



PUBLIC SCHOOLS OF NORTH CAROLINA

STATE BOARD OF EDUCATION William W. Cobey Jr., Chairman

DEPARTMENT OF PUBLIC INSTRUCTION June St. Clair Atkinson, Ed.D., State Superintendent

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October 26, 2016

TO: LEA Finance Officers

FROM: Alexis Schauss

A handwritten signature in black ink that reads "Alexis Schauss".

11TH AND 12TH INSTALLMENT REPORTING

State Installments/Accruals: Effective September 30, 2016, DPI posted the 11th & 12th installment payments for State Funds in the current year to the special installment codes: 5110-001-120- 5110-001-210, 5110-001-220. This procedure is known as the Installment Collapse. Because the installment payments are "cash" payments for July and August, but are not expenditures from your current year allotments, they are included only to reflect an accurate "cash" balance. While these amounts were posted on your general ledger when the checks were written, DPI did not post to the DBS/MSA system until September. This process will not affect your bank reconciliation. A copy of the Installment Report (date run of October 4, 2016) detailing the installment amounts posted for your LEA was netviewed on Tuesday, October 18, 2016.

Each LEA should reverse the State accrual entries on their general ledgers now, if it has not already been done. Any differences between the accrual amount and the actual installment payment for State Funds should be moved on your general ledger to the special installment codes listed above, so that only current year expenditures are reported in the current year expenditure codes. Your LEA cannot post the entries through the BUD system.

Also, effective September 30, 2016, DPI posted the State installment payments and accrual reversing entries to Prior Year State. DPI has netviewed a copy of the Allotment Balance Reconciliation Report (JHA351EG) for Prior Year (Company 8000) on Monday, October 24, 2016.

Federal Installments/Accruals: The 11th and 12th installment payments for Federal Funds were posted in July and August respectively. Effective September 30, 2016, DPI posted the accrual reversing entries for all Federal programs. These entries affect only the expense and liability codes. This process will not affect your cash balance or cash zero-out.

Each LEA should reverse the Federal accrual entries on their general ledgers now, if it has not already been done. Any differences between the accrual amount and the actual installment payment, for Federal Funds, will be treated as a current year transaction.

OFFICE OF FINANCIAL AND BUSINESS SERVICES DIVISION OF SCHOOL BUSINESS

ALEXIS SCHAUSS, Director | alexis.schauss@dpi.nc.gov

6334 Mail Service Center | Raleigh, North Carolina 27699-6334 | (919) 807-3701 | Fax (919) 807-3704

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11TH and 12TH Installment Reporting

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It is not necessary to submit FPD 202 forms for these accrual reversal entries. If you have any questions, please contact Roxane Bernard at (919) 807-3725 or roxane.bernard@dpi.nc.gov.

AS/RB/dkm

Attachment(s)

c: LEA Superintendents