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Message from the State Superintendent of Public Instruction

I am pleased to present the 2002 edition of the *California School Accounting Manual.* This document will assist educational agencies in their all-important tasks of managing the tax dollars invested in education and accounting for those dollars in a way that facilitates informed decision-making on educational matters. California law requires that school districts use systems to record their financial affairs that comply with the definitions, instructions, and procedures published in this manual.

In difficult economic times such as these, it is more important than ever that we demonstrate the fiscal accountability and wise stewardship of public funds necessary to achieve our educational goals. I want to thank those of you at the local level who are involved in the school accounting process. Your job is becoming increasingly challenging as resources for our schools diminish, and I appreciate your hard work on behalf of our state's children.

JACK O'CONNELL
State Superintendent of Public Instruction

Introduction

Local educational agencies (LEAs) are in a state of transition with respect to the standardized account code structure (SACS). A significant number of LEAs have converted their account codes to the new structure, and more are expected to convert each year. However, for the near future, some LEAs will continue to use their locally developed account code structure. This edition of the *California School Accounting Manual* continues to serve as a transition manual, providing guidance to SACS and non-SACS LEAs until all LEAs have converted to using SACS.

Education Code Section 41010 requires LEAs to follow the procedures in the *California School Accounting Manual.* Part I contains all the procedures that LEAs are required to follow. Those LEAs that have converted or are converting to SACS will, with some exceptions, use the information in Part II to supplement the information in Part I.

Part II, "Standardized Account Code Structure," changes the account codes that LEAs use to record transactions. It does not, however, change the accounting policies used by LEAs, which include:

- Revenue and expenditure recognition policies
- Fund types used to record transactions or the types of transactions recorded
- Methods of posting transactions or adjusting accounts
- Basis of accounting used
- Documentation required to substantiate transactions
- Year-end closing process, including the recording of accruals and deferrals

LEAs using SACS should discontinue the use of the following procedures in Part I and instead use the appropriate portions of Part II.

Part I Procedure Number	***Impact of the Standardized Account Code Structure***	***Part II Section References***
203	Standard fund numbers are assigned to the funds used by LEAs.	101
204	New account numbers are assigned to some of the balance sheet accounts.	106
301	The account numbers for revenue and other financing sources are changed.	106
401	The account numbers for expenditures and other financing uses are changed.	106

Accounting personnel should be familiar with the principles and statements issued by the Governmental Accounting Standards Board (GASB), which is recognized nationally as the primary standard-setting body for governmental accounting. The principles and statements of GASB are available in its publication titled *Codification of Governmental Accounting and Financial Reporting Standards*, available from:

Governmental Accounting Standards Board
P.O. Box 30784
Hartford, CT 06150
(800) 748-0659
<http://www.rutgers.edu/Accounting/raw/gasb/pub/index.html/>

In addition, the Government Finance Officers Association publishes *Governmental Accounting, Auditing, and Financial Reporting*, which provides detailed guidance in applying the principles and statements of GASB. This publication is available from:

Government Finance Officers Association
203 N. LaSalle St., Suite 2700
Chicago, IL 60601-1210
(312) 977-9700
<http://www.gfoa.org/>

The *California School Accounting Manual* should not be expected to provide guidance on every possible transaction. If you encounter problems that are not addressed in the manual, you should consult GASB's publication or contact your independent auditors, your county office of education, or the California Department of Education, School Fiscal Services Division, (916) 322-1770, for technical assistance.

Suggestions and comments about the information in this manual should be directed to:

California Department of Education
School Fiscal Services Division
Financial Accountability and Information Services
1430 N Street, Suite 3800
Sacramento, CA 95814
Phone: (916) 322-1770
E-mail: sacsinfo@cde.ca.gov

PROCEDURE NO.

001

Administration

This edition of the *California School Accounting Manual* is divided into Parts I and II to provide information for those local educational agencies (LEAs) that use the prestandardized account code structure (J-200/400/600) and for those LEAs that use the standardized account code structure (SACS).

LEAs that use the J-200/400/600 will use only the information in Part I of the *California School Accounting Manual.* LEAs that have converted to SACS will use the information in Part II as well as the guidance on accounting policies and procedures in Part I. They will not, however, use the J-200/400/600 coding or the program cost accounting procedures in Part I.

Several Part I procedures were updated this year. Manual users are requested to remove the following sections from their manuals and replace them with the revised versions. (Once this is done, the revised Part I procedures can be identified by the December 2002 date at the bottom of the page; all unchanged procedures can be identified by a previous date.)

Part I

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Part II

The whole of Part II was revised for the December 2002 release. All pages in Part II are identified with the December 2002 date at the bottom of the page.

PROCEDURE NO.

203

Allowable Funds and Account Groups

Governmental Accounting Standards Board Statement No. 34 (GASB 34) established a new model for governmental financial reporting. Procedure 203 has been updated to reflect fund classifications and types based on the new model. LEAs that have not yet implemented GASB 34 may, but are not required to, use the new fund definitions.

Allowable Funds

The following funds are authorized for use by local educational agencies (LEAs). Certain funds are required when LEAs conduct certain activities. Other funds are optional and may be used at the LEA's discretion. In addition, several optional funds exist that LEAs may use when needed.

I. Governmental Funds

A. General Fund

The General Fund is the chief operating fund for all LEAs, including school districts, county offices of education, and joint powers agreements/agencies. A county office of education's General Fund is known as the County School Service Fund.

The General Fund is used to account for the ordinary operations of the LEA. All transactions except those required or permitted by law to be in another fund are accounted for in this fund.

Within the General Fund, restricted projects or activities must be identified and separated from unrestricted activities.

B. Special Revenue Funds

Special revenue funds are established to account for the proceeds from specific revenue sources, which are restricted by law to the financing of particular activities.

1. Adult Education Fund

   The Adult Education Fund is used to account separately for federal, state, and local revenues for Adult Education programs.

   The principal revenue accounts in this fund are:

   8011 Adult Education Block Entitlement
   8094 Apprentice Transfer from the General Fund
   8170 Job Training Partnership Act (JTPA)
   8290 Other Federal Revenue (e.g., Adult Basic Education)
   8590 All Other State Revenue
   8660 Interest
   8671 Adult Education Fees
   8699 All Other Local Revenue

   Expenditures in this fund may be made only for adult education purposes; moneys received for programs other than adult education shall not be expended for adult education (*Education Code* sections 52616[b] and 52501).

   Expenditures in this fund may be made only for direct instructional costs relating directly to the Adult Education Program, including but not limited to the salaries and benefits of adult education teachers and aides; textbooks; instructional supplies; travel and conference expenses for employees who work in the Adult Education Program; and repair, maintenance, acquisition, and replacement of instructional equipment used in the Adult Education Program. Money in this fund may also be expended for direct support costs of the Adult Education Program and for indirect costs of the Adult Education Program as specified in *Education Code* Section 52616.

