

\*\*\*\*\*

**Newsletter No. 24-07/08, January 18, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) IRS Deferred Compensation 409A Guidelines:**

Attached you will find 3 documents to assist you with complying with the IRS Ruling on Deferred Compensation which impacts 10 month employees being paid over 12 months. One of the documents is a sample election form which can be modified to meet your school systems needs.

- Keys are to hold an election for all eligible 10 month employees who can be paid over 12 months.
- Election by the employee can be changed up until the 1st day of work for next school year.
- Once the employment starts next school year, it is irrevocable and cannot be changed until the following school year.
- Once the above points are satisfied, there is no tax due by any of your employees.
- If you allow 1 person to change their election after the beginning of the start of employment for the next school year, you are subjecting all employees electing the deferred compensation method to pay a 20% tax on April 15th.

If you have any questions, please feel free to contact Larry Simmons 919.807.3364, e-mail [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us), or Paul LeSieur at 919.807.3701, e-mail [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us).

**(2) Public School Building Bonds - Semi-Annual Cash Zero Out January 25, 2008:**

DPI is required to periodically zero out the Public School Building Bond funds (PRC 078). We will be using the life-to-date (LTD) draws versus the LTD expenditures reported in our system for the November reporting period, to calculate the dollar amount to be taken back from your local bank account. We will do this cash zero out for a funds requirement date of January 25, 2008.

We must receive any MANUAL expenditure adjustments that are needed to adjust the Cash Zero Out in our office by and no later than Tuesday, January 22nd,

marked "Adjustment to Zero Out". The effect of this zero out process is to align or equate your LTD cash with LTD expenditures by project. If you have any questions about your allotment project balance or the zero out process, please contact Richard Smith at [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us) or call 919.807.3729.

**(3) Adjustments to Public School Building Capital Fund (Revised):**

It was previously reported that each county's ADM funding from the PSBCF would be reduced during three quarters of FY 2007-08, to offset State funding of some costs of the Medical Assistance Program. We had reduced each county's funding by 60% in November, and had planned to do the same in February and May.

We have recently (December 17, 2007) learned that it was the intent of the legislature that ADM funding be reduced in all four quarters of FY 2007-08. Therefore, we will have to reduce funding in February by the planned 60% PLUS a portion of what should have been deducted in August - a deduction of \$20,651,227. (It is likely that there could be no funds distributed by the PSBCF from February revenues.) In addition, if we cannot "make up" the full August adjustment in February, we will have to withhold additional funds (above the base 60%) in May as well.

We are very sorry to have to make this revision. However, please remember that the county is required to use a portion of the money saved (by the State's assumption of Medicaid payments) for the same purposes as the PSBCF. Therefore, the LEA will not be "out" any funds for these purposes.

These adjustments apply only in FY 2007-08. This has no impact on the North Carolina Education Lottery.

Please visit the School Planning website at [www.schoolclearinghouse.org](http://www.schoolclearinghouse.org) for additional information. If there are any questions, contact Kenneth Phelps at 919.807.3561, or via e-mail at [kphelps@dpi.state.nc.us](mailto:kphelps@dpi.state.nc.us).

**(4) School Connectivity Initiative:**

Attached is a letter dated January 14, 2008, which was mailed to LEA Superintendents, Finance Officers, and Technology Directors concerning the School Connectivity Initiative. Also attached is a Memorandum of Understanding (MOU), Letter of Agency (LOA), Technology Plan Addendum, and Checklist. Please review this information and note that **a response to DPI is due no later than February 1, 2008.**

**(5) HRMS LEA v4.6.5 Release:**

HRMS LEA v4.6.5 is scheduled for production implementation beginning January 14, 2008. The attached letter provides information regarding the product release. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

**(6) Grade, Race, Sex Data:**

Grade, Race, and Sex (GRS) Data for school year 2007-2008 is now available on the Department's Website at [www.ncpublicschools.org/fbs/accounting/data/](http://www.ncpublicschools.org/fbs/accounting/data/). The Excel Spreadsheet with Worksheet Tabs makes available data by LEA, by School, and by Grade. If you have any questions about this data or have suggestions to improve the information, please contact Scott Douglass at 919.807.3737 or [sdouglas@dpi.state.nc.us](mailto:sdouglas@dpi.state.nc.us).

**(7) Early College Program Transportation:**

This is just a reminder that requests for Early College contingency funding is due by February 1, 2008 for the first semester or first 90 days of school. Any requests received after this date will not be considered for first semester funding.

Please note: This request is a separate request for contingency typically reserved for major equipment expenditures for small counties that are due by April 15 of each year. This request is for costs associated with Early College transportation only.

Documented transportation costs must be supported by school bus route reports from TIMS, driver time sheets and a summary of funds expended for transporting students to the Early College program. Only expenditures for mileage that would not otherwise have been expended (such as shuttle routes, routes operating on days when other schools are not in session, etc.) will be considered.

See the attached sample calculation form and examples for use in calculating your transportation funding need for students enrolled in your Early College Program. Please feel free to modify it to accurately reflect your costs. If you have questions, please contact Steve Beachum at 919.807.3576.

**(8) TRANSPORTATION REIMBURSEMENTS**

The TD-19 has been revised and placed on the Transportation web site to correspond with the Crosswalk of old Transportation Object Codes to the new Object Codes. You can access the TD-19 form on the Transportation web site at [www.ncbussafety.org](http://www.ncbussafety.org) under: NC Resources, Reports & Forms, State Reporting Forms, TD-19. If you have questions, please contact Steve Beachum at 919.807.3576.

**(9) OVER \$550,000 AVAILABLE TO REDUCE MOBILE EMISSIONS:**

The North Carolina Solar Center at NC State University and project partners are seeking proposals from governments, business, and/or non-profit fleet and fuel providers for transportation related emission reduction projects. The Clean Fuel Advanced Technology (CFAT) Project is a three year, \$2 million dollar initiative of the NC Solar Center (NCSC) funded by federal dollars from the NC Department of Transportation with state support from the State Energy Office and Division of Air Quality. In addition to providing assistance for emission reduction projects such as purchasing alternative fuel vehicles, installing refueling infrastructure for cleaner burning alternative fuels, retrofits on older diesel vehicles and idle reduction technology, the CFAT project focuses on education and outreach to the twenty-four NC counties that do not meet national ambient air quality standards. Project proposals must be submitted to the NC Solar Center by March 28, 2008. See Request for Proposal, Application, CFAT project overview and press release posted under Funding at [www.cleantransportation.org](http://www.cleantransportation.org).

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 25-07/08, January 25, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" Company 8000 for the prior year, FY 2006-2007, as of the December processing period on Wednesday, January 23, 2008. All refunds through the December 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted. Please submit the refunds effective January 2008 (processing period 7) by Monday, February 4, 2008, to avoid additional penalties. If you have questions, please contact the following persons:

- Total Dollar Allotment Overdraft:
  - Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us)
- Audit Exceptions - State Overpaid and Month Allocated Versus Months Used:
  - Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or
  - Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(2) Allotment Overdraft Penalties:**

Thank you for your timely payment of the penalties due on the Prior Year Allotment overdrafts. When paying the penalties, please remember to mark the "Prior Year" field with a "Y" if the penalty due is from the "Allotment Overdraft Report for Company 8000" report. Before paying your penalties, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) to confirm the correct amount of penalties to pay.

**(3) IRS Mileage Rate Change:**

Please see attached memo from the State Budget Director, David McCoy, regarding the [IRS Mileage Rate](#) change effective January 1, 2008.

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@dpi.state.nc.us) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 26-07/08, February 1, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Transportation Services Webcast:**

Transportation Services held a webcast February 1. It is available in "reruns" at: <http://nditsvns04.its.state.nc.us/ramgen/dpi/NCIH/Transportation/0809/020108.rm>. The PowerPoint file used during the webcast is attached. It includes Activity Bus pricing - not yet posted to the P&C web page - that we did not have available during the broadcast.

**(2) HRMS Reporting Tool Release - v 4.4.6:**

The attached letters provide information regarding upcoming the next HRMS Reporting Tool releases. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

**(3) HRMS Regional Training Sessions:**

The HR Service Management Team is gearing up for the 2008 HRMS Regional Training sessions. These sessions provide a number of opportunities for you to enhance your knowledge of the latest revisions in HRMS.

Space in the Regional Training sessions is limited and you must register to attend. All classes will be held at Regional Training Facilities provided by host LEAs. All instruction will be a "live demo" and all training materials will be provided. Lunch is on your own. You must register online to reserve a seat. A separate registration for each attendee is required. Reservations will be made on a first-come-first-served basis.

For more information and to register, please visit the HRMS Communications Site at <http://hrmscomm.dpi.state.nc.us/> and click on Training.

**(4) LOVE THE BUS:**

An activity of the American School Bus Council. DPI Transportation Services sent information to elementary principals and transportation directors about how individual schools and LEAs can participate in an event, keyed on a Valentine's Day theme, designed to promote the safety of school bus transportation. The web site is [www.lovethebus.com](http://www.lovethebus.com). For more information, contact Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us) 919.807.3571.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 27-07/08, February 8, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**Unspent Driver Training Funds at June 30, 2008:**

Please analyze your Driver Training funds and report the amount you anticipate reverting to the State at June 30, 2008 on the attached Excel form. This form must be signed by the Finance Officer and Superintendent and faxed by March 24, 2008 to the School Allotments Section at 919.807.3723. Contact Lydia Prude with questions at 919.218.6416 or [Lprude@dpi.state.nc.us](mailto:Lprude@dpi.state.nc.us).

**Grants for Distance Learning Initiatives:**

The US Department of Agriculture, Rural Development, has announced that a new round of grants is available for Distance Learning initiatives. Please go to [www.usda.gov/rus/telecom/dlt/dlt.htm](http://www.usda.gov/rus/telecom/dlt/dlt.htm) for further information. If you have specific questions you may email Betsy Eatman, Community Program Specialist at [betsy.eatman@nc.usda.gov](mailto:betsy.eatman@nc.usda.gov) or phone at 919.873.2047.

**HRMS LEA 4.7 (CEU) Release - Implementation Alert:**

Please review attached information regarding the HRMS LEA 4.7 Release. Also, attached is a copy of the Release Notes associated with this implementation and an updated copy of the CEU Data Model changes. The Release Notes will be posted, as usual, to the HRMS Project Communications site later this evening.

Special thanks from Ronda Jones to the LEAs who took the time to pilot test this release. Your efforts and feedback on the changes are appreciated.

**NOTE:**

1st and 2nd Quarter Lottery Distribution for School Construction has been posted to the DPI website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 28-07/08, February 15, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

~~~~~

**WELCOME - New Employee at DPI:**

We are excited to announce that Susan Ruiz has joined the Department of Public Instruction and will be heading our Licensure operations. Susan has worked in many private and public environments that focus on customer service and product efficiencies. She has exceptional skills in enhancing work flow efficiency through automation and streamlining processes.

After graduating from Wake Forest University, Susan has managed teams with such companies as American Airlines, BTI, and Nortel's North America Call Centers. Her latest role was with the State ITS Department where she helped State of North Carolina agencies who were looking to more effectively utilize existing technology and map business needs to new technology deployment.

Susan can be reached at 919-807-3316.

~~~~~

**(1) DPI NCASBO Presentations:**

The Power Point Presentations given by DPI staff members at the 2008 NCASBO Conference have been posted to the DPI web site. Please go to [www.ncpublicschools.org/fbs/conferences/presentations/](http://www.ncpublicschools.org/fbs/conferences/presentations/) and look under NCASBO 2008. Presentations include: DPI School Business Updates (presented by Ally Barfield, Tuesday, 2/12), DPI Cash Zero-Out Process (presented by Ally Barfield, Wednesday, 2/13), New Chart of Accounts Issues (presented by Roxane Bernard and Alexis Schauss, Wednesday, 2/13) and Re-employed Retiree Return to Work Chart including the definition of retirement as defined in G.S. 135-1(2) (presented by Larry Simmons, Wednesday, 2/13).

**(2) Transportation Allotments - Two February Adjustments:**

Transportation Services has calculated an allotment to be sent as part of Revision #19 next week that contains some minor adjustments to the benefits portion of the legislative increase for transportation and driver salaries for 2007-2008 and also removes the 5% ADM growth cap that was applied to a dozen LEAs. A revised funding sheet will be produced for each LEA and mailed to transportation directors and finance officers.

We will also process the first of an anticipated three fuel allotments for the remainder of the year. This first allotment will reinstate the amount of fuel funding that was cut in the November 28, 2007 calculations. This amount is shown on line 12 of the Transportation Funding Information sheet that was sent to transportation directors and finance officers. It reinstates the per gallon fuel price to the \$2.00 level that was averaged during 2006-2007. It will be issued February 27 as part of Revision #20. We will continue to monitor fuel prices on a weekly basis in order to calculate the additional fuel allotments.

**(3) School Bus Financing Agreement:**

State Purchase and Contract has approved DPI's recommendation to award the contract for School Bus Financing to SUNTRUST. They were the low bidder and the same vendor that provided financing services for 2006-2007. Instructions for completing the paperwork will be sent in the coming weeks.

**(4) 2008 Transportation Budget Rating Simulator:**

The 2008 Transportation Budget Rating Simulator is available for download at [www.ncbussafety.org](http://www.ncbussafety.org). For more information contact Derek Graham 919.807.3570.

**(5) SBE HIGHLIGHTS:**

Highlights of the North Carolina State Board of Education February meeting can be found on the web at [www.ncpublicschools.org/sbehighlights/2008/02highlights.html](http://www.ncpublicschools.org/sbehighlights/2008/02highlights.html).

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 29-07/08, February 22, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**BUD Alert:**

There is a new sales tax refund code of 8100-472 for FY 2008 that replaced last year's code of 8100-697. When LEA's are processing sales tax refunds in BUD, they do a budget amendment to adjust the budget for the expenditure of the sales tax refund credit. We have discovered a problem with BUD not allowing a negative line item for 8100-472. This will be fixed in the spring BUD release which is tentatively scheduled for release by mid May. If you have any questions, you can contact Denise Jackson at [djackson@dpi.state.nc.us](mailto:djackson@dpi.state.nc.us).

**MFR Reports Netviewed:**

We netviewed the January 2008 MFR (Period 7) reports on Wednesday, February 20, 2008. Please review all of your MFR reports carefully, especially your MFR Error Messages Issued Report (PGA10RP4-E). This report will reflect your current invalid account codes including prior year invalid account codes. DPI will be turning off access in the BUD system to prior year account codes at the end of April 2008. If you have further questions regarding the MFR reports, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**Federal Zero Out:**

The Federal Zero Out completed as of 02/21/08 posted twice in the MSA system on DPI's general ledger. One of these postings will be reversed with the same date to indicate accurate posting in the MSA system.

The Federal Zero Out report (JHA903EG) that you received is correct and accurate, and this report should be used to record your federal zero out amounts by PRC. If you have questions, please contact Richard Smith at 919.807.3729 or [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us).

**2007 Statistical Profile:**

The 2007 Statistical Profile is now available on the Financial Business Services (FBS) website [www.ncpublicschools.org/fbs/resources/data/](http://www.ncpublicschools.org/fbs/resources/data/). If you have questions or concerns, please contact Ozella Wiggins at [owiggins@dpi.state.nc.us](mailto:owiggins@dpi.state.nc.us) or 919.807.3757.

**HRMS Reporting Tool 4.5 Release:**

Please review attached information regarding the HRMS Reporting Tool 4.5 Release. Also attached is a copy of the Release Notes associated with this implementation. The Release Notes were posted to the HRMS Project Communications site on Thursday, February 21, 2008. If you have any questions about the release or the download, please contact the DPI Customer Support Center Help Desk at 919.807.4357 or [help@dpi.state.nc.us](mailto:help@dpi.state.nc.us).

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Finance Officers' Newsletter Update 2/27/08**

TO: Finance Officers

\*\*\*\*\*

**(1) PRC 073 - School Connectivity:**

Please review the attached chart of account information for the new state PRC 073 - School Connectivity. If you have questions, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(2) Correcting Budget Codes:**

**\*\*both FY 07 codes and invalid codes\*\***

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some mis-understandings about what can/can't be corrected in BUD. The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. Below are specific examples and procedures:

**If there is an outstanding salary exception on a FY 07 code that needs to be cleared:**

(Possibly a 2 step process)

- The salary system is the dominate system and the budget code causing the salary exception must be used to clear the exception. Use BUD to correct the salary exception - use the FY 07 salary code. BUD will clear the salary exception and then (depending on the type of BUD) will post to DPI's DBS - the expense will be posted to the FY 07 salary code on DPI's DBS.
- If the expense leaves a balance on the FY 07 code when it posts to DPI's DBS, then it must be moved from the FY 07 code to a corresponding FY 08 code. Send a BUD UTR to move the expenditure to the corresponding FY 08 account code, updating your MFR GL as appropriate. The batch justification line will be "CORRECT FY 2007 CODE". Use a dummy SSN, dummy voucher number and the current date. You may summarize code corrections and don't forget the matching expenses. This BUD will by pass the salary system which is correct from the first BUD step and will only post to DPI's DBS.
- **Note:** Please keep these code corrections in their own batches - don't mix.

