



Public Schools of North Carolina

Understanding EC Funding

NC Department of Public Instruction
Exceptional Children Division
Special Programs and Data Section

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Agenda

- Understanding Fund Sources
- Chart of Accounts
- Understanding Budget Codes
- Allowable Uses of Funds



Funding Sources



Exceptional Children State Funding



State Funds for Children with Disabilities

PRC 032/036

- Intended to assist Public School Unit (PSU) with services for children with disabilities.

Per child allocation is for children with disabilities school-aged 5 through 21 counted on the April 1 child count. Funds are limited to **12.75%** of the public school unit's average daily membership (ADM). The per child allocation will differ for those PSUs who are over the **12.75%** cap.



Behavior Support Funds

PRC 029

- The North Carolina General Assembly has allocated funds to provide resources to help school systems appropriately serve students with severe and complex behavioral-emotional needs.

- The application process of these funds is changing.
- For more information regarding these funds, contact:

**Dreama McCoy,
Section Chief**



Special State Reserve Funds

PRC 063/036

- For newly enrolled children with disabilities who have high cost needs.
- Special circumstances may permit a submission for a change in condition.
- Intended to assist Public School Unit (PSU) with emergency, unforeseen situations that are accompanied by an unexpected fiscal burden.

**Accessed via an application.
Funds are child specific;
cannot be used for other
children.**

Example:

A child with disabilities moves from another district and enrolls in school after budgets are set and funds are committed. The child has needs that are atypical and very expensive to provide.



Community Residential Center

PRC 063

- **For children placed in an approved Community Residential Center placed through the Local Management Entity or Managed Care Organization.**

Accessed via an application.
Funds are child specific;
cannot be used for other
children.



Developmental Day Funds

PRC 063

- **For children placed in an approved Developmental Day Center approved by NCDHHS/DCDEE.**

Accessed via an application. Funds are child specific; cannot be used for other children.

. No more than 10% of the approved state rate may be used by the DDC for administrative purposes



Group/Foster Home Funds

PRC 032/036 and PRC 060

- Funds are available to PSUs for students with disabilities placed in group or foster homes or similar facility for residential services that were not counted on the December 1 or April 1 child count.
- The PSU where the group home is located is responsible for the special education and related services for the students that reside in the group home.

Accessed via an application. Funds may be used for other children after the child generating the funds have been served.



Federal Exceptional Children Funding



Federal IDEA Funds

PRC 060

- **The State Board of Education makes allocations to local education agencies (PSUs) based upon the certified appropriation from the Office of Special Education Programs, U.S. Department of Education.**

Funds are for all children with disabilities, ages 3 through 21, who meet specific eligibility requirements under Public Law 108.446.

Local education agencies (PSUs) must submit an IDEA Grant application and receive approval prior to access funds.



Federal EC Funding-Basic Allotments

- Federal IDEA Section **619** (3 through 5) funds are allocated to PSUs through **PRC 49** based on a formula that includes a base payment, ADM, and the number of children living in poverty.



Federal EC Funding-Basic Allotments

- Federal IDEA Section **611**(3 through 21) funds are allocated to PSUs, charters and State Operated Programs (SOPs) through **PRC 60** based on a formula that includes a base payment, ADM, and the number of children living in poverty.



Federal EC Funding PRC 70

Coordinated Early Intervening Services

- IDEA regulations mandate 15% of IDEA 611 and 619 funds are set-aside for any LEA with significant disproportionality (SD) (Mandatory Use)
- LEAs without significant disproportionality may use up to 15% of their IDEA 611 and 619 funds for CEIS (Permissive Use)



Out of District

PRC 060

- Up to 50% of Educational Costs *reimbursed* (direct pay)
 - Paid to PSU from PRC 060
 - Requires submission of all invoices and canceled checks
- Accessed via an application
- Funds are child specific.
- Must be IEP Team recommended out of district placement.



Risk Pool Program Funds

PRC 114

- For children with disabilities who have high cost, extraordinary needs.
- Funds are often requested for medically fragile children and children in need of additional staff to provide 1:1 assistance for activities of daily living skills.
- Accessed via an application
- Funds are child specific.
- A specific child may be funded for up to five years (not necessarily consecutive years).
- Services must be documented in the child's IEP.



