

SAN DIEGO UNIFIED SCHOOL DISTRICT

Date: January 12, 2021

To: Senior High School Principals

Subject: ARBITERPAY & ASB ACCOUNTING FOR OFFICIALS FEES

Department and/or Persons Concerned: Senior High School Principals, Vice Principals Who Oversee Athletics, Athletic Directors & Senior High Financial Clerks

(Due Date only if required) Prior to the start of each athletic season, for 2020-21:

- Prior to Season 1 (Fall)- start date TBD per CIF
- Prior to February 22nd for Season 2 (Spring)

Reference: [Administrative Regulation \(AR\) 3458\(a\)](#)

Action Requested: Prefund the school's ArbiterPay account prior to each season and submit actual expenses to the Accounts Payable (AP) Department monthly for reimbursement

Brief Explanation:

These instructions apply only to official fees, and not for any athletic supplies/equipment expenses accounted for in the AK Athletic Clearing Account(s) on the school's ASB Quickbooks.

1. Prepare official fees estimation (prior to each season):

1. Per [AR 3458\(a\)](#), the school's Athletic Director will prepare an ASB Requisition three (3) times a year (Fall, Winter, Spring) that is to be submitted to the school's Financial Clerk for processing. For 2020-21, this will occur only two (2) times due to the condensed seasons.
2. The school's Athletic Director will provide a populated breakdown of the funds the school is sending as supporting documentation (please reference Attachment 1 2020-21 Sample ArbiterPay Prefunding Documentation) that should be attached to the ASB Requisition.
 - i. The school's Athletic Director will utilize the schedules for each season to calculate how many officials are needed per game per sport.
 - ii. The school's Athletic Director will attach copies of the schedules to the ASB Requisition along with the completed 2020-21 Sample ArbiterPay Payment Documentation.
 - iii. The school's Athletic Director will deduct the current ArbiterPay account balance from the estimated amount being sent to ArbiterPay (in an effort to assist with this, this is built into Attachment 1 2020-21 Sample ArbiterPay Prefunding Documentation).

- iv. Transaction fees need to be included in the estimated amount. The school's Athletic Department will need to identify which funds will be used to cover this cost.

2. Check preparation to prefund your school's ArbiterPay account (prior to each season):

1. The school's Financial Clerk will prepare the check for the total estimation and charge the check to Account 1300 "ArbiterPay Prefunded Expenditures".
 - i. This is different accounting than what has been done in the past.
 - ii. 25XX clearing accounts are no longer to be used for ArbiterPay accounting on the ASB Quickbooks (please see #10 for directions on how to close down any current officials clearing accounts).
 - iii. Please note that Account 1300 is an asset account and will not reflect a negative balance. It will reflect the positive balance of the funds located in the school's ArbiterPay account.
2. Once the check is prepared, the school's Financial Clerk will mail it to the ArbiterPay address located here: <https://www.arbiterpay.com/trustbank/>
 - i. The school's Financial Clerk will include the school's ArbiterPay account number on the check so ArbiterPay knows which account to deposit the check to.

3. Payment to officials (every Tuesday):

1. The school's Vice Principal who oversees athletics will implement an internal control process to ensure payment to officials every Tuesday (this is a requirement of the District Athletics Office and has been shared with the Officials Associations).
 - i. A sample internal control process could be:
 1. Coaches notify the Athletic Director by the end of the day every Monday if there were any "no shows" by the officials.
 - a. Athletic Directors will already be aware of game cancellations.
 2. Tuesday morning the Athletic Director emails the Financial Clerk letting them know if there are any officials that should not be paid.
 3. By noon on Tuesday, the Financial Clerk logs onto ArbiterSports and approves payment for pending officials.
 - a. If the Financial Clerk is going to be absent on a Tuesday, it is recommended that a backup plan be put in place to ensure officials are paid in a timely manner.