**If there is NO outstanding salary exception on a FY 07 code but there is a DBS balance on a FY 07 code:**

- If there is a balance on a FY 07 code on DPI's DBS, then it must be moved from the FY 07 code to a corresponding FY 08 code. Send a BUD UTR to move the expenditure to the corresponding FY 08 account code, updating your MFR GL as appropriate. The batch justification line will be "CORRECT FY 2007 CODE". If a certified object is involved, use a dummy SSN, dummy voucher number and the current date. You may summarize code corrections and don't forget the matching expenses. This BUD will by pass the salary system and will only post to DPI's DBS.
- Note: Please keep these code corrections in their own batches - don't mix.

**If there is a DBS balance on a code that is not valid in either FY 07 or FY 08:**

- Submit a paper or electronic 202 to manually UTR the expense from the invalid DBS code to a valid FY 08 code. You may email the electronic 202 form to Ally Barfield at [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us), Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us).
- 202 entries for certified object codes must be completed at the employee, check number level.

**If there is DBS/MFR difference that is the result of installment accruals vs. actual installment expense:**

- Set up/add the new installment collapse codes to your GL. The codes are: 1-5110-001-120, 1-5110-001-210 and 1-5110-001-220. Post an AJE on your MFR GL to move the difference to the corresponding collapse codes. The difference balances on the collapse codes will not print on the JHA899 DBS/MFR Difference report.

**In General:**

- Check your most recent JHA899 DBS/MFR Difference report to see where DPI has the expense posted (the DBS column).
- If the code on DPI's books (DBS column) that needs correcting is valid in either FY 07 or FY 08, USE BUD (remember the special batch description procedures if it is a certified object and/or you want to by-pass the salary system).
- If you are unable to use BUD to make this correction check the usable/postable flag and/or call your vendor.
- All vendor software reads the BUD chart (which currently includes both the FY 07 & FY 08 charts) and uses DPI business rules to edit.
- If the code on DPI's books (DBS column) that needs correcting is not valid in either FY 07 or FY 08, use a paper or electronic 202.

- With paper or electronic 202s:
  - State and Federal codes must be submitted on separate 202 forms.
  - With Federal 202s, please include a total after each PRC.
  - The 4th digit of the purpose code should be a 0 since DPI posts expenditures at this summarized level.

For additional documentation please refer to the first 13 screens of the DPI School Business Updates Power Point Presentation given at the 2008 NCASBO Conference. Please go to [www.ncpublicschools.org/fbs/conferences/presentations/](http://www.ncpublicschools.org/fbs/conferences/presentations/) and look under NCASBO 2008.

~~~~~

Debby Jackson  
Department of Public Instruction  
Financial & Business Services Division  
919.807.3603  
[debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us)

\*\*\*\*\*

**Newsletter No. 30-07/08, February 29, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) State Public School Fund Allotment Overdraft Reports:**

We netviewed the " State Public School Fund Allotment Overdraft Report" Company 8000 for the prior year, FY 2006-2007, as of the January processing period on Tuesday, February 26, 2008. All refunds through the January 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted. Please submit the refunds effective February 2008 (processing period 8) by Monday, March 3, 2008, to avoid additional penalties. If you have questions, please contact the following persons: Total Dollar Allotment Overdraft: Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us); Audit Exceptions-State Overpaid and Month Allocated Versus Months Used: Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(2) Allotment Overdraft Penalties:**

Thank you for your timely payment of the penalties due on the Prior Year Allotment overdrafts. When paying the penalties, please remember to mark the "Prior Year" field with a "Y" if the penalty due is from the "Allotment Overdraft Report for Company 8000" report. Before paying your penalties, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) to confirm the correct amount of penalties to pay.

**(3) Fuel Allotment #1:**

This week DPI issued an allotment for PRC 56 - Transportation - to adjust the per/gallon price initially budgeted for diesel fuel. The amount in Allotment Revision #20 for each county corresponded to the amount initially deducted on the November 28 funding sheet which reduced the transportation allotment to reflect a per gallon price of \$1.69. This week's allotment reinstates that amount to the 2006-2007 average cost per gallon of \$2.00. (Note: On the funding sheets mailed to transportation directors and finance officers, the revised allotments were calculated BEFORE this fuel adjustment: the amount of the fuel adjustment shown on line 12b should be added to the TOTAL FUNDING DUE line and should also be added to LINE 14 in order to get the updated totals as of the fuel allotment contained in Revision 20.)

On March 12, another allotment adjustment will be sent to each county, adjusting the average cost per gallon from \$2.00 to \$2.50 per gallon, according to each county's transportation budget rating. To estimate the value of the March 12 allotment, perform the following calculation: Multiply (Revision #20 (Line 12b amount) x 1.6 x Budget Rating.

DPI will continue to monitor the cost of fuel and anticipates making an additional allotment later in the Spring. Currently the price of fuel is about \$3 per gallon and the school-year-to-date per gallon cost is about \$2.60. Questions should be directed to Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us).

**(4) Correcting Budget Codes:**

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some mis-understandings about what can/can't be corrected in BUD. The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. See attached document for specific examples and procedures.

**(5) PRC 073 - School Connectivity:**

Please review the attached chart of account information for the new state PRC 073 - School Connectivity. If you have questions, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(6) Update of Retirement of the Statewide SNA-SIPS Network Project:**

Please see the attached memo from DPI's Chief Information Officer regarding the status of the project and the financial implications. If you have any questions please contact Michael Ramsey at 919.807.3218 or [mramsey@dpi.state.nc.us](mailto:mramsey@dpi.state.nc.us).

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 31-07/08, March 7, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) New Program Report Codes (PRCs) for Fiscal Year 2007-2008:**

**New State PRCs (Fund 1)**

- PRC 067 - Assist Principal Intern - Full Time MSA Student
- PRC 071 - Education Reform Pilot Program (5 LEAs)
- PRC 073 - School Connectivity
- PRC 081 - School Technology Pilot (8 LEAs)
- PRC 130 - State Textbook Account

**New Federal PRCs (Fund 3)**

- PRC 070 - IDEA VI-B Children with Disabilities - Targeted Assistance
- PRC 082 - State Improvement Grant

**New Local PRCs (Fund 2)**

- PRC 332 - Carol M. White Physical Education Program
- PRC 419 - Dropout Prevention Grant
- PRC 573 - Kate B. Reynolds Grant

If you have any questions regarding the new PRCs, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725.

**(2) Object code 165 Substitute - Non Teaching:**

We have had many inquiries regarding the establishment of object code 165 for substitutes for teacher assistants. We will not be establishing this code because there is no legal requirement to have a substitute for a teacher assistant in the classroom with the exception of an exceptional teacher assistant (EC) as stated in legislation.

Please review the State Salary Manual Section D III.

[www.ncpublicschools.org/docs/fbs/finance/salary/salarymanual.pdf](http://www.ncpublicschools.org/docs/fbs/finance/salary/salarymanual.pdf) which states the following:

**Exceptional Children Requirements**

**When non-instructional temporary replacement personnel are required in the Exceptional Children Program, the replacement person shall be paid from the same source of funds as the employee being replaced. If a teacher assistant is absent and a temporary replacement teacher assistant is required by law to be placed in that absent position, the temporary replacement teacher assistant is paid based on the non-certified salary schedule, which includes teacher assistant. The same source of funds as the absent teacher assistant should be used.**

Should you have any questions, please feel free to contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or by phone 919.807.3701.

**(3) Correcting Budget Codes:**

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some misunderstandings about what can/can't be corrected in BUD.

The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. See attached document for specific examples and procedures.

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 32-07/08, March 14, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Abstinence Grant (PRC 057):**

The second installment of the FY 2007-08 Abstinence Grant was processed in Allotment Revision 22, on Wednesday, March 12, 2008. If you have any questions regarding budgeting these funds, please contact the program consultant. Denise Pittillo, 919.807.3860.

**(2) Driver's Training (PRC 012):**

The School Allotments Section is still accepting funds that are projected to remain unspent in Driver's Training from LEAs that would like to release those funds early. We have received numerous requests from LEAs in need of additional funding. Please submit your early release form by March 24, 2008. If you have any questions, please contact School Allotments at 919.807.3739.

**(3) US Dept of Education Announces Direct Grant Program for LEAs:**

Please notify your local grant writers of this opportunity for funding.

**School Leadership Grant Program (Federal Register: March 3, 2008 [CFDA# 84.363A])**

**Purpose of Program:** The School Leadership program is designed to assist high-need local educational agencies (LEAs) in the development, enhancement, or expansion of innovative programs to recruit, train, and retain principals (including assistant principals) through such activities as: providing financial incentives to aspiring new principals; providing stipends to principals who mentor new principals; carrying out professional development programs in instructional leadership and management; and providing incentives that are appropriate for teachers or individuals from other fields who want to become principals and that are effective in retaining new principals.

**Applications Available: March 3, 2008.**

**Deadline for Notice of Intent to Apply: April 2, 2008.**

**Dates of Pre-Application Meetings: March 31, 2008.**

**Deadline for Transmittal of Applications: May 2, 2008.**

**Eligible Applicants:** High-need LEAs, consortia of high-need LEAs, or partnerships that consist of high-need LEAs, and nonprofit organizations (which may be a community- or faith-based organization), or institutions of higher education. Applicants are expected to identify and confirm in their applications that the participating LEA(s) meet the definition of "high-need" in section 2102(3) of the ESEA.

**Estimated Available Funds: \$14,300,000.**

**Estimated Range of Awards: \$250,000-\$750,000.**

**Estimated Average Size of Awards: \$500,000.**

**Estimated Number of Awards: 24-30.**

**Additional Information:** Applicable regulations, priorities, and other information are available in the Federal Register notice.

**Additional information is available online at:**

[www.ed.gov/legislation/FedRegister/announcements/2008-1/030308e.html](http://www.ed.gov/legislation/FedRegister/announcements/2008-1/030308e.html)

**(4) Classification of Child Nutrition Funds:**

The NC DPI has been asked to clarify how Child Nutrition funds may be used based upon their classification as Federal, State or local funds. The US Department of Agriculture recently issued the following policy communication to the agency:

"All revenues received in the school meals programs must be deposited into the non-profit food service account. Once deposited, these funds become revenue and must be used in accordance with the applicable laws, to include the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966, applicable Office of Management and Budget Circulars and the Federal Uniform Administrative Requirements that implement them (7 CFR Parts 3016 and 3019). In addition, the revenues must be used in accordance with Federal Program Regulations (7 CFR 210, 220), FNS Policy Memos, and FNS Instructions which set forth that the revenues may only be used for allowable food service uses. We would also like to note that the definition of revenue found in the program regulations at 7 CFR Part 210.2, when applied to nonprofit school food service, includes but is not limited to, children's payments, earnings on investments, other local revenues, State revenues, and Federal cash reimbursements."

This communication from USDA confirms that all revenues in the Child Nutrition Program are treated as if they were Federal funds and are subject to allowable and unallowable use provisions contained in the statutory documents referenced above.

Should you have additional questions, please contact Lynn Hoggard, Section Chief, Child Nutrition Services at 919.807.3506 or [lhoggard@dpi.state.nc.us](mailto:lhoggard@dpi.state.nc.us).

**(5) Correcting Budget Codes:**

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some misunderstandings about what can/can't be corrected in BUD. The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. See attached document for specific examples and procedures.

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@dpi.state.nc.us) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 33-07/08, March 18, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) State Public School Fund Allotment Overdraft Reports:**

We will netview the "State Public School Fund Allotment Overdraft Report" Company 1000 for the current year, FY 2007-2008, as of the February 2008 processing period on Wednesday, March 19, 2008. All refunds through the February 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted. Please submit the refunds effective March 2008 (processing period 9) by Thursday, April 3, 2008, to avoid additional penalties. If you have questions, please contact: Total Dollar Allotment Overdraft: Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(2) MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on April 22, 2008 for LEA's. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training in the MSA/DBS General Ledger System, a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others. The training is located at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis. If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725. You will be notified by email that you have been successfully registered for this class on this date.

**(3) College Scholarship - Children of School Transportation Employee:**

There are two one-time \$1000 scholarships available for children of transportation employees in North Carolina sponsored by the Southeastern States Pupil Transportation Conference (SESPTC). Only one application may be submitted per LEA - via the transportation director. A statewide scholarship committee will judge the applications and select two students to receive the awards. Information is available at [www.ncbussafety.org/library.html](http://www.ncbussafety.org/library.html). If you have questions please contact: Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us).

**(4) Correcting Budget Codes:**

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some misunderstandings about what can/can't be corrected in BUD.

The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. See attached document for specific examples and procedures.

**(5) 2007 Statistical Profile:**

The profile provides general statistical data on North Carolina's public schools. The manual also provides information on students, personnel and finances in the state and school system sections. View the online version of the NC Statistical Profile at [www.ncpublicschools.org/fbs/resources/data/](http://www.ncpublicschools.org/fbs/resources/data/).

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Deby Jackson](mailto:Deby Jackson) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Deby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 34-07/08, April 1, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" Company 8000 for the prior year, FY 2006-2007, as of the February processing period on Tuesday, March 25, 2008. All refunds through the February 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted. Please submit the refunds effective March 2008 (processing period 9) by **Thursday, April 3, 2008, to avoid additional penalties.**

If you have questions, please contact the following persons:

**Total Dollar Allotment Overdraft:** Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us);

**Audit Exceptions-State Overpaid and Month Allocated Versus Months Used:** Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(2) Allotment Overdraft Penalties:**

Thank you for your timely payment of the penalties due on the Prior Year Allotment overdrafts. When paying the penalties, please remember to mark the "Prior Year" field with a "Y" if the penalty due is from the "Allotment Overdraft Report for Company 8000" report. Before paying your penalties, please contact Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) to confirm the correct amount of penalties to pay.

**(3) Attachment A:**

When you review and select a salary account code from the Attachment A, you also need to verify that the salary account code is in the current Chart of Accounts. If you have questions, please contact Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

The Attachment A and the Chart of Accounts documents for FY 07-08 are located on DPI's website [www.ncpublicschools.org/fbs/finance/reporting/coa2008](http://www.ncpublicschools.org/fbs/finance/reporting/coa2008) under Working Documents FY 2008.

**(4) Open Chart Attachment A Salary Account Codes:**

If you do not see an Attachment A salary account code for the Open Chart PRCs (010, and 019) and believe it is a valid salary account code, please contact Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) MFR Reports Netviewed:**

We netviewed the February 2008 MFR (Period 8) reports on Thursday, March 27, 2008. Please review all of your MFR reports carefully, especially your MFR Error Messages Issued Report (PGA10RP4-E). This report will reflect your current invalid account codes including prior year invalid account codes. DPI will be turning off access in the BUD system to prior year account codes on Wednesday, April 30 2008.

If you have further questions regarding the MFR reports, please contact Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(6) Correcting Budget Codes:**

LEAs across the state have heard DPI's request and have responded! Thank you so much for your efforts to clean up any FY 07 and/or invalid codes that exist on your JHA899 DBS/MFR Difference report. The number of 202s received has been overwhelming and there appears to be some misunderstandings about what can/can't be corrected in BUD.

The general rule of thumb is that if the expenditure to be adjusted on DPI's book is on a budget code that is valid for either FY 07 or FY 08, then BUD should be used to move the balance to the desired FY 08 budget code. Only if the expenditure to be adjusted on DPI's books is on a budget code that is NOT valid in either FY 07 or FY 08, should a paper/electronic 202 be used. See attached document for specific examples and procedures.

**(7) MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on April 22, 2008, for LEA's. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training in the MSA/DBS General Ledger System, a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user and as a refresher for others. The training is located here at DPI in Raleigh in Room #564 from 9:00 a.m.-4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725. You will be notified by email that you have been successfully registered for this class on this date.

**(8) College Scholarship - Children of School Transportation Employees:**

There are two one-time \$1000 scholarships available for children of transportation employees in North Carolina sponsored by the Southeastern States Pupil Transportation Conference (SESPTC). Only one application may be submitted per LEA - via the transportation director. A statewide scholarship committee will judge the applications and select two students to receive the awards. Information is available at [www.ncbussafety.org/library.html](http://www.ncbussafety.org/library.html). Contact: Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us)

**(9) Reporting Tool v4.6 Release and HRMS LEA v4.8 Release:**

The attached letter provides information regarding the next upcoming HRMS Payroll Interface Initiative releases. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

**(10) STATE BOARD OF EDUCATION TO MEET April 1-3 2008:**

The agenda is available for review online at [www.ncpublicschools.org/sbe\\_meetings/0803/0803sbagenda.html](http://www.ncpublicschools.org/sbe_meetings/0803/0803sbagenda.html).

**(11) FINANCIAL AND BUSINESS SERVICES SUMMER CONFERENCE:**

FBS Summer Conference will be held on July 24 and 25 at the Sheraton Imperial Hotel and Convention Center, Research Triangle Park. See attached memorandum regarding the conference.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:debbyjackson@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 35-07/08, April 18, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) FY 08-09 Federal Planning Allotments:**

The FY 08-09 Federal Planning Allotment Reports were netviewed on April 16, 2008. The planning allotments will be uploaded to BUD by Tuesday, April 22, 2008.

Also, the Federal Planning Allotments, the Letter from Philip Price and the Federal Formula Sheet will be emailed to the LEAs/Charters and placed on the School Allotment's website by Tuesday, April 22, 2008.

If you have any questions, please contact School Allotments at 919.807.3739.

**(2) Legislated \$250 one time payment to 0 Step Teachers:**

In the 2007 Session, legislation was passed to provide teachers paid on Step 0 of the 2007-08 salary schedule a one time lump sum sign on bonus of \$250, payable at the end of the year. The State Board of Education is discussing and approving the policy surrounding this legislation at the May Board meeting, but LEAs should be prepared to pay eligible teachers and instructional support at the end of the year. The payments will be coded to PRC045, a guaranteed allotment. This correspondence is to notify you that the payments will be due, and DPI will provide more specific guidance regarding eligibility requirements after the May State Board of Education meeting. No payments should be made before the SBE approval.

**(3) Budgeting for Next School Year:**

Nothing has changed over the past few months; we continue to expect the following on salary and benefits:

- **Salary Increases (same as last year)**
  - Certified - 5% (trying to budget an additional percent or so would be beneficial if you can do so, since the Governor mentioned reaching the National average for teachers).
  - Non Certified - 4% (not expected to increase)

- **Retirement Rate**  
Was increased last year to 7.83% (no change expected)
- **Hospital Insurance**  
Budgeted at \$4,157 per position (no change expected)

If you have questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

**(4) Indirect Cost and Child Nutrition:**

Some confusion exists regarding the proper base for calculating the amount of indirect cost which can be recovered from Child Nutrition programs. According to the US Department of Education, it is not permissible to claim indirect cost from expenditures for food, food processing supplies, and commodities, since these items are excluded from the indirect cost rate calculation. Indirect cost recoveries for the Child Nutrition program may only be calculated by applying the unrestricted indirect cost rate to the costs of personnel (salary and fringe benefits), supplies used by the personnel, and travel. Please note that equipment purchases (5XX series object codes) are excluded from indirect cost calculations for ALL federal funds, including Child Nutrition.

For questions/concerns, please contact Stephanie English in the Monitoring & Compliance Section at 919.807.3686 or [senglish@dpi.state.nc.us](mailto:senglish@dpi.state.nc.us).

**(5) BUD Alert:**

DPI experienced production problems on 3/17/08. BUD batches that were approved that day posted to DPI's general ledger but did not post to the cash management system and were not reflected on your March bank statement or treasurer's account. This problem has been resolved. You will notice that the general ledger posting from March has been reversed in MSA and re-posted as of April 9th to reflect the date that these transactions will post to your bank accounts and reflected on your April reports. Since the expenditures on this date were not posted in March, but posted in April, this will affect your zero-out calculations for the months of March and April.

If you have any questions, please contact Richard Smith at 919.807.3729 or [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us), or Denise Jackson at 919.807.3614 or [djackson@dpi.state.nc.us](mailto:djackson@dpi.state.nc.us).

**(6) Financial Data Report Cards-Invalid Codes:**

Please review and give special attention to the LEA Monitor Letter or Report Card that is netviewed to you every month. This letter will list invalid accounts and also indicate the valid or corrected accounts where the expenditures were moved to by DPI. If you determine that you don't want the expense in the account code where DPI has moved it, then you can move it from the account where DPI has moved it in the BUD system, and not have to manually do a paper 202. Due to the large volume of invalid accounts, all invalid account codes were not changed; therefore, you should compare this monthly Report Card with your JHA899EG report of error messages each month.

If you have any questions in reference to invalid account code changes and these reports, please contact Richard Smith at [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us) or 919.807.3729 or Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

