

HOW TO ADD A MULTI-YEAR FUND

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Overview

There are two types of funds, Annual and Multi-Year. Please refer to the definitions below to determine which type of fund you need to add.

Annual – Annual Funds are funds that operate throughout a single fiscal year. Each year, a budget is created and posted using the Budget Completion Journal program. Some examples of annual funds: Fund 1-General Fund, Fund 21-Annual Activity Fund, Fund 310-Capital Outlay, Fund 320-Building Fund, Fund 400-Debt Service, Fund 51-School Food Service.

Multi-Year – Multi-Year Funds are funds that cross multiple fiscal years and are not budgeted on an annual basis in Kentucky school districts. The multi-year fund option that Kentucky uses is **Inception**. This means the funds are budgeted once for the entire life of the funds. Examples of multi-year funds: Fund 2-Special Revenue Fund, Fund 22-Multi-Year Activity Fund and Fund 360-Construction Fund. Multi-year funds must have a Project Number attached to the account. Refer to the [Appendix](#) for information related to Project Codes for multi-year funds.

This document provides instructions on how to create a **Multi-Year Fund** in EERP. After the fund is established, do not change the fund attributes. Changing a multi-year fund to an annual fund (or vice-versa) will cause issues when reporting and viewing information. Reports will not reflect accurate information and will require the services of EERP to correct. This could also result in the district incurring a cost for Tyler to correct the problem.

We will be using Fund 22-DIST ACTIVITY (SPEC REV MY) for the example in this document. Consult the [KDE Chart of Accounts](#) for appropriate account segments prior to adding a Multi-Year Fund.

Do not continue with this document if you need to add an **Annual Fund**. Refer to the ***How to Add an Annual Fund*** document on the [KDE EERP Support & Guides](#) webpage.

Continue to the steps below to add a **MULTI-YEAR FUND**.

Steps Necessary to Create a Multi-Year Fund

1. Create the new fund and assign fund attributes.
2. Create the Org codes.

3. Create control accounts for the new fund.
4. Set up Due To/Due From.
5. Create revenue and expenditure accounts.
6. Review Account Master for all Balance Sheet Accounts.
7. Perform Comprehensive (Full) GL Tables Validation.

Create New Fund

🖱️ Financials ► General Ledger Menu ► Set Up/Chart of Accounts Menu ► Chart of Account Segments

Select **Fund** from the **GL Segment** drop-down menu and click **Accept**.

Select **Add** to add the fund. Enter the appropriate attributes. Attributes for **Fund 22-DIST ACTIVITY (SPEC REV MY)**:

Chart of Account Segments [KDE]

Chart of Account Segments [KDE]

Values

GL Segment: Fund

Code: 22 Description: Dist Activity (Spec Rev MY)

Descriptions

Fund: 22
Description: Dist Activity (Spec Rev MY)
Short description: DA SR MY
Obligation date:

Attributes

Multiyear fund
 Budget multiyear fund annually
Default multiyear report view: Lifetodate
 Standard fiscal year

Fund type

Revolving fund
 Pooled cash account

Never change fund attributes. Changing a multi-year fund to an annual fund (or vice-versa) causes major reporting problems and can result in the district incurring a cost for Munis to fix the problem.

Create New Org Codes

🖱️ Financials ► General Ledger Menu ► Set Up/Chart of Accounts Menu ► Chart of Accounts Segments

Select **Change Segment** from the ribbon and select **Organization Code** from the drop-down menu.

Select **Add** to add the new org codes along with appropriate segments. Orgs must be added for Balance Sheet, Revenue and Expenditure codes.

Note: Refer to the [KDE Chart of Accounts](#) for allowable org codes and segments for each org.

Create Control Accounts

Control accounts need to be created for the new fund. The information below contains an example list of control accounts required for multi-year Fund 22. These accounts can be mass created using the following steps *but may require manual updates using the G/L Account Master screen.*

📁 Financials ► General Ledger Menu ► Set-Up/Chart of Accounts Menu ► Account Mass Creation

1. Choose **Model Org** button on the ribbon:
 Enter the following:

| | |
|--------------|------------------|
| Model Org | [20] |
| Object Range | [6000] to [8999] |
| Target Org | [22] |
2. Select **Accept** to copy.
3. Select **Yes** to **Create these accounts?**
4. A warning message may appear: New Reference Account Needed. Select **Yes**.
5. **CRUCIAL! Verify that all information on each control account is set according to the table that follows.**

(This is accomplished by using the Account Master screen. Update fields as needed prior to proceeding to the next step.)


Review the *Balance Sheet* section as well as the *Reference Account* section of each Balance Sheet account before proceeding to the next step.

