

Cash and Grant Year Accounting for Charter Schools

Session Description

- Overview of the NEW Cash Processing for FY24-25 with the modified systems. We will also provide an overview of the Grant Year reporting requirements for the Federal Grants and other related Reporting requirements specific for Charter Schools.
- Presented by the SBS Reporting Team: Evelyn Gallegos, Roxane Bernard and Tina Moore.

Chart of Accounts (COA) and Grant Year Integration

Chart of Accounts (COA) Info

- Provides a list of allowable codes for the grant.
- Shows how the grants were expended.
- This is the financial communication between the charter schools and DPI.
- Used as a basis for audits and Federal Reporting.

UERS: GS115C-12(18)

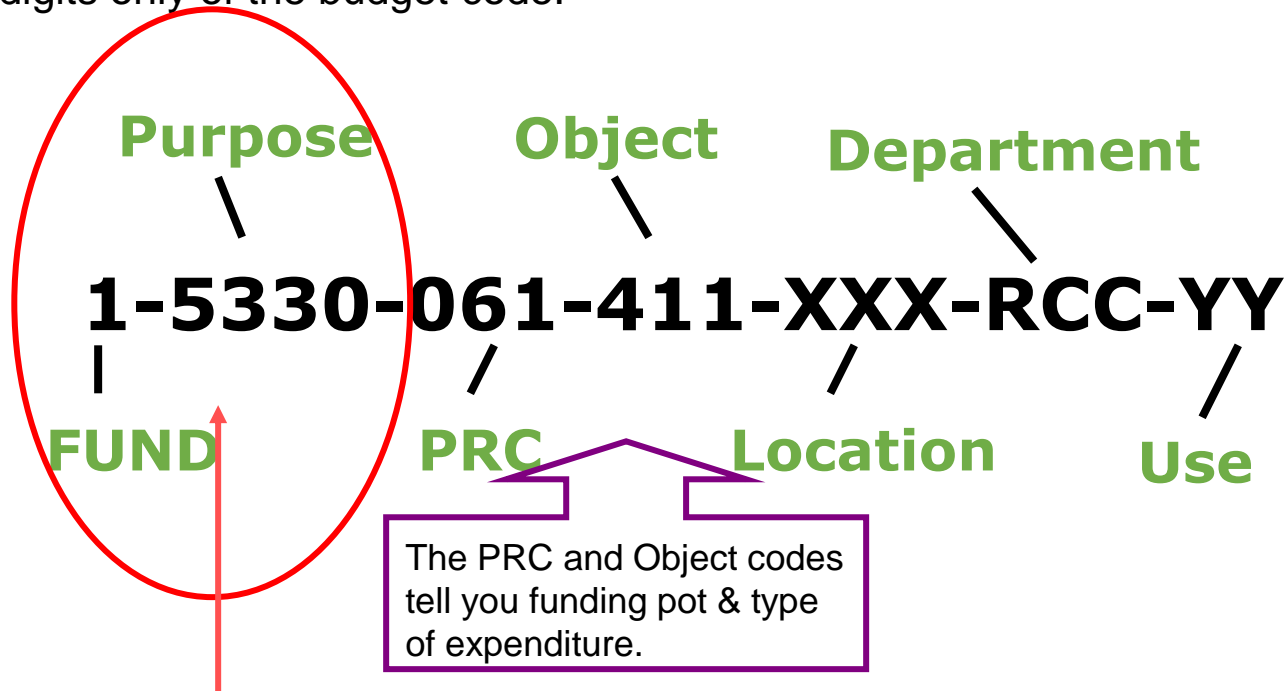
- Uniform Education Reporting System
- Why we have a UNIFORM Chart of Accounts
- Why we have Standard Required Reporting of:
 - Student Data
 - Personnel Data
 - Fiscal Data
- This applies to ALL PSUs (Public School Units)
- Enables DPI to provide consistent reporting and “apples to apples” data for many interested groups.