~~~~~

**SURVEY - Days Missed for Inclement Weather Survey:**

All LEAs and Charter Schools are REQUIRED by Legislation to complete the Days Missed Survey for school year 2007-2008. Please complete the online survey and submit by June 27, 2008. The survey can be found on the Financial Business Services website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/) under "What's New."

If you have questions about the survey, please contact Ozella Wiggins at [owiggins@dpi.state.nc.us](mailto:owiggins@dpi.state.nc.us) or 919.807.3757.

~~~~~

\*\*\*\*\*  
To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.  
\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 36-07/08, April 23, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Re-employment of Retirees and Payment of Required 11.70% Contribution:**

Attached you will find a Question and Answer on how to code and pay the 11.70% contribution required on any compensation payment to re-employed retirees effective April 1, 2008. Please follow the directions as outlined in the Q & A to comply with the April 1, 2008, date mentioned in the March 7, Memorandum from Philip Price. Should you have any questions, please feel free to contact Larry Simmons at [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us) 919.807.3364 or Paul LeSieur [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) 919.807.3701.

**(2) Deferred Compensation Policy Change/Clarification:**

After further discussion with the IRS, DPI is able to change previous guidance on whether the 20% tax penalty applies to all personnel electing 12 month installments or if it only applies the individual, if an individual changes their original election after the beginning of the school year. The 20% penalty only affects the individual that breaks their election. Please see attached letter to place in your files notifying you of the change. Should you have any questions, please feel free to contact Larry Simmons at [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us) 919.807.3364 or Paul LeSieur [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) 919.807.3701.

**(3) THIRD ALLOTMENT FOR FUEL:**

**The next allotment to help compensate for the high cost of fuel has been approved.** Last week's statewide average was \$3.49 per gallon. The year to date price is \$2.76 per gallon, but 2 more weeks at this price would push the year to date price to \$2.80 per gallon. Revision # 26 to PRC 56 is a statewide allotment of over \$7 million and allocated to each LEA according to its transportation budget rating. To calculate the amount of your allotment, multiply the most recent allotment adjustment for fuel - revision #22 issued March 12 - by 60%. Questions should be directed to Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us).

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 37-07/08, April 25, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Access to Prior Year 2007 Account Codes in the BUD System Will be Removed on Wednesday, April 30, 2008**

**At 5:00 PM on Wednesday, April 30, 2008, DPI will be removing the LEA's access to prior year 2007 Chart of Accounts in the BUD system.**

Please review and give special attention to your monthly MFR reports especially the DBS/MFR Match Report (JHA899EG) and the MFR Error Messages Issued Report (PGA10RP4-E). We also suggest that you review your monthly LEA Monitor Letter/Report Card. These reports will assist you to make your necessary corrections as it relates to your invalid 2007 account codes.

After April 30, 2008, you will need to submit a paper or electronic 202 for any prior year 2007 account code corrections. You may e-mail the electronic 202 form to Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). You may also fax the paper 202 to the attention of one of the above persons at 919.807.3704.

**Paper or electronic 202s:**

- 202 entries for certified object codes must be completed at the employee, check number level.
- State and Federal codes must be submitted on separate 202 forms.
- With Federal 202s, please include a total after each PRC.
- The 4th digit of the purpose code should be a 0 since DPI posts expenditures at this summarized level.

Also, you will be able to have access to your FY 2008 Chart of Accounts in the BUD system once you receive your files on Thursday, May 1, 2008.

If you have any questions in reference to the prior year account code corrections, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725 or Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us) or 919.807.3729.

**(2) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the current year, FY 2007-2008, as of the March processing period, on Tuesday, April 22, 2008 and the prior year report, Company 8000, FY 2006-2007, as of the March processing period, on Thursday, April 24, 2008. All refunds through the March 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted by Monday, May 5, 2008, to avoid additional penalties. Please submit the refunds effective April 2008 (processing period 10) by Monday, May 5, 2008, to avoid additional penalties.

If you have questions, please contact the following persons:

- Total Dollar Allotment Overdraft:
  - Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us);
- Audit Exceptions-State Overpaid and Month Allocated Versus Months Used:
  - Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or
  - Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(3) Allotment Overdraft Penalties:**

Thank you for your timely payment of the penalties due on the Allotment Overdraft report. When paying the penalties, please remember to mark the "Prior Year" field with a "Y" if the penalty due is from the "Allotment Overdraft Report for Company 8000" report. Before paying your penalties, please contact Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) to confirm the correct amount of penalties to pay.

**(4) Financial Data Report Cards-Invalid Codes:**

Please review and give special attention to the LEA Monitor Letter or Report Card that is netviewed to you every month. This letter will list invalid accounts and also indicate the valid or corrected accounts where the expenditures were moved to by DPI. If you determine that you don't want the expense in the account code where DPI has moved it, then you can move it from the account where DPI has moved it in the BUD system, and not have to manually do a paper 202. Due to the large volume of invalid accounts, all invalid account codes were not changed; therefore, you should compare this monthly Report Card with your JHA899EG report of error messages each month.

If you have any questions in reference to invalid account code changes and these reports, please contact Richard Smith at [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us) or 919.807.3729 or Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) BUD Alert:**

DPI experienced production problems on 3/17/08. BUD batches that were approved that day posted to DPI's general ledger but did not post to the cash management system and were not reflected on your March bank statement or treasurer's account. This problem has been resolved. You will notice that the general ledger posting from March has been reversed in MSA and re-posted as of April 9th to reflect the date that these transactions will post to your bank accounts and be reflected on your April reports. Since the expenditures on this date were not posted in March, but posted in April, this will affect your zero-out calculations for the month of March and April.

If you have any questions, please contact Richard Smith at 919.807.3729 or [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us), or Denise Jackson at 919.807.3614 or [djackson@dpi.state.nc.us](mailto:djackson@dpi.state.nc.us).

**(6) THIRD ALLOTMENT FOR FUEL:**

The next allotment to help compensate for the high cost of fuel has been approved.

Last week's statewide average was \$3.49 per gallon. The year to date price is \$2.76 per gallon, but 2 more weeks at this price would push the year to date price to \$2.80 per gallon. Revision # 26 to PRC 56 is a statewide allotment of over \$7 million and allocated to each LEA according to its transportation budget rating. To calculate the amount of your allotment, multiply the most recent allotment adjustment for fuel - revision #22 issued March 12 - by 60%. Questions should be directed to Derek Graham [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us).

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 38-07/08, May 5, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) \$250 Lump Sum Sign-on Bonus:**

As communicated in the April 18th newsletter, legislation was passed in the 2007 session to provide teachers paid on Step 0 of the 2007-08 salary schedule a one time lump sum sign on bonus of \$250. The bonus is payable at the end of the year. At the May Board meeting, The State Board of Education approved the policy surrounding this legislation. The approved policy is attached. Should you have questions contact Alexis Schauss at [aschauss@dpi.state.nc.us](mailto:aschauss@dpi.state.nc.us) or 919.807.3708.

**(2) Learn and Earn Online Textbook Purchases (Last Chance for Reimbursement):**

Expenses should be coded to XXXX-055-415. You must have these expenses posted to your May data file transfer. Allotments will need to be made in early June to ensure your PRC 055 is not reflected as overspent.

Code expenses to PRC 055 even if you do not have an approved Learn and Earn traditional program. We will review the PRC 055 415 code and make an allocation to you in PRC 055 for the amount of Learn and Earn online textbook expenditures recorded.

Please get with your schools and have them obtain an invoice on the textbooks for your records. Over the past few weeks we have received inquiries from schools on how to post the expenditures for reimbursement. As of the end of March, only 3 LEAs had reported expenditures. There are over 31 LEAs participating in the Learn & Earn Online programs. We don't want you to miss out on receiving funds for the books purchased.

The December 14th Finance Officer's Newsletter outlined the information on posting the Learn and Earn Online expenditures. Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

**(3) TRANSPORTATION WEBCAST:**

DPI Transportation Services has posted a webcast dealing with current issues in transportation; end-of-year transportation allotments including fuel; PRC 56/706 coding and reports from the General Assembly Child Fatality Task Force and Transportation Oversight meetings. You will need the REAL Player to view the webcast. Cut and paste the following link into your browser:  
<http://nditsvns04.its.state.nc.us/ramgen/dpi/NCIH/Transportation/0809/042808.rm>  
For more information contact Derek Graham at 919.807.3571.

**(4) THE 2008-2009 UERS DATA TRANSFER SCHEDULE:**

The 2008-2009 UERS DATA TRANSFER SCHEDULE for LEAs and Charter Schools is now available via the internet at [www.ncpublicschools.org/fbs/finance/reporting/](http://www.ncpublicschools.org/fbs/finance/reporting/). Information concerning the Monthly Financial & Statistical Data Requirements (MFR), the Annual Financial & Statistical Data Requirements (AFR), the Fiscal Data Transfer to LEAs dates, and the Preset Transfer dates are listed. The UERS Transfer Schedule Form is also included. This form must be completed by each LEA and Charter School regardless of which software, NCWISE or SIMS, is being utilized. Please complete the form, including the required signature of the Financial Officer, and return it by May 28, 2008. Instruction for filling out the form and returning are included with the form. If you have questions or concerns please contact Angela Harrison at [aharrison@dpi.state.nc.us](mailto:aharrison@dpi.state.nc.us) or 919.807.3754.

**(5) HRMS LEA Release v 4.8.3 - Implementation Alert:**

The attached letter provides information regarding upcoming the next HRMS LEA release. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 39-07/08, May 9, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**School Allotment Reminders:**

**1. ABC Transfers Forms:**

The last day to submit ABC Transfers for FY 07-08 is May 23, 2008. If you have submitted an ABC transfer prior to this week and it has not been processed, please call Tonga Le at 919.807.3732 to discuss re-submission.

**2. Other Allotment Revisions:**

The last day to submit items to School Allotments for processing in FY 07-08 is June 4, 2008. Our last regular allotment revision will upload to MSA on June 11, 2008. Allotment Revisions after June 11, 2008 will be for year-end clean-up items only. Please review your Allotment Revision 27 report. If your LEA is expecting additional funds in any PRC that you have not received, please contact us. We do have some of our regular items still to process such as School Technology Interest, \$50 sub pay, and the second New Teacher Orientation (to capture days during the year, if any).

**3. Federal Grant Applications:**

FY 08-09 - Please submit your Federal Grant Applications and budgets by the due dates on the following web site:

[www.ncpublicschools.org/docs/fbs/finance/federal/fedgrant.pdf](http://www.ncpublicschools.org/docs/fbs/finance/federal/fedgrant.pdf).

This allows the Federal Program staff time to review and approve applications so that we can release funding when Federal Grant Awards are received. Federal Grants are intended to be effective July 1 and it is good fiscal management to have access to these funds as close to this date as possible. Please adhere to due dates as requested for the Initial budgets. Remember, LEAs and Charters can submit amended budgets as needs change throughout the year.

Please contact School Allotments if you have any questions at 919.807.3739. Please contact the Federal Program Administrators if you have questions concerning Federal Grant due dates.

~~~~~

**Learn and Earn Online Textbook Purchases (Last Chance for Reimbursement):**

Expenses should be coded to XXXX-055-415. You must have these expenses posted to your May data file transfer. Allotments will need to be made in early June to ensure your PRC 055 is not reflected as overspent.

Code expenses to PRC 055 even if you do not have an approved Learn and Earn traditional program. We will review the PRC 055 415 code and make an allocation to you in PRC 055, for the amount of Learn and Earn online textbook expenditures recorded.

Please get with your schools and have them obtain an invoice on the textbooks for your records. Over the past few weeks we have received inquiries from schools on how to post the expenditures for reimbursement. As of the end of March, only 3 LEAs had reported expenditures. There are over 31 LEAs participating Learn & Earn Online programs. We don't want you to miss out on receiving funds for the books purchased. The December 14th, Finance Officer Weekly outlined the information on posting the Learn and Earn Online expenditures.

Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

~~~~~

\*\*\*\*\*  
To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.  
\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 40-07/08, May 15, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Governor's Budget Proposal for FY 2008-09**

Attached you will find a summary of the Governor's Budget Proposal and a comparison of the State Board Expansion Request to the Governor's Proposed Budget. Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or by phone 919.807.3701.

**(2) Closing Procedures for Fiscal Year 2007-2008:**

In order to comply with the closing deadline for 2007-08, as directed by the Office of State Budget and Management, please initiate the procedures as set out in the attached letter directed to LEA Superintendents and LEA Finance Officers. Should you have questions, please contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or by phone 919.807.3701.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:debjacks@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 41-07/08, May 19, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Spring BUD Release:**

Thank you for your patience as we worked to get the spring BUD release completed. We have finished our QA testing and are ready to pilot. The release has been sent to the pilots and we have asked for fast turn around. If no problems are found, we anticipate going full release to all remaining LEAs by Wednesday, May 21. We are aware that some of you have been given a date of May 20 to have your amendments submitted for the FY 2007-08 year. We are working with the program consultants to extend this date to May 30. All updates regarding the extension will be sent via this newsletter.

The BUD 7.0.2 release contains the sales tax refund fix that so many of you are waiting for. It also contains the customized software modifications to allow secure transfer of data between the LEAs and DPI due to state ITS requirements to remove the SNA protocol. You were made aware of the SNA project late last year by Michael Ramsey. Questions regarding the SNA project can be directed to Michael at [mramsey@dpi.state.nc.us](mailto:mramsey@dpi.state.nc.us) or 919.807.3218. Questions regarding the BUD release can be directed to Denise Jackson at [djackson@dpi.state.nc.us](mailto:djackson@dpi.state.nc.us) or 919.807.3614.

**(2) Clarification Concerning the Assessment of Indirect Cost in the Child Nutrition Program:**

The attached memorandum will clarify concerns about the assessment of indirect cost in the Child Nutrition Program. Should you have questions do not hesitate to contact Stephanie English at [senglish@dpi.state.nc.us](mailto:senglish@dpi.state.nc.us) or Lynn Hoggard at [lhoggard@dpi.state.nc.us](mailto:lhoggard@dpi.state.nc.us).

**(3) Access to Prior Year 2007 Account Codes was Removed for Expenditure and Revenue Account Codes:**

When we removed access to the 2007 account codes on April 30, 2008, we removed access for both revenue and expenditure 2007 account codes. Please review the DPI's website at [www.ncpublicschools.org/fbs/finance/reporting/coa2008](http://www.ncpublicschools.org/fbs/finance/reporting/coa2008) under Supporting Documents FY 2008 for latest revenue and expenditure account codes.

If you have any questions, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725 or Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us) or 919.807.3729.

**(4) Days Missed for Inclement Weather Survey:**

All LEAs and Charter Schools are REQUIRED by Legislation to complete the Days Missed Survey for school year 2007-2008. Please complete the online survey and submit by June 27, 2008. The survey can be found on the Financial Business Services website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/) under "What's New." If you have questions about the survey, please contact Ozella Wiggins at [owiggins@dpi.state.nc.us](mailto:owiggins@dpi.state.nc.us) or 919.807.3757.

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*  
**Newsletter No. 42-07/08, May 23, 2008**  
\*\*\*\*\*  
Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)  
\*\*\*\*\*

**(1) Joint Appropriations Subcommittee on Education Budget Recommendations:**

The Joint Appropriations Subcommittee on Education presented its Budget Recommendations on Wednesday, May 21. The Education portion of that document is attached for your information. We are not preparing a comparison of these recommendations to the State Board of Education's request or the Governor's recommendations since this is a working document. We will present a comparison when the House recommendations are presented which could be as early as next week.

**(2) Spring BUD Release:**

Thank you for your patience as we work to get the spring BUD release completed. We released to the pilots as planned and encountered problems with the secure FTP. After several attempts to resolve the issues we decided to remove this piece from the release. We plan to go back to pilot on Tuesday, May 27 with only the sales tax refund fix and the fix for use of open chart PRC's with the 4th digit of the purpose code. If you have any questions, please contact Denise Jackson at 919.807.3614 or [djackson@dpi.state.nc.us](mailto:djackson@dpi.state.nc.us).

**(3) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the current year, (Company 1000) FY 2007-2008, as of the April processing period, on Monday, May 19, 2008. All refunds through the April 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted by Tuesday, June 3, 2008, to avoid additional penalties. Please submit the refunds effective May 2008 (processing period 11) by Tuesday, June 3, 2008, to avoid additional penalties. If you have questions regarding the Total Dollar Allotment Overdraft report, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) MFR Reports Netviewed:**

We netviewed the April 2008 MFR (Period 10) reports on Monday, May 19, 2008. Please ignore the error message regarding account code 5-6990-035-499 on the MFR Error Messages Issued (PGA10RP4-E) report. DPI will remove the error message from future MFR reports. Sorry for any inconvenience.

If you have further questions regarding the MFR reports, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) HRMS Implementation Alert:**

The attached letter provides information regarding the upcoming HRMS Reporting Tool release and recently released HRMS Applicant changes. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 43-07/08, May 30, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) 2008-09 Budget Comparison:**

A comparison of the State Board of Education Budget Request, Governor's Proposed Budget, and the House Budget (NOT FINAL), for FY 2008-09 is attached for your review.

**(2) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the prior year report, Company 8000, FY 2006-2007, as of the April 2008 processing period, on Wednesday, May 28, 2008. All refunds through the April 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted by Tuesday, June 3, 2008, to avoid additional penalties. Please submit the refunds effective May 2008 (processing period 11) by Tuesday, June 3, 2008, to avoid additional penalties. If you have questions, please contact the following persons:

- Total Dollar Allotment Overdraft:  
Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us);
- Audit Exceptions - State Overpaid and Month Allocated Versus Months Used:  
Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or  
Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(3) Allotment Overdraft Penalties:**

Thank you for your timely payment of the penalties due on the Allotment Overdraft report. When paying the penalties, please remember to mark the "Prior Year" field with a "Y" if the penalty due is from the "Allotment Overdraft Report for Company 8000" report. Before paying your penalties, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) to confirm the correct amount of penalties to pay.

**(4) BUD Release 7.0.2 was sent to all remaining LEAs late Thursday afternoon, May 29:**

This release includes the sales tax refund fix for amendments and the fix for using an open chart PRC in combination with the 4th digit of purpose code. The customized software modifications to allow secure transfer of data between the LEAs and DPI due to state ITS requirements was removed from this release due to problems. It will be included in a separate BUD release.

The installation instructions are attached. You can also print the instructions from our website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/) in the "What's New" section. Please remember to receive all files from DPI before installing this release.

If you have any problems installing the release, please contact the Education Support Center Helpdesk at 919.807.4357. Please reference BUD release 7.0.2 in your call.

**DPI Transportation Services Webcast:**

On Friday morning (May 30) DPI Transportation Services held a webcast focusing on three topics:

- (1) current legislation impacting school transportation,
- (2) hurricane evacuation preparation, and
- (3) impact of rising fuel prices.

The webcast can be viewed using the REAL Player at the following link:

<http://nditsvns04.its.state.nc.us/ramgen/dpi/NCIH/Transportation/0809/053008.rm>

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby.Jackson@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 44-07/08, June 6, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) 2008-09 Budget Comparison:**

An updated comparison of the State Board of Education Budget Request, Governor's Proposed Budget, and the House Budget, for FY 2008-09 is attached for your review.

**(2) Kindergarten Breakfast Program Claims and/or Adjusted Claims:**

Child Nutrition Directors should ensure that all Kindergarten Breakfast program claims and/or adjusted claims to be reimbursed from State FY 2007-08 funds be submitted via the automated system by 5:00 p.m., June 20, 2008. This deadline will allow sufficient time to process payment of your claim(s). If you have questions, please contact Sherry Peele at 919.807.3620 or [speelee@dpi.state.nc.us](mailto:speelee@dpi.state.nc.us) or Regetta Darden at 919.807.3652 or [rdarden@dpi.state.nc.us](mailto:rdarden@dpi.state.nc.us).

**(3) Overspend Allotments:**

DPI has noticed that some LEAS are coding expenditures before they are approved and in receipt of their transfer of funds. Please transfer the funds first before coding expenditures; otherwise you will have overspent your allotment. DPI will no longer waive penalties for LEAS that overspend their expenditures while awaiting their transfer of funds. If you have any questions, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) FY 2008 Close Out Deadlines:**

**JUNE 30 (midnight) -**

- UERS Data files, including MFR file, must be ready for transmission.
- All Installment Accruals must be ready for transmission.

**JULY 1 -**

- DPI will begin pulling data at 12:01 a.m. July 1, 2008.
- Someone MUST be on site at the LEA to verify that DPI successfully received all your data. We will need the name of the person on site, their telephone

number and their e-mail address. Please email this information to Alice Lambright at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008.

**REMINDER:**

Use small batches when transmitting BUD batches. Keep those batches containing June vouchers separate from those containing vouchers cut in May or earlier; this may reduce the potential impact of any errors.

**Year-End Close-Out and Invalid Account Codes:**

It is getting near year-end close-out time. Time to clean-up any remaining errors on the MFR data. There are still many LEAs who are reporting invalid account codes in their monthly financial data. Your financial software edits the expenditure accounts at the point of data entry. You set your system parameters to give either a "Warning" or an "Error" when an invalid code is used. Please notify your staff that the "Warning" should not be ignored. Using invalid codes causes you problems with your datafile posting and with your MFR reporting. You should download updated files from the BUD System weekly to ensure that you have the most current information.

DPI sends each month, via netview, an "MFR Error Messages" report (PGA10RP4-E) listing any errors detected in your MFR data, usually transactions from your general ledger that are recorded to invalid codes; and a Monitoring Letter listing any expenditures submitted through datafile to invalid codes, with the valid codes where DPI posted the expenditures. If you disagree with the code used by DPI to post the datafile expenditure, then you must submit a UTR in the BUD system, moving the expenditure FROM the valid code that DPI used TO the valid code that you choose. If you have any questions about the invalid code information on the Monitoring Letter, please contact Richard Smith at 919.807.3729 or [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us). If you have any questions about errors on the MFR data, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) CLOSE OUT REMINDER:**

As stated in the FY 2007-2008 Close-out letter, DPI will begin pulling your June data files at 12:01 a.m. July 1, 2008 (midnight Monday). In order to meet required processing deadlines it is imperative that your data is ready to transmit at that time. It is also critical you have someone on-site Tuesday morning, July 1, 2008 to verify that DPI successfully received your data. This person must remain on-site until receiving an email from DPI stating that your LEA's data has been successfully pulled and verified by DPI and that your on-site contact person is no longer needed at your LEA. If you have not done so already, please email the name of your on-site contact person with their telephone number and their email address to Alice Lambright at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008.

**(6) INSTALLMENT ACCRUAL REMINDER:**

In order to ensure that we receive all of the installment accruals with the June datafile transmission, and to prevent us from unnecessarily contacting those of you who will have no accruals, we are requesting your help. If you do not pay your employees on traditional installments, and therefore will not have installment accruals, please email Alice Lambricht at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008. Simply put "No accruals - LEA (plus your three digit LEA number)" in the subject line. We appreciate your help.

**(7) BUD Release 7.0.2 was sent to all remaining LEAs late Thursday afternoon, May 29:**

This release includes the sales tax refund fix for amendments and the fix for using an open chart PRC in combination with the 4th digit of purpose code. The customized software modifications to allow secure transfer of data between the LEAs and DPI due to state ITS requirements was removed from this release due to problems. It will be included in a separate BUD release.

The installation instructions are attached. You can also print the instructions from our website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/) in the What's New section. Please remember to receive all files from DPI before installing this release.

If you have any problems installing the release, please contact the Education Support Center Helpdesk at 919.807.4357. Please reference BUD release 7.0.2 in your call.

**(8) Financial and Business Services Summer Conference:**

On July 24-25, 2008, the Office of Financial and Business Services will conduct its annual conference at the Sheraton Imperial Hotel and Convention center, Research Triangle Park. Conference registration and hotel information is available on our website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/). If you have questions regarding the conference please contact Paul LeSieur or Doris McCain at 919.807.3700. See attached Memo dated May 29, 2008.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 45-07/08, June 9, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Information on House Budget Bill:**

Attached you will find a Word Document reflecting key proposed changes being made to the FY 2008-09 budget. Now that the House has passed the budget along to the Senate, the Senate will have their opportunity to reflect changes they will propose to affect the FY 2008-09 budget. The house budget reflects a change to the Retirement Rate to 8.14%. Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

**(2) Advisory Opinion on Ten-Month Teacher Pay in Twelve Installments:**

Attached you will find a letter from Philip Price introducing the changes needing to be communicated to those 10 month employees wanting to be paid from a LEA via the traditional 12 month installment plan. You are required to provide the traditional 12 month installment outlined in General Statute G.S. 115C-302.1, if an employee elects to be paid in this manner. This ruling supersedes any local board actions requiring employees to participate in the alternative installment method. Also attached is a copy of the ruling provided by the Attorney General's Office. Should you have any questions, please feel free to contact Larry Simmons at [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us) or 919.807.3364.

**(3) Teach for America Teachers / Payments:**

Over the years Teach for America has been providing teachers to LEAs across North Carolina. There are associated recruitment and training/support fees that are required to be paid by LEAs when employing Teach for America Teachers. Payment of these costs may be paid to Teach for America from object code 311 from the following allocations:

- Low Wealth (PRC 031),
- Small County (PRC 019), and
- Disadvantaged Student Supplemental Funding (PRC 024).

Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

**(4) Motor Fleet Mileage Rate Change Effective July 1, 2008:**

Please see attached memo from State Budget Director David McCoy regarding the change in motor fleet mileage rates effective July 1, 2008. I

**(5) Financial and Business Services Summer Conference:**

On July 24-25, 2008, the Office of Financial and Business Services will conduct its annual conference at the Sheraton Imperial Hotel and Convention Center, Research Triangle Park. Conference registration and hotel information is available on our website at [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/). If you have questions regarding the conference please contact Paul LeSieur or Doris McCain at 919.807.3700.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:debby.jackson@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 46-07/08, June 13, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Central Office Administration - PRC 002:**

We have added account code 1-8400-002-715 Interfund Transfers - Transfer to the Multiple Enterprise Fund to PRC 002 Central Office Administration. Federal law requires a match for Child Nutrition Supervisors. A State expenditure of \$7.33 million is necessary for North Carolina to be eligible for Section 4 federal funds. If expenditures are projected to be below this level, a small percentage of this allotment might have to be expended for Child Nutrition to assure the match is met.

If you have questions about this account code, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(2) Change in Reimbursement Rate - Mileage:**

Effective July 1, 2008, the motor fleet mileage rates will be increased by eight cents per mile (from 25 cents to 33 cents per mile). If a state employee chooses to use a personal vehicle when a state-owned vehicle is available, the employee will be reimbursed at the motor fleet rate of 33 cents per mile. The memorandum announcing this change is attached.

State employees will continue to be reimbursed the business standard mileage rate of 50.5 cents per mile set by the Internal Revenue Service when using their personal vehicles for business when the round trip does not exceed 100 miles or when a state-owned vehicle is not available.

If you have questions regarding this change, please call Regetta Darden at 919.807.3652 or Judy Biggerstaff at 919.807.3654.

### **(3) FY 2008 Close Out Deadlines:**

JUNE 30 (midnight) -

- UERS Data files, including MFR file, must be ready for transmission.
- All Installment Accruals must be ready for transmission.

JULY 1 -

- DPI will begin pulling data at 12:01 a.m. July 1, 2008.
- Someone MUST be on site at the LEA to verify that DPI successfully received all your data. We will need the name of the person on site, their telephone number and their email address. Please email this information to Alice Lambrigt at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008.

REMINDER:

- Use small batches when transmitting BUD batches. Keep those batches containing June vouchers separate from those containing vouchers cut in May or earlier; this may reduce the potential impact of any errors.

### **(4) Year-End Close-Out and Invalid Account Codes:**

It is getting near year-end close-out time. Time to clean-up any remaining errors on the MFR data. There are still many LEAs who are reporting invalid account codes in their monthly financial data. Your financial software edits the expenditure accounts at the point of data entry. You set your system parameters to give either a "Warning" or an "Error" when an invalid code is used. Please notify your staff that the "Warning" should not be ignored. Using invalid codes causes you problems with your datafile posting and with your MFR reporting. You should download updated files from the BUD System weekly to ensure that you have the most current information.

