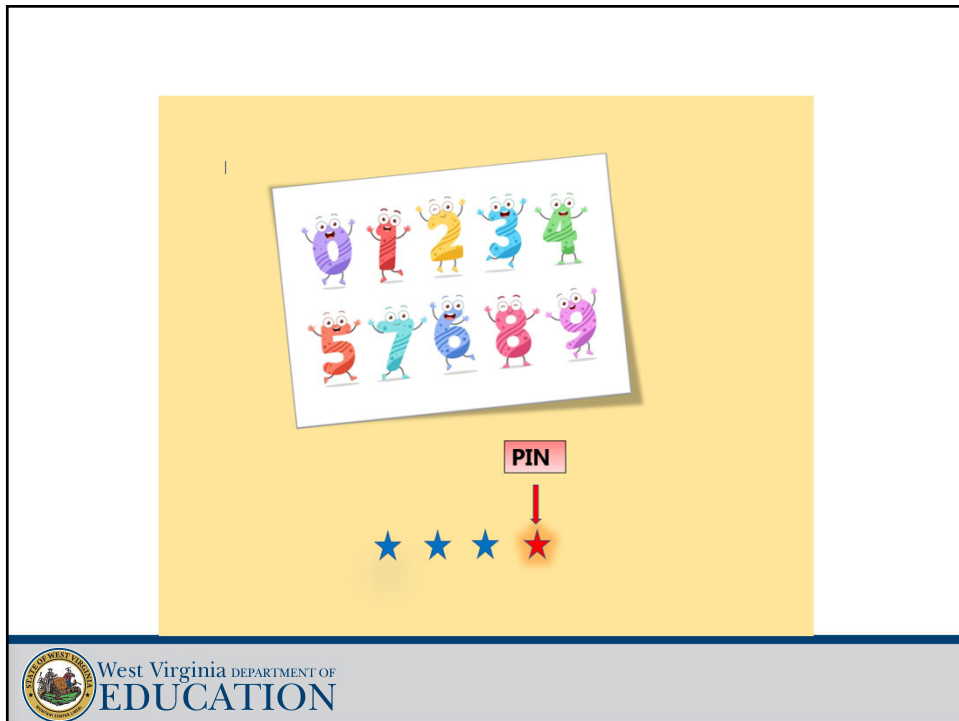
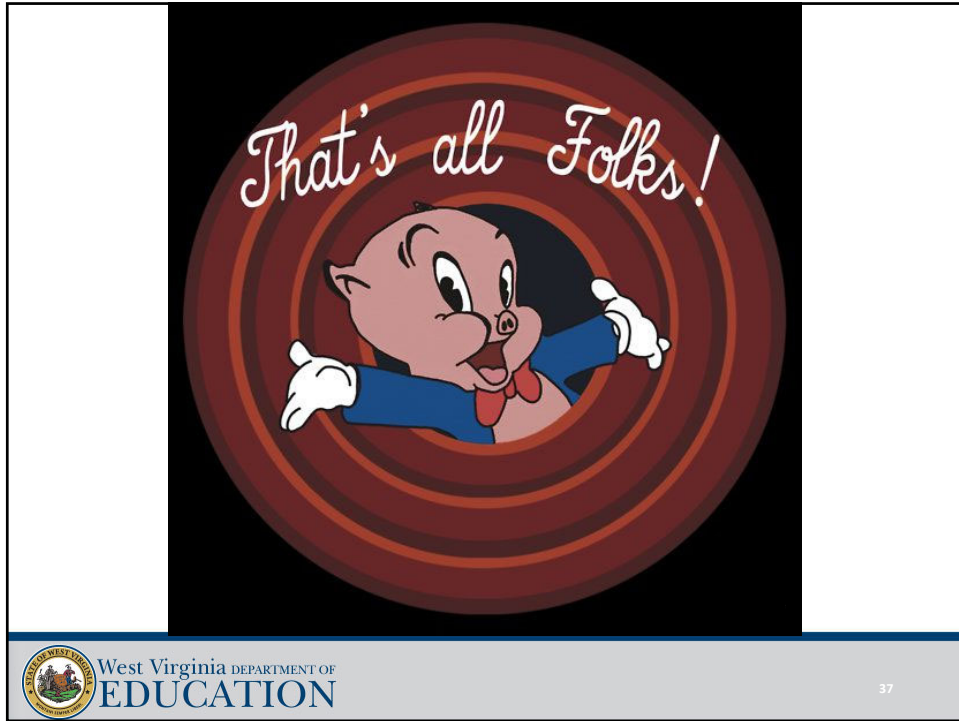
75% State/Local  
25% Federal

You have \$750,000 coded to expenditures in project 88 in location 201.

The State/Local portion for location 201 would be \$562,500 ( $750,000 \cdot .75$ )

The Federal portion for location 201 would be \$187,500 ( $750,000 \cdot .25$ )





# Thank You!



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