

A decorative graphic consisting of a horizontal bar with a gradient from olive green on the left to white on the right. The bar is flanked by a black left bracket on the left and a yellow right bracket on the right. A thin yellow circle is partially visible behind the bar on the left side.

DPI Update

SunPac Fall Conference
November 9, 2010

Who Does What?

- Andrew Cox: (919) 807-3708
Section Chief
- Roxane Bernard: (919) 807-3725
General Reporting Issues, Chart of Accounts, MFR/AFR Issues
- Richard Smith: (919) 807-3729
Zero-Out, Datafile, Invalid Account Codes
- Chris Pond: (919) 807-3720
State Expenditures and Adjustments

Who Does What?

(Continued)

- Barbara Chalk: (919) 807-3716
Federal Expenditures and Adjustments
- Ally Barfield: (919) 807-3715
UERS Compliance
- Sue Holly: (919) 807-3735
Salary Analyst
- Tiandra Alli: (919) 807-3736
Salary Analyst

[Importance of LEA Information]

Used By:

- Legislature
- Governor's NC Report Card
- Federal Government
- Media
- Parents
- DPI Fiscal Research
- Other LEA's

UERS Reporting Calendar

- <http://www.ncpublicschools.org/fbs/finance/reporting/>

- Remaining FY10-11 UERS Data Transfer Schedule

2010	November	12/02/10 (Thursday)
☀	December	01/04/11 (Tuesday)
2011	January	02/02/11 (Wednesday)
☀	February	03/02/11 (Wednesday)
☀	March	04/04/11 (Monday)
☀	April	05/03/11 (Tuesday)
☀	May	06/02/11 (Thursday)
☀	June	06/30/11 (Thursday)

Monthly Expenditure Reports State Public School Fund

Allotment Balance Report (JHA351EG)

- This report is grouped by PRC.
- Shows the most recent allotment; beginning YTD transaction balance; current month transactions, including adjustments and refunds by account code; source code of transaction; YTD transactions; and remaining allotment balance.
- Used in the reconciliation process. See MFR Report “899”.

Monthly Expenditure Reports State Public School Fund

Certification History Report (JHA856EG)

- This report shows you the certifications received for each month, the expenditures recorded for each month, and your ending cash balance for the month.
- Used to reconcile the cash certifications which have posted for your LEA.
- Should match the **Zero-Out Report**.

Monthly Expenditure Reports Federal Grants Fund

Budget Balance Report (JHA305EG)

- Report is grouped by PRC.
- Shows the most recent budget; current month transactions, including adjustments and refunds; source code of transaction; YTD transactions; and remaining budget balance.
- Used in the reconciliation process. See MFR Report “899”.

Monthly Expenditure Reports Federal Grants Fund

Cash Balance Report (JHA314EG)

- Shows the beginning fiscal year cash balance, certifications recorded, cash transactions recorded, and the ending calculated cash balance.
- Used to reconcile the cash certifications which have posted for your LEA.
- Should match the **Zero-Out Report**.

Monthly Reports Downloaded from DPI to LEAs

- **Reconcile Monthly Reports (con't.)** -- DPI downloads & netviews the following monthly reports:

JHA899EG – DBS/MFR Match report,

PGA10RP4-E – MFR Error Messages Issued,

PGA10RP4-V – MFR Verification Messages Issued,

PGA10RP1 – Records Dropped due to Invalid Data,

PGA10RP2 – Information Dropped Per Finance Officer's Request,

PGA10RP5 – MFR Revenue & Expenditure Summary

- These reports must be reconciled to the general ledger

Monthly Expenditure Reports Monthly Financial Reports (MFR)

DBS/MFR Match Report (JHA899EG)

- Shows the comparison MTD and YTD between the DBS data (Datafile and BUD) and the MFR data (LEA general ledger) for Funds 1 and 3. Shows only CURRENT FY expenditures.
- Any differences on this report must be reconciled. Monthly is recommended.

This is Your Reconciliation Report.

Matches to JHA351EG and JHA305EG reports.

Monthly Expenditure Reports Monthly Financial Reports (MFR)

MFR Error Messages Issued (PGA10RP4-E)

- Lists Account Codes and Posting Errors.
- Edits **State and Federal** codes against the defined Uniform Chart of Accounts for these funds.
- Edits **Local** codes against the Uniform Chart of Accounts. **Purpose** code & **Object** code must be valid; **PRC** cannot equal **Zero** for expenditures.
- All items on this report need to be corrected by the final 13th Period reporting. This includes all funds: State, Federal, and Local.