DPI sends each month, via netview, an "MFR Error Messages" report (PGA10RP4-E) listing any errors detected in your MFR data, usually transactions from your general ledger that are recorded to invalid codes; and a Monitoring Letter listing any expenditures submitted through datafile to invalid codes, with the valid codes where DPI posted the expenditures. If you disagree with the code used by DPI to post the datafile expenditure, then you must submit a UTR in the BUD system, moving the expenditure FROM the valid code that DPI used TO the valid code that you choose. If you have any questions about the invalid code information on the Monitoring Letter, please contact Richard Smith at 919.807.3729 or [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us). If you have any questions about errors on the MFR data, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) BUD Year End Information:**

Please see attached document for special year end processing information.

**(6) Matching Retirement Rate:**

As stated in the June 9th newsletter, the House budget reflects a change in the Retirement Rate to 8.14%. Since it is very unlikely that a final State budget will be passed by June 30, DPI is recommending that the LEAs use the current rate of 7.83% as the matching retirement rate for the Installment accruals. Make final FY 08 expenditures accordingly. Even if the FY 09 matching retirement rate is not 7.83%, LEAs will still run the July (and in some cases August) installment payrolls at the accrued 7.83% rate so that the actual installment expense will closely match the installment accruals. AP invoices will be manually accrued to adjust the July and/or August matching check to the passed percentage. Any difference in the rate would be reflected in FY 09 expenditures. DPI will keep you posted, and notify you of the legal FY 09 rate once the budget is passed.

If you have questions contact Ally Barfield at 919.807.3715 or [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us).

**(7) CLOSE OUT REMINDER:**

As stated in the FY 2007-2008 Close-out letter, DPI will begin pulling your June data files at 12:01 a.m. July 1, 2008 (midnight Monday). In order to meet required processing deadlines it is imperative that your data is ready to transmit at that time. It is also critical you have someone on-site Tuesday morning, July 1, 2008 to verify that DPI successfully received your data. This person must remain on-site until receiving an email from DPI stating that your LEA's data has been successfully pulled and verified by DPI and that your on-site contact person is no longer needed at your LEA. If you have not done so already, please email the name of your on-site contact person with their telephone number and their email address to Alice Lambricht at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008.

**(8) INSTALLMENT ACCRUAL REMINDER:**

In order to ensure that we receive all of the installment accruals with the June datafile transmission, and to prevent us from unnecessarily contacting those of you who will have no accruals, we are requesting your help. If you do not pay your employees on traditional installments, and therefore will not have installment accruals, please email Alice Lambricht at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008. Simply put "No accruals - LEA (plus your three digit LEA number)" in the subject line. We appreciate your help.

**(9) Financial and Business Services Summer Conference:**

Attached you will find a tentative schedule for the FBS Summer Conference to be held on July 24-25, 2008 at the Sheraton Imperial Hotel and Convention Center, Research Triangle Park. Conference registration and hotel information is available on our website at [www.ncpublicschools.org/fbs/conferences/](http://www.ncpublicschools.org/fbs/conferences/).

If you have questions regarding the conference please contact Paul LeSieur or Doris McCain at 919.807.3700.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 47-07/08, June 20, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Retirement Withholdings for Summer School Personnel:**

Pursuant to The Department of State Treasurer, Retirement Systems Division, all compensation for personnel who are working beyond their 10 month employment contract, (e.g. Summer school) and who were permanent full time teachers in the school year, is subject to the retirement withholding. Therefore, retirement must be withheld from summer employment compensation and remitted to the Retirement System.

If you have questions, please contact Alexis Schauss at [aschauss@dpi.state.nc.us](mailto:aschauss@dpi.state.nc.us) or 919.807.3553.

**(2) Matching Retirement Rate:**

As stated in the June 9th newsletter, the House budget reflects a change in the Retirement Rate to 8.14%. Since it is very unlikely that a final State budget will be passed by June 30, DPI is recommending that the LEAs use the current rate of 7.83% as the matching retirement rate for the Installment accruals. Make final FY 08 expenditures accordingly. Even if the FY 09 matching retirement rate is not 7.83%, LEAs will still run the July (and in some cases August) installment payrolls at the accrued 7.83% rate so that the actual installment expense will closely match the installment accruals. AP invoices will be manually accrued to adjust the July and/or August matching check to the passed percentage. Any difference in the rate would be reflected in FY 09 expenditures. DPI will keep you posted, and notify you of the legal FY 09 rate once the budget is passed. If you have questions contact Ally Barfield at 919.807.3715 or [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us).

**(3) Reminder to Monitor Administration Expenditures:**

Five Federal PRCs [Vocational Education (017), Safe & Drug Free Schools (048), Title I (050), Language Acquisition (104), and Reading First (106)] have administration expenditure limitations. These limitations are monitored at June 30. In addition, indirect cost charged to federal programs is compared against your approved rate. If administrative expenditures and/or indirect cost charges exceed allowable amounts, you may be subject to an audit exception by your independent auditors. Please contact Stephanie English 919.807.3686 or [senglish@dpi.state.nc.us](mailto:senglish@dpi.state.nc.us) in the Monitoring & Compliance Section if you have questions.

#### **(4) Special Provisions and Funding:**

Senate and House Funding Summary and Select Special Provision Comparison for the FY 2008-09 Budget - attached you will find a comparison of Senate and House funding. If the Senate and House are in disagreement, the (h) and (S) along with the amounts will be in bold. Other items worth noting will be in bold also.

If you have any questions, please contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

#### **(5) State Public School Fund Allotment Overdraft Reports:**

We net-viewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the current year, (Company 1000) FY 2007-2008, as of the May processing period, on Wednesday, June 18, 2008. All refunds through the May 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted by Monday, June 30, 2008, to avoid additional penalties. Please submit the refunds effective June 2008 (processing period 12) by Monday, June 30, 2008, to avoid additional penalties. If you have questions regarding the Total Dollar Allotment Overdraft report, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

#### **(6) FY2008 Close Out Deadlines:**

##### **JUNE 30 (midnight) -**

- UERS Data files, including MFR file, must be ready for transmission.
- All Installment Accruals must be ready for transmission.

##### **JULY 1 -**

- DPI will begin pulling data at 12:01 a.m. July 1, 2008.
- Someone MUST be on site at the LEA to verify that DPI successfully received all your data. We will need the name of the person on site, their telephone number and their e-mail address. You should have e-mail this information to Alice Lambricht at [alambrig@dpi.state.nc.us](mailto:alambrig@dpi.state.nc.us) by Friday, June 13, 2008.

##### **REMINDER:**

Use small batches when transmitting BUD batches. Keep those batches containing June vouchers separate from those containing vouchers cut in May or earlier; this may reduce the potential impact of any errors.

##### Year-End Close-Out and Invalid Account Codes:

It is getting near year-end close-out time. Time to clean-up any remaining errors on the MFR data. There are still many LEAs who are reporting invalid account codes in their monthly financial data. Your financial software edits the expenditure accounts at the point of data entry. You set your system parameters to give either a "Warning" or an "Error" when an invalid code is used. Please notify your staff that the "Warning" should not be ignored. Using invalid codes causes you problems with your datafile posting and with your MFR reporting. You should download updated

files from the BUD System weekly to ensure that you have the most current information.

DPI net-viewed the May 2008 MFR reports on Tuesday, June 17, 2008. The MFR reports include the "MFR Error Messages" report (PGA10RP4-E) listing any errors detected in your MFR data, usually transactions from your general ledger that are recorded to invalid codes; and a Monitoring Letter listing any expenditures submitted through data file to invalid codes, with the valid codes where DPI posted the expenditures. If you disagree with the code used by DPI to post the data file expenditure, then you must submit a UTR in the BUD system, moving the expenditure FROM the valid code that DPI used TO the valid code that you choose.

If you have any questions about the invalid code information on the Monitoring Letter or errors on the MFR data, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(7) Financial and Business Services Summer Conference:**

The FBS Summer Conference to be held on July 24-25, 2008, at the Sheraton Imperial Hotel and Convention Center, Research Triangle Park. Conference registration and hotel information is available on our website at [www.ncpublicschools.org/fbs/conferences/](http://www.ncpublicschools.org/fbs/conferences/) .

**If you have not made your hotel reservations, the cutoff date for the Sheraton Imperial has been changed to June 30, 2008.**

If you have questions regarding the conference, please contact Paul LeSieur or Doris McCain at 919-807-3700.

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debby Jackson](mailto:debjacks@dpi.state.nc.us) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 48-07/08, June 27, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Cash Management Update:**

Because of the recent problems of the State Controllers Statewide Cash Management System, LEA regular cash deposits and cash deposits related to "BUD" processing for funds requirement dates (FRD) of 06/26/08, 06/27/08 and 06/30/08 were delayed. Now that the system problems have been resolved, your cash transactions for these FRDs should be available for viewing in Core Banking by Monday, June 30, 2008. If you have questions regarding your cash deposits for these days, please contact Sarah Harris at 919.807.3636 or [sharris@dpi.state.nc.us](mailto:sharris@dpi.state.nc.us) .

**(2) North Carolina Public School Insurance Fund, (the "Fund"):**

See attached note from Eileen Townsend to Finance Officers concerning the North Carolina Public School Insurance Fund. Should you have questions please contact Eileen Townsend at 919.807.3522 or [etownsen@dpi.state.nc.us](mailto:etownsen@dpi.state.nc.us).

**(3) IRS Mileage Rate Change:**

See attached memo from State Budget Director, David McCoy, regarding the change in IRS mileage rated and the allowable rate of reimbursement for travel on official business effective July 1, 2008. If you have any questions, please contact Sarah Harris at 919.807.3636 or [sharris@dpi.state.nc.us](mailto:sharris@dpi.state.nc.us).

**(4) Matching Retirement Rate:**

As stated in the June 9th newsletter, the House budget reflects a change in the Retirement Rate to 8.14%. Since it is very unlikely that a final State budget will be passed by June 30, DPI is recommending that the LEAs use the current rate of 7.83% as the matching retirement rate for the Installment accruals. Make final FY 08 expenditures accordingly. Even if the FY 09 matching retirement rate is not 7.83%, LEAs will still run the July (and in some cases August) installment payrolls at the accrued 7.83% rate so that the actual installment expense will closely match the installment accruals. AP invoices will be manually accrued to adjust the July and/or August matching check to the passed percentage. Any difference

in the rate would be reflected in FY 09 expenditures. DPI will keep you posted, and notify you of the legal FY 09 rate once the budget is passed. If you have questions contact Ally Barfield at 919.807.3715 or [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us).

**(5) BUD Year End Information:**

Please see attached document for special year end processing information. Please contact the Customer Support Center at 919.807.4357 or e-mail [help@dpi.state.nc.us](mailto:help@dpi.state.nc.us) if you need assistance.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 49-07/08, July 11, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Allotment for Mentoring Services:**

HB 2436 Section 7.8 eliminates the guaranteed allotment for the \$100 mentor stipend and establishes a dollar allotment for all LEAs in PRC 022. At this time, the specific amount per LEA is not finalized, but will be part of the initial allocation. The LEAs are required to expend the allotment according to an approved plan; at this point we are not certain on the details of the approved plan.

All object codes 193 have been removed from PRC 009, please code the mentor expenditures to PRC 022. Further communication will be provided when the State Board of Education takes action. If you have further questions, please contact Alexis Schauss at [aschauss@dpi.state.nc.us](mailto:aschauss@dpi.state.nc.us).

**(2) FY 2008 13th Month MFR File - Reminder:**

We are in the process of net-viewing your June 2008 reports. This is a reminder that we will pull your preliminary FY 2008 13th month MFR File on Monday evening, July 21, 2008. We understand that this is the same week as the 2008 Financial and Business Services Summer Conference but we will need someone available on Tuesday morning if we have any problems pulling your MFR data.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards.

Please do the following before building the 13th Month MFR file (Please make sure that you are signed into FY 08):

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all of your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations that are attached. We will post the information on the Financial and Business Services web page next week.

If you have questions about your MFR file, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(3) LEA-Wide Calendar Waivers:**

LEA-wide Calendar Waivers based on inclement weather history are due. We are currently finalizing the collection of the inclement weather days from the LEAs, however if you know that your LEA is eligible for a waiver and your local board intends to submit a request, please submit the waiver request form and fax to 919.807.3704 Attn: Ozella Wiggins.

The form can be found at:

[www.ncpublicschools.org/docs/fbs/accounting/forms/waiverlea.pdf](http://www.ncpublicschools.org/docs/fbs/accounting/forms/waiverlea.pdf). If you do not have local board approval, please put "pending approval on xx" in the "Date of Local Board Approval" and submit to DPI. Once you have the local board approval, please fax or send a final copy.

**(4) Financial and Business Services Summer Conference:**

If you are planning to attend the July 24-25, 2008, FBS Summer Conference being held at the Sheraton Imperial Hotel and Convention Center, Research Triangle Park, and have not registered online, please register online no later than Friday, July 18 at [www.ncpublicschools.org/fbs/conferences/](http://www.ncpublicschools.org/fbs/conferences/). After July 18, the online registration will no longer be available. However, you can still attend the conference by registering at our onsite location during the conference. **(The \$95 registration fee ends today, July 11. After July 11, the registration fee is \$105).**

If you have questions regarding the conference, please contact Paul LeSieur or Doris McCain at 919.807.3700.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**TO: Finance Officers - July 17, 2008**

\*\*\*\*\*

**(1) Matching Retirement Rate**

**(Installments use 7.83%, everything else use 8.14%):**

Even though the new budget with a new matching rate has been passed, please remember to use the rate of 7.83% as the matching retirement rate for your July (and in some cases August) installment payrolls. Since installment accruals and FY 08 expenditures were finalized June 30th using the 7.83% rate, LEAs should run the July (and in some cases August) installment payrolls at the accrued 7.83% rate so that the actual installment expense will closely match the installment accruals. AP invoices will be manually accrued to adjust the July and/or August retirement matching check to the passed percentage. As in the past, you can use queries provided by your vendor software to calculate the adjustment amount and budget codes needed for invoice entry. The difference caused by the rate change will be reflected in FY 09 expenditures. Use the new percentage of 8.14% for all non-installment payrolls so the matching amounts on those payrolls will not have to be manually adjusted. If you have questions, contact Ally Barfield at 919.807.3715 or [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us).

**(2) MFR Revenue and Expenditure Summary Report (PGA10RP5):**

We netviewed your MFR report yesterday and it appears that the MFR Revenue and Expenditure Summary Report (PGA10RP5) has been overstated in the revenues and in the expenditures. Please ignore that report and our programmers are investigating the problem and are working on correcting the report. We will keep you posted.  
Contact: Roxane L. Bernard 919.807.3725

**(3) Budget Bill Signed by the Governor, Session Law 2008-107:**

Attached is the summary of Session Law 2008-107 / House Bill 2436 now signed by the Governor on July 16, 2008. There is a Technical Correction Bill being drafted that may have some changes to the current budget bill, but are not expected to be significant or affect salaries.

Please note the items below are salary and benefit increases you will be utilizing in preparing your salary adjustments for payroll purposes.

There was an error in the previous Ratified House Bill Document sent to you last week that misstated the top of the scale bonus for teachers and instructional support. Below and on the attached summary is the correct percentage for paying the one-time bonus.

- Teachers and instructional support at the top of the salary schedule would get a 1.8% one-time lump sum bonus.
- Principals and assistant principals at the top of the scale would receive a 2% one-time bonus.
- The employer retirement rate contribution is increased to 8.14%.
- The employer contribution for hospitalization is \$4,157.

Tomorrow morning the Salary Schedules will be available on the FBS website. Q & As on hot topics will be posted to the website as soon as the bills are reviewed and Q & As are finalized.

Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

\*\*\*\*\*  
**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby.Jackson@dpi.state.nc.us) and let her know which attachments to send.  
\*\*\*\*\*

\*\*\*\*\*  
[Philip Price](mailto:Philip.Price@dpi.state.nc.us)  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 50-07/08, July 18, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Salary Schedules:**

Salary Schedules have been posted on [www.ncpublicschools.org/fbs/finance/salary/](http://www.ncpublicschools.org/fbs/finance/salary/) and on the FBS home page.

**(2) 2008-09 Substitute Rates:**

Effective July 1, 2008, the substitute ranges are as follows:

Non certified  
Minimum \$69 Maximum \$138.32

Certified  
Minimum \$90 Maximum \$138.32

**(3) FY 2008 13th Month MFR File - Reminder:**

This is a reminder that we will pull your preliminary FY 2008 13th month MFR File on Monday evening, July 21, 2008.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards.

Please do the following before building the 13th Month MFR file (Please make sure that you are signed into FY 08):

- 1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- 2) Correct all of your MFR errors, including local account codes.
- 3) Review the AFR/MFR Recommendations posted on the Financial and Business Services web page to ensure accurate reporting of your "Per Pupil" expenditures: [www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf)

Please telephone or email your Zero-out questions to: Richard Smith – 919.807.3729 or [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us).

- 1) Please review your DBS/MFR Match report (JHA899EG):  
This report shows the comparison month-to date (MTD) and year-to-date (YTD) between the DBS data (datafile; DPI ledger) and the MFR data (LEA general ledger). Any YTD differences on this report should be reconciled.
- 2) Please review your Records Dropped Due to Invalid Data Report (PGA10RP1):  
Please make sure to correct all items on this report. Examples of errors are that you cannot have 0000 representing a Purpose Code or 000 representing a PRC or 000 representing a Object Code.
- 3) Please review MFR Information Dropped Per Finance Officers Request (PGA10RP2):  
This report includes items that were dropped at the LEA Finance Officer's request. To request that certain Funds or Funds with Specific PRCs be excluded for per-pupil calculations, complete the "Funds or Funds with Specific PRCs to Exclude for MFR Process" request form that is located on DPI's website.  