2. Cafeteria Fund or Account

   The Cafeteria Fund (*Education Code* Section 38090) or Cafeteria Account (*Education Code* Section 38093) is used to account separately for federal, state, and local revenue to operate the food service program.

   The principal revenue accounts in this fund are:

   8220 Child Nutrition Programs (Federal)
   8520 Child Nutrition Programs (State)
   8634 Food Service Sales
   8660 Interest
   8699 All Other Local Revenue

Education Code Section 38093 allows the governing board of an LEA to set up, in one or more banks, an account for each cafeteria established in the LEA or for all cafeterias established in the LEA. That section of the *Education Code* uses the term *account* to mean fund. Therefore, when the Cafeteria Fund is established in a separate bank account, apart from the county treasury, it is referred to as the Cafeteria Account. See also *Education Code* sections 38094 and 38095.

The governing board of the LEA may authorize expenditures from the Cafeteria Fund or Cafeteria Account only for those charges that are defined as food services program costs in the *California School Accounting Manual* or are reported to the California Department of Education on form J-380, EDP 455, as revised April 1990.

The food service program shall not be charged more than once for expenditures for the same service. If a food service program is being charged for a service as a direct cost, the school district shall not also allocate that cost as a direct support cost or as an indirect cost. For the Cafeteria Fund, an "indirect cost" shall be limited to the lesser of the school district's prior year indirect cost rate as approved by the California Department of Education or the statewide average approved indirect cost for the second prior fiscal year (*Education Code* Section 38101).

The governing board of an LEA may establish and maintain within the Cafeteria Fund a cafeteria equipment reserve for the purchase, lease, maintenance, or replacement of cafeteria equipment (*Education Code* Section 38102).

3. Child Development Fund

The Child Development Fund is used to account separately for federal, state, and local revenues to operate Child Development programs (*Education Code* Section 8328).

The principal revenue accounts in this fund are:

8150	Economic Opportunity Act
8220	Child Nutrition Programs (Federal)
8510	State Preschool
8520	Child Nutrition Programs (State)
8530	Child Development Apportionments
8590	All Other State Revenue
8660	Interest
8673	Child Development Parent Fees

8699 All Other Local Revenue
8911 Interfund Transfers In

The Child Development Fund may be used only for necessary expenditures for the operation of Child Development programs (*Education Code* Section 8328).

4. Deferred Maintenance Fund

The Deferred Maintenance Fund is used to account separately for state apportionments and LEAs' contributions for deferred maintenance purposes (*Education Code* sections 17582–17587).

The principal revenue (and other source) accounts in this fund are:

8540 Deferred Maintenance Allowance
8660 Interest
8915 Interfund Transfers In

Expenditures in this fund are for major repairs or replacements under the plan approved by the Office of Public School Construction (formerly the State Allocation Board) *(Education Code* Section 17582*)*.

5. Pupil Transportation Equipment Fund (Optional)

The Pupil Transportation Equipment Fund is used to account separately for state and local revenues for the acquisition, rehabilitation, or replacement of equipment used to transport students (*Education Code* Section 41852[b]).

Typical expenditures in this fund include items charged to Object 4400 (Noncapitalized Equipment), Object 6400 (Equipment), and Object 6500 (Equipment Replacement).

6. Special Reserve Fund for Other Than Capital Outlay Projects (Optional)

The Special Reserve Fund for Other Than Capital Outlay Projects is used primarily to provide for the accumulation of General Fund moneys for general operating purposes (*Education Code* Section 42842). Amounts from this special reserve fund must first be transferred into the General Fund or other appropriate fund of the LEA before expenditures can be made.

7. The Forest Reserve Fund

The Forest Reserve Fund exists primarily to account separately for federal forest reserve funds received by county offices for distribution to school districts (*Education Code* Section 2300).

The primary revenue sources are:

8260 Forest Reserve Funds
8287 Pass-Through Revenues from Federal Sources

A county office reports its portion of the forest reserve revenue in account 8260, Forest Reserve Funds, and the transfer to the County School Service Fund in account 7619, Other Authorized Interfund Transfers Out. Revenues designated for districts are reported in account 8287, Pass-Through Revenues from Federal Sources. The disbursements of those funds should be reported as Transfers of Pass-Through Revenues (accounts 7211, 7212, and 7213).

School districts should report the forest reserve moneys as federal revenues in account 8260, Forest Reserve Funds.

8. School Bus Emissions Reduction Fund

The School Bus Emissions Reduction Fund is used to accumulate money for the purchase or lease of new low- or zero-emission school buses or for the retrofitting of existing school buses (*Education Code* sections 17920–17926). The money could come from private parties as payment for the right to use Emission Reduction Credits or from air pollution control district and air quality management district grants.

More than 50 percent of the money deposited in the School Bus Emissions Reduction Fund must come from LEA revenues. The LEA's contribution may be from local sources or unrestricted General Fund money, but it cannot be money from the existing Small School District Bus Replacement Program. This restriction also applies to any new money that the state appropriates for the purchase or lease of new low- or zero-emission school buses or for the retrofitting of existing school buses.

9. Charter Schools Fund

The Charter Schools Fund exists as an option to separately report the activities of those charter schools not included in the General Fund or County School Service Fund.

The principal revenues in this fund are:

8015	Charter Schools General Purpose Entitlement—State Aid
8480	Charter Schools Categorical Block Grant
8560	Lottery
8660	Interest
8699	All Other Local Revenue
8780	Charter School Funding In Lieu of Property Taxes

10. Foundation Special Revenue Fund

The Foundation Special Revenue Fund is used to account for resources received from gifts or bequests pursuant to *Education Code* Section 41031 under which both earnings and principal may be used for purposes that support the LEA's own programs.

This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Special Revenue Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032).

Resources accounted for in the Foundation Special Revenue Fund would formerly have been accounted for in an expendable trust fund.

C. Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

1. Building Fund

The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146). Other authorized revenues to the Building Fund are (1) proceeds from the sale or lease with option to purchase of real property (*Education Code* Section 17462); and (2) revenue from rentals and leases of real property specifically authorized by the governing board for deposit into the fund (*Education Code* Section 41003).

The principal revenue (and other source) accounts in this fund are:

8650 Rentals and Leases
8660 Interest
8951 Proceeds from the Sale of Bonds
8953 Proceeds from the Sale/Lease-Purchase of Land and Buildings

Most commonly, expenditures in the Building Fund are made against the Object 6000 series of accounts. Another authorized expenditure in the Building Fund is repayment of state School Building Aid out of proceeds from the sale of bonds (*Education Code* Section 16058).

2. Capital Facilities Fund

The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition for approving a development. The authority for the levies may be county/city ordinances (*Government Code* sections 65970–65981) or private agreements between the LEA and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code* Section 66006).