Federal Targeted Assistance Funds

PRC 118

Initiatives supported with Targeted Assistance funds

- PBIS
- Content Literacy
- Personnel
- Related Services
- Autism Support Team

The funds that are provided to Charter Schools are intended to assist in the challenges faced when recruiting and retaining Related Service personnel (Occupational Therapists, Physical Therapists, Speech-Language Pathologists, and School Psychologists)



Federal Targeted Assistance Funds

PRC 119

Supported with Targeted Assistance funds for Preschool initiatives:

- Assessment Teams
- Early Literacy Sites
- Outdoor learning Environments
- Center on the Social Emotional Foundation for Early learning (CSEFEL) sites
- Special Projects

Funds can support professional development for Preschool Coordinators.



NC State Improvement Plan Funds

PRC 082

- The North Carolina State Improvement Project (NC SIP) provides personnel development and program support services to significantly improve the performance and success of students with disabilities in North Carolina.
- New application process and criteria for the new SPDG
- Previously there have been NC SIP research-based sites that focus on reading and writing instruction
- A growing network of sites focusing on Early Literacy
- Previously there have been research-based mathematics instruction sites



Check In

- Is Risk Pool a state fund or federal fund?
- Is Developmental Day Center a state fund or federal fund?
- Is Behavior Support a state fund or federal fund?
- What type of funding supports Group Foster Home?

Chart of Accounts

Chart of Accounts

Instructions

1. Use the drop down arrows under each field to filter data the way you would like it to be filtered.
2. To reset the spreadsheet, make sure all the fields are filtered to "All".
3. You can filter by more than one field.

Fund	Purpose	PRC	Object	AcctDescription	Custom Description
3	3600	060	000	IDEA, Part B (611)	
3	5130	060	121	Program Enhancement Teachers - Salary - Teacher	
3	5130	060	211	Program Enhancement Teachers - Employer's Soc Sec - Regular	
3	5130	060	221	Program Enhancement Teachers - Employer's Retirement - Regular	
3	5130	060	231	Program Enhancement Teachers - Employer's Hospitalization Ins	
3	5130	060	234	Program Enhancement Teachers - Employer's Dental Ins Cost	
3	5130	060	235	Program Enhancement Teachers - Employer's Life Insurance Cost	
3	5210	060	121	EC - Salary - Teacher	
3	5210	060	122	EC - Salary - Interim Teacher - Non Cert	
3	5210	060	124	EC - Salary - IFE	
3	5210	060	125	EC - Salary - New Teacher Orientation	
3	5210	060	126	EC - Salary - Extended Contracts	
3	5210	060	128	EC - Salary - Re-employed Retired Teacher	
3	5210	060	129	EC - Salary - Held Harmless Salary	
3	5210	060	131	EC - Salary - Diagnostician	Salary - Diagnostician
3	5210	060	133	EC - Salary - Psychologists	
3	5210	060	134	EC - Salary - Teacher Mentor	
3	5210	060	135	EC - Salary - Lead Teacher	
3	5210	060	141	EC - Salary-TA (Self Help)	Salary-TA (Self Help)
3	5210	060	142	EC - Salary - TA - NCLB	
3	5210	060	143	EC - Salary - Tutor	
3	5210	060	144	EC - Salary - Interpreter/Brailist/Translator	
3	5210	060	145	EC - Salary - Therapist	
3	5210	060	146	EC - Salary - Specialist (School-Based)	

Chart of Accounts

Details the minimum requirements for account code structure for all local school administrative units. The documents include the Attach A, used by administrative staff in the LEAs for coding personnel in the school systems. If you have any questions concerning the use of the Uniform Chart of Accounts (COA), please contact the School Financial Reporting Section in the Division of School Business 984-236-2460.

<https://files.nc.gov/dpi/documents/fbs/finance/reporting/coa/fy2021-coa-09-24-2020.xls>



Uniform Chart of Accounts

- In 1975 the General Assembly enacted a law requiring a uniform accounting system for all local school administrative units effective July 1, 1976.
- The Uniform Chart of Accounts provides a universal and consistent structure for each school unit to document how funds are received and spent.
- The structure requires a minimum of four parts: **Fund Code**, **Purpose Code**, **Program Report Code** and **Object Code**



Chart of Accounts

- The Chart of Accounts (COA) is organized in six columns
 - Fund
 - Purpose
 - PRC
 - Object Code
 - Account Description
 - Custom Description

Chart of Accounts

Uniform Chart of Accounts (COA) can help sites remember

- What are the allowable activities for the funds
- How funds are allocated for students with disabilities,
- How were funds spent.