[www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/excludeform.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/excludeform.pdf)
- 4) Please review your MFR Error Messages Issued Report (PGA10RP4-E):  
Please make sure to correct all items on this report. This includes all funds, even Local funds (funds other than 1 (State) and 3 (Federal)).  
Some examples of errors are the following:
  - "Invalid Budget codes" - The account does not exist in the current Chart of Accounts.
  - "State Textbook Revenue 3211 Missing \$" - Please record in your State funds your revenues and expenditures of your State Textbook expended.
  - "Revenues and Expenditure Must Equal" - There are differences between your Revenues Totals and your Expenditures Totals in Fund 1 and/or Fund 3.
- 5) Please review your MFR Verification Messages Issued Report (PGA10RP4-V):  
This report notifies you of unusual transactions/conditions. Items on this report do not have to be corrected if they are valid transactions. If they are not valid transactions, then you only need to correct your general ledger. You do not need to notify DPI of these corrections.
- 6) Please review your MFR Revenue & Expenditure Summary Report (PGA10RP5):  
At year end, your revenue totals and your expenditure totals should equal/match on this report. You will only receive this report for periods/months 10-13 of any fiscal year.
- 7) FY 2008 MFR Clean-up:  
Any minor differences between the actual installment payment and the accrual reversal remaining in the current year expenditure code on your general ledger should be moved by journal entry to the installment collapse codes:  
1-5110-001-120, 1-5110-001-210 and 1-5110-001-220.

Please telephone or email your MFR file questions to: Roxane L. Bernard – 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the current year, (Company 1000) FY 2007-2008, as of the June 2008 processing period, on Wednesday, July 16, 2008. All refunds through the June 2008 processing period are reflected. If you have questions regarding the Total Dollar Allotment Overdraft report, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

\*\*\*\*\*  
To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.  
\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 01-08/09, July 23, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Initial Allotments:**

Initial allotments have been posted to the FBS website at  
[www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

**(2) Monthly Financial Report (MFR):**

We netviewed your revised MFR reports for June 2008 (Period 12) on Monday, July 21, 2008. The reports that were netviewed are the following:

- MFR Error Message Issued Report (PGA10RP4-E)
- MFR Revenue And Expenditure Summary Report (PGA10RP5)
- MFR Verification Messages Issued Report (PGA10RP4-V)

Please telephone or email your MFR file questions to: Roxane L. Bernard –  
919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(3) State Public School Fund Allotment Overdraft Reports (Company 8000):**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG Company 8000) for the prior year, FY 2006-2007, as of the June 2008 processing period, on Tuesday, July 21, 2008. All refunds through the June 2008 processing period are reflected. If you have questions regarding:

Total Dollar Allotment Overdraft report, please contact Roxane Bernard at  
919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

Audit Exceptions-State Overpaid and Month Allocated Versus Months Used: please  
contact Angela McNeill at 919.807.3736 or [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us); or Sue Holly at  
919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(4) Work Force Development and Allied Health Programs:**

Attached is a memo to Finance Officers from Eileen Townsend regarding the 2008-09 registration for your Workforce Development and Allied Health Programs. Please review the memo and if you have questions contact Eileen Townsend at 919.807.3522 or [etownsen@dpi.state.nc.us](mailto:etownsen@dpi.state.nc.us).

**(5) Matching Retirement Rate (Installments use 7.83%, everything else use 8.14%):**

Even though the new budget with a new matching rate has been passed, please remember to use the rate of 7.83% as the matching retirement rate for your July (and in some cases August) installment payrolls. Since installment accruals and FY 08 expenditures were finalized June 30th using the 7.83% rate, LEAs should run the July (and in some cases August) installment payrolls at the accrued 7.83% rate so that the actual installment expense will closely match the installment accruals. AP invoices will be manually accrued to adjust the July and/or August retirement matching check to the passed percentage. As in the past, you can use queries provided by your vendor software to calculate the adjustment amount and budget codes needed for invoice entry. The difference caused by the rate change will be reflected in FY 09 expenditures. Use the new percentage of 8.14% for all non-installment payrolls so the matching amounts on those payrolls will not have to be manually adjusted. If you have questions contact Ally Barfield at 919.807.3715 or [abarfiel@dpi.state.nc.us](mailto:abarfiel@dpi.state.nc.us).

**(6) DPI Transportation Services Webcast:**

DPI Transportation Services has uploaded a webcast (July 22) focusing on legislative changes impacting transportation. The webcast requires the REAL player and can be linked from [www.ncbussafety.org/](http://www.ncbussafety.org/)

\*\*\*\*\*

**Attachment:** To get the attachment referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@dpi.state.nc.us) and let her know which attachment to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 02-08/09, August 1, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Improving Student Accountability (PRC 072):**

The FY 08-09 Initial Allotment for Improving Student Accountability is the Contingency Plan Allotment because the Level 1 and II test scores will not be available until Nov. 2008. The Contingency allotment is 50% of the LEA's FY 07-08 Allocation. An allotment adjustment will be made when the test scores are final. If you have any questions, please contact School Allotments at 919.807.3739.

**(2) FY 08-09 Initial Allotments Revised:**

The FY 08-09 Initial Allotments have been revised in MSA and in the Web Files. The web address is [www.ncpublicschools.org/fbs/allotments/initial/](http://www.ncpublicschools.org/fbs/allotments/initial/). Please contact School Allotments at 919.807.3739 if you have questions.

**(3) FY 2008-09 Disadvantaged Student Supplemental Allotments (DSSF)-PRC 024:**

Attached to this email is a file of the DSSF Allocations for FY 2008-09. Please contact School Allotments at 919.807.3739 if you have questions.

**(4) Top of the Scale Bonus Q and A:**

A question and answer pertaining to the top of the scale bonus pay has been posted on the website at [www.ncpublicschools.org/docs/fbs/finance/legislation/raises/topscalebonus.pdf](http://www.ncpublicschools.org/docs/fbs/finance/legislation/raises/topscalebonus.pdf).

**(5) Personnel Eligible for NBPTS 12% Differential:**

The Guidelines for NBPTS pay differential has been updated to incorporate the new legislation (HB2360) concerning full time mentors and NBPTS pay. This document can be found at [www.ncpublicschools.org/docs/fbs/finance/legislation/salarypersonnel/nbptsguidelines.pdf](http://www.ncpublicschools.org/docs/fbs/finance/legislation/salarypersonnel/nbptsguidelines.pdf).

**(6) SNA (SNADS) Network Migration Project News, Requirements:**

1. DPI has been testing the IP-based BUD package for a couple of weeks with several Pilot LEAs successfully. Our plan is to push-out the new BUD release on August 7th for you to install. It is recommended that you complete July closeout activities prior to installation of the new version so as to not cause any delay in processing should there be an installation problem.
2. As a reminder, you should be using Host On Demand (HOD) to request cash and not QWS3270 emulation software. The QWS3270 functionality will cease to work very soon, so please migrate to HOD immediately. A copy of the original memo from November 2007 is attached with the installation instructions.
3. We will be sending a "Required System Configuration" document next week that reflects all of the required firewall and AS/400 configuration parameters, most of which you have already done. There have been some minor changes identified in Pilot testing that will need to be made for some of you, but we are waiting until we are confident we have the final configuration identified.
4. SNADS lines are scheduled to be terminated on September 1, 2008.
5. We are updating our support information in preparation for deployment and we need your help. Please send an email to Michael Ramsey ([mramsey@dpi.state.nc.us](mailto:mramsey@dpi.state.nc.us)) with the subject "LEA Support Contacts" that includes the following information:
  - LEA, Name, role/title, email address, office phone number, and mobile phone number.
  - This information will be kept in a secure location and used by DPI IT Operations to assist in quickly troubleshooting any issues related to this project.
6. Thank you for your patience and cooperation with us through this project. If you have any questions regarding this project, please don't hesitate to contact Mike Ramsey via email or telephone ([mramsey@dpi.state.nc.us](mailto:mramsey@dpi.state.nc.us); 919.946.6622).

**(7) ABCs Bonuses Letter:**

Please review the attached letter to Superintendents and Charter School Directors concerning the ABCs Bonuses.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 03-08/09, August 15, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Allotment Revision Reports:**

The Allotment Section has been processing revisions each week to get the funding out for FY 08-09 as soon as possible. Each LEA should have Allotment Revision reports 1, 2 and 3 now. Our IT department said that net-view reports are available for 3 days. If your LEA did not receive Allotment Revision 2, please contact Tonga Le at 919.807.3732. Allotment Revision 3 is available and should be printed today.

Allotment Revision 4 posted to MSA on August 13, 2008 and will be net-viewed Monday night. Please check your AS 400 on Tuesday, August 19, 2008 and print the report.

If you have any questions regarding allotment revision reports, please contact Tonga Le at 919.807.3732.

**(2) Initial Allotment and Revision 1:**

We did not send individual emails for the Initial Allotment and Revision 1 this year with the Initial Allotment attachment due to the timely posting of these documents to the web at the following web address:

[www.ncpublicschools.org/fbs/allotments/initial/](http://www.ncpublicschools.org/fbs/allotments/initial/).

The memo from Philip Price is posted under Correspondence and the Initial Allotment and Revision 1 file and supporting documentation is posed under State Initial. Please contact School Allotments if you have any difficulty accessing any of these documents at 919.807.3739.

**(3) FY 2008 13th Month MFR File - Reminder:**

This is a reminder that we will pull your FY 2008 13th month MFR File next Thursday evening, August 21, 2008. School Business Services is working with the programmers so that we will be able to netview the first preliminary 13th month MFR reports at the beginning of next week, for your review before the August 21st pull.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards.

Please do the following before building the 13th Month MFR file (Please make sure that you are signed into FY 08):

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all of your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations posted on the Financial and Business Services web page to ensure accurate reporting of your "Per Pupil" expenditures:  
[www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf)

Please telephone or email your Zero-out questions to: Richard Smith – 919.807.3729 or [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us).

Please telephone or email your MFR file questions to: Roxane L. Bernard – 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" (JHA356EG) for the 13th month, (Company 1000) FY 2007-2008, on Tuesday, August 12, 2008. All refunds through the June 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted as prior year in the BUD system. If you have questions regarding the Total Dollar Allotment Overdraft report, please contact Roxane Bernard at 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(5) Principal Fellows:**

The 2nd Year Principal Fellows (**PRC066**) shall receive a 10-month stipend of \$1,512. Should you have questions please contact Alexis Schauss at 919.807.3553 or [aschauss@dpi.state.nc.us](mailto:aschauss@dpi.state.nc.us).

**(6) Deadline to Convert Unemployment Claims to the Non-charging Status:**

Please be advised that the deadline to convert unemployment claims to the non-charging status is fast approaching. Non-Charging revises your tax rate from 100% to 120%. The advantage of changing to 120% is to protect employer accounts when employees are dismissed with good cause, discharged for misconduct or substantial fault, and discharge is not attributable to the LEA or lack of work. Base period charges will no longer be charged to your account, as schools will have the ability to fight these claims.

Please advise Traci Waters by email [twaters@dpi.state.nc.us](mailto:twaters@dpi.state.nc.us) if you wish to change your tax status. Your request must be made no later than September 1, 2008. Additionally, if you have any questions or concerns you can telephone Traci Waters 919.807.3521.

**(7) Kindergarten Breakfast Program:**

For your information please read the attached Memorandum from Lynn Hoggard, Section Chief, Child Nutrition Services concerning the Kindergarten Breakfast Program. Should you have questions you may contact Lynn Hoggard at [lhoggard@dpi.state.nc.us](mailto:lhoggard@dpi.state.nc.us).

**(8) Key Changes to Medicaid Plan for LEAs:**

Recent changes to the North Carolina Medicaid Plan were approved by the Centers for Medicare and Medicaid Services last month. This amendment and other policy changes include significant changes to policy and procedures for North Carolina. The changes fall into three main categories: Policy, Financial, and Random Moment Time Study. The key changes are detailed in the attached memo.

DPI, Exceptional Children Division, and the Division of Medical Assistance will offer four informational sessions across the state in September to provide information regarding the amended State Medicaid Plan as it applies to LEA providers. LEA providers and specifically School Nurses, Exceptional Children program directors, finance staff and compliance staff are strongly encouraged to attend. A Division of School Business Services staff member will also be attending the sessions.

The four information sessions will be held as follows:

- Sept. 3, 2008            WRESA, AB Tech Enka Campus
- Sept. 4, 2008            Atkins High School Auditorium, Winston-Salem
- Sept. 12, 2008          NCDOT Training Center, Raleigh
- Sept. 19, 2008          Edgecombe Community College, Tarboro

Directions to each site and a tentative agenda are included in the attached memo.

**(9) School Buses - FAQs for the new school year:**

A set of Frequently Asked Questions regarding school transportation is available for parents at [www.ncbussafety.org/FAQs.html](http://www.ncbussafety.org/FAQs.html).

Contact Derek Graham at 919.807.3571 with questions.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@dpi.state.nc.us) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 04-08/09, August 29, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Mentor Funds:**

At the August board meeting the State Board of Education approved the use of mentor funds and mentor training. Attached is the approved SBE plan.

In 2008-09 all LEAs received an allotment for mentors PRC022. The SBE approved plan stated that these funds may be used the following ways to support new teachers:

1. implementation of full-time mentor plans previously approved by the State Board;
2. employment of full-time mentors;
3. contracted services of full-time or part-time mentors; or
4. monthly supplements for practicing classroom teachers who serve as mentors.

For 2009-10 the SBE restricted the use of these funds to:

1. employment of full-time mentors;
2. contracted services of full-time or part-time mentors.

LEAs may no longer use the guaranteed allotment of PRC009 for Mentor stipends. Please read the entire attachment, which includes the SBE plan for mentor training. Financial questions concerning mentors should be directed to Roxane Bernard @ [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us). Program questions should be directed to Dr. Jesse Dingle @ [jdingle@dpi.state.nc.us](mailto:jdingle@dpi.state.nc.us).

**(2) Salary upgrade for Assistants to Occupational Therapists and Physical Therapists:**

At the September 2007 board meeting, the State Board of Education approved a salary upgrade for OT and PT assistants from a pay grade 64 to a pay grade 67. Effective July 1, 2008, all OT and PT assistants must be paid at a minimum of a pay grade 67. The State Board also approved updated job descriptions at [www.ncpublicschools.org/work4ncschools/employment/jobdescrip/](http://www.ncpublicschools.org/work4ncschools/employment/jobdescrip/). Attached is the communication that was sent to all LEAs in October 2007.

**(3) MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on September 16, 2008, for LEA's. This is the first training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main emphasis on the MSA/DBS General Ledger System; a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others. The training is located here at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725.

You will be notified by email that you have been successfully registered for this class on this date.

**(4) Personal Leave:**

The Q and A pertaining to personal leave changes is attached and will be posted to the web in the next few days.

**(5) January, 2008 Transportation Budget Rating Simulator:**

Attached is a Memorandum dated August 20, 2008 to Transportation Directors and Finance Officers concerning the January, 2008 Transportation Budget Rating Simulator. Please review the attached memorandum and if you have questions please contact Derek Graham at [dgraham@dpi.state.nc.us](mailto:dgraham@dpi.state.nc.us).

**(6) Key Changes to Medicaid Plan for LEAs:**

Recent changes to the North Carolina Medicaid Plan were approved by the Centers for Medicare and Medicaid Services last month. This amendment and other policy changes include significant changes to policy and procedures for North Carolina. The changes fall into three main categories: Policy, Financial, and Random Moment Time Study. The key changes are detailed in the attached memo.

DPI, Exceptional Children Division, and the Division of Medical Assistance will offer four informational sessions across the state in September to provide information regarding the amended State Medicaid Plan as it applies to LEA providers. LEA providers and specifically School Nurses, Exceptional Children program directors, finance staff and compliance staff are strongly encouraged to attend. A Division of School Business Services staff member will also be attending the sessions.

**Participants need to download handouts from DPI's Medicaid website:**

[www.ncpublicschools.org/ec/medicaid](http://www.ncpublicschools.org/ec/medicaid)

The four information sessions will be held as follows:

- Sept. 3, 2008            WRESA, AB Tech Enka Campus
- Sept. 4, 2008            Atkins High School Auditorium, Winston-Salem
- Sept. 12, 2008          NCDOT Training Center, Raleigh
- Sept. 19, 2008          Edgecombe Community College, Tarboro

Directions to each site and a tentative agenda are included in the attached memo.

**\*\*\* FINANCE OFFICERS - It is important that someone from your office attend one of these sessions \*\*\***

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 05-08/09, September 3, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) 13th MONTH 2008 MFR REPORTS TODAY:**

We netviewed the latest 13th Month 2008 MFR reports today. Please review the 13th Month 2008 MFR reports carefully and make the necessary corrections of errors before we pull your FY 2008 13th month MFR File next Monday evening, September 8, 2008.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards.

Please do the following before building the 13th Month MFR file (Please make sure that you are signed into FY 08):

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all of your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations posted on the Financial and Business Services web page to ensure accurate reporting of your "Per Pupil" expenditures: [www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf).

Please direct your Zero-out questions to: Richard Smith - 919.807.3729 or [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). Please direct your MFR file questions to: Roxane L. Bernard - 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**DBS/MFR Match Report (JHA899EG)**

We have noticed that the July 2008 DBS/MFR Match Report (JHA899EG) did not consolidate the 4th digit purpose codes. School Business is working with the programmers to ensure that all future DBS/MFR Match Reports will sum the 3rd digit of the purpose codes.

Please direct your DBS/MFR Match Report (JHA899EG) questions to: Roxane L. Bernard - 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(2) MENTOR FUNDS STATE BOARD PLAN - CORRECTION:**

