

From: [ED, CFRS](#)
Subject: Upcoming changes to AFR data collection
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Attention Chief School Administrators and Chief Business Officials

This e-mail is a joint communication being sent by the Pennsylvania Department of Education (PDE) and Office of Comptroller Operations (OCO) to notify LEAs of upcoming financial reporting changes that will affect the Annual Financial Report (AFR) beginning with fiscal year 2024-25 (submission deadline October 31, 2025).

Important Changes to AFR Reporting

The National Center for Data Statistics (NCES), the primary statistical agency of the U.S. Department of Education, has mandated all State Education Agencies (SEAs), including the Pennsylvania Department of Education, to participate in a new School Level Finance Survey (SLFS) Data Collection. The report focuses on (1) the completeness and comparability of SLFS data and (2) how the SLFS can be utilized to evaluate differences in resource allocation (as measured by school-level expenditures) across schools, school districts, and states. More information related to the Common Core of Data (CCD) - School Level Finance Survey (SLFS) Data Collection can be found here:

https://nces.ed.gov/ccd/data_slfs.asp

Beginning with the 2024-25 AFR, the new mandated data collection will require LEAs to provide the following financial information:

1. LEAs must report all Governmental expenditure details at the school building level rather than at the LEA level. The same 4-digit school building numbers used on the AFR's ESSA Schedule will be used for data entry on the expenditure detail screen.
2. LEAs will continue to have a choice for the provision of detailed expenditure data: either manual entry or via uploaded data file. An additional column required in the expenditure upload file will be used to provide the school building number associated with each expenditure.
3. LEAs must report instructional salaries (1000-100) by personnel type (i.e., 110 – administrative salaries, 120 – teacher salaries). Roll-up salary object 100 will be replaced by objects 110 through 190 for accounts 1000 and 3200. Note: All other accounts on the AFR will continue to have roll-up object code 100 available for salary data entry; for these accounts, LEAs will not be required to report salaries by personnel type.

What Your LEA Can Do Now

Validation justifications will not be permitted for the omission of the school building-level expenditures on the AFR. As your LEA prepares for the 2024-25 fiscal year, please ensure that:

1. Updates to your accounting software are made to report all expenditures by 4-digit school building as well as instructional salaries at the 110-190 object level.
2. An appropriate allocation method is devised if your LEA determines it is unable to track and report actual school building-level expenditures for some accounts.

Note that the above AFR changes will not be in effect for the 2023-24 AFR (submission deadline October 31, 2024). However, we highly recommend preparing for these new reporting requirements

now, especially if your LEA does not currently track or allocate expenditures by school building.

More and detailed information on these AFR changes will be provided in the coming weeks. Until then, please contact PDE and OCO with any questions at ra-CFRS@pa.gov and ra-SchlFin@pa.gov. Thank you for your prompt attention.

Pennsylvania Department of Education, Bureau of Budget and Fiscal Management

Pennsylvania Office of the Budget, Office of Comptroller Operations