The principal revenue accounts in this fund are:

8660 Interest
8681 Mitigation/Developer Fees

Expenditures in the Capital Facilities Fund are restricted to the purposes specified in *Government Code* sections 65970–65981 or as specified in agreements with the developer (*Government Code* Section 66006).

3. State School Building Lease-Purchase Fund

The State School Building Lease-Purchase Fund is used primarily to account separately for state apportionments as provided by *Education Code* sections 17000–17080. The LEA may be required to transfer to this fund any available moneys from other funds as the LEA's contribution to a particular project.

The principal revenue (and other source) accounts for this fund are:

8545 School Facilities Apportionments
8660 Interest
8913 Interfund Transfers In

Typical expenditures in this fund include items charged to Object 6200, Buildings and Improvements of Buildings, and Object 6300, Books and Media for New School Libraries.

4. County School Facilities Fund

The County School Facilities Fund is used primarily to account separately for state apportionments as provided in *Education Code* sections 17009.5 and 17070.10–17076.10.

The principal revenue (and other source) accounts in this fund are:

8545 School Facilities Apportionments
8660 Interest

Typical expenditures in this fund include items charged to Object 6200, Buildings and Improvements of Buildings, and Object 6300, Books and Media for New School Libraries.

5. Special Reserve Fund for Capital Outlay Projects (Optional)

The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code* Section 42840). Other authorized revenues that may be transferred to the Special Reserve Fund are (1) proceeds from the sale or lease with option to purchase of real property (*Education Code* Section 17462); (2) rentals and leases of real property specifically authorized for deposit to the fund by the governing board (*Education Code* Section 41003); and (3) excess amounts sufficient to pay all unpaid bond obligations (*Education Code* Section 15235).

The principal revenue and other source accounts in this fund are:

8650 Rentals and Leases
8660 Interest
8919 Other Authorized Interfund Transfers In
8953 Proceeds from Sale/Lease-Purchase of Land and Buildings

Transfers authorized by the governing board from the General Fund *must be expended for capital outlay purposes.* Proceeds from the sale or lease with option to purchase may be spent for capital outlay purposes, costs of maintenance of LEAs' property, and future maintenance and renovation of school sites (*Education Code* Section 17462). Expenditures for capital outlay are made against the Object 6000 series of accounts.

D. Debt Service Funds

Debt Service funds are established to account for the accumulation of resources for and the payment of the principal and interest on general long-term debt.

1. Bond Interest and Redemption Fund

   The Bond Interest and Redemption Fund is used for the repayment of bonds issued for an LEA (*Education Code* sections 15125–15262, Bond Interest and Sinking Fund).

   The bonds are issued by the board of supervisors of the county. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the LEA. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the LEA.

   The county auditor maintains control over the LEA's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

   The principal revenue accounts for this fund are:

   8571 State Subventions for Homeowners' Exemptions
   8572 Other Subventions/In Lieu Taxes
   8611 Secured Roll Taxes
   8612 Unsecured Roll Taxes
   8613 Prior Years' Taxes
   8614 Supplemental Taxes
   8660 Interest

   Expenditures in this fund are limited to bond interest, redemption, and related costs. Excess moneys shall be transferred to the General Fund (*Education Code* Section 15234) or to the Special Reserve Fund (*Education Code* Section 15235).

2. Tax Override Fund

   The Tax Override Fund is used for the repayment of voted indebtedness tax levies (other than Bond Interest and Redemption Fund repayments) to be financed from ad valorem tax levies. An example is a public school building loan repayment.

   Interest earned in the Tax Override Fund is credited to the General Fund of the LEA.

The principal revenue accounts in this fund are:

8571 State Subventions for Homeowners' Exemptions
8572 Other Subventions/In-Lieu Taxes
8611 Secured Roll Taxes
8612 Unsecured Roll Taxes
8613 Prior Years' Taxes
8614 Supplemental Taxes

The principal expenditure accounts in this fund are:

Purpose for which levy was authorized:	*Expenditure account*
State school building loan repayments (*Education Code* Section 16090)	7432
Payment to original district for acquisition of property (*Education Code* Section 35576)	7436
Compensatory education housing repayments (*Education Code* Section 16214)	7439
Lease-purchase payments (*Education Code* Section 17409)	7439
Construction of exceptional children's facilities repayments (*Education Code* Section 16196)	7439
Other voter-approved debt services	7439

and Object 7438, Interest on Long-Term Debt.

3. Debt Service Fund

The Debt Service Fund is used for the accumulation of resources for the retirement of principal and interest on general long-term debt.

The principal revenue and other source accounts in this fund are:

8919 Other Authorized Interfund Transfers In

Most commonly, expenditures are made against the Object 7430–7449 series of accounts.

E. Permanent Funds

This governmental fund type was introduced as part of the governmental financial reporting model established by GASB Statement No. 34.

Foundation Permanent Fund

The Foundation Permanent Fund is used to account for resources received from gifts or bequests pursuant to *Education Code* Section 41031 that are restricted to the extent that earnings, but not principal, may be used for purposes that support the LEA's own programs.

This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Permanent Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032).

Resources accounted for in the Foundation Permanent Fund would formerly have been accounted for in a nonexpendable trust fund.

II. Proprietary Funds

A. Enterprise Funds

An enterprise fund may be used to report any activity for which a fee is charged to external users for goods or services. An enterprise fund must be used to report any activity whose principal revenue sources meet any of the following criteria:

1. The LEA has issued debt backed *solely* by fees and charges from that activity.

2. There is a legal requirement that the cost of providing services, including capital costs such as depreciation or debt service, must be recovered through fees or charges.

3. The LEA's policy is to establish activity fees or charges designed to recover the cost of providing services, including capital costs such as depreciation or debt service.

In practice, enterprise funds are frequently used to account for activities whose costs are only partially funded by fees and charges. For example, the Cafeteria Fund/Account may be accounted for as an enterprise fund rather than as a special revenue fund, even though its primary source of financing comes from Child Nutrition program revenues instead of through the price paid for lunch by the students. The CDE recommends that an LEA only use an enterprise fund to account for its Cafeteria operations if the LEA's governing board intends that the Cafeteria program be operated in a manner similar to that employed by private business enterprises and that all costs of providing services, including depreciation of capital assets, be fully recovered.

An enterprise fund is accounted for on a full-accrual basis. In an enterprise fund, capital assets and long-term debt (including all long-term debt obligations, such as vacation pay and capital leases) are recorded in the fund, not in the account groups. All revenues and *expenses* (rather than expenditures) are recorded, regardless of when they will be received or paid. Depreciation of capital assets is included.

An enterprise fund may be used to account for any activity that an LEA accounted for in an enterprise fund prior to issuance of GASB Statement No. 34, even if the activity does not otherwise meet the criteria for using an enterprise fund.