Last newsletter, we sent out information on the State Board of Education plan on mentor funds. We had stated that the 2009-2010 plan was final, however due to

concerns from LEAs, the Board will be discussing this further. Following is the communication sent from the Teacher Recruitment Section on August 6th.

To: Personnel and Beginning Teacher Support Program Contacts

Good Afternoon!

I have been asked by several people about the new Mentoring information. I know there was input requested from several Personnel Directors and there was also some information sent by NCASA.

Per information I concluded in attendance at the TCS and TCP subcommittee meetings of the SBE this morning, I am providing you with this update. There will be the recommendation to the overall SBE to approve the Transition Plan for Mentors for the 08-09 year. In essence, this allows you to do as you have been doing. You can see the four options indicated on the attached under the heading, 2008-2009 Transition Plan for Mentors. These options/practices basically capture what has been being utilized by LEAs across the State.

There will be further discussions about the 2009-2010 Plan for Mentors. Several people have expressed various concerns about the options that were listed, on the attached, under the heading 2009-2010 Plan for Mentors. These concerns have been heard and the plan is to bring together a group to study this issue and make appropriate recommendations.

Mentor Training will also be addressed as it will need to align to the new Teacher Evaluation Standards. More information on this should be available at a later date.

If you have questions or suggestions, please provide to Danny Holloman [dholloman@dpi.state.nc.us](mailto:dholloman@dpi.state.nc.us) or Dr. Jesse Dingle, Director, Division of Talent Management and Development [jdingle@dpi.state.nc.us](mailto:jdingle@dpi.state.nc.us).

### **(3) MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on September 16, 2008, for LEAs. This is the first training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend.

Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main emphasis on the MSA/DBS General Ledger System; a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others.

The training is located at DPI in Raleigh in Room #564 from 9:00 a.m.- 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725.

You will be notified by email that you have been successfully registered for this class on this date.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 07-08/09, September 12, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**Textbook Purchasing and Reimbursement for Various Programs:**

Attached you will find the guidelines to purchasing textbooks for Learn and Earn Programs, NCVPS courses and Middle College and Huskins Programs. LEAs are required to pay for the textbooks for these programs and the textbook becomes part of the LEA's inventory. Please make sure you communicate your local procedures for handling this and clearly document for your staff in the schools and the schools which you partner with to ensure consistent and prompt payment. The only reimbursement you will receive during the school year will be for the textbooks purchased for the Learn and Earn online courses taken. Finance Officers, if you have any questions, please feel free to contact Paul LeSieur at 919.807.3701.

**DSSF Plans are Due by September 30:**

Your DSSF Plans are due by September 30. Failure to submit your plans by the due date will restrict use of funds prior to the approval date. The letter previously sent to Superintendents and Finance Officers along with the requirements and budget documents can be found at the following website [www.ncpublicschools.org/fbs/finance/#dssf](http://www.ncpublicschools.org/fbs/finance/#dssf), if you have any questions, please feel free to contact Paul LeSieur at 919.807.3701 or via email [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us).

**MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on September 16, 2008, for LEA's. This is the first training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main emphasis on the MSA/DBS General Ledger System; a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System.

Instruction is geared to the beginner or new user, and as a refresher for others. The training is located at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis. If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725. You will be notified by email that you have been successfully registered for this class on this date.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 08-08/09, September 19, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Governor's Directive on State Funding Reductions for FY 2008-09  
(See Attachment)**

The Office of State Budget and Management (OSBM) sent a letter to state agencies yesterday notifying us that each agency's budget allotments will be reduced by 2 percent in order to adjust to the possibility of slower economic growth than expected in fiscal year 2008-09. The percentage reduction for public school funds was established at 1%.

We will not be requiring a reduction from local education agencies (LEAs) or charter schools based on the required 1% reduction. We will be requesting that all school districts and charter schools do their part to help by implementing cost savings measures.

We would recommend that LEAs and Charter Schools minimize the use of state funds by:

- limiting travel to the maximum extent possible; and
- restricting purchase orders for goods or services that are not critical needs.

The required reversion from the State Public School Fund will limit the State Board's flexibility to address shortages that might occur with funding for diesel fuel. The actual impact cannot be determined at this time.

We will communicate budget updates as appropriate. OSBM will be monitoring the State revenue situation monthly. If the economy and revenues outperform expectations by Dec. 31, 2008, OSBM has stated that they will adjust budget management strategies appropriately.

**(2) Visiting International Faculty Transfer (VIF) Forms:**

The K-12 Program Areas Section is receiving duplicate VIF conversion request forms from LEAs. These forms are accepted either by Fax "OR" Mail. To avoid duplicate processing of the request, please send the forms by only one method.

Please also remember to fill out the form completely before submission.

If you have any questions, please contact Christine Stewart at 919.807.3869.

**(3) 13th Month 2008 MFR Report**

DPI's programmers are working on correcting information that pertains to the latest 13th month 2008 MFR reports. As soon as those problems are corrected, we will netview the latest 13th month MFR reports based upon the data pulled from September 8, 2008. Unfortunately, we will be requesting a quick turnaround for those LEAs to pull their 13th month 2008 MFR data one more time.

Please telephone or email your MFR file questions to: Roxane L. Bernard – 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) Transportation Services Webcast:**

Transportation Services held a webcast on Tuesday the 16th for Transportation Directors discussing fuel situation resulting from the tight supply created by Hurricane Ike. It can be viewed at [www.ncbussafety.org](http://www.ncbussafety.org) using the REAL PLAYER. All LEAs are reporting several days' supply of diesel fuel at this time. Contact: Derek Graham 919.807.3571.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 09-08/09, September 26, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) FY 08-09 Federal Allotments:**

The Federal Allotments were processed in Allotment Revision 8, Wednesday, September 24, 2008. Allotments were released to all LEAs with appropriate approvals. Please see the attached Federal Formula Sheet to see which Federal Grants were included in Allotment Revision 8 and if the allocation is 100% or a 1st installment.

If your LEA did not receive a Federal allocation, please make sure that the application and budget for the Federal Grant has been submitted. Per the Allotment Revision Calendar ([www.ncpublicschools.org/docs/fbs/allotments/general/revisioncalendar.pdf](http://www.ncpublicschools.org/docs/fbs/allotments/general/revisioncalendar.pdf)), the next revision is scheduled for October 8, 2008. Budget Approvals received by School Allotments prior to October 2, 2008 will be processed in this Allotment Revision.

Please contact the appropriate grant administrator if you have any questions regarding federal applications or the status of budget approvals. The contact information can be found at the following web address: [www.ncpublicschools.org/federalprograms/](http://www.ncpublicschools.org/federalprograms/).

Please contact School Allotments, if you have questions regarding the Allotment Revision at 919.807.3739.

**(2) Budget Utilization System (BUD):**

School Allotments updated BUD with the Federal Allotments in Allotment Revision 8 processed this week. We can not upload by PRC to BUD; therefore, not uploading the revision to BUD is not an optimal solution to the problem of partial allocations overriding the planning allocation in the BUD System. Systems Accounting at DPI is still working on a solution to the problem that uploading partial allocations cause some LEAs.

If at all possible, for partial grants allocations, please postpone submitting budget amendments until 100% of the funding is allocated. Otherwise, amendments will have to be submitted for up to the amount of carryover and the new allocation. Please contact School Allotments at 919.807.3739 if you have questions.

**(3) We netviewed the latest 13th Month 2008 MFR reports on Wednesday, September 24, 2008:**

Please review the latest 13th Month 2008 MFR reports carefully and make the necessary corrections before we pull your final FY 2008 13th month MFR File next Monday evening, September 29, 2008. This will be the last pull of this MFR data for fiscal year 07-08.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards. If you agree with your latest 13th month 2008 MFR report, you do not need to rebuild your file. You will need to rebuild your 13th 2008 MFR file only if you are making corrections. Please do the following before building the 13th Month 2008 MFR file (Please make sure that you are signed into FY 08):

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all of your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations posted on the Financial and Business Services web page to ensure accurate reporting of your "Per Pupil" expenditures: [www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf)

Please telephone or email your MFR file questions to: Roxane Bernard – 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) August 2008 MFR (Period 1) Reports - Netviewed Thursday, September 25, 2008:**

We netviewed the August 2008 MFR (Period 2) reports yesterday, Thursday, September 25, 2008. Please review all of your MFR reports carefully, especially the MFR Error Messages Issued Report (PGA10RP4-E).

Errors that you cannot correct in the BUD system, please fax your paper 202 to 919.807.3704 or email your error corrections to [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us) or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us). If you have questions regarding the MFR reports, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725.

**(5) Workers' Compensation - Form 18:**

Please review the attached memo from Eileen Townsend, Section Chief, Insurance, to Workers' Compensation Administrators and Finance Officers about the completion of Workers' Compensation - Form 18.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson) and let her know which attachments to send.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 10-08/09, October 7, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) We netviewed the latest 13th Month 2008 MFR reports yesterday, Monday, October 6, 2008:**

Please review the latest 13th Month 2008 MFR reports carefully and make the necessary corrections before we pull your final FY 2008 13th month MFR File this Thursday evening, October 9, 2008 starting at 5 PM. If you agree with your latest 13th month 2008 MFR report, you do not need to rebuild your file. You will need to rebuild your 13th 2008 MFR file only if you are making corrections.

Email Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) **by 3 PM on Wednesday, October 8, 2008** if you want us to pull your 13th Month 2008 MFR reports. This will be the last pull of this MFR data for fiscal year 07-08.

Please do the following before building the 13th Month 2008 MFR file **(Be sure that you are signed into FY 08)**:

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all of your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations posted on the Financial and Business Services web page to ensure accurate reporting of your "Per Pupil" expenditures: [www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf](http://www.ncpublicschools.org/docs/fbs/finance/reporting/amfr/recommendations.pdf).

Telephone or email your MFR file questions to: Roxane Bernard – 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(2) 2008 Intern Projects:**

The 2008 Intern Projects have been posted to the Financial and Business Services web site at this link: [www.ncpublicschools.org/intern-research/reports/](http://www.ncpublicschools.org/intern-research/reports/). The 9th Grade Academies Database is available at this web link as well. We would like to thank those of you that participated in the 9th Grade Academies survey.

Intern Program Photos are available at this link: [www.ncpublicschools.org/intern-research/photos/](http://www.ncpublicschools.org/intern-research/photos/).

**(3) 2009 Mobile Source Emissions Grant Program:**

The application process for the 2009 Mobile Source Emissions Grant program is now underway. The program is administered by the Division of Air Quality, NC Dept of Environment and Natural Resources. You can access the grant information at [www.ncbussafety.org/resources.html](http://www.ncbussafety.org/resources.html).

**(4) Grant programs for sidewalks and walking/biking education:**

Announcing two Safe Routes to School (SRTS) competitive award programs sponsored by the North Carolina Department of Transportation. The deadline for each application is January 30, 2009.

[www.ncdot.org/transit/bicycle/saferoutes/funding/funding\\_intro.html](http://www.ncdot.org/transit/bicycle/saferoutes/funding/funding_intro.html)

**(5) Infrastructure Grant Reimbursement Program:**

This program provides up to \$3.5 million in available funding to encourage communities to plan, design and construct infrastructure projects (e.g. sidewalks) that will encourage and enable children to walk and bicycle to school. Funding requests can range between \$100,000 to \$300,000 per project.

[www.ncdot.org/transit/bicycle/saferoutes/funding/infrastructure.html](http://www.ncdot.org/transit/bicycle/saferoutes/funding/infrastructure.html)

**(6) Non-infrastructure Grant Reimbursement Program:**

This program provides up to \$400,000 in available funding to create and implement education, encouragement, enforcement and/or evaluation programs and activities that aim to shift community behavior, attitudes and social norms to support increased safety and convenience for children to walk and/or bicycle to school. Funding requests can range between \$10,000 to \$50,000.

[www.ncdot.org/transit/bicycle/saferoutes/funding/noninfrastructure.html](http://www.ncdot.org/transit/bicycle/saferoutes/funding/noninfrastructure.html)

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 11-08/09, October 17, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) LEA Full-time Personnel Data:**

LEA Full-time Personnel Data (SS200) is due November 26th. See attached forms. If you have any questions, contact Angela Harrison at 919.807.3734.

**(2) Salary Supplements Data:**

Salary Supplements Data (SS300) is due November 26, 2008. See attached form. If you have any questions, contact Ozella Wiggins at 919.807.3757.

**(3) Monthly Financial Reports:**

DPI experienced problems with processing the September data file which has caused a delay in sending out monthly expenditure reports. Monthly reports to include zero-out, expenditures, and MFR for the month of September will be transmitted next week beginning October 20, 2008. As a reminder, always check your system and printer for reports daily to ensure that you don't miss any reports.

**(4) Host on Demand Information:**

Please review the attached information previously sent to the LEAs about installing the Host on Demand.

**(5) HRMS LEA 5.1.1 Release:**

The attached letter provides information regarding the upcoming HRMS LEA 5.1.1 release. If you have any questions about the release, please contact the DPI Customer Support Center Help Desk at 919.807.4357.

**(6) Quick note from Mike Ramsey, IT Project Manager:**

1. SNA/SIPS circuit billing - ITS has not billed any LEAs for the SNA/SIPS line service since February. The total per LEA is \$4,887.49. State ITS will be sending this bill within your ITS telephone bill. There will be a memo, "SNA/SIPS

Circuit - February through October", with the line item to provide clarity. This will be the last month for SNA lines.

2. Please ensure your staff does not turn-off FTP on the AS/400. This has been the number one issue we have experienced in the last month.
3. Please notify DPI helpdesk when you are changing service providers and/or IP addresses on the firewall. This has been the second most-common issue over the last month. Helpdesk can be reached via email ([help@dpi.state.nc.us](mailto:help@dpi.state.nc.us)) or phone 919.807.4357.
4. The SNA lines are scheduled to be terminated at the end of this month. BUD has been completely migrated, and we have successfully tested MFR13, UERS, MFR, Dropout, and PMR. The remaining will be tested next week. We may turn-off the lines, but not disconnect, before the end of the month to verify we have migrated everything, but we will notify you before that is done.
5. We are creating a status web page that will provide hourly updated transfer information. It will provide clear indication of the specific error and will include history for each LEA. There will be no IP addresses, host names, or other data other than the LEA name. The URL for this site will be sent out soon.
6. These FTP transfers handle all of the financial data exchanged between DPI and your LEA. Many of these transfers are time-sensitive. Therefore, it is very important that we, both DPI and the LEA technical staff, do everything possible to ensure maximum availability of the FTP environment.

Thanks for all of your patience and assistance as we implement this solution. Please feel free to call me if you have any questions.

Michael Ramsey  
IT Project Manager  
NC Department of Public Instruction  
919.807.3218 office  
919.946.6622 mobile  
[mramsey@dpi.state.nc.us](mailto:mramsey@dpi.state.nc.us)

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debby Jackson](mailto:Debby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**TO: Finance Officers**

**Re: State of the State**

\*\*\*\*\*

**Update on the Economy's Impact on Funding**

On Tuesday, October 21, 2008, we discussed the state of the economy with the local Superintendents. We outlined that the State Public School Fund had been targeted with a 1% or \$78 million reduction (the Department of Public Instruction was targeted with a 2% reduction). We reconfirmed that local education agencies and charter schools were not being asked to return appropriations to meet the \$78 million reduction target. We have asked school districts to conserve and we were expecting reversions to cover the required reduction (if not, carryover into FY 2009-10 might need to be reduced).

The next part of the conversation was a discussion of the current state of the economy. We highlighted the information recently posted to the General Assembly's web page from Fiscal Research [www.ncleg.net/FiscalResearch/topics\\_of\\_interest/topics\\_pdfs/General\\_Fund\\_Revenue\\_Outlook\\_2008\\_%2010\\_17\\_October.pdf](http://www.ncleg.net/FiscalResearch/topics_of_interest/topics_pdfs/General_Fund_Revenue_Outlook_2008_%2010_17_October.pdf). This report outlines that first quarter revenue receipts were short 5% (\$230 million). The first quarter was projected to grow 1.8% while the total budget year was projected to grow 4.4% (so, the first quarter was not expected to grow at the same rate as the following 3 quarters). Sales and withholding taxes are less than expected. Consumer confidence is very low (which results in less spending and lower revenue for businesses). All concerns that were expressed in May as potential problems to the projected revenue did occur (except for a major natural or man-made disaster). Current projections have the economy recovering in 2010.

We then discussed what this could mean to the Public Schools. As of today, we have been targeted to return \$78 million that will not impact the LEAs or Charter Schools. It is possible that an additional reduction will be required to address the continuing decline in revenue. We are hopeful that if an additional reduction is required, the notification will come to us in early November. If an increase in the State Public School Fund's targeted reduction does occur, we will be passing that additional reduction to the LEAs and charter schools via a negative reserve. If this occurs, school districts would be required to make a non-recurring reduction to their State appropriations to cover the increased targeted reduction.