Monthly Expenditure Reports Monthly Financial Reports (MFR)

MFR Verification Messages Issued (PGA10RP4-V)

- Notification of unusual transactions / conditions.
 - Expenditure codes with “negative” balances.
 - Code notices: “Use Object 412 for State Textbooks”.
- Items on this report do not have to be corrected if they are valid transactions.
- If they are not valid transactions, you need to correct your general ledger only.
- You do not need to notify DPI of these corrections.

Monthly Expenditure Reports
Monthly Financial Reports
(MFR)

MFR Records Dropped due to Invalid Data
(PGA10RP1)

Types of invalid data include:

- Fiscal Year or period not current.
- YTD Balance not numeric.
- Fund Code not 1-9.
- First digit of Purpose Code not 1-9.
- For Expense account codes only in Funds 1-8. PRC or Object Codes or Purpose Codes cannot be 000.

Monthly Expenditure Reports Monthly Financial Reports (MFR)

Information Dropped Per Finance Officer's Request (PGA10RP2)

Includes items that were dropped at the LEA Finance Officer's request.

- To request that certain funds and/or PRC's be excluded for per-pupil calculations, complete the "Funds and/or PRC's to exclude for MFR Process" request form located on DPI's website at

<http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/excludeform.pdf>

- May not exclude Fund 1 or Fund 3 codes/PRCs.

Monthly Expenditure Reports Monthly Financial Reports (MFR)

MFR Revenue & Expenditure Summary (PGA10RP5)

- Report is grouped by PRC.
- Shows all revenue and expenditure codes, including installment differences of previous FY (object codes 120, 210 & 220).
- Transactions categorized by Fund: State, Federal, and Local.
- For each Fund, shows Subtotal Revenues, Subtotal Expenditures, and any Difference.

Are State, Federal, and Local flags set correctly?

Monthly Expenditure Reports Monthly Financial Reports (MFR)

MFR Revenue & Expenditure Summary (PGA10RP5)

- For Periods 10, 11 and 12:
 - If the numbers on your MFR report 5 do not match the numbers on your MFR 899 report, the difference is ENCUMBRANCES.
 - For Periods 10, 11, and 12 DPI includes encumbrances in the MFR reports because we run preliminary PER Pupil numbers.
 - Including the encumbrances with the expenditures helps DPI give the LEAs more accurate Per Pupil numbers.
- For all other Periods (1 – 9 and 13), encumbrances are not included.

Installment Collapse

- Effective 09/30/10, DPI posted the 11th and 12th installment payments for State funds
- Installments are a FY 11 cash expenditure but a FY 10 fiscal expenditure
- Difference between accrued and actual installment expenditure should be moved to the special installment collapse codes on your FY 11 General Ledger then they will NOT print on the DBS/MFR Difference Report
- Special installments collapse codes are:
 - 1-5110-001-120
 - 1-5110-001-210 and
 - 1-5110-001-220

Installment Collapse (Continued)

- Review your 899 DBS/MFR Difference Report – the goal is to move all State installment collapse differences to the 3 collapse codes
- If FY 11 YTD DIFF is positive then AJE will debit the FY 11 account balance and credit the corresponding special installment collapse code (actual exp. > accrued exp.)
- If FY 11 YTD DIFF is negative then AJE will credit the FY 11 account balance and debit the corresponding special installment collapse code (actual exp. < accrued exp.)

State Installments/Accruals

- Effective September 30, 2010, DPI posted the 11th & 12th installment payments for State Funds (Reflected on Company 1000 Allotment Balance Reconciliation (JHA351EG) report for September 2010) in the current year to the special installment codes: 5110-001-120- 5110-001-210, 5110-001-220. This procedure is known as the Installment Collapse. Because the installment payments are "cash" payments for July and August, but are not expenditures from your current year allotments, they are included only to reflect an accurate "cash" balance.
- While these amounts were posted on your general ledger when the checks were written, but DPI did not post to the DBS/MSA system until September. This process will not affect your bank reconciliation.

State Installments/Accruals

- Each LEA should reverse the State accrual entries on their general ledgers. Any differences between the accrual amount and the actual installment payment for State Funds should be moved on your general ledger to the special installment codes so that only current year expenditures are reported in the current year expenditure codes.

