

# AFR/MFR Recommendations for Consistent Per-Pupil Reporting

DPI is responsible for the presentation of total LEA expenditure and financial information to the General Assembly, Federal Government, and other interested parties. After reviewing the MFR/AFR data over the last several years, DPI has identified some inconsistencies in the LEA data that could lead to an unintentional misrepresentation of the accounting data. The following are new guidelines to help ensure that LEAs' report their accounting data consistently to allow for a more accurate reflection of your data. This is especially relevant to all parties in determining per-pupil expenditures.

For consistent reporting, expenditure and revenue totals for State and Federal funds must be equal. Please be sure to book the Period 12 zero-out entry back to June.

All valid Revenue codes are defined in the Uniform Chart of Accounts.

- 3100 - 3460 State sources
  - 3100 is for use for the State Public School Fund and should only be used in Fund 1.
  - 3200 is for other state sources.
- 3590 - 3850 Federal sources
  - 3600 is for Federal Grant Funds received from NCDPI and should only be used in Fund 3.
  - 3700 for other Federal Sources received directly by the LEA.
- 4100 to 4926 Local sources
  - 4120 and 4130 are for Supplemental Taxes.
- Local revenue transferred to charter schools
  - Use 4110-036

Use the PRC with the revenue code to enable NCDPI to consistently match revenues and expenditures. When any of the following PRCs are used in any fund, NCDPI will report them as defined in the Uniform Chart of Accounts.

Revenue Code	Program Name	PRC
3200	Smart Start Programs (flag as State)	401-409
3400	Critical School Facility Needs Fund (flag as State)	075
3400	Public School Building Capital Fund (flag as State)	074
3400	State of North Carolina Public School Building Bonds (flag as State)	078
3460	Public School Capital Fund - Lottery	076
3700	Impact Area Grants	308
3700	Head Start Grants	309

Revenue Code	Program Name	PRC
3700	Head Start Grants	309
3700	Medicaid Direct Services Reimbursement Program	306
4210	Tuition and Fees - Before & After School Care	701
4210	Tuition and Fees - Community Schools	704

- The value of the State Textbook Funds expended should be recorded in your State Public School Fund using revenue code 3211. Failure to record these funds or recording them in any other manner will affect your per-pupil calculation.
  - Use Object code 412 to record the value of the State Textbook Funds expended.
  - Use Object code 413 for other textbook purchases.
- Only PURPOSE and OBJECT codes defined in the Uniform Chart of Accounts are available for use. However, you may use the last digit of the purpose code for more detailed reporting. We will replace the last digit of your code with a zero (0) for NCDPI reporting purposes. We will interpret these codes as they are defined in the Uniform Chart of Accounts; therefore, the definition of your code must be consistent with the primary code.
  - 5110-5220, 5240-5330, 5350-6950 and 7200 are included in your per-pupil calculation
  - 5230, 5340 and 6951-9999 are not included in your per-pupil calculation.
  - Use 71XX purpose codes for Before and After School Care (PRC 701), Community Schools (PRC 704) and Pre-School (PRC 705) expenditures so they are not included in your per-pupil expenditures.
  - 830, 840, 850 and 860 - Location Codes are not included in your per-pupil calculation.
  - Use of PRC 309 Head Start, PRCs 401-409 Smart Start and PRC 413 More at Four expenditures will not be included in your per-pupil expenditures.
  - Use of 1-6610-036-381 and 1-6610-036-382 are excluded in the charter school's per-pupil calculation.
  - If the purpose code is 5000-9999, then object codes 000 or 999 and PRC 000 are not valid. If expenditures are recorded using these codes, DPI will drop the records. See report PGA10RP1 – Monthly Financial Report – Records Dropped Due to Invalid Data. This will affect your per-pupil calculation.

- 81XX is the only valid purpose code category to be used with objects 700-799. If expenditures are recorded using other combinations, this will affect your per-pupil calculation.
- Fund 2, Fund 4, & Miscellaneous Funds that are from other state or federal sources should be flagged on your general ledger with an S or F to ensure accurate per-pupil reporting.
- The only valid installment accrual codes are:
  - 2160-120 – Salaries Payable
  - 2220-210 – Matching Social Security Payable
  - 2260-220 – Matching Retirement Payable

If expenditures are recorded using other combinations, they will be reported as unidentifiable and could affect your per-pupil calculation.

- Use account code 8200-399 to record Federal budgets and prior year overspent programs. You should not use this account to record expenditures. Using this code to record expenditures will affect your per-pupil calculation.
- 4-9999-078-888 is a dummy account set up for LEAs to report their Public-School Building Bond expenditures through the BUD system when the county is writing the checks instead of the LEA. This is not a valid code in the Uniform Chart of Accounts. If the LEA chooses to interface the BUD transaction to their General Ledger, then a correcting journal entry should be made to move the 4-9999-078-888 amount to the Public-School Building Bond revenue code.
- Code Child Nutrition/School Food Service revenues and expenditures to Fund 5, PRC 035 on your General Ledger for NCDPI to accurately report per-pupil expenditures.
- You must correct ALL items on the “MFR Error Messages Issued” report (PGA10RP4-E) by the 13th month. THIS INCLUDES ALL FUNDS, even LOCAL funds (Funds other than 1 or 3). These errors can affect your per-pupil calculation.
- Items on the “MFR Verification Messages Issued” report (PGA10RP4-V) do not have to be corrected if they represent valid transactions.