

# **Accounting Bulletin #1999-02**

## **SUBJECT: Accounting Requirements for School Entry Age Children that Remain in the Early Intervention Program**

### **Effective Beginning Fiscal Year 1999-00**

Date: January 8, 1999

This accounting bulletin provides guidance on the proper accounting necessary when children have reached an LEA's school entry age, but still remain in the Early Intervention program.

Legislative changes (see Basic Education Circular 11 P.S. 875-304) concerning the Early Intervention program have resulted in questions regarding the proper accounting for the services provided. It is important to record the costs of this program properly on the AFR so that items such as the Tuition Rate are calculated properly.

Intermediate Units that operate an Early Intervention program for children that have reached the resident district's school entry age receive payments directly from the resident school district. This district funded portion is still to be reported in the Intermediate Unit's Special Revenue Fund as part of the Early Intervention Program for Annual Financial Report purposes.

School districts that operate an Early Intervention program for children that have reached the resident district's school entry age should continue to report the expenditures for this program in function 1280 of the General Fund.

Program reports filed with PDE, i.e. final completion reports and the Early Intervention Budget, must report revenues and expenditures only for children in the EI program that are NOT school entry age. In contrast, you must report all EI revenues and expenditures on the AFR regardless of whether the child is of school entry age or not.

The different required levels of reporting will necessitate more detailed accounting entries on the expenditure side than has been needed before. EXPENDITURES MUST BE SEPARATED INTO THOSE FOR SCHOOL ENTRY AGE CHILDREN AND THOSE FOR 'REGULAR' EI CHILDREN. This additional level of detail may be provided through the use of Funding Sources as listed in the Manual of Accounting. Expenditures for school entry age children should use a funding source from 100 through 190. Expenditures for 'regular' EI children should use a funding source associated with State Projects - from 200 through 390. You may use a funding source within the indicated ranges that will provide a unique code for your LEA for EI expenditures.

Revenue received by an Intermediate Unit from resident school districts for school entry age children should be reported in the Special Revenue Fund, account code 6944 (Receipts from Other LEAs in PA for Education). School Districts operating an Early Intervention program should record payments from resident districts for school entry age children in their General Fund, account code 6944. State revenues for 'regular' EI children should still be recorded to 7272 in the Special Revenue fund for Intermediate Units and in the General Fund for school districts.

EXAMPLES:

Example 1:

Receipt by IU of payment from Resident District for School Entry Age Child in EI Program

26-6944		\$1,000
0101	Cash	\$1,000

Example 2:

Expenditure by IU for salaries paid for instruction of school entry age EI child

0101	Cash	\$1000
26-1280-100-190		\$1,000

Note: Funding source of '190' in this example indicates that expenditure is for school entry age EI child

Example 3:

Expenditure by IU for salaries paid for instruction of 'regular' EI child

0101	Cash	\$500
26-1280-100-390		\$500

Note: Funding source of '390' in this example indicates that the expenditure is for 'regular' EI child

Questions regarding this bulletin may be directed to the School Finance staff within the Office of Comptroller Operations at [Ra-Schlfin@pa.gov](mailto:Ra-Schlfin@pa.gov)