Valid selections are outlined below for the balance sheet accounts. Do not proceed until all accounts have been verified.

| Org | Object | Description | Balance Type | Normal Balance | Closing Balance | Control Account |
|-----|--------|-----------------------|--------------|----------------|-----------------|-----------------|
| 22 | 6130 | Interfund Receivables | Asset | Debit | Carry | |

| Org | Object | Description | Balance Type | Normal Balance | Closing Balance | Control Account |
|-----|--------|--------------------------------|--------------|----------------|-----------------|--|
| 22 | 6301 | Estimated Revenues | Fund Balance | Debit | Carry | Estimated Revenues |
| 22 | 6302 | Revenues Control | Fund Balance | Credit | Zero | Revenues |
| 22 | 7421 | Accounts Payable | Liability | Credit | Carry | Accounts Payable |
| 22 | 7601 | Appropriations | Fund Balance | Credit | Carry | Appropriations |
| 22 | 7602 | Expenditures Control | Fund Balance | Debit | Zero | Expenditures |
| 22 | 7603 | Purchase Obligations | Liability | Credit | Carry | Encumbrances |
| 22 | 8753 | Assigned-Purch Obl- Current | Fund Balance | Credit | Carry | Budgetary Fund Balance - Res for encumb |
| 22 | 8755 | Assigned-Purch Obl – PRD 13/YE | Fund Balance | Credit | Carry | Fund balance - reserved for encumbrances |
| 22 | 8770 | Unassigned Fund Balance | Fund Balance | Credit | Carry | Fund balance, unreserved, undesignated |

Due To/Due From Set Up

 Financials ► General Ledger Menu ► Set-Up/Chart of Accounts Menu ► Due to/Due From Setup

The following instructions assume the accounts needed for the new fund were created in the previous step. You will not be able to proceed until the appropriate codes have been added to your chart of accounts.

Open the **Due To/Due From Set Up** program.

Select **Add** and enter the information into the fields as shown below:

| Accounts for First Fund | | | | |
|--------------------------|-------------------------------------|---------------------------------------|-----------------------------------|-----------|
| Fund | <input type="text" value="1"/> | GENERAL FUND | | |
| Due To Account * | <input type="text" value="10"/> ... | <input type="text" value="6135"/> ... | <input type="text" value=""/> ... | Not Found |
| Due To Object * | <input type="text" value=""/> ... | | | |
| Due From Account * | <input type="text" value="10"/> ... | <input type="text" value="6135"/> ... | <input type="text" value=""/> ... | |
| Due From Object * | <input type="text" value=""/> ... | | | |
| Accounts for Second Fund | | | | |
| Fund | <input type="text" value="22"/> | Dist Activity (Spec Rev MY) | | |
| Due To Account * | <input type="text" value="22"/> ... | <input type="text" value="6130"/> ... | <input type="text" value=""/> ... | |
| Due To Object * | <input type="text" value=""/> ... | | | |
| Due From Account * | <input type="text" value="22"/> ... | <input type="text" value="6130"/> ... | <input type="text" value=""/> ... | |
| Due From Object * | <input type="text" value=""/> ... | | | |

Verify Control Accounts

🔗 Financials ► General Ledger Menu ► Set-Up/Chart of Accounts Menu ► Chart of Account Segments

1. Select **Fund** from the **GL Segment** dropdown box.
2. Select the new fund from the list of funds and select Control Accounts found at the bottom of the screen.

Create Revenue and Expenditure Accounts

The Revenue and Expenditure accounts for the newly established fund will need to be added in Account Master. Refer to the [KDE Chart of Accounts](#) for allowable object codes.

🔗 Financials ► General Ledger ► Set Up/Chart of Accounts ► Account Master

Select **Add** to add the new accounts.

Run a Comprehensive G/L Tables Validation

After creating the fund, a Comprehensive (Full) Tables Validation needs to be processed. If any issues are found, make the corrections and run another GL Tables Validation.

🔗 Financials ► General Ledger Menu ► End of Period Menu ► General Ledger Tables Validation

Select the **Comprehensive** button and select OK

Select **Run Table Val** to determine any errors prior to closing the year.

Select an Output method to review the report.

To access EERP table validation documentation, go to the [Tyler Search](#) and perform a search for the document entitled “*Troubleshooting Table Validation Errors Munis Versions 11.2 and Greater*”. There is also a Master Article you can search for entitled “*Master Article-General Ledger Table Validation List of Errors*” that can be helpful. Please contact EERP Support for assistance with validation errors.

Appendix – Project Coding Structure

Project codes must be established using the coding structure established by KDE.

| Project Numbers | Projects |
|------------------------|---|
| 001# to 099# | Local Grants – This range is used by districts to establish grants that are not state or federally funded. The fourth digit must represent the fiscal year in multi-year funds unless the project number is being set up in Fund 1 to record transactions for board paid expenses related to a local grant. In this case, an X is used in the fourth digit. |
| 1### to 199# | State Grants – Project numbers for state grants are established by KDE. Refer to the current Chart of Accounts document on the Division of District Support webpage for up-to-date project numbers. The fourth digit represents the fiscal year unless the project number is being set up in Fund 1 to record transactions for board paid expenses related to a state grant. In this case, an X is used in the fourth digit. |
| 2### to 699# | Federal Grants – The project numbers for federal grants are established by KDE. Refer to the current Chart of Accounts document on the Division of District Support webpage for up-to-date project numbers. The fourth digit represents the fiscal year unless the project number is being set up in Fund 1 to record transactions for board paid expenses related to a federal grant. In this case, an X is used in the fourth digit. |
| 7### | Activities & Clubs – The 7000 range is used to establish project numbers for school activity and club funds. The project codes can be used in conjunction with an annual fund or multi-year fund. <u>If using Fund 22, multi-year activity fund, the fourth digit must represent the fiscal year.</u> |
| 8### | Construction – The 8000 range is used by districts to establish project numbers for construction funds. These funds are set up in a multi-year fund. <u>The fourth digit must be used to represent the fiscal year.</u> |