Reports and Resources Related to COA items

- Reports
- Invalid Account Codes
- Cash Zero-Out report
- Budget Reconciliation Report
- Cash Reconciliation Report
- COA Website supporting documents
- Allotment Policy Manual
- General Statutes
- Federal Program Guidance

The Budget Breakdown or Budget Code – OLD COA

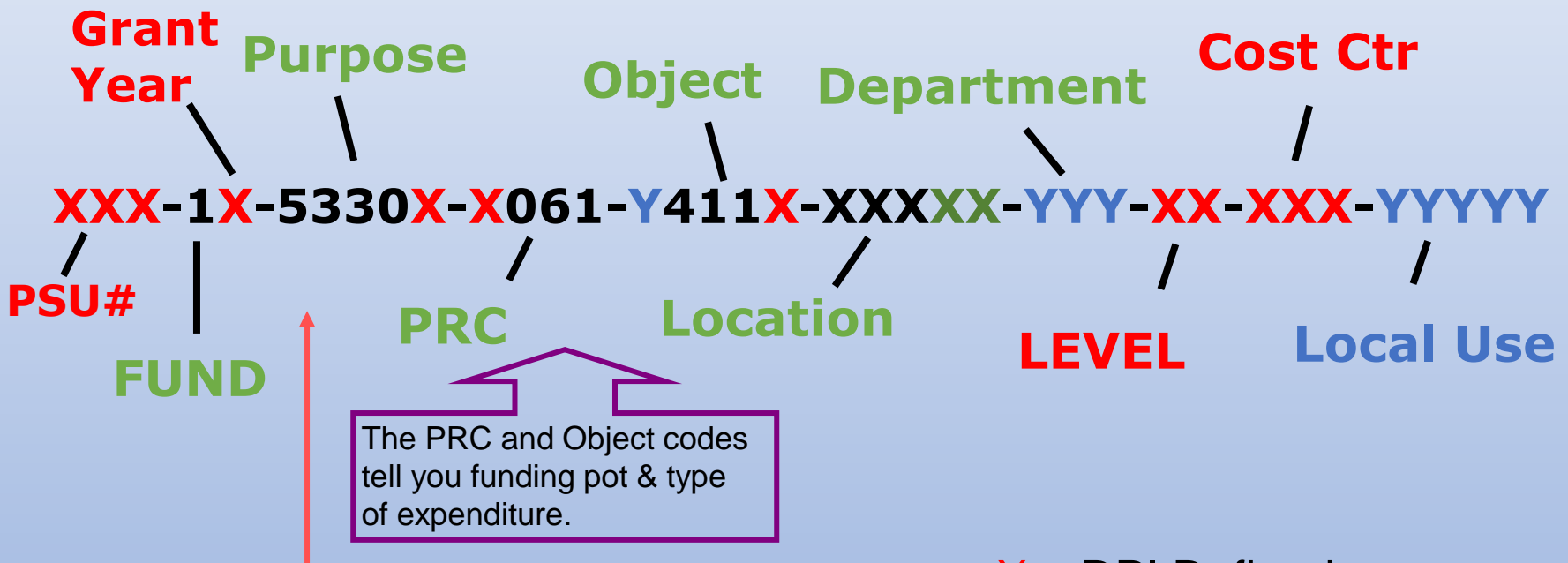
The budget code is defined by the NC Department of Public Instruction under UERS General Statutes. PSUs can define the last 5 digits only of the budget code.



Most Board of Education's Budget Resolution during the fiscal year is at the Fund-Purpose Code level of the Budget Code.

The Budget Breakdown or Budget Code – NEW COA

The budget code is defined by the NC Department of Public Instruction under UERS General Statutes. This is currently used by the new ERP systems but will be mandated for all by **July 1, 2023, structurally and with data beginning July 1, 2024.**



Most Board of Education's Budget Resolution during the fiscal year is at the Fund-Purpose Code level of the Budget Code.

