



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
Dr. R. Scott Ralls, President

March 28, 2013

IMPORTANT INFORMATION
Effective July 1, 2013

MEMORANDUM

TO: Business Officers
Controllers/Bookkeepers

FROM: Matt Williams, Associate Vice President
College Accounting and Operations

RE: Chart of Accounts Code Changes

An Accounting Procedures Manual work group, comprised of System Office staff and College Business Officers, has been meeting monthly to review certain aspects of the Chart of Accounts and make recommendations for simplification. As a result, we have decided to reduce the number of curriculum instruction purpose codes from four to one, and Career and Technical Education (CTE) non-federal matching vocational codes from ten to one. All curriculum instruction expenditures will be recorded in purpose code 220 "Curriculum Instruction" and all CTE non-federal matching expenditures will be recorded in vocational code 20 "Non-Federal Matching" effective beginning with fiscal year 2013-14.

To assist in the implementation of these two changes, colleges can make the actual changes necessary in Colleague at their own pace, and reclassify any expenses via manual journal entry each month, until the full implementation is complete in the various Colleague modules. Further, colleges may begin making the necessary changes in Colleague in the current fiscal year, as there is no impact to reporting requirements for this fiscal year.

The Accounting Procedures Manual will be updated with these changes, and any other changes that occur as a result of the work group recommendations, prior to July 1, 2013. Attached are the new sections describing the curriculum instruction purpose code and vocational codes. Please contact me at williamsm@nccommunitycolleges.edu or 919-807-7068 or Kim Van Metre at vanmetrek@nccommunitycolleges.edu or 919-807-7071 with any questions or concerns related to these changes.

CC13-006

IV. Vocational Code (Positions 6 and 7)

The vocational code is composed of two digits and is necessary to capture federal and state non-formula expenditures that can be spent across multiple purpose codes. The first digit denotes the major area which the funds are expended. For Career and Technical Education, the second digit indicates the functional item code. For all other vocational codes, the second digit has no special definition.

Career and Technical Education Vocational Codes:

Vocational codes 10-20 are used to account for Carl D. Perkins Career and Technical Education Act of 2006 funds, as approved by the NCCCS Career and Technical Education Director, as well as the associated non-federal matching costs. The term 'Career and Technical Education' (CTE) means organized educational activities that (A) offer a sequence of courses that (i) provides individuals with coherent and rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions; (ii) provides technical skill proficiency, an industry-recognized credential, a certificate, or an associate degree; and (iii) may include prerequisite courses (other than a remedial course) that meet the requirements of this subparagraph; and (B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual. These funds are restricted to the purposes the college specified on the local application, plus any modifications approved by the Career and Technical Education Coordinator. In the NCCCS, CTE is defined as all curriculum programs except college transfer and developmental math/reading.

Career and Technical Education Vocational Code Definitions:

10 - Academic Integration/ Secondary-Postsecondary Links – To support CTE programs that strengthen the academic and CTE skills of participating students by strengthening the academic and career/technical components of such programs through the integration of academics in a coherent sequence of courses to ensure learning in the core academic and career and technical subjects or that link secondary CTE and postsecondary CTE. This includes workshops, release time for faculty to develop integrated curricula and other activities supporting the integration of the academic and CTE curricula.

Funds **may** be used for: Costs associated with developing curriculum articulation agreements (staff costs may not be associated with classroom instruction). Funds **may not** be used for: Equipment, Secondary Tech-Prep education programs, and classroom supplies.

11 - All Aspects of an Industry - Provides students with strong experience in and understanding of all aspects of an industry.

Funds **may** be used for career development/placement positions salary and fringes, industry/job fairs, and apprenticeship activities. If a position is pro-rated, charge the appropriate percentage of salary, and an eligible apprenticeship program is one that is registered with the NC Department of Labor. Costs associated with recruitment, selection, employment and training of apprentices are allowable. Funds **may not** be used for Supportive Services for students.

12 - Use of Technology/Professional Development - To support CTE programs that develop, improve, or expand the use of technology and to provide professional development programs to faculty, counselors, and administrators.

Funds **may** be used for the training of CTE personnel to use state-of-the-art technology, including distance learning, and to provide CTE education students with academic and vocational skills that lead to entry into the high technology and telecommunications fields. Funds **may** also be used to offer faculty internships and mentoring programs in high technology industries, as well as workshops, seminars, tuition, fees, books, etc. for these activities. Funds **may** be used for in-service training activities for instructors who currently teach in funded program areas, as well as for academic instructors who teach related academic subjects in funded CTE areas. The costs of in-service training of academic instructors may require the proration of costs. Funds **may** be

used for salaries of instructors who are participating in in-service return to industry training opportunities that are above or outside their contractual teaching requirements. Include the costs of tuition, books, and fees for individuals completing the SACS requirements, working on a BS/BA degree or increasing their knowledge in a teaching or skill-related subject area. Include other learning experiences for instructors in technical skills and retraining programs, such as attendance at special schools that provide credit and certification, workshops and studies leading to certification, SACS re-certification, studies in specialized areas or in specialized subject matters, contracting for outside presenters for faculty and staff development programs, and retraining leading to expanding teaching roles.