B. **Internal Service Funds** (Optional)

Internal service funds are created principally to render services on a cost-reimbursement basis to other funds or departments of the LEA. Internal service funds are generally intended to be self-supporting.

1. Self-Insurance Fund (Optional)

   Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of an LEA.

   Separate funds may be established for each type of self-insurance activity, such as workers' compensation, health and welfare, and deductible property loss (*Education Code* Section 17566).

   The principal revenue accounts in this fund are the following:

   8660 Interest
   8674 In-District Premiums/Contributions
   8677 Interagency Revenues
   8699 All Other Local Revenue

Expenses from the Self-Insurance Fund shall be made for the payment of claims, administrative costs, services, deductible insurance amounts, cost of excess insurance, and other related costs.

Amounts contributed to a Self-Insurance Fund are lawfully restricted for insurance purposes (*Education Code* Section 17566).

2. Warehouse Revolving Fund (Optional)

The Warehouse Revolving Fund is used primarily to maintain budget control and stock accounting of merchandise for an LEA's use (*Education Code* Section 42830). The Warehouse Revolving Fund is reimbursed from various funds of the LEA for amounts used in those funds.

Expenses in the Warehouse Revolving Fund may include the purchase of stores to be placed in stock, including the costs of receiving, storing, and delivering them (*Education Code* Section 42832).

III. Fiduciary Funds

Fiduciary funds are used to account for assets that are held in a trustee or an agent capacity for others and cannot be used to support the LEA's own programs.

The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

A. Pension (and other employee benefit) Trust Fund

This fund is used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. For a state-administered pension system, such as STRS or PERS, the state, not the LEA, maintains the pension (and other employee benefit) trust fund.

1. Retiree Benefits Fund (Optional)

The Retiree Benefits Fund exists to account separately for restricted moneys from salary reduction agreements or contributions for employees' retirement benefit payments or both.

Moneys may be transferred to the Retiree Benefits fund from other funds by periodic expense charges in amounts based on existing and future obligations requirements. Payments may be made from the fund for insurance, annuities, administrative costs, or any other authorized purpose (*Education Code* Section 42850).

The principal revenue accounts in this fund are:

8660	Interest
8674	In-District Premiums/Contributions
8699	All Other Local Revenue

Typical expenditures in the Retiree Benefits Fund are from Object 5800.

B. Private-Purpose Trust Funds

1. Foundation Private-Purpose Trust Fund (Optional)

   The Foundation Private-Purpose Trust Fund is used to account separately for moneys received from gifts or bequests per *Education Code* Section 41031 under which principal and income benefit individuals, private organizations, or other governments and under which neither principal nor income may be used for purposes that support the LEA's own programs.

   This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Private-Purpose Trust Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032).

2. Article XIII-B Fund (Optional)

> Note: The Article XIII-B Fund is being phased out and will be eliminated altogether effective in fiscal year 2003-2004 in conformity with guidance in GASB Statement No. 34 (GASB 34) relating to fiduciary funds. LEAs using this fund should eliminate it concurrently with their implementation of GASB 34 and instead should use one or more of the other funds defined in this manual.

The Article XIII-B Fund is an expendable trust fund. Its purpose is to allow an LEA to establish "such contingency, emergency, unemployment, reserve, retirement, sinking fund, trust, or similar funds it shall deem reasonable and proper" as authorized in Section 5, Article XIII-B, of the California Constitution.

The principal revenue and other source accounts in this fund are the following:

8660 Interest
8919 Other Authorized Interfund Transfers In

Expenditures may not be made from the Article XIII-B Fund. Amounts from this fund must be transferred to other authorized funds before expenditures can be made.

C. Agency Funds

1. Warrant/Pass-Through Fund

The Warrant/Pass-Through Fund exists primarily to account separately for amounts collected from employees for federal taxes, state taxes, credit unions, and other contributions. It is also to account for those receipts for transfer to agencies for which the LEA is acting simply as a cash conduit.

It is recommended that at a local level, two agency funds be used: one for clearing payroll withholdings and another for the pass-through of resources.

2. Student Body Account (Optional)

The Student Body Account is used primarily to enable a student body to raise and expend money to promote the general welfare, morale, and educational experiences of the student body (*Education Code* sections 48930–48938). Sources of receipts include but are not limited to fund-raising ventures, student-store merchandise, athletic and student body performances, concessions, publications, gifts, grants, and interest. Unorganized student body funds (*Education Code* Section 48938) are governed by the same principles of student body accounting that govern organized student body funds.

Disbursements from the Student Body Account may be made for merchandise, student body activities, food (*California Code of Regulations, Title 5, Education*, sections 15500 and 15501), hospitality, and student awards.

Account Groups

The following guidance on account groups is included for the benefit of those LEAs that have not yet implemented the new governmental reporting model established by GASB 34. In the new reporting model, account groups are eliminated. Instead, capital assets and long-term debt balances are reported in the government-wide statement of net assets, and capital asset and long-term debt schedules are disclosed in the notes to the financial statements.

In addition to the funds described, two account groups are used in fund accounting: the general fixed-asset account group and the general long-term debt account group. The account groups are self-balancing sets of accounting records, which record the existence and amounts of the general fixed assets and the general long-term debt of the LEA. The term *general* in the title of the account groups indicates that the assets and long-term debt are not included in specific funds.

General Fixed-Asset Account Group

The general fixed-asset account group is a management control and accountability listing of the LEA's general fixed assets. It is established to account for long-lived assets not accounted for in the proprietary or trust funds. General fixed assets are those assets of a physical nature that have a long period of usefulness to and are owned by the LEA. They include buildings, land, furniture, and equipment.

Education Code Section 35168 requires that LEAs maintain information on equipment, including costs, descriptions, names, identification numbers, acquisition dates, locations of use, and the times and means of disposal. LEAs should maintain similar information for all fixed assets. All fixed assets should be recorded at cost. In instances in which the cost of an item is not available, LEAs should use the estimated cost. Donated fixed assets should be recorded at their estimated fair market value at the time received.

General Long-Term Debt Account Group

The general long-term debt account group is established to account for the unmatured principal of long-term indebtedness that is not the primary obligation of the proprietary or trust funds. Long-term debt is composed of outstanding bonds, long-term notes payable, capital leases, and long-term liabilities for compensated absences and other post-employment benefits. Typically, long-term debts are incurred to construct or purchase buildings, land, and equipment for the LEA. LEAs should maintain detailed information on all of their long-term debts, including issue dates, interest rates, total debt outstanding, principal and interest repayments, and so forth.

Although some LEAs maintain general fixed-asset and general long-term debt account groups during the year, in most cases these account groups are set up at the end of the year as a part of the preparation of financial statements. LEAs should maintain detailed information, including all additions and deletions, on their fixed assets and long-term debts to facilitate the establishment of the account groups to be included in the annual audited financial statements.