State Installments/Accruals

- Also, effective September 30, 2010, DPI posted the State installment payments and accrual reversing entries to Prior Year State.
- This information is reflected on the Allotment Balance Reconciliation Report (JHA351EG) for Prior Year (Company 8000)

[Federal Installments/Accruals]

- The 11th and 12th installment payments for Federal Funds were posted in July and August respectively.
- Effective September 30, 2010, DPI posted the accrual reversing entries for all Federal programs. These entries affect only the expense and liability codes.
- This process will not affect your cash balance or cash zero-out.

[Federal Installments/Accruals]

- Each LEA should reverse the Federal accrual entries on their general ledgers.
- Any differences between the accrual amount and the actual installment payment, for Federal Funds, will be treated as a current year transaction.

Q & A

- Q - What if there are differences between the 13th Month JHA899 MFR report and the 13th Month MFR Revenue & Expenditure Summary report (PGA10RP5)
- A – The 13th Month MFR Revenue & Expenditure Summary report (PGA10RP5) may reflect the installment differences from previous FY (5110-001-120, 5110-001-210 and 5110-001-220).

Q & A

- Q - What if the differences between DBS (DPI's books) and MFR (LEA's books) on the JHA899EG report are due to differences between installment accruals and actual installment expense?
- A – To correct, post AJEs to move the differences from the current year expenditure codes to the installment collapse codes. The three collapse codes are 1-5110-001-120, 1-5110-001-210 and 1-5110-001-220.

Q and A

- Q – When DPI sends out the collapse reports, which reports are most helpful for LEAs to get their collapse entries from?
- A – The most helpful reports will be the MFR JHA899EG DBS/MFR Match Report for Fiscal Year 2011 – Period 3 (September) and the JHA351EG Allotment Balance Reconciliation Report for June 30, 2010 as of September 2010 for Company 8000.

AS OF SEPTEMBER 2010

FOR COMPANY 8000

UNIT NUMBER 000 ANY COUNTY

ACCOUNT CODE	Y-T-D ALLOTMENT	BEGINNING BAL YTD EXPENDITURES	TRANS AMOUNT	TRANS TYPE	VOUCHER NUMBER	SOURCE CODE	Y-T-D EXPENDITURES	ALLOTMENT BALANCE
5110-121-001		\$ 15,152,255.29	\$(785,055.64)	ACC		AC99002751	\$ 15,148,692.78	---
			\$ 781,493.13		(3,562.51)	JS3H020001	-----	---
5110-123-001		\$ 45,405.00	\$(1,937.50)	ACC		AC99002752	\$ 45,405.00	---
			\$ 1,937.50			JS3H020002	-----	---
5110-211-001		\$ 1,118,058.00	\$(59,838.58)	ACC		AC99002753	\$ 1,116,018.28	---
			\$ 57,798.86		(2,039.72)	JS3H020003	-----	---
5210-211-001		\$ 29,569.57	\$(2,265.02)	ACC		AC99002756	\$ 29,506.98	---
			\$ 2,202.43		(62.59)	JS3H020006	-----	---
5260-211-001		\$ 19,960.18	\$(1,409.81)	ACC		AC99002759	\$ 19,942.01	---
			\$ 1,391.64		(18.17)	JS3H020009	-----	---
5310-211-001		\$ 3,374.92	\$.00				\$ 3,374.92	---
5110-221-001		\$ 1,307,216.04	\$(82,631.65)	ACC		AC99002754	\$ 1,306,922.90	---
Total			\$ 82,338.51		(293.14)	JS3H020004	-----	---
			(5,976.13)					

