Accounting Bulletin #2000-03

SUBJECT: Proper Accounting for Link to Learn Funds

Effective Immediately

Date: April 4, 2000

This accounting bulletin will clarify proper accounting for Link to Learn funds distributed through the PA Department of Education, Comptroller's Office. This advice is applicable to all LEAs and should be part of your normal accounting procedures.

Link to Learn funds received by an LEA as a direct payment from the PA Department of Education, Comptroller's Office, should be recorded to the 7910 revenue account code. Revenue code 7910 is designated as Educational Technology and was specifically established for Link to Learn funds. Prior to establishing account code 7910, you were advised to record Link to Learn money in revenue account 7500, Extra Grants. The new Educational Technology revenue code was announced 7/1/97 in Accounting Bulletin #97-01, and was effective with 1997-98 fiscal year and future year annual financial reports. Therefore, revenue account 7500 has not been a valid code for these funds since 6/30/97.

Link to Learn funds that are not received directly from the PA Department of Education but rather through an intermediate source, such as the Intermediate Unit, should be accounted for as prescribed in the guidelines established in accordance with Accounting Bulletin #98-01: Accounting for Pass-through Grants and Other Shared, State and Federal Grants. Briefly, funds received by a consortium leader directly from the Commonwealth should be to the 7910 revenue account with any money passed through to a secondary recipient recorded as expenditure code 2990 - Pass thru funds. The secondary recipients must then record their share of the pass-through revenue in account code 6821 - State Revenue Received from other PA Public Schools. Expenditures must also be reported per the grant guidelines. The full text of both bulletins is available on the PDE Website at: www.education.state.pa.us

It is imperative for grant auditing purposes that strict adherence to the standard account code structure is maintained at all times. Please review your Annual Financial Report (PDE-2057) for the fiscal year ending June 30, 1999 to ensure that you have reported your Link to Learn grants and other revenues and expenditures correctly. A revised AFR must be filed with the Comptroller's Office if improper accounting entries are found.

Questions regarding this bulletin may be directed to the School Finance staff within the Office of Comptroller Operations at Ra-Schlfin@state.pa.us