Funds **may not** be used for equipment, curriculum development planning activities, competency based education (CBE), DACUM programs, writing across curriculum activities, program review activities general conferences in which the training offered is not related to subject content or does not provide upgrading of skills, trade shows, exhibitions, exhibits, and unstructured or informal visits to observe programs.

13 - Administration - Administrative costs charged to a basic grant used in the direct support of the programs and activities that are authorized elsewhere in the local application, not to exceed 5% of the current year CTE expenditures, including salaries, fringe benefits and travel.

14 - Modernization and Expansion - To initiate, improve, expand and modernize quality CTE programs.

Funds **may** be used for Staff release time from instruction to redesign or modify curricula, although they may not participate in classroom or other instruction while working on a project paid from these funds. Funds **may** also be used for the hiring of additional faculty for a period not to exceed three years to improve the program by lowering the student/teacher ratio, along with attendant costs such as fringe benefits, travel, and materials. If additional faculty is hired, provide the time period for which position(s) are funded, and provide the percentage of time if a position is prorated.

15 – Services and Activities/Direct Assistance to Students - Provide services and activities that are of sufficient size, scope, and quality to be effective for the program, including remediation and collaborative learning. Record the costs of tuition, required fees, required supplies and childcare expenses that have been approved by the System Office’s Federal CTE Director. Costs must be directly associated with the CTE program. Receipts or written documentation must be provided before reimbursements can be processed. Childcare expenses should be paid directly to the provider and Form 1099 filed. In rare instances, a reimbursement may be made to the student for expenses substantiated by a receipt from a licensed and legal child care provider. Expenditures must be coded to purpose 510 and vocational code 15.

The amount of Perkins funds available is limited to not more than 10% of a college’s CTE allotment. State funds CANNOT be used for Direct Assistance to Students.

16 - Equipment - Lease, purchase, upgrade or adapt equipment for CTE educational programs. Equipment is defined as a non-consumable item with a useful life of over one year. Each item of equipment purchased must remain assigned to that program for its useful life and continue to be used for its original and intended purpose. Expenditures must be charged to objects 553700 and/or 555160 accordingly.

Funds **may not** be used for administrative equipment, vehicles, storage buildings, ramps, or other physical additions to buildings.

17 – Guidance and Counseling - To support guidance and counseling services to students enrolled in CTE programs that assist individuals in making and implementing informed educational and occupational choices.

Funds **may** be used for a Special Populations Coordinator, salaries, fringe benefits (provide the number of positions and percentage of time), travel, supplies and materials.

18 - Nontraditional Training and Employment - Occupations or fields of work, including careers in computer science, technology, and other emerging high skill occupations, for which individuals from one gender comprise less than 25% of the individuals employed in each such occupation or field of work.

Funds **may** be used for salaries and fringe benefits for career counselors working with students enrolled in a nontraditional program, workshops/seminars for students and classroom training.

19 - Student Supportive Personnel/Instructional Supplies, Aids, and Devices - Tutors, signers, note takers, and application software used for CTE instructional purposes, for students enrolled in CTE programs. Expenditures must be charged to purpose 510 Students Services and not other instructional purpose codes.

20 - Non-Federal Matching – All instructional expenditures from other funds sources for all curriculum programs except college transfer and developmental math/reading. Non-federal matching can also include curriculum instruction administrative and support expenditures associated with CTE, such as deans, directors and other curriculum program support personnel, student services of the admissions office, registrar, financial aid, guidance and counseling, and equipment. However, colleges including any allowable non-instructional costs to non-federal match must keep detailed time records to substantiate the classification as non-federal match. Further, unless such timekeeping processes are in place, all student support and services should be coded to vocational code 97.

Other Vocational Codes:

Vocational codes 21-99 are assigned by the system office to track state funds special allotments and grant programs. Colleges are not allowed any other vocational codes in state funds except those assigned by the system office. Any expenditure charged to a vacant vocational code must be reclassified by the college. Should a college be using a vacant vocational code outside state funds for accounting needs from other funds sources at the local level, the college must use the state definition for state funds when the vacant code is defined and assigned. Since the definition may change annually based on the state funds budget process, only a current list of other vocational codes is provided here. Special allotments and grant programs are defined in the annual state funds budget package and in the specific grant award documents, respectively.