4. Prepare report for paid official fee transactions to submit to Accounts Payable (AP) for reimbursement (monthly):

1. At the end of each month, the school's Financial Clerk will login to arbiterpay.com, select the transaction report and export to Excel.
 - i. The Financial Clerk will include unclaimed officials only and processing fees (each line must include the transaction #).
 - ii. Note that amounts downloaded are not in number format.
 - iii. Convert number columns stored as text to numbers, using Excel data tools, Text to Columns.
 - iv. The Financial Clerk will sort transactions by sport (Group #). See Attachment 2 Example of ArbiterPay Reimbursement Supporting Documentation from University City HS.
2. Do not include football and basketball gate official fees, but do include processing fees (Step #6 outlined below).
3. Also do not include officials paid by a sports club; see instruction (Step #7 outlined below).
4. Step by step directions for how to print the transaction report from arbiterpay.com can be found [here](#).

5. Prepare and submit the Athletics Reimbursement Claim Form (monthly):

1. Once the school's Financial Clerks complete the ArbiterPay transaction report, this report will represent the invoice to support the Interscholastic Athletics Summary Reimbursement Claim Form.
2. The school's Financial Clerk will submit the claim to Accounts Payable monthly for reimbursement of official/processing fees paid (Attachment 3 Updated Athletics Interscholastic Summary Reimbursement Claim Form).
 - i. Processing monthly claims are required for reconciling and replenishing the ASB account timely.
3. The school's Financial Clerk must submit the ArbiterPay officials reimbursements on a separate Reimbursement Claim Form.
 - i. The submission must include an ArbiterPay Transaction Report, run and printed from ArbiterPay, that reflects actual fees paid to officials.
 - ii. Prefunded amounts are not to be submitted for reimbursement and will not be accepted.
 - iii. The ArbiterPay report will include processing fees that can be included on the Reimbursement Claim Form with the appropriate budget based on what was decided by the school's Athletic Department.
 - iv. Gate officials are funded by gate income and therefore are not to be claimed through the athletic reimbursement process.
4. When the school's Financial Clerk receives the reimbursement check from Accounts Payable, the Financial Clerk will deposit the check promptly to Account 1300 "ArbiterPay Prefunded Expenditures".

6. Accounting for football and basketball officials paid by gate income:

1. After completion of the football or basketball recap, the school’s Financial Clerk will prepare a journal entry (JV transfer) supported with the transactions exported from arbiterpay.com.
 - i. Include only those transactions that represent the gate football or basketball officials.
 - ii. These officials should not be included with any Interscholastic Athletics Summary Reimbursement Claim.

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION
1	25XX (clearing account where gate receipts are deposited to)	2,800.00		To account for paid football (or basketball) gate officials and offset to gate ticket receipts
2	1300 ArbiterPay Prefunded Expenditures		2,800.00	To account for paid football (or basketball) gate officials and offset to gate ticket receipts

7. Accounting for official fees paid by a sports club on the ASB books:

1. For officials paid by a sports club, the school’s Financial Clerk will prepare a journal entry (JV transfer) supported with the transactions exported from arbiterpay.com.
 - i. Include only those transactions that the sports club approved to pay.
 - ii. These officials should not be included with any Interscholastic Athletics Summary Reimbursement Claim.

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION
1	2XXX (Sports club covering official fees)	3,600.00		To account for paid girls basketball tournament officials fees
2	1300 ArbiterPay Prefunded Expenditures		3,600.00	To account for paid girls basketball tournament officials fees

8. Account 1300 balance at year-end:

1. The balance for Account 1300 should agree to the remaining funds in the school’s ArbiterPay account.
2. The school’s Athletic Department will review any differences.
 - i. Possible causes may include: Official fees reimbursement claims not deposited, claimed official fees twice, excluded official fees on claim in error, incorrectly recorded football/basketball gate officials fees paid.
3. At the year-end, the school’s ArbiterPay account balance can remain in the account and roll over to the next school year.