DATE RUN: 10/11/10

FISCAL YEAR: 2011 PERIOD: 03

REPORT: R01

TIME RUN: 16:49:11

PAGE: 582

UNIT#: 000 FUND: 1

PRC	PURP	OBJ	DBS MTD	MFR MTD	MTD DIFF	DBS YTD	MFR YTD	YTD DIFF
---	---	---	-----	-----	-----	-----	-----	-----
001	5110	121	\$1,325,319.85	\$1,325,319.85	\$.00	\$2,737,968.96	\$2,734,406.45	\$3,562.51
001	5110	211	\$96,442.22	\$96,442.22	\$.00	\$199,639.21	\$197,599.49	\$2,039.72
001	5110	221	\$139,504.87	\$139,504.87	\$.00	\$289,537.08	\$289,243.94	\$293.14
001	5110	231	\$152,406.80	\$152,406.80	\$.00	\$596,676.73	\$596,676.73	\$.00
001	5210	121	\$34,689.51	\$34,689.51	\$.00	\$69,379.02	\$69,379.02	\$.00
001	5210	211	\$2,479.70	\$2,479.70	\$.00	\$4,959.40	\$4,896.81	\$62.59
001	5260	211	\$1,663.78	\$1,663.78	\$.00	\$3,344.18	\$3,326.01	\$18.17
001	5260	221	\$2,430.51	\$2,430.51	\$.00	\$4,861.02	\$4,861.02	\$.00
001	5310	231	\$410.80	\$410.80	\$.00	\$821.60	\$821.60	\$.00
			-----	-----	-----	-----	-----	-----
PRC TOTAL:			\$1,800,438.02	\$1,800,438.02	\$.00	\$4,011,644.19	\$4,005,668.06	\$5,976.13

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ALLOTMENT BALANCE RECONCILIATION REPORT

REPORT: R01

DATE RUN: 10/05/10

FOR JUNE 30 , 2010

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AS OF SEPTEMBER 2010

FOR COMPANY 8000

UNIT NUMBER 000 ANY COUNTY

ACCOUNT CODE	Y-T-D ALLOTMENT	BEGINNING BAL YTD EXPENDITURES	TRANS AMOUNT	TRANS TYPE	VOUCHER NUMBER	SOURCE CODE	Y-T-D EXPENDITURES	ALLOTMENT BALANCE
5110-181-024		\$ 326,5000.00	\$(500.00)	AFD		SA76000011	\$ 326,000.00	---
5810-199-024		\$ 665.58	\$.00				\$ 665.58	---
5110-211-024		\$ 75,650.72	\$(38.25)	AFD		SA76000012	\$ 75,612.48	---
			\$(1,612.18)	ACC		AC99002774	-----	---
			\$ 1,612.19		.01	JS3H020024	-----	---
5320-211-024		\$ 3,112.80	\$.00				\$ 3,112.80	---
5810-211-024		\$ 4,019.00	\$(135.08)	ACC		AC99002777	\$ 4,019.00	---
			\$ 135.08			JS3H020027	-----	---
5830-211-024		\$ 5,662.38	\$(114.43)	ACC		AC99002780	\$ 5,662.38	---
			\$ 114.43			JS3H020030	-----	---
5110-221-024		\$ 73,191.63	\$(43.75)	AFD		SA76000013	\$ 73,147.88	---
			\$(2,221.78)	ACC		AC99002775	-----	---
			\$ 2,221.78			JS3H020025	-----	---
5320-221-024		\$ 3,560.40	\$.00				\$ 3,560.40	---
DISADVANTAGED STUDENTS								
GROUP TOTALS:		=====	=====				=====	=====
=		\$ 1,997,250.00	\$ 1,997,250.00	\$(581.99)			\$ 1,996,668.01	\$ 581.99

DATE RUN: 10/11/10

FISCAL YEAR: 2011 PERIOD: 03

REPORT: R01

TIME RUN: 16:49:11

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UNIT#: 000 FUND: 1

PRC	PURP	OBJ	DBS MTD	MFR MTD	MTD DIFF	DBS YTD	MFR YTD	YTD DIFF
024	5110	121	\$60,529.56	\$60,529.56	\$.00	\$105,230.38	\$105,230.38	\$.00
024	5110	131	\$4,246.04	\$4,246.04	\$.00	\$4,246.04	\$4,246.04	\$.00
024	5110	162	\$320.00	\$320.00	\$.00	\$320.00	\$320.00	\$.00
024	5110	181	\$.00	\$.00	\$.00	(\$2,500.00)	(\$2,500.00)	\$.00
024	5110	193	\$.00	\$.00	\$.00	\$100.00	\$100.00	\$.00
024	5110	211	\$4,869.90	\$4,869.90	\$.00	\$7,539.56	\$7,539.57	(\$.01)
024	5110	221	\$4,687.57	\$4,687.57	\$.00	\$8,545.08	\$8,545.08	\$.00
PRC TOTAL:			\$103,496.28	\$103,496.28	\$.00	\$193,882.75	\$193,882.76	(\$.01)

(351 difference) – (AFDs)
= result

<u>PRC</u>	<u>351 Difference</u>	<u>AFDs</u>	<u>result</u>
001	-\$5,976.13		-\$5,976.13
024	-\$581.99	-\$582.00	\$0.01
	-\$6,558.12	-\$582.00	-\$5,976.12

