

Guidelines on Refunds and Repayments

As of 12/11/24

Agenda

1. Refunds through the Cash Systems
2. Manual Refund - Checks

Key Considerations for this Presentation:

1. Systems continue to be modernized and these processes will continue to evolve. Changes will be communicated.

2. Presentation Based on current systems in place:

- PSU Cash Application (PCA) system (Federal and State Funds)
- Manual Checks

3. General rule, only cash that the PSU has a right to, should be returned through the cash systems. Using the PCA at this time to return cash increases the available cash balance.

4. A manual check will result in funds being returned to NC DPI and the original source of funds.

Refunds through the Cash Systems

Reason for Return	Source of Original Funds	Related to Current Fiscal Year Funds
PSU overdrew current year State Cash or moved expenditures and needs to return current year State Cash already drawn	State	Enter Amount as a Negative Cash Request in PSU Cash Application (PCA)
TD-19 Refund of SPSF Transportation Allotment of current year funds	State	Enter Amount as a Negative Cash Request in PSU Cash Application (PCA)
Reason for Return	Source of Original Funds	Grant Open through Period of Performance
PSU overdrew current year Federal Cash or moved expenditures and needs to return current year Federal Cash already drawn	Federal	Enter Amount as a Negative Cash Request in PSU Cash Application (PCA)
Sales Tax Refund for Open PRC	Federal	Enter Amount as a Negative Cash Request in PSU Cash Application (PCA)

Refunds through the Cash Systems

1. Create negative cash request in the PSU Cash Application (PCA)

- PCA request will be the net amount of expenditures + sales tax reimbursed combined.
 - Example:
 - Cash request \$100,000.00 for the week,
 - Sales tax refunds received by the PSU \$1,000.00 for the same PRC,
 - The PCA allows more than one entry per FRD so you can enter the \$100,000 cash request and (\$1,000) return or the net amount of \$99,000.
- Due to current system limitations PSUs can only return up to the amount that they have requested for this fiscal year.
 - Example:
 - YTD cash request in PRC181 is \$1,000.00.
 - Sales tax is \$1,100.00.
 - The entry can only be up to (\$1,000.00).
 - PSU should wait until adequate funds are drawn.

2. For federal funds, don't forget to create a contra account transaction using sales tax account object code 04720 (*previously object code 472 in COA*) in budget.

Manual Refund Checks - State

Consider the original source of funds and, if State, whether the funds related to a prior or current fiscal year.

Reason for Return	Source of Original Funds	Related to Prior Fiscal Year	Related to Current Fiscal Year
Prior Year State Overspent (allotments, months allocated vs used, categorical overspend, penalties)	State	Check	n/a
Prior Year Certified Salary Audit Exception	State	Check	n/a
Questioned Costs (i.e. Annual Audit Exception, Fiscal Monitoring Exception)	State	Check	Check**
Sales Tax Refund	State Public School Building Bond Funds, School Technology Fund	Check	Cash App
TD-19 Tort Insurance or Capital	State	Check	Check
TD-19 Refund of SPSF Transportation Allotment	State	Check	Cash App

Manual Refund Checks-Federal


Consider the original source of funds and if Federal, whether the funds related to an **open grant year**.

Reason for Return	Source of Original Funds	Grant Open through Period of Performance	Grant is in Liquidation or Closed
Prior Year Federal Overspent (allotments)	Federal	Check	Check
Prior Year Certified Salary Audit Exception	Federal	Check	Check
Sales Tax Refund	Federal	Cash App	Check
IDEA Maintenance of Effort	Federal	Check	Check
Questioned Costs (i.e. Annual Audit Exception, Fiscal Monitoring Exception)	Federal	Check**	Check

Refunds and Repayment Form

[Refunds and Repayments Form](#)

[See NC DPI Refunds Guidance Document on NC DPI SBS Website](#)



Refund Form #
Generated on Submit

Date
09/26/2024

REFUNDS and REPAYMENTS FORM

Please refer to the refund guide when deciding when to it is required to send a check back to NC DPI. Please ensure you complete all fields. It is important to provide adequate information for NC DPI to understand the reason for the return of the funds and the original source of funds.

Note there are 6 Refund Types to select from:

- Allotment Overage
- Certified Salary Audit Exception
- IDEA Maintenance of Effort
- Questioned Costs (i.e. Audit Finding)
- Sales Tax Refund
- TD-19 Tort Insurance/ Capital Improvements

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PSU Type
 Charter School Local Education Agency (LEA)
 Regional School LAB School Non-Units
 NC DPI Representative

PSU or Entity Number
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PSU or Entity Name
Public School Unit Name

What's Next



Submitter

Receives an automated email
Email includes a submission #
Must send the physical check



SBS

Receives the submission to ensure all
information required has been provided
May follow up with submitter



DPI Cash Management

Receives the check



Submitter

Receives another automated email on the
day the check is processed for deposit

For questions about
refunds
and the processes
please email
cashmgt@dpi.nc.gov