PROCEDURE NO.

204

The General Ledger and the Chart of Accounts

Each fund is a separate group of self-balancing accounts. For accounts to be self-balancing, the totals of the accounts having debit (Dr) balances must equal the totals of the accounts having credit (Cr) balances.

An *account* is the device that accumulates the net effect of all financial transactions on one item of assets, liabilities, fund balance, revenue, or expenditure. For example, the *cash account* in the General Fund will show all the transactions that affected cash in the General Fund for a given period of time. All the accounts within each fund will be classified as either an asset, a liability, a fund balance (or retained earnings), a revenue, or an expenditure (expense) account.

The revenue and expenditure accounts are referred to as "temporary," or "nominal," accounts because they are "closed out" at the end of the year and become part of the fund balance. These revenue and expenditure accounts are reopened at the beginning of each fiscal year.

The asset, liability, and fund balance accounts are "permanent," or "real," accounts that exist throughout the life of a fund. These accounts are not "closed" at the end of the year.

The General Ledger

The *General Ledger* is defined as the book, file, computer run, or other device which contains the accounts that are necessary to reflect in summary or in detail the financial operations and the financial condition of the local educational agency (LEA). The General Ledger for a fund will show the group of self-balancing accounts for that fund. A General Ledger will be maintained for each fund of an LEA. The sequence of accounts in the General Ledger will follow the order in which the accounts are presented in the financial statements—assets first and then liabilities, fund balance, revenues, and expenditures.

The Chart of Accounts

A list of all the accounts of an LEA and the numbers assigned to the accounts is called a *Chart of Accounts.* The identification of the specific accounts to be used by an LEA should be one of the first steps in setting up the accounting system. New accounts may be added, or unnecessary ones may be deleted once the system is in use.

LEAs that have converted to the standardized account code structure (SACS) are to use the Chart of Accounts in Part II of this manual. These accounts may also apply to other funds maintained by the LEA.

Chart of Accounts

		Normal balance
	Assets	
9110	Cash in County Treasury	Dr
9111	Fair Value Adjustment to Cash in County Treasury	Dr, Cr
9120	Cash in Bank(s) *(Education Code* sections 35314, 38093, and 52704)	Dr
9130	Revolving Cash Account *(Education Code* sections 42800–42806, 42810, 42820, and 42821)	Dr
9135	Cash with a Fiscal Agent/Trustee	Dr
9140	Cash Collections Awaiting Deposit *(Education Code* Section 41001)	Dr
9150	Investments *(Education Code* Section 41015)	Dr
9160	Accounts Receivable	Dr
9170	Due from Other Funds	Dr
9210	Stores	Dr
9220	Prepaid Expenditures (Expenses)	Dr
9300	Other Current Assets	Dr
9410	Land	Dr
9420	Improvement of Sites	Dr
9425	Accumulated Depreciation—Improvement of Sites	Cr
9430	Buildings	Dr
9435	Accumulated Depreciation—Buildings	Cr
9440	Equipment	Dr
9445	Accumulated Depreciation—Equipment	Cr
9450	Work in Progress	Dr
	Liabilities	
9510	Accounts Payable (Current Liabilities)	Cr
9520	Due to Other Funds	Cr
9530	Current Loans	Cr
9540	Deferred Revenue	Cr
9570	Other Current Liabilities	Cr
9575	Due to Other Agencies	Cr
9581	General Obligation Bonds Payable	Cr
9582	State School Building Loans Payable	Cr
9584	Other Postemployment Benefits	Cr
9585	Compensated Absences Payable	Cr
9586	Certificates of Participation (COPs) Payable	Cr
9587	Capital Leases Payable	Cr
9588	Lease Revenue Bonds Payable	Cr
9589	Other General Long-Term Debt	Cr
	Fund Balance	
9611	Reserve for Revolving Cash	Cr
9612	Reserve for Stores	Cr
9613	Reserve for Prepaid Expenditures (Expenses)	Cr
9619	Reserve for All Other	Cr

9620	Reserve for Encumbrances	Cr
9630	General Reserve (*Education Code* sections 1621 and 42124)	Cr
9640	Legally Restricted Balance	Cr
9710*	Designated for Economic Uncertainties	Cr
9715	Designated for the Unrealized Gains of Investments and Cash in County Treasury	Cr
9720–9789	Other Designations	Cr
9790*	Undesignated/Unappropriated	Cr

Budgetary Accounts

9810	Estimated Revenue	Dr
9815	Estimated Other Financing Sources (Optional)	Dr
9820	Appropriations	Cr
9825	Estimated Other Financing Uses (Optional)	Cr
9830	Encumbrances	Dr

Control Accounts

9840	Revenue	Cr
9845	Other Financing Sources (Optional)	Cr
9850	Expenditures	Dr
9855	Other Financing Uses (Optional)	Dr

Non-operating Accounts

9910	Suspense Clearing	Dr, Cr

Other Debits

The following account will be used in the general fixed asset account group:

9690	Investment in Fixed Assets	Cr

Other Credits

The following accounts will be used in the long-term debt account group:

9680	Amount Available in Other Funds	Dr
9685	Amount to Be Provided for Retirement of General Long-Term Debt	Dr

Definitions of, and explanatory notes about, the accounts listed in the Chart of Accounts follow.

Assets

9110 *Cash in County Treasury*. Beginning cash balance, plus all moneys deposited in the county treasury less disbursements. Included are all amounts added or deducted at the county level.

* LEAs may use accounts 9710 and 9790 for contributed capital and retained earnings in the proprietary funds.

9111 *Fair Value Adjustment to Cash in County Treasury*. The difference between the fair value and the reported amount of cash in county treasury.

9120 *Cash in Bank(s).* Indicated balances in separate bank accounts for adult education incidentals, scholarships and loans, school farm accounts, and cafeteria accounts (*Education Code* sections 35314, 38093, and 52704). This account also includes any money in a bank clearing account awaiting deposit in the county treasury (*Education Code* Section 41017).

9130 *Revolving Cash Account.* (1) A recording of the establishment and maintenance of a cash account for the use of the chief accounting officer or other designated official of the LEA in accordance with *Education Code* sections 42800–42806, 42810, 42820, and 42821. This account is similar in use and control to accounts known as petty cash funds. Once this account is established, it should be carried indefinitely in the General Ledger and shown in all balance sheets and budgets until it is abolished. The amount recorded will vary only through increase or decrease in the total amount approved for the account. It should be noted that the Revolving Cash Account is a reservation of cash within an already established fund and is not to be considered or accounted for as a separate fund or entity. (2) A sum of money, either in the form of currency or a special bank account, set aside for the purpose of making change or immediate payments of small amounts. The invoices for these payments are accumulated, and the account is reimbursed from the LEA's funds, thus maintaining the account at the predetermined amount.