X = DPI Defined
Y = PSU Defined

UERS COA Code Structure for Financial Software Vendors

UERS - External Chart of Accounts Structure for Public School Units					
Segment	Segment Purpose	CURRENT UERS COA	NEW Expanded UERS COA*	X is Uniform Chart, with new in Red, Y is locally defined (Blue)	Notes
PSU	denotes PSU #	3	3	XXX	Ensure with records for mapping to federal and other databases as may be required by IT for configurations
Fund	An Accounting Entity with a self-balancing set of accounts; Funds defined in 115C -446	1	2	XX	Use to segregate funds by Grant Yr (Fed primarily but may apply to some state grants)
PRC	Program Report Code. Plan of activities or funding allotment	3	4	XXXX	DPI Expansion to 4 -- DPI Defines 1000 - 2999, remainder has some defined codes for LEA use not allocated by DPI
Purpose	Reason for the expenditure (Why)	4	5	XXXX X	DPI Expansion to 5; Note: in Munis there is a differing use for Balance Sheet accts which will be in the object code segments as defined below
Object	1st digit define account type, Defines service or commodity obtained for expenditures (What)	3	5	YXXX X	Munis specific coding for Y: 1xxxx - Assets; 2xxxx - Liabilities; 3xxxx - Equity; 4xxxx- Revenue; 5xxxx - Expense Traditional objects in digits 2 -4 of expense, with DPI expansion in 5th.
Location	Location of service or commodity - (Where)	3	5	XXX XX	DPI may eventually change to 5 digit school number to match or meet federal coding
Department (Loc Use 1)	Budget Manager	3	3	YYY	Department number when used to indicate Budget Manager or Supervisor; New numbers to be established to allow for sub-department and division reporting.
Level (Local Use 2)	To indicate school level, system wide, or CO expenditure	2	2	XX	Defined in Note 2
Cost Ctr	To track program costs across mutple PRC's and Object when needed.	0	3	XXX	DPI reserving 100 -499; Local use 500+
Project	To track grants, capital projects, or special projects within a PRC	0	5	YYYYY	Local Use only
	Total	22	37		9-Segments -- PSU is implied for datafile transfers
*The NEW COA is currently used by the ERP Vendors (Tyler/Munis and Oracle)					

Learn the Definitions - Tips

- The COA documents on our website:
 - [Chart of Accounts | NC DPI](#)
- Download the Excel Version to your desktop, occasionally update – easy to filter and sort as you need.
- Consider printing a booklet of the definitions for easy reference for you and your staff, others, that expend state and federal funds.
- Understand the Other PRCs for tracking other state and federal grants that are recorded in other local funds.

COA Structure

NCDPI - UERS Chart of Accounts (COA)						COA Coding Structure Prior FY24-25		
as of 7/9/24								
Grant Year used for All Federal Grants and corresponds to the authorized grant year of the funding per the USED GAN documents. Will default to X, when not reflecting grant year in our files. Where you see # - use appropriate grant year as may be applicable for your PSUs funding as allocated.						This section may be used to help filter this table as users get used to the new coding structure		
Fund	Grant Yr	Purpose	PRC	Object	Account Description	Old Purpose	Old PRC	Old Obj
1	X	51100	0001	01210	Regular Curricular - Salary - Teacher	5110	001	121
1	X	51100	0001	01220	Regular Curricular - Salary - Interim Teacher - Non Cert	5110	001	122
1	X	51100	0001	01230	Regular Curricular - Salary - JROTC Teacher	5110	001	123
1	X	51100	0001	01250	Regular Curricular - Salary - New Teacher Orientation	5110	001	125
1	X	51100	0001	01270	Regular Curricular - Master Teacher	5110	001	127
1	X	51100	0001	01280	Regular Curricular - Salary - Re-employed Retired Teacher	5110	001	128
1	X	51100	0001	01290	Regular Curricular - Salary - Held Harmless Salary	5110	001	129
1	X	51100	0001	02110	Regular Curricular - Employer's Soc Sec - Regular	5110	001	211
1	X	51100	0001	02210	Regular Curricular - Employer's Retirement - Regular	5110	001	221
1	X	51100	0001	02310	Regular Curricular - Employer's Hospitalization Ins	5110	001	231
1	X	51200	0001	01210	CTE - Salary - Teacher	5120	001	121
1	X	51200	0001	01220	CTE - Salary - Interim Teacher - Non Cert	5120	001	122
1	X	51200	0001	01250	CTE - Salary - New Teacher Orientation	5120	001	125
1	X	51200	0001	01270	CTE - Master Teacher	5120	001	127
1	X	51200	0001	01290	CTE - Salary - Held Harmless Salary	5120	001	129
1	X	51200	0001	02110	CTE - Employer's Soc Sec - Regular	5120	001	211
1	X	51200	0001	02210	CTE - Employer's Retirement - Regular	5120	001	221
1	X	51200	0001	02310	CTE - Employer's Hospitalization Ins	5120	001	231
1	X	51300	0001	01210	Program Enhancement Teacher - Salary - Teacher	5130	001	121
1	X	51300	0001	01220	Program Enhancement Teachers - Salary - Interim Teacher - Non Certified	5130	001	122
1	X	51300	0001	01250	Program Enhancement Teacher - Salary - New Teacher Orientation	5130	001	125
1	X	51300	0001	01290	Program Enhancement Teacher - Salary - Held Harmless Salary	5130	001	129
1	X	51300	0001	02110	Program Enhancement Teacher - Employer's Soc Sec - Regular	5130	001	211
1	X	51300	0001	02210	Program Enhancement Teacher - Employer's Retirement - Regular	5130	001	221
1	X	51300	0001	02310	Program Enhancement Teacher - Employer's Hospitalization Ins	5130	001	231
1	X	52100	0001	01210	EC - Salary - Teacher	5210	001	121
1	X	52100	0001	01220	EC - Salary - Interim Teacher - Non Cert	5210	001	122
1	X	52100	0001	01250	EC - Salary - New Teacher Orientation	5210	001	125
1	X	52100	0001	01270	EC - Master Teacher	5210	001	127
1	X	52100	0001	01290	EC - Salary - Held Harmless Salary	5210	001	129
1	X	52100	0001	02110	EC - Employer's Soc Sec - Regular	5210	001	211
1	X	52100	0001	02210	EC - Employer's Retirement - Regular	5210	001	221
1	X	52100	0001	02310	EC - Employer's Hospitalization Ins	5210	001	231