21	Vacant	61	Accelerating Opportunities
22	Vacant	62	Vacant
23	Vacant	63	Vacant
24	Vacant	64	Vacant
25	Vacant	65	Vacant
26	Vacant	66	Vacant
27	Vacant	67	Gaston-Textile-Op.
28	Vacant	68	Gaston-Textile-Equip
29	Vacant	69	Ready For College
30	CIP - Current	70	CRC Perf Incentive Grant
31	VLC Curr - St Appropriation	71	Hicost Current
32	VLC Eq - St Appropriation	72	Basic Skills Grants (Post & Mini)
33	CIP - Capital	73	Hicost Eq & Books
34	Vacant	74	ABE CASAS
35	Vacant	75	ABE Ideal/Path/Family Literacy
36	Vacant	76	ABE English Literacy/Civics
37	Vacant	77	Vacant
38	Voed Teaching Excellence	78	Vacant
39	Vacant	79	Gate
40	FTCC-Military Business Eq	80	Misc Non-Formula Allotment
41	Vacant	81	Prison - Designated
42	Vacant	82	Prison - Discretionary
43	Bio Eq Ctrs Approp.	83	Vacant
44	Bio Eq.-Grant	84	Vacant
45	LCC - Motorcycle Safety Curr	85	Vacant
46	LCC - Motorcycle Safety Eq	86	Vacant

47	FTCC - Botanical Lab Curr	87	CVCC - CEMS Curr
48	FTCC - Botanical Lab Eq	88	Vacant
49	Vacant	89	CVCC - CEMS Eq
50	<i>Perf.Fund. Bonuses</i>	90	Vacant
51	<i>Perf. Fund-Startup</i>	91	Vacant
52	<i>Perf. Fund.-Equip.</i>	92	Campus Security Cur
53	<i>Enroll. Reserve Op.</i>	93	Campus Security Cap
54	<i>Enroll. Reserve Eq.</i>	94	TEAMM Work (formerly Minority Male Mentoring)
55	Do Not Use W/ Sch A	95	College Access Challenge Grant
56	Voed Prof Development	96	Vacant
57	Vacant	97	Non-Categ Formula Expenditure
58	Vacant	98	Vacant
59	Kannapolis-Rowan-Eq.	99	Vacant
60	NC Back-to-Work		

Vocational Codes 50-54 N/A For Fiscal Year 2012-13

1. **2XX – Curriculum Instruction**

This category includes the cost of all activities that directly involve the delivery of curriculum instruction to students. These costs shall include the salaries paid to instructors and teaching assistants (as defined in objects 513XXX) whose efforts directly involve the instruction of students. These costs shall also include all fringe benefits associated with these individuals as well as other costs including travel, supplies, service and maintenance contracts on educational equipment, and any other current expenses incurred in the course of instruction.

220 Curriculum Instruction: Includes all instructional expenses related to certificate, associate, diploma, career and college promise pathways, and transitional programs.

Certificate programs are designed to lead to employment or to provide skills upgrading or retraining for individuals already in the workforce. A certificate program may be a stand-alone curriculum program title, or a college may award a certificate under an approved degree or diploma curriculum program for a series of courses taken from the approved program of study.

Associate programs are planned programs of study culminating in an associate in applied science, associate in arts, associate in fine arts, associate in science, or associate in general education degree. Associate in applied science degree programs are designed to prepare individuals for employment. These programs involve the application of scientific principles in research, design, development, production, distribution, or service. Associate in arts, associate in science, and associate in fine arts degree programs are designed to prepare students for transfer at the junior level to institutions offering baccalaureate degrees. Associate in general education degree programs are designed for students who desire a general liberal arts education.

Diploma programs are designed to provide entry-level employment training. A diploma program may be a stand-alone curriculum program title, or a college may award a diploma under an approved associate in applied science degree curriculum program for a series of courses taken from the approved program of study and structured so that a student may complete additional non-duplicative course work to receive an associate in applied science degree.

Career and College Promise Pathway programs include college transfer pathways providing up to 34 hours of tuition-free course credits toward the Core 44, an agreed-upon 44 hours of college credits that will transfer seamlessly to any public or participating private college or university; technical career pathway toward a job credential, certificate or diploma in a technical career; and innovative high schools where high school students earn college credits by attending an approved cooperative innovative high school.

Transitional programs are used for students enrolling in college level courses with the intent to move from general interest to a specific educational program, including Basic Skills Plus and Special Credit programs.