Checks drawn on a prepayment fund may not be for more than $1,000, including tax and freight (*Education Code* Section 42821).

9135 *Cash with a Fiscal Agent/Trustee*. Deposits with a fiscal agent, such as a third-party administrator for self-insurance. This account also includes the proceeds of certificates of participation deposited with a trustee.

9140 *Cash Collections Awaiting Deposit.* Receipts not yet deposited in the county treasury (*Education Code* Section 41001).

9150 *Investments*. Investments authorized by the governing board of the LEA in any of the investments specified in Section 53601 or Section 16430 of the *Government Code* (*Education Code* Section 41015).

9160 *Accounts Receivable*. Amounts due from private persons, firms, corporations, or governmental agencies. Accounts receivable shall be limited to auditable amounts usually based on contractual agreements; to amounts billed but not received; and, within provisions of law, to amounts that were earned by the close of the fiscal year and that might have been received and deposited in the county treasury by that date except for the lack of time for settlement.

9170 *Due from Other Funds*. Amounts due from other funds of the LEA.

9210 *Stores.* Amounts of materials, supplies, and possibly certain equipment kept in a central warehouse and subject to requisition and use.

9220 *Prepaid Expenditures (Expenses).* Payments made in advance of the receipt and use of services. Prepaid insurance premiums are illustrative. That portion of the premium paid in advance for coverage beyond the current fiscal year may be charged to Prepaid Expenditures. Adjustments to this account in the succeeding fiscal years apportion the premium over the period covered.

It is important to note that in fund accounting, expenditures for insurance and similar services extending over more than one accounting period need not be allocated between or among accounting periods but may be accounted for as expenditures in the period of acquisition.

9300 *Other Current Assets.* Assets that are available or that can be made readily available to meet the cost of operations or to pay current liabilities.

9400–9450 *Fixed Assets.* Accounts that will be used in the proprietary funds, the trust funds, or the general fixed assets account group to present the assets of the LEA that are of a permanent character and that are intended to continue to be held or used.

9410 *Land.* A fixed asset account reflecting the cost of land owned or held by the LEA.

9420 *Improvements of Sites.* A fixed asset account reflecting the cost of site improvements owned or held by the LEA.

9425 *Accumulated Depreciation—Improvements of Sites*. A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using depreciable site improvements, on a historical cost basis, over the estimated useful life of the improvement.

9430 *Buildings*. A fixed asset account reflecting the cost of permanent structures owned or held by the LEA.

9435 *Accumulated Depreciation—Buildings*. A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using buildings, on a historical cost basis, over the useful life of the building.

9440 *Equipment.* A fixed asset account reflecting the cost of properties that do not lose their identity when removed from their location and are not changed

materially or consumed immediately (e.g., within one year). Equipment has relatively permanent value, and its purchase increases the value of the physical properties of the LEA, such as furniture, vehicles, machinery, motion picture film, videotape, and furnishings that are not integral parts of the building or the building system.

9445 *Accumulated Depreciation—Equipment.* A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using equipment, on a historical cost basis, over the useful life of the equipment.

9450 *Work in Progress.* An asset representing the value of partially completed work.

Liabilities

9510 *Accounts Payable (Current Liabilities).* Amounts owed to private persons, firms, corporations, or governmental agencies for services rendered and goods received on or before the close of the fiscal year. Do not include "encumbrances" represented by purchase orders or contracts, or portions thereof, for services or goods to be furnished after the close of the fiscal year. Include salaries earned but not paid until after June 30, amounts owed to other LEAs for tuition payments, that portion of construction contracts represented by work done by the close of the fiscal period, invoices for materials or equipment received prior to June 30, and so forth.

Do not include goods or services for federal grants that qualify as legal obligations for funding purposes. See Procedure No. 401.

9520 *Due to Other Funds.* Amounts owed to other funds within the LEA.

9530 *Current Loans*. Short-term obligations representing amounts borrowed for short periods of time and usually evidenced by notes payable. Such loans may be unsecured or secured by specific revenues to be collected, such as tax anticipation notes.

9540 *Deferred Revenue*. Revenue which has been received, but is unearned, as of June 30.

9570 *Other Current Liabilities.* Other short-term liabilities owed to private persons or organizations.

9575 *Due to Other Agencies*. A liability account reflecting amounts owed to other agencies.

9580–
9589 Accounts that will be used in the proprietary funds, nonexpendable trust funds, or the general long-term debt account group to reflect the long-term liabilities of the LEA.

9581 *General Obligation Bonds Payable*. The liability account reflecting the outstanding balance of general obligation bonds.

9582 *State School Building Loans Payable*. The liability account reflecting the outstanding principal balance of State School Building Loans. State School Building Loans were granted in the past to facilitate the construction of schools. These loans are no longer being offered under this program; however, some LEAs still have outstanding balances that are being repaid.

9584 *Other Postemployment Benefits.* The liability account reflecting benefits other than pension benefits provided to employees following termination, but before retirement, as well as the period after retirement.

9585 *Compensated Absences Payable*. The liability account reflecting accumulated unpaid benefits that are provided to employees. These benefits include vacation, sick leave, and sabbatical leaves that are paid to employees upon termination or retirement. However, this liability account does not include sick leave balances for which employees receive only additional service time for pension benefit purposes.

9586 *Certificates of Participation (COPs) Payable*. The liability account reflecting the outstanding principal balance of COPs.

9587 *Capital Leases Payable*. The liability account reflecting the noncurrent portion of the discounted present value of total future stipulated payments on lease agreements that are capitalized.

9588 *Lease Revenue Bonds Payable*. The liability account reflecting the outstanding balance of Lease Revenue Bonds.

9589 *Other General Long-Term Debt.* The liability account reflecting other long-term liabilities, such as the noncurrent portions of liabilities for unfunded pension obligations and other similar items.

Fund Balance

9610–
9619 *Reserve for Nonexpendable Assets.* Accounts set up to reflect the value of nonexpendable asset accounts. At the beginning of the fiscal year, this account is credited with the same amounts that are set up as debits to the previously

described asset accounts. At the close of the year, this account is adjusted to reflect the net increase or decrease during the year in these amounts.

9611 *Reserve for Revolving Cash*. The portion of fund balance reflecting the value of revolving cash account.

9612 *Reserve for Stores.* The portion of fund balance reflecting the value of stores.

9613 *Reserve for Prepaid Expenditures (Expenses).* The portion of fund balance reflecting the value of prepaid expenditures/expenses.

9619 *Reserve for All Other*. The portion of the fund balance reflecting the value of all other nonexpendable assets.

9620 *Reserve for Encumbrances.* An amount set aside to provide for encumbrances.