Invalid Account Codes

- Your software vendors should have your financial systems set-up to ensure your expenditures post to valid account codes for State and Federal funds.
 - ***This is a requirement under GS 115C-18: Uniform Education Reporting System (UERS) requirements.***
- If a PSU overrides that edit, the invalid account codes will not be recognized by DPI and therefore, those expenditures will not receive cash during the monthly “zero-out” process.
- Please correct any invalid account codes timely.
 - ***Should you have expenditures reflected in invalid codes at the end of the fiscal year this likely will cause you to revert those funds.***

Impact of Improper Coding

- Use of Invalid Codes: the Expenditures are DROPPED from the files.
- Zero-out process will not honor those expenditures and pull back cash requested to support those checks.
- Since cash is based on monthly expenditures vs monthly cash this could create some lag in funding or checks not being honored by your bank.
- Improper Coding or using invalid codes:
- Expenditures post to the incorrect Program (PRC).
- Funds could revert (be lost forever) or not carryover sufficiently.
- Expenditure could create an audit exception due to invalid expense and need to be refunded.

Types of Reports with Grant Year Integration – *Coming this fall*

Financial Management

- New fiscal reports are currently being built
- Quality of data
 - Example: Check numbers in payroll file
 - Invalid account codes
- Order cash based on what is reasonable and necessary
- We have more time to review and monitor the data submissions from PSUs

Non-Compliance Notice

- There is a 3-day rule
 - Under state guidelines, cash should not be drawn and held for more than 3 days in advance of checks being cut against that cash draw.
 - Due to the nature of how expenditure data is received; currently, which is monthly, we use 2 methods to help control and to help the PSUs meet this cash allowability window.
 - **Cash Request Calendar**
 - **Monthly Cash Zero-Out***Currently being built and should be available for August data.*

Monthly Cash Zero Out

- The monthly cash zero-out matches cash requested by the PSUs over the month against actual expenditures (via checks cut) for the month.
- DPI then pulls back excess cash drawn or provides cash, should expenditures be greater than cash drawn for the month • It is incumbent upon the PSU to ensure they are managing this “3-day” rule and should NOT be relying upon the state to manage this for them.
- The Zero-out process will not absolve the PSU of any potential audit finding related to inappropriate cash management when it comes to federal and/or state funds

Processing Cash Requests

Federal Cash vs. State Cash

- PSU Cash Application (PCA)
- 6pm Monday deadline
- Currently on new PCA
- Cash Management System
- 6pm Tuesday deadline
- Will migrate to PCA in the fall

Friendly Reminders

- Adhere to the cash calendar deadlines
- Confirm receipt of funds on the FRD
- Emergency cash requests after the deadlines are not guaranteed to be processed
- Email CashMgt@dpi.nc.gov for questions

PSU Cash Application (PCA) Quick Overview

PCA Registration Steps

- Obtain an NCID for your PSU
 - 3rd party management companies need separate NCIDs for each PSUs
- Register on the PCA and select a PSU role
 - Data Entry or Inquiry Only
- Review training resources on website
 - Navigation guide and prerecorded webinar

PSU Cash Application(PCA) Resources

- [New Cash Application](#) - July 12, 2024
- [How to Register for the New Cash Application](#) - July 16, 2024
- [Navigation Guide for the New Cash Application](#) - July 19, 2024
- [New Cash Application Webinar](#) / Password: 6HnDGvzm - July 22, 2024

Data Inquiry Reports

- FRD → See historical and future FRD entries
- PRC → View available to request and funds request history by PRC
- All Requests → Find year to date cash requests with audit trail
- Funds Available to Request → Captures the remaining available balances of PRCs

Questions?