Period 03

LEA #000

*Report JHA351EG for 6/30/10, as of September 2010, Co. 8000

*Report JHA899EG for Period 3 /FY 2011

	Transaction Amount		Diff	DBS YTD	MFR YTD	YTD Diff
1-5110-001-121	\$(785,055.64)	\$781,491.13	\$ (3,562.51)	\$ 2,737,968.96	\$ 2,734,406.45	\$ 3,562.51
1-5110-001-211	\$(59,838.58)	\$ 57,798.86	\$ (2,039.72)	\$ 199,639.21	\$ 197,599.49	\$ 2,039.72
1-5110-001-221	\$(82,631.65)	\$ 82,338.51	\$ (293.14)	\$ 289,537.08	\$ 289,243.94	\$ 293.14
1-5210-001-211	\$(2,265.02)	\$ 2,202.43	\$ (62.59)	\$ 4,959.40	\$ 4,896.81	\$ 62.59
1-5260-001-211	\$(1,409.81)	\$ 1,391.64	\$ (18.17)	\$ 3,344.18	\$ 3,326.01	\$ 18.17
1-5110-024-211	\$(1,612.18)	\$ 1,612.19	\$ (.01)	\$ 7,539.56	\$ 7,539.57	\$ (.01)
			(5,976.12)			5,976.12

Collapse AJEs

	Debit	Credit
1-5110-001-121	\$3,562.51	
1-5110-001-120		\$3,562.51
Total	\$3,562.51	\$3,562.51

1-5110-001-211	\$2,039.72	
1-5210.001-211	\$62.59	
1-5260-001-211	\$18.17	
1-5110-024-211		\$.01
1-5110-001-210		\$2,120.47
Total	\$2,120.48	\$2,120.48

1-5110-001-221	\$293.14	
1-5110-001-220		\$293.14
Total	\$293.14	\$293.14

Total installment to 3 codes: \$5,976.12

[Installment Collapse]

- "Prior to posting installment collapse AJEs, go into General Ledger, select #14 System File, then Option 23. Change "Validate Against BUD Accts?" to either N(o) or W(arning)
- Make sure all 3 collapse codes are set up and postable/usable in your FY 11 ledger – all PRCs will collapse to the 001 collapse codes
- Post Collapse AJEs

[Installment Collapse]

- Go back into system file (Option 23) and change “Validate Against BUD Accts?” back to Y(es)
- Differences should be gone with next MFR report
- 3 collapse codes will not show up on any DPI reports until 13th period reporting, revenue vs. expenditure report

Monthly Expenditure Reports

Allotment Overdraft Report (JHA356EG)

- This report reflects the allotment overpayment by *state* PRC, *state* salary audit exceptions and months allocated versus months used.
- One report for Company 8000 (prior year)
- One report for Company 1000 (current year)
- 1 % penalty is access each month until the of overpayment is paid.

Monthly Expenditure Reports

Allotment Overdraft Report (JHA356EG)

- Company 8000 (prior year) report includes Allotment Balance (overage), Audit Exceptions-State Overpaid and Months Allocated Versus Months Used.
- Questions regarding the Salary Audit exceptions can be directed to Sue Holly or Tiandra Alli.

New DPI Report Being Developed

- Similar to JHA351EG - Allotment Balance (state) and JHA305EG - Budget Balance (federal) reports
- Will add outstanding encumbrance column from MFR data (both PR & AP balances)
- Will calculate an unencumbered balance from DPI's perspective

Chart of Accounts

- ☀ Please send request and justification for account codes for Fund 1 (State), 3 (Federal) and 5 (Child Nutrition) to Roxane Bernard's attention at rbernard@dpi.state.nc.us.
- ☀ Do not use the requested account code until DPI approves your request.

MSA Training Schedule

9:00 AM to 4:00 PM

North Carolina Department of Instruction
Raleigh, North Carolina

Tuesday, November 17, 2010

Tuesday, February 22, 2011

Wednesday, May 4, 2011

Where To Get Information

- Finance Officer's Newsletter
- BUD Alerts
- FBS Website

<http://www.ncpublicschools.org/fbs/>

Resources

- Cash Management (919) 807-3643
- Cash Management (*Back Up*) (919) 807-3638
- School Allotments Section (919) 807-3739
- Helpdesk (919)807-HELP

Thank You

Questions????