9630 *General Reserve*. The amount set aside by the governing board to meet cash requirements in the succeeding fiscal year until adequate proceeds from the taxes levied or from the apportionment of state funds are available.

9640 *Legally Restricted Balance*. Segregation of a portion of a fund balance for legally restricted funds. For example, the unspent instructional materials funds.

9710 *Designated for Economic Uncertainties.* That portion of the fund balance that has been designated (set aside) by the governing board to provide for emergencies or economic events, such as revenue shortfalls, that could not be anticipated.

9715 *Designated for the Unrealized Gains of Investments and Cash in County Treasury*. The portion of the fund balance attributable to the fair value changes for net unrealized gains that is not available for spending.

9720–9789 *Other Designations*. The portion of the fund balance that has been set aside by the governing board for specific purposes.

9790 *Undesignated/Unappropriated*. This account represents the excess of the fund's assets over its liabilities, plus a budgetary element—the excess of estimated revenue (and estimated other financing sources) over appropriations (and estimated other financing uses).

Budgetary Accounts

9810 *Estimated Revenue*. The budgetary account that shows all revenue estimated to be received or accrued during the fiscal year. This account is a control account in a fund's General Ledger, and it must agree with the subsidiary ledger.

9815 *Estimated Other Financing Sources (Optional).* The budgetary account that shows all the other financial resources that are estimated to be received or accrued during the fiscal year. This account is optional; LEAs may use account 9810 to record both budgeted revenue and other sources.

9820 *Appropriations.* Authorization granted by the governing board to make expenditures and to incur obligations for specific purposes and amounts within the fiscal year. This account is a control account in the General Ledger, and it must agree with the subsidiary ledger.

9825 *Estimated Other Financing Uses (Optional).* The budgetary account that shows all of the other financial obligations that will be paid or will accrue during the fiscal year. This account is optional; LEAs may use account 9820 to record both appropriations and estimated other uses.

9830 *Encumbrances*. Obligations in the form of purchase orders, contracts, salaries, or other commitments that are chargeable to an appropriation and for which part of the appropriation is reserved. Encumbrances are canceled when the obligation is paid or when the actual liability is set up. This control account represents the total amount of the appropriations that has been designated for expenditure for specified purposes.

Details of encumbrances by classification or account are recorded in the same subsidiary Appropriations Ledger in which expenditures are recorded.

Control Accounts

9840 *Revenue.* The control account for all revenue that is received or accrued during the fiscal year.

9845 *Other Financing Sources (Optional).* The control account for other financing sources. This account is optional; LEAs may use account 9840 as the control account for revenue and other financing sources.

9850 *Expenditures*. The control account for all expenditures that are paid or accrued during the fiscal year.

9855 *Other Financing Uses (Optional)*. The control account for other financing uses. This account is optional; LEAs may use account 9850 as the control account for expenditures and other financing uses.

Non-Operating Accounts

9910 *Suspense Clearing.* An account that carries charges or credits temporarily pending to the determination of the proper account or accounts to which they are to be posted and that may be used for posting of amounts not yet analyzed to decide whether they should be revenue, expenditure, or abatement. Charges that must be allocated or prorated may be posted in their account until such allocation or proration can be calculated. This account must "zero balance" at the close of the fiscal year and should be reviewed monthly.

Other Debits

9690 *Investment in Fixed Assets*. An account in the general fixed-asset account group that represents the LEA's equity in general fixed assets.

Other Credits

9680 *Amount Available in Other Funds*. An account in the general long-term debt account group equal to the fund balance available in the governmental funds (e.g., debt service fund) for the retirement of general long-term liabilities.

9685 *Amount to Be Provided for Retirement of General Long-Term Debt.* An account in the general long-term debt account group representing the amount to be provided from taxes or other general revenues to liquidate general long-term liabilities.

PROCEDURE NO.

302

Revenue Recognition

In governmental funds, in which the modified accrual basis of accounting is used, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. The term *available* means collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period.

Generally, *available* is defined as collectible within 45, 60, or 90 days. However, to achieve comparability of reporting among California LEAs and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state aid apportionments, the California Department of Education has defined *available* as collectible within one year. See below for a discussion of revenue recognition for specific revenue sources.

In proprietary funds, in which the accrual basis of accounting is used, revenues are recognized as soon as they are earned.

LEAs receive revenue in one of two ways: 1) through *exchange transactions*, in which both parties exchange equal value, such as a contract for services; or 2) through *nonexchange transactions*, in which the LEA receives value without directly giving equal value in return, such as receipt of state apportionments, state or federal categorical grants, and local property taxes. Most revenues received by LEAs are the result of nonexchange transactions.

In governmental funds, recognition of revenues from exchange and exchange-like transactions occurs as soon as the exchange has occurred and the revenues become available.

Recognition of revenues from nonexchange transactions varies depending on the characteristics of the nonexchange transaction. GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which took effect in June 2000, defines four classes of nonexchange transactions:

- *Derived tax revenue* is from assessments imposed by governments on exchange transactions. Examples include sales tax or income tax. Derived tax revenues are recognized in the period when the underlying exchange transaction occurs and the resources are available. Typically, LEAs do not assess taxes or directly receive derived tax revenues.
- *Imposed nonexchange revenue* is from assessments by governments on nongovernmental entities, including individuals, other than assessments on exchange transactions. Examples include ad valorem property taxes and fines. Generally, using modified accrual accounting,

property tax revenues are recognized in the period for which they are assessed and become available. However, see below for discussion of revenue recognition for property taxes for California LEAs.

- *Government-mandated nonexchange revenue* is from a government at one level providing resources to a government at another level, requiring the recipient to use the resources for a specific purpose. An example is the state apportionment for providing required educational services. Under modified accrual, government-mandated nonexchange revenue is recognized when all applicable eligibility requirements have been met and the resources are available.
- *Voluntary nonexchange revenue* is from legislative or contractual agreements, other than exchange transactions, entered into willingly by two or more parties. Examples are donations, grants, or entitlements entered into by an LEA through an application process. Under modified accrual accounting, voluntary nonexchange revenue is recognized when all applicable eligibility requirements have been met and the resources are available.

Generally accepted accounting principles (GAAP) requires that when both parties to a nonexchange transaction are governments, recognition generally should be symmetrical. That is, when the provider government is required to recognize a liability, the recipient government should recognize an asset. GAAP further requires that when the provider is a government, an appropriation is essential to make enabling legislation effective for a particular period of time. A government does not have a liability to transmit resources under a particular program, and a recipient does not have a receivable, unless an appropriation for that program exists.

Policies for recognizing sources of revenue common to California LEAs are as follows:

1. Second Period to Annual Corrections for Revenue Limits and Other State Apportionments

Revenue limits and other state apportionments are government-mandated nonexchange transactions and are recognized when all eligibility requirements have been met. Second period to annual corrections for revenue limits and other state apportionments, either positive or negative, should be accrued at the end of the fiscal year.

