

Webinar Q&A Responses

Presentation: September 12, 2023

Updated Guidance on Local Funds Process - ESSER II Close Out Process - NCFS Conversion
Blackout Dates

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School Business Services webinars will not be recorded.

For each webinar, the presentation slides, Q&A responses and link to any additional guidance, FAQs, and templates can be found on the DPI website under the [Presentations, Guidance and Training](#) section and by navigating to the Webinars drop down box and selecting that topic.

Questions and responses from the webinar can be found below.

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References to Related Resources

Some questions have been previously answered or information has been published on the topic that should be reviewed. Please reference the relevant guidance and documentation previously published:

- [Transfer of Local Payments to Charter Schools](#) – Guidance and templates can be found along with this [webinar](#) posted on DPI's website.

We received many specific questions related to the guidance provided for the Local Funds Process after this webinar. These questions will be addressed in an FAQ. Once the FAQ is published it will be updated on the website and announced in the newsletter.

- [Current Year Sales Tax Refunds](#)- A [Sales Tax Refunds Processing – CCIP](#) memo was issued and can be found under the memo section under Presentations, Guidance, and Training.
- [Sales Tax Refunds Processing](#)
Please see the DPI website for detailed guidance [Presentations, Guidance, and Training | NC DPI](#)
 - September 6, 2023 Webinar – powerpoint slides for Prior Year Refunds (LEAs)



- September 19, 2023 Webinar - powerpoint slides for Current Year Refunds (LE
- Sales Tax Refunds Processing – CCIP - look under Memos
- Fiscal Obligations, Liquidations, and Reversions
Can be found on the following [webpage](#).

ESSER II Close Out Process

1. Which PRC's does this apply to?
ESSER II PRCs 171 to 180 are expiring on September 30, 2023
2. Speaking of expiring ESSER funds, any idea when federal programs will approve the carryover budgets? Many of us are unable to make any last-minute tweaks to our budgets until they are approved and sent back to use via CCIP and our software (LINC).
Please follow up with the Office of Federal Programs if your organization still has unapproved carryover budgets.
3. We have had the budget for PRC 171 in pending status since 8/16. When can we expect the final approval from DPI so we the budget will update to our system?
Please follow up with the Office of Federal Programs if your organization still has PRC 171 in a pending status.
4. For charters do we need to request ALL funds from the Cash management site for the ESSER II funds by September Cutoff or if we are encumbering the funds, the funds will still be out their to request until December?
No, near the end of the period of performance for a grant, a PSU cannot request ALL of their remaining funds from the ESSER II funds or any other expiring grant funds. If the PSU has an obligation and properly reports and records an encumbrance in the monthly financial report, the amount encumbered will remain available in the allotment after the reversion process. See the [Fiscal Obligations, Liquidations and Reversions FAQ](#).
5. Does the 90 days still apply to charters?
Yes, if a charter school has an eligible obligation and properly reports the encumbrance in the September monthly financial report, they will have 90 days to liquidate the obligation. See the [Fiscal Obligations, Liquidations and Reversions FAQ](#).
6. PRC 173 is limited to contracted services only, and we still have a balance. I don't know anything to do except revert them. Has anyone else expressed a problem with this PRC?
The State Board of Education approved and limited PRC 173 to contracted services for school health support personnel. Any funds remaining obligated through an encumbrance will be reverted.



7. In regard to the ESSER funds, how will retro pay be handled when the budget is passed, and the retirement and health amounts are solidified?

Any retro-pay related to salaries paid out of ESSER II will have to come from another source of funds as payroll cannot be encumbered. ESSER III may be considered as an alternative source of funds. Once DPI has the final State budget further instructions will be provided related to the object code, if the object code has to be something other than base salary.

ESSER II Close Out Process- Indirect Cost

8. How can we collect indirect cost for items that are still encumbered on September 30th? May we encumber a line for indirect cost that will occur through December 31st?

See the [Fiscal Obligations, Liquidations and Reversions FAQ](#). Indirect costs may be charged during the liquidation period to correspond to expenses charged to the grant during that window.

However, you will need to encumber the funds. The encumbrance amount for indirect costs should be based on the amount of the obligations to be encumbered and paid throughout the liquidation period. Your PSU may draw down funds for corresponding indirect costs as you liquidate encumbrances using the normal funding request process.

9. If you see that you have funds available, can you still go back and recoup indirect costs from prior years if you did not use the unrestricted indirect rate in prior years?

Yes, you can recoup these amounts.

NCFS Conversion Blackout Dates

10. Will you notify us when files have been received and we are no longer "on call"?

Yes, you will receive an email notification as files are received and processed. This process will be similar to year end.

11. Will the October Zero out consider September and October expenditures?

Yes, the October zero out will reconcile September and October expenditures.

12. Normally we cannot order federal cash until the 1st of the month and cannot order in the prior month- is this process changed for the September/October period?

The rule about ordering cash at the beginning of the month is due to the zero-out process, because the zero out will not happen until November for the month of September and October, there is no impact.



13. Is the cash calendar change permanent?

DPI is assessing the ability to process cash once a week. We will address this question and all other questions related to moving to a once a week cash draw and payment process once the cash calendar and new procedures are decided on and finalized.

14. Will the process of requesting cash change as well?

Not at this time. But as we go through the reengineering process during system modernization, there is a possibility of change. For now, the process will remain the same. We will provide information when this is being considered and communicate expected changes when it is applicable.

NCFS Conversion Blackout Dates – Cash Limits

33. Will the \$35 million limit still apply to payroll cash order?

This limit is built into the DPI cash management system. We have updated the limit to its maximum capacity so that the daily limit is now \$99,999,999.00 for State funds for payroll and \$99,999,999.00 for State funds general expense, respectively.

34. From the federal side, there is a limit per prc. I think it is \$9 million per prc. Sorry the daily limit on the federal prc is \$8 million per prc

The total limits on the amount of cash ordered per day for the Federal funds is \$9,999,999.00 per Federal PRC.

Budget Adjustments

34. Any written guidance for BUDs Cash moves available? Manual 202s with checks for local to State or Federal moves? Federal moves between PRCs.

There have been several webinars about the processing and we have that information out on the FBS website under the Webinar section. Webinar information can be found on the DPI website under the [Presentations, Guidance and Training](#).

