

## Finance (F) Parent and Child Reporting Tutorial Script 2024-25 Data Collection

This tutorial discusses how to report IPEDS Finance data for jointly audited institutions.

Submitting Finance data can be more complicated when multiple institutions are covered under a single audit. In some instances, duplicate data may be submitted for each school within a system or corporate entity. When this happens, national, state, or system generated totals may be overstated. To help prevent duplicated data, institutions that are jointly audited should report using a parent/child relationship. We will discuss two types of relationships: partial parent/child and full parent/child relationships.

Jointly audited individual institutions operating under separate Program Participation Agreements (or PPAs) with the Department of Education often have little to no issues reporting separate Revenue, Expense, Scholarship, and Endowment data. However, many institutions cannot separate out assets, liabilities, and equity (or net assets). Therefore, IPEDS allows these institutions, even those under different OPEID numbers, to submit joint reporting of these data items.

In a partial parent/child relationship, regardless of sector, the same data are reported separately by all institutions. This includes Revenues, Expenses, and Scholarships/Fellowships and Endowments (when applicable).

Now, let's discuss data items that are reported together. Across all sectors, the parent institution (most likely the system office or main campus) will report the combined data for all institutions covered under the jointly issued audit.

- For public institutions using the Governmental Accounting Standards Board (or GASB) standards, parent institutions report the Statement of Net Position, Summary of Changes in Net Position, Debt and Assets, Pension and Postemployment Benefits Other Than Pension (OPEB), and Financial Health information for all of the institutions.
- For private, not-for-profit and a few public institutions using the Financial Accounting Standards Board (or FASB) standards, parent institutions report the Statement of Net Assets, Changes in Net Assets, and Financial Health information for all of the institutions combined.
- Finally, for private, for-profit institutions using the Financial Accounting Standards Board (or FASB) standards, parent institutions report the Balance Sheet, Changes in Equity, Income Tax Expenses, and Financial Health information for all institutions combined.

In cases where jointly audited institutions operating under the same Program Participation Agreements are unable to separate out any financial data, IPEDS allows the main campus or system office, designated the parent, to report all of the finance data for the institutions combined. In this full parent/child relationship, the child institutions do not report any data. In addition, the parent is required to provide an allocation factor indicating how the finances are distributed to each campus. The allocation factor will be used later to distribute reported data for derived variables in the Data Feedback Report.

For more information on the material presented in this tutorial, please contact the IPEDS Help Desk.