Fund Code Federal → 3-5210-060-121 ← Object Code EC teacher salary

Purpose Code Instructional services →

PRC IDEA 611 →

Budget codes... just a new language!

Change a word in a sentence, and the message or event taking place changes.

The brown rabbit jumped over the fence.

The frightened rabbit jumped over the fence.

The frightened rabbit jumped around the fence.

Budget codes are nothing more than a “number sentence.” Change a code, the meaning of the code changes.

3-5240-060-132

1-5240-032-132

1-5240-032-311



Commonly Used Codes

The first set of numbers in a Budget Code are **Fund Codes**. 1-digit

- Tells the source of the money.
 - 1 State
 - 2 Local
 - 3 Federal



Categories of Purpose Codes

The second set of numbers in a Budget Code are **Purpose Codes**. 4-digits

- Tells activity/action/function of the money.

5000 Instructional Services 6000 System-Wide Support Services
7000 Ancillary Services 8000 Non-Programmed Charges
9000 Capital Outlay



Commonly Used Codes

The third set are **Program Report Codes**. We abbreviate these, calling them **PRCs**. 3-digits

- Tells category of spending, what funds are for.
 - 029 Behavior Support
 - 032 Children with Disabilities
 - 049 IDEA VI-B (619)
 - 060 IDEA VI-B (611)
 - 063 Special State Reserve, Developmental Day Center, Community Residential Center
 - 070 Coordinating Early Intervening Services (CEIS)
 - 082 NC State Improvement Grant
 - 114 Risk Pool Program
 - 118 Targeted Assistance



Categories of Object Codes

The fourth set are **Object Codes**. 3-digits

- Tells the service or commodity obtained.

100 Salaries
200 Employer Provided Benefits
300 Purchased Services
400 Supplies and Materials
500 Capital Outlay



What do these codes mean?

3-5240-060-132

Federal Funds for a speech language therapist salary paid from IDEA-Part B (611) funds

1-5240-032-132

State Funds for a speech language therapist salary paid from funds for students with disabilities.

1-5240-032-311

State Funds for a contracted speech language therapist paid from funds for students with disabilities.



Digging Deeper into COA



Commonly Used Purpose Codes

- 5210 Children with Disabilities Curricular Services
- 5230 PreK Children with Disabilities Curricular Services
- 5240 Speech Language Pathology Services
- 5250 Audiology Services
- 5840 Health Services
- 6200 Support and Development



Commonly Used Object Codes

- 121 Teacher (salary)
- 132 Instructional Support-Advanced/Speech Language (salary)
- 133 Psychologist (salary)
- 142 Teacher Assistant (salary)
- 162 Substitute Pay
- 311 Contract Services
- 312 Workshops and Allowable Travel
- 411 Supplies and Materials

Common Benefit Codes

- 211 Employer's Social Security
- 221 Employer's Retirement
- 229 Other Retirement Cost
- 231 Employer's Hospitalization Insurance
- 232 Employer's Workers' Comp Insurance

Other Object Codes

- 418 Computer Software and Supplies
- 461 Furniture and Equipment – Inventoried
- 462 Computer Equipment - Inventoried

Policy Regarding Equipment

The PSU must maintain records for equipment purchased with EC funds (state or federal) and conduct a physical inventory at least every two years.

- Policies/Procedures
- Expenditure Reports & Paid Invoices
- Physical Inventory
- Disposition

Equipment and Computing Devices

- Non-consumable
- Inappropriately converted to personal use
- Tagged and tracked
- Coded as Supplies & Materials (PRC 411)