For example, the annual calculation of the revenue limit (Form K-12 Annual) should be made and the LEA's actual tax receipts as reported by the county auditor (Form J-29) should be subtracted to determine the annual state aid to which the LEA is entitled. Any difference between the calculated annual state aid and the state aid received on the second principal apportionment is recorded as follows:

If the adjustment is positive, and more revenue is due than has been received, a receivable is recorded.

Pre-Standardized Account Code Structure (SACS)

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Accounts Receivable, State (9160)**	**xxxx**	
	Revenue (8011)		**xxxx**
	To record the second period to annual adjustment to the state revenue limit apportionment		

In SACS

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Due from Grantor Governments 01-0000-0-0000-0000-9290**	**xxxx**	
	State Aid 01-0000-0-0000-0000-8011		**xxxx**
	To record the second period to annual adjustment to the state revenue limit apportionment		

If the adjustment is negative, and less revenue was due than was received, a payable is recorded.

Pre-Standardized Account Code Structure (SACS)

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Revenue (8011)**	**xxxx**	
	Accounts Payable, State (9510)		**xxxx**
	To record the second period to annual adjustment to the state revenue limit apportionment		

In SACS

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**State Aid 01-0000-0-0000-0000-8011**	**xxxx**	
	Due To Grantor Governments 01-0000-0-0000-0000-9590		**xxxx**
	To record the second period to annual adjustment to the state revenue limit apportionment		

Under California's apportionment schedule, LEAs do not receive the amounts they accrue for adjustments to state aid until the following February. This is beyond the period normally defined as available. However, adjustments to state aid result from over- or under-collection of annual property taxes compared to the initial estimates on which state aid apportionments were based. Consequently, it might vary from one LEA to the next whether an LEA's accrual for adjustment to state aid is a payable or a receivable. It would be inconsistent for one LEA to accrue a payable for its adjustment to state aid, but for the

next LEA not to accrue a receivable for its adjustment to state aid. In the interest of comparable revenue reporting among California LEAs, all LEAs should use the definition of *available* at the beginning of this procedure and should accrue their receivables for adjustments to state aid.

2. Prior Year Corrections to State Apportionment

Any corrections to state apportionments from amendments to prior years' state reports are reflected as revenue and accrued as accounts receivable or payable in the year in which the adjustment amounts become known and the amendments are filed, provided that the actual cash adjustments are expected to be made no later than the following fiscal year.

For example, if the LEA filed an amended second-period attendance report for the preceding year, the LEA would accrue the anticipated adjustment at the end of the current fiscal year, even though the adjustment will not be received until the following February. The accrued revenue is recorded in a current year revenue account.

3. Property Taxes

California LEAs should recognize property tax revenues actually received, as reported on Form J-29-B, Report of Taxes Collected and Distributed—District or Form J-29-C, Report of Taxes Collected and Distributed—County. LEAs should make no accrual for property taxes receivable as of June 30.

While this may seem contrary to generally accepted accounting principles, it must be remembered that under California's unique Revenue Limit funding formula, an LEA's total Revenue Limit entitlement is funded through a combination of local property taxes and state aid. The amount of property taxes the LEA actually receives by June 30 is applied toward the total entitlement. The difference is funded through state aid. Recognition of only those property taxes received by June 30 is therefore appropriate because accruing additional property taxes receivable as of June 30, unless the LEA were to make an offsetting adjustment to its state aid accrual, would misstate the LEA's Revenue Limit entitlement. Making an offsetting adjustment to the state aid accrual would be unnecessarily burdensome for the LEA and would result in the accrual no longer matching the amount actually receivable from the state as reported on apportionment documents.

4. Mandated Costs Revenue

Mandated costs revenue does not become available until appropriated by the Legislature and approved by the Governor. Therefore, revenue from claims for mandated costs is recorded on a cash basis. However, if a known amount is received within 60 days of the close of the fiscal year, the LEA will accrue the amount as follows:

Pre-Standardized Account Code Structure (SACS)

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Accounts Receivable, State (9160)**	**xxxx**	
	Revenue (8550)		**xxxx**
	To accrue the mandated costs revenue due from the state		

In SACS

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Due from Grantor Governments 01-0000-0-0000-0000-9290**	**xxxx**	
	Mandated Cost Reimbursements 01-0000-0-0000-0000-8550		**xxxx**
	To accrue the mandated costs revenue due from the state		

5. Deferred Maintenance Apportionment

The Deferred Maintenance Apportionment is recognized in the year it is appropriated in the state Budget Act and apportioned to LEAs. The LEA's matching transfer to the Deferred Maintenance Fund is recognized in the year that it is made or accrued.

6. Interest

Interest revenue is accrued so that the amount earned during the four quarters of the fiscal year is reflected as revenue in that fiscal year.

7. State Lottery Revenue

The estimated fourth-quarter payment of state lottery revenue is accrued at the end of the fiscal year. The adjusting payment of lottery revenues from the prior year to current ADA is reflected as revenue in the year in which the adjusting payment is received.

8. Categorical Funds Subject to Deferred Revenue

LEAs commonly receive grant awards that are "reimbursement-type" or "expenditure-driven." These awards may be mandated by the government or may have been accepted voluntarily by the LEA. The eligibility requirements of these awards has not been met until the LEA has made the required expenditures of the grant within the time period specified by the grantor. Revenue is recognized in the period in which the qualifying expenditures are made. Cash received but unspent at the end of the fiscal period is booked as a liability, and revenue is reduced to the amount that has been expended. For example, if a $10,000 federal grant has been received, but only $8,125 has been expended by the end of the fiscal year, only $8,125 revenue is recognized:

Pre-Standardized Account Code Structure (SACS)

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Revenue (8290)**	**$ 1,875.00**	
	Deferred Revenues (9540)		**$ 1,875.00**
	To reduce $10,000 revenue of the XYZ Grant by amount not expended		

In SACS

Date	*Account*	*Debit*	*Credit*
x-xx-xx	**Revenue** **01-3XXX-0-0000-0000-8290**	**$ 1,875.00**	
	Deferred Revenues **01-3XXX-0-0000-0000-9650**		**$ 1,875.00**
	To reduce $10,000 revenue of the XYZ Grant by amount not expended		

9. Categorical Funds Subject to Fund Balance

LEAs commonly receive funds for which they have fulfilled specific eligibility requirements or have provided a particular service. For example, a district may be granted funds to transport students, to provide meals to students, or to offer supplemental classes to at-risk students. Once the LEA has provided these services, they have earned the revenue provided. Any unspent money may be carried to the next year to be expended for the same restricted purposes. Revenue is recognized in the period that the service is provided, and any carryover becomes a part of the LEA's ending fund balance.

Labels such as