As of today, we have no information that there will be an increase to the State Public School Fund's reduction target. We do know that the economy continues to struggle. If the economy does not rebound, additional reductions could occur this year and the prospect for reductions for Fiscal Year FY 2009-10 are very real.

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 12-08/09, October 24, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) 1st Month Data Available:**

The 1st Month Principal's Month Reports (PMR), Average Daily Membership (ADM), and Membership Last Day (MLD) figures are available on the internet at [www.ncpublicschools.org/fbs/accounting/data/](http://www.ncpublicschools.org/fbs/accounting/data/). If you have questions or concerns with this information please contact either Scott Douglas ([sdouglas@dpi.state.nc.us](mailto:sdouglas@dpi.state.nc.us) 919.807.3737) or Ozella Wiggins ([owiggins@dpi.state.nc.us](mailto:owiggins@dpi.state.nc.us) 919.807.3757).

**(2) Full-Time Mentor and Mentor Stipend Coding:**

The Division of School Business has been preparing expenditure reports on 2008-09 data and it is evident that there is confusion in the difference between object 134 and 193 for mentor pay.

Full-Time Mentors who are paid a salary to mentor classroom teachers are to be coded with an object code 134 and are paid a certified rate. Mentors who are paid a flat rate stipend to mentor are to be coded with an object 193. If you have coded a mentor supplement to object 134, please take the necessary steps to move these expenditures to object 193. Also, please keep in mind that a re-employed retiree exempt from the salary cap is not eligible to be a salaried full-time mentor. If you have questions, please contact Andrew Cox at 919.807.3708 or [acox@dpi.state.nc.us](mailto:acox@dpi.state.nc.us).

**(3) 2008 13th Month MFR Reports:**

DPI netviewed the final 2008 13th Month MFR report on Wednesday, October 22, 2008. If you have questions, please contact Roxane Bernard - 919.807.3725 or [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us).

**(4) Zero-Out Reports:**

DPI experienced problems with processing the installment collapse which has caused a delay in sending out monthly expenditure reports. Monthly reports to include zero-out, report card, and MFR for the month of September will be transmitted next week beginning October 28, 2008. As a reminder, always check your system and printer for reports daily to ensure that you don't miss any reports.

**(5) LEA Full-time Personnel Data:**

LEA Full-time Personnel Data (SS200) is due November 26th. See attached forms. If you have any questions, contact Angela Harrison at 919.807.3734.

**(6) Salary Supplements Data:**

Salary Supplements Data (SS300) is due November 26, 2008. See attached form. If you have any questions, contact Ozella Wiggins at 919.807.3757.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Debbie Jackson](mailto:Debbie.Jackson@ncpublicschools.org) and let her know which attachments to send.

\*\*\*\*\*

The Newsletters for Finance Officers and Personnel Administrators are posted online, click on the Resources link on the FBS home page:

[www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 13-08/09, October 31, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Installment Collapse:**

Effective 9/30/08, DPI posted the 11th & 12th installment payments for State funds in the current year in the special installment codes: 5110-001-120, 5110-001-210, and 5110-001-220. This procedure is known as the Installment Collapse. A letter dated October 28, 2008 detailing this procedure, was mailed to the Finance Officers. 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. These amounts were posted on your general ledger when the checks were written, but DPI didn't post to the Cash Account on the MSA system until September.

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. If you have any questions concerning the Installment Collapse, contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725 or Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us) or 919.807.3729.

**(2) State Public School Fund Allotment Overdraft Reports:**

We netviewed the "State Public School Fund Allotment Overdraft Report" Company 8000 for the prior year, FY 2007-2008, as of the September processing period on Thursday, October 30, 2008. All refunds through the September 2008 processing period are reflected. Refunds for all allotments exceeded, plus any penalties due, should be submitted. Please submit the refunds effective October 2008 (processing period 4) by Monday, November 3, 2008, to avoid additional penalties. If you have questions, please contact the following persons:

- Total Dollar Allotment Overdraft: Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us);
- Audit Exceptions - State Overpaid and Month Allocated Versus Months Used: Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(3) September 2008 (Period 3) MFR Reports Netviewed:**

We netviewed the September 2008 MFR (Period 3) reports on Thursday, October 30, 2008. If you have questions regarding the MFR reports, please contact Roxane Bernard at [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us) or 919.807.3725.

**(4) New School Number Request Form:**

LEAs should use the form posted at [www.ncpublicschools.org/fbs/accounting/forms/](http://www.ncpublicschools.org/fbs/accounting/forms/) to request school numbers for schools opening in the 2009-2010 school year. School Numbers will be assigned starting in November. The form can be filled out online then printed for your superintendent to sign.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

The Newsletters for Finance Officers and Personnel Administrators are posted online, click on the Resources link on the FBS home page: [www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 14-08/09, November 7, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**1) Higher of First or Second Month ADM Adjustments - FY 2008-09**

This is a reminder that per the ADM Decrease policy in the Allotment Policy Manual, [www.ncpublicschools.org/fbs/allotments/general/](http://www.ncpublicschools.org/fbs/allotments/general/), we will process Adjustments for LEAs with an ADM decrease of 100 or more, or 2% or more from Allotted or Anticipated ADM (Projected ADM if lower than prior year Actual). This decrease will be based on the higher of the 1st or 2nd month ADM. The adjustment to funding will be made for 1/2 of the decrease in ADM. For example, a decrease of 130 in ADM will result in a funding adjustment for 65 in ADM for specific categories listed in the Allotment Policy Manual.

First month ADM is posted on our website at:  
[www.ncpublicschools.org/docs/fbs/accounting/data/adm/2008-09admmlid.xls](http://www.ncpublicschools.org/docs/fbs/accounting/data/adm/2008-09admmlid.xls).  
Please use the First month ADM to determine if your LEA could be impacted by this adjustment. Funding adjustments will be made after second month ADM has been calculated.

Please contact School Allotments at 919.807.3739 if you have any questions.

**2) 2008-2009 Transportation Allotment Data Review**

All transportation directors have been mailed a copy of a data review sheet to be approved by the LEA before final transportation budget ratings can be issued. The data needs to be confirmed by November 13. If you need to receive a fax copy of this data review sheet, contact DPI Transportation Services 919.807.3570. The transmittal memo and a blank data sheet are attached to this email message.

**3) MSA & Cash Management Training**

MSA and Cash Management Training will be offered on November 25, 2008, for LEA's. This is the second training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main

emphasis on the MSA/DBS General Ledger System, a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others. The training is located at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725.

You will be notified by email that you have been successfully registered for this class on this date.

Teresa Matthews  
Financial and Business Services  
919.807.3600  
[tmattthew@dpi.state.nc.us](mailto:tmattthew@dpi.state.nc.us)

\*\*\*\*\*

**Newsletter No. 15-08/09, November 14, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**1) MSA & Cash Management Training**

MSA and Cash Management Training will be offered on November 25, 2008, for LEAs. This is the second training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main emphasis on the MSA/DBS General Ledger System, a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others. The training is located at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rsmith@dpi.state.nc.us](mailto:rsmith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725.

You will be notified by email that you have been successfully registered for this class on this date.

**2) LEA Full-time Personnel Data (SS200) & Salary Supplements Data (SS300)**

- **Reminder - LEA Full-time Personnel Data (SS200):**  
LEA Full-time Personnel Data (SS200) is due November 26, 2008. If you have any questions, contact Angela Harrison at 919.807.3734.
- **Reminder - Salary Supplements Data (SS300):**  
Salary Supplements Data (SS300) is due November 26, 2008. See attached form. If you have any questions, contact Ozella Wiggins at 919.807.3757.

Teresa Matthews  
Financial and Business Services  
919.807.3600  
[tmatthew@dpi.state.nc.us](mailto:tmatthew@dpi.state.nc.us)

\*\*\*\*\*

**Newsletter No. 16-08/09, November 21, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) 2008-09 State Salary Manual:**

The 2008-09 State Salary Manual has been completed and posted on our website at [www.ncpublicschools.org/fbs/finance/salary/](http://www.ncpublicschools.org/fbs/finance/salary/). If you have questions, contact Andrew Cox at [acox@dpi.state.nc.us](mailto:acox@dpi.state.nc.us).

**(2) Required Reversion Form:**

The Required Reversion Form for FY 2008-09 will be emailed out to Superintendents, Finance Officers and Personnel Administrators today. If you have not received your form by Monday, November 24, 2008, please contact Sheila Tharrington in School Allotments at 919.807.3750. Forms are due back to School Allotments by email and fax by December 19, 2008. Additional instructions are contained in the email.

**(3) State Public School Fund Allotment Overdraft Reports:**

We will not netview the "State Public School Fund Allotment Overdraft Report" Company 8000 for the prior year, FY 2007-2008, as of the October 2008 processing period this month. We are unable to netview the report until the August 2008 installments are properly processed. We will notify you once we begin netviewing the report.

If you have questions, please contact the following persons:

- Total Dollar Allotment Overdraft: Roxane Bernard at 919.807.3725, [rbernard@dpi.state.nc.us](mailto:rbernard@dpi.state.nc.us);
- Audit Exceptions - State Overpaid and Month Allocated Versus Months Used: Angela McNeill at 919.807.3736, [amcneill@dpi.state.nc.us](mailto:amcneill@dpi.state.nc.us) or Sue Holly at 919.807.3735, [sholly@dpi.state.nc.us](mailto:sholly@dpi.state.nc.us).

**(4) MSA & Cash Management Training:**

MSA and Cash Management Training will be offered on November 25, 2008, for LEAs. This is the second training of this fiscal year, and other dates will be determined at a later date. There is no registration fee for the class, but you must register in order to attend. Class description: DPI Systems Training & Monthly Reports. This class is designed for those who work in an LEA finance office to include all finance staff. The class consists of "Hands-on" training with the main emphasis on the MSA/DBS General Ledger System; a brief lecture on Compliance & Monitoring, and a brief overview of the Cash Management System. Instruction is geared to the beginner or new user, and as a refresher for others. The training is located at DPI in Raleigh in Room #564 from 9:00 a.m. - 4:00 p.m. There are only a certain number of seats in the training room, so limited space is available on a first come, first serve basis.

If you would like to attend this class, please email Richard Smith at [rismith@dpi.state.nc.us](mailto:rismith@dpi.state.nc.us). If you have questions, please call Richard Smith at 919.807.3729, or Roxane Bernard at 919.807.3725.

You will be notified by email that you have been successfully registered for this class on this date.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

The Newsletters for Finance Officers and Personnel Administrators are posted online, click on the Resources link on the FBS home page:

[www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 17-08/09, December 11, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) Governor Requests Budget Reduction Options for FY 2009-10 and 2010-11 of 3%, 5% and 7%:**

Yesterday afternoon the Departments received notice of the requested reductions from the Governor's Office (see attached) due to the continued decline in the revenue forecast. The requested reductions are recurring and will impact the Continuation Budget for next year. We are examining various options to address the required adjustments. We will be discussing options with LEAs and the State Board the first of January. For a range ... 3% will be \$240 million ... 7% will be \$560 million.

Should you have any questions, please feel free to contact Paul LeSieur at [plesieur@dpi.state.nc.us](mailto:plesieur@dpi.state.nc.us) or 919.807.3701.

**(2) New Guidelines Concerning 12-Month Pay Installment Option / Deferred Compensation:**

In January 2007, we informed you of the Internal Revenue Service Code, Section 409A, that required employers who provide its' employees with an option to defer compensation earned in one year to another (10-month salary over 12-months) to implement specific election rules that comply with Section 409A requirements. Of particular note in this ruling was the fact that once an election was made, it was IRREVOCABLE during that school year. An employee who was allowed to revoke their election would be subject to a 20% penalty.

Effectively immediately, the Internal Revenue Service (IRS) has ruled that the penalties under Section 409A and the associated election requirements do not apply to public school employees who earn less than \$186,000 per school year. While we encourage LEAs to require and enforce local election rules, employees who are allowed to revoke their 12-month options are not subject to penalty as previously communicated.

Below is the link that references the change.  
[www.irs.gov/govt/fslg/article/0,,id=184544,00.html](http://www.irs.gov/govt/fslg/article/0,,id=184544,00.html)

If you have any questions, please feel free to contact Larry Simmons at [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us) or 919.807.3364.

**(3) Best 1 of 2 Average Daily Membership:**

In order to assist you with your budgeting and planning process, we have prepared the "School Best 1 of 2 ADM" report by school for your LEA. This report shows the higher ADM of the first or second school month, for each grade level in each school, and sums the results by grade level across the LEA. The data and introductory letter can be found at: [www.ncpublicschools.org/fbs/accounting/data/](http://www.ncpublicschools.org/fbs/accounting/data/). If you have questions or concerns, please contact Scott Douglass at [sdouglass@dpi.state.nc.us](mailto:sdouglass@dpi.state.nc.us) or 919.807.3737.

**(4) Grade, Race, Sex Data:**

Grade, Race, and Sex (GRS) Data for school year 2008-2009 is now available on the Financial and Business Services Website at: [www.ncpublicschools.org/fbs/accounting/data/](http://www.ncpublicschools.org/fbs/accounting/data/). The Excel Spreadsheet with Worksheet Tabs makes available data by LEA, by School, and by Grade. If you have questions or concerns, please contact Scott Douglass at [sdouglass@dpi.state.nc.us](mailto:sdouglass@dpi.state.nc.us) or 919.807.3737.

**(5) REPLACEMENT SCHOOL BUSES. PURCHASE ORDERS DUE DEC 19, 2008:**

The contract for financing replacement school buses has been awarded to SunTrust Equipment & Leasing Corp. DPI Transportation Services has uploaded the instructions for issuing purchase orders for replacement school buses. LEAs receiving 2 or more replacement school buses will be financing the purchase of those buses. DPI has ordered directly the replacement buses for LEAs receiving one replacement bus.

Complete information for financing the purchase of replacement school buses is now online at: [www.ncbussafety.org/finance](http://www.ncbussafety.org/finance). Be sure to click on the 2008-2009 instructions. The Exhibit B form shows the replacement buses that each LEA is authorized to order.

Thomas Built Buses is instructed to deliver buses in the order that purchase orders are received by them via DPI. (Note - all PO's, even e-procurement PO's, must be mailed to DPI Transportation Services for processing.)

Note: The first action item is to complete and fax the REQUEST FOR PAYMENT form.

While the Master Facilitator Agreement is not yet signed, it is just a matter of waiting for the paperwork to be processed. Given the December 19 deadline for purchase orders, you may proceed with the Request for Payment forms and issuing purchase orders.

DPI WILL NOT AUTHORIZE THOMAS BUILT BUSES TO PROCESS ANY PURCHASE ORDERS FOR REPLACEMENT BUSES UNTIL THE MASTER FACILITATOR AGREEMENT FOR FINANCING IS SIGNED BY SUNTRUST AND DPI.

Thank you for your cooperation in processing these purchase orders in the next two weeks. Please contact DPI Transportation Services right away with any questions. 919.807.3570.

**(6) IRS Mileage Rate Change effective January 1, 2009:**

Please see attached memo from State Budget Director Charles Perusse, regarding the IRS Mileage Rate Change effective January 1, 2009, and share with appropriate personnel.

\*\*\*\*\*

**Attachments:** To get the attachments referenced in the newsletter, please email [Deby Jackson](mailto:Deby Jackson) and let her know which attachments to send.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Deby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

\*\*\*\*\*

**Newsletter No. 18-08/09, December 19, 2008**

\*\*\*\*\*

Philip Price  
Associate State Superintendent  
Department of Public Instruction  
6326 Mail Service Center  
Raleigh, NC 27699-6326  
Email: [pprice@dpi.state.nc.us](mailto:pprice@dpi.state.nc.us)

\*\*\*\*\*

**(1) REVISED GRADUATE PAY POLICY:**

The State Board of Education (SBE) at the December 4, 2008 meeting approved revisions to the graduate pay policy. In summary, effective July 1, 2009 the revisions will provide for recognition of all graduate degrees earned through regionally accredited institutions for salary purposes.

**NOTE:** The language in the SBE Executive Summary of TCP 4 states the effective date of this provision as January 1, 2009. The SBE approved an effective date of July 1, 2009 for implementation of this provision.

We're requesting that LEAs do not submit Graduate Pay Requests (Form G) for eligible employees (based on the new provisions) until on or after July 1, 2009. Requests that are submitted prior to July 1, 2009 will not be approved, in that we are still operating under current graduate pay policies. You should however continue to submit requests for employees who are eligible for graduate pay under current policy provisions.

For further details on this policy, please access the following links:

- Executive Summary:  
[www.ncpublicschools.org/sbe\\_meetings/0812/tcp/0812tcp04.pdf](http://www.ncpublicschools.org/sbe_meetings/0812/tcp/0812tcp04.pdf) and
- SBE Highlights - Action Agenda:  
[www.ncpublicschools.org/sbehighlights/2008/12highlights.html](http://www.ncpublicschools.org/sbehighlights/2008/12highlights.html).

To confirm accreditation for postsecondary institutions and programs, please access the following website:

- Council for Higher Education Accreditation (CHEA): [www.chea.org/](http://www.chea.org/)
  - Click on Databases and Directories
  - Click on Database of Institutions and Programs Accredited By Recognized U.S. Accrediting Organizations
  - Click on link: [www.ope.ed.gov/accreditation/](http://www.ope.ed.gov/accreditation/)
  - Click on "Click here to begin your search".

**NOTE:** To omit previous links and access the search site directly, access link: [www.ope.ed.gov/accreditation/Search.aspx](http://www.ope.ed.gov/accreditation/Search.aspx).

If you have any questions, please feel free to contact Larry Simmons at [lsimmons@dpi.state.nc.us](mailto:lsimmons@dpi.state.nc.us) or 919.807.3364.

**(2) School Allotments Reminders:**

- A. FY 08-09 Required Reversion Forms** - The Required Reversion Forms are **due back to the School Allotments Section today, December 19, 2008**, electronically and faxed. The faxed copy must contain the signatures of the Superintendent and Finance Officer. Please remember to attached explanations when needed.
- B. Allotment Reversions** - All funds unspent by December 31, 2008 **will revert** for the following PRCs:
- PRC 057 - Abstinence Until Marriage
  - PRC 028 -Staff Development Carryover
  - PRC 033 - ABC Incentive Awards
  - Various Federal PRCs with liquidation requirements as previously notified

Please contact the School Allotments Section if you have any question regarding these reminders at 919.807.3739.

\*\*\*\*\*

To subscribe to the Finance Officers' Weekly Newsletter email or call Debby Jackson at [debjacks@dpi.state.nc.us](mailto:debjacks@dpi.state.nc.us) or 919.807.3603 and provide your name and email address.

\*\*\*\*\*

The Newsletters for Finance Officers and Personnel Administrators are posted online, click on the Resources link on the FBS home page:  
[www.ncpublicschools.org/fbs/](http://www.ncpublicschools.org/fbs/).

\*\*\*\*\*