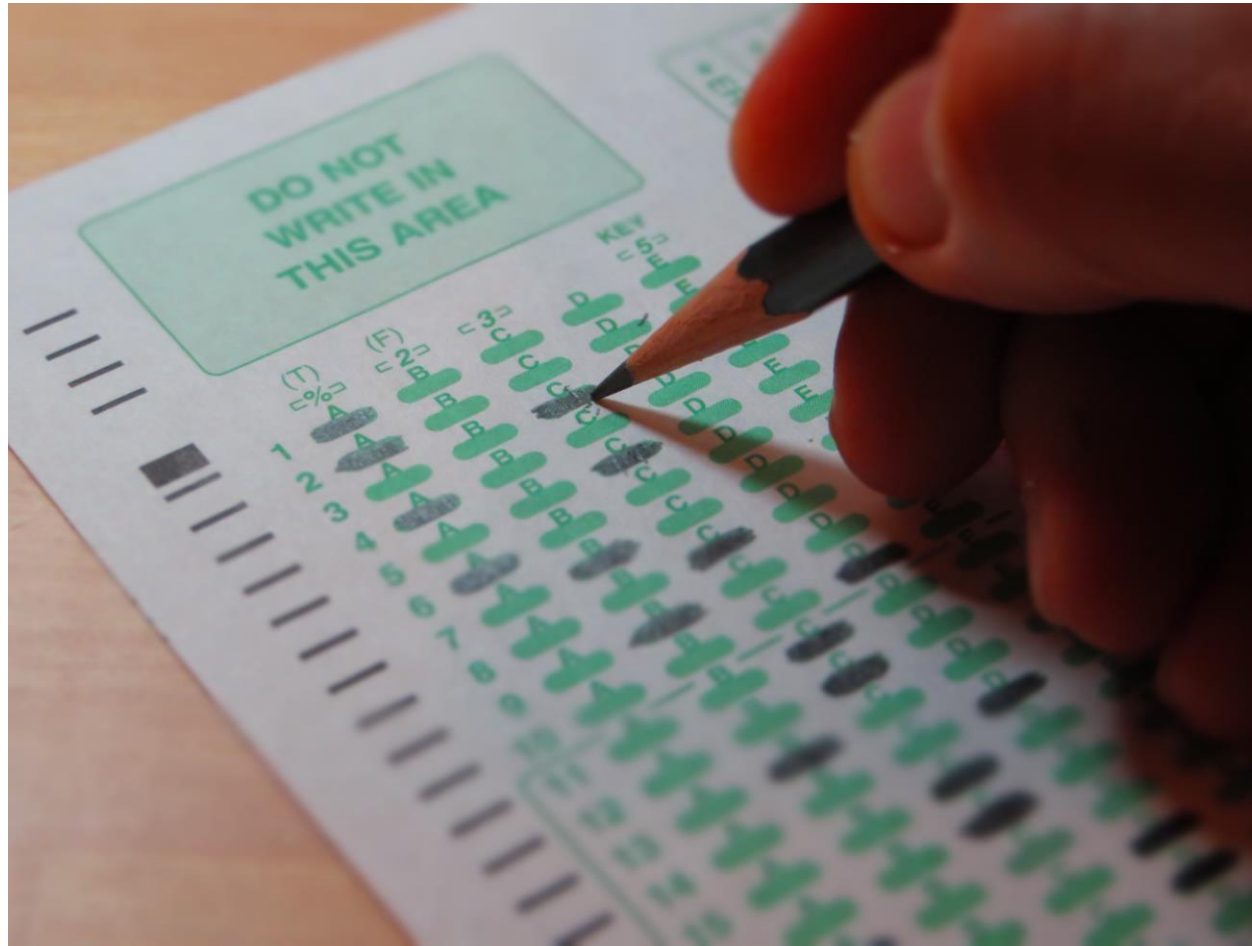


Equipment Identification

- ☐ Date Purchased
- ☐ Serial Number or other ID number
- ☐ Item Description
- ☐ Vendor
- ☐ Title Holder (who has the equipment in their possession)
- ☐ Cost
- ☐ Program Reporting Code (PRC#)
- ☐ Percent Federal cost participation
- ☐ Location
- ☐ Condition
- ☐ Disposition Date (if applicable)



Practice



3-5210-060-121

- 3 = Federal Funds
- 5210 = Children with Disabilities Curricular Service
- 060= IDEA VI-B (611)
- 121= ?

1-5230-036-142

- 1= State Funds
- 5230= ?
- 036= State EC Funds
- 142= Teacher Assistant Salary

3-5840-114-311

- 3= Federal Funds
- 5840= Health Services
- 114= Risk Pool Program
- 311= ?

1-5210-036-411

- 1= State Funds
- 5210= Children with Disabilities Curricular Service
- 036= State EC Funds
- 411= ?



Exceptional Children Division Special Projects and Data - Grant and Fiscal Team Contact Information

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