- i. Keep in mind that the school’s budget is charged once officials are paid and those actual official fees are submitted to Accounts Payable for reimbursement.
4. If the school’s Athletic Department prefers to request the remaining funds back from ArbiterPay, ArbiterPay charges a fee to process the check. Once you receive the check from ArbiterPay, deposit to 1300 ArbiterPay Prefunded Expenditures; Account 1300 should be zero (\$0).

9. A snapshot of what you should see when reviewing reports

1. Transactions should include:

QuickBooks Transactions for ArbiterPay - (Amounts used are for example only)

Transaction Description	Transaction Type	Accounts Impacted	Impact for Account 1300	Balance for Account 1300
Prefunding (~ 3 x’s a year or if balance is low)	Check	Debit Account 1300 Credit Checking Account (credit is automatic)	10,000	10,000
Prepare/submit monthly claim to Accounts Payable (Export data from ArbiterPay.com, each line includes transaction #). Deposit claim	Deposit	Debit Checking Account (debit is automatic) Credit Account 1300	-2,000	8,000
Account for Gate Officials – do not claim*	Journal Entry	Debit FB or BB Ticket Sales Clearing Account. Credit Account 1300	-1,000	7,000
If applicable to your school, account for club’s coverage of official fees (i.e. Ladies Basketball Tournament), do not claim	Journal Entry	Debit Club Account Credit Account 1300	-500	6,500

* If your official fees exceed ticket sales, then the school site budget should cover the overage, i.e. Resource 96100 or 00000. Tip: Analyze the game expenses if your ticket income is low. For future games, you may be able to decrease the amount of time paid for supervision or ticket sellers/takers.

ArbiterPay.com Transactions (Should match QuickBooks Account 1300 at year-end (assuming all claims were submitted and deposited))

Transaction Description	Transaction Type	ArbiterPay.com Balance	ArbiterPay.com Running Balance
ArbiterPay receives pre-payment check from ASB	ArbiterPay Deposits ASB check	10,000	10,000
For approved officials, ArbiterPay draws down funds to pay officials/processing fees – (transaction # and executed status will be noted for each payment)	ArbiterPay draws down funds to pay officials	-3,500	6,500

10. Close any existing officials clearing accounts

1. See the journal entry table below for guidance on how to close any existing officials clearing accounts.

2. If the school has the amount included with the athletics (AK) clearing account, only transfer the amount equal to the current ArbiterPay balance.
3. Schools that do not balance should reconcile first to figure out what occurred.

Account #	Account Title	Debit	Credit	Description
1300	ArbiterPay Prefunded Expenditures	XXXX		To reclassify Officials Clearing to ArbiterPay Prefunded Expenditures
2###	Officials Clearing or Athletics Clearing		XXXX	To reclassify Officials Clearing to ArbiterPay Prefunded Expenditures

11. Some history background information on payment to officials:

- Prior to ArbiterPay, carbon copy Official’s Fee Request forms were used to process payment via school check for every official for every game.
- Officials completed the form and submitted it to the home team coach who then submitted it to the school’s Financial Clerk to process payment.
- The officials now register through ArbiterPay, the home team coach enters their schedule into Arbiter, and the school’s Financial Clerk approves payment through ArbiterSports. Once the official is paid, ArbiterPay will show the transaction number and indicate executed. *Please note the difference between ArbiterSports and ArbiterPay.
- The carbon copy form was also previously used by the Accounts Payable Department to issue 1099s to officials and now 1099s are issued to officials through ArbiterPay.
- Carbon copy Official’s Fee Request forms are no longer authorized to be used by school sites to issue payment to officials.

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APPROVED:

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Attachments (3)

Attachment 1: 2020-21 Sample ArbiterPay Prefunding Documentation

Attachment 2: Example of ArbiterPay Reimbursement Supporting Documentation from University
City HS

Attachment 3: Updated Athletics Interscholastic Summary Reimbursement Claim Form