

HOW TO ADD AN ANNUAL FUND IN EERP

Office of Education Technology: Division of School Technology Services

Questions: eerp@education.ky.gov

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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 an **Annual 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 EERP to correct the problem.

We will be using Fund 21-DIST ACTIVITY (SPEC REV ANNUAL) 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 a **Multi-Year Fund**. Refer to the [How to Add a Multi-Year Fund](#) document on the [KDE EERP Munis Support & Guides](#) webpage.

Continue to the steps below to add an **ANNUAL FUND**.

- Please note all the examples in this document reference Fund 21 but the same instructions apply to all Annual Funds. If setting up Fund 25, simply swap out 21 in the instructions for 25.

Steps Necessary to Create an Annual 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 Accounts 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 21-DIST ACTIVITY (SPEC REV MY)*:

Descriptions	
Fund *	21
Description	DIST ACTIVITY (SPEC REV ANN)
Short description	DA SR AY
Obligation date	

Attributes	
<input type="checkbox"/> Multi-year fund	
Available budget method *	A ... ANNUAL
<input checked="" type="checkbox"/> Standard fiscal year	
Fund type	

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 **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 annual Fund 21. 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

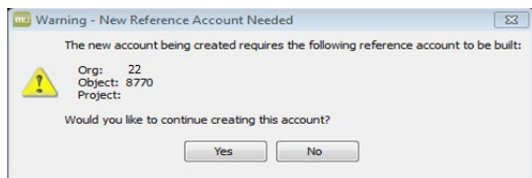
1. Choose **Model Org** button on the ribbon:
Enter the following:

Model Org [10] * Note, Model Org 21 can be used as well.

Object Range [6000] to [8999]

Target Org [21] or desired Org

2. Select **Accept** to copy.
3. Select **Yes** to **Create these accounts?**
4. The message below may appear. 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.

Example – 21 6301

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	Reference Org	Reference Object
21	8770	Unassigned Fund Balance	Fund Balance	Credit	Carry	Fund balance, unreserved, undesignated	--	--
21	6130	Interfund Receivables	Asset	Debit	Carry		--	--
21	6301	Estimated Revenues	Fund Balance	Debit	Zero	Estimated Revenues	21	8771
21	6302	Revenues Control	Fund Balance	Credit	Zero	Revenues	21	8770
21	7421	Accounts Payable	Liability	Credit	Carry	Accounts Payable	--	--
21	7601	Appropriations	Fund Balance	Credit	Zero	Appropriations	21	8771
21	7602	Expenditures Control	Fund Balance	Debit	Zero	Expenditures	21	8770
21	7603	Purchase Obligations	Fund Balance*	Credit	Carry	Encumbrances	--	--

Org	Object	Description	Balance Type	Normal Balance	Closing Balance	Control Account	Reference Org	Reference Object
**21	8771	Budgetary Fund Balance	Fund Balance	Debit	Carry	Budget Fund Balance - Unreserved	--	--
21	8753	Assigned-Purch Obl-Current	Fund Balance	Credit	Carry	Budgetary Fund Balance - Res for encumb	--	--
21	8755	Assigned-Purch Obl – PRD 13/YE	Fund Balance	Credit	Carry	Fund balance - reserved for encumbrances	--	--

*Liability may also be used depending on how you want the balance displayed on the Balance Sheet. Users should check for uniformity of how this account is reported in other funds.

****Object Code 8771-Budgetary Fund Balance and account 21 8771 must be added to the chart of accounts.**

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:

Due To/Due from Setup [KDE]

Close | Search | Browse | Add | Update | Delete | Output | Print | Display | PDF | Save | Email | Schedule

Due To/Due from Setup [KDE]

Funds

Fund * 1 To / From * 21

Accounts for First Fund

Fund 1 GENERAL FUND

Due To Account * 10 6134 REC FROM ACTIVITY FUND

Due To Object *

Due From Account * 10 6134 REC FROM ACTIVITY FUND

Due From Object *

Accounts for Second Fund

Fund 21 DIST ACTIVITY (SPEC REV ANN)

Due To Account * 21 6130 INTERFUND RECEIVABLES

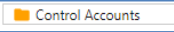
Due To Object *

Due From Account * 21 6130 INTERFUND RECEIVABLES

Due From Object *

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  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 **Accept**

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

Select an Output method to review the report.

To access EERP tables validation article, go to [Tyler Search](#) and perform a search for “Master Article - *General Ledger Table Validation List of Errors*”. The Master Article contains links to articles for specific errors. 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 #	Project
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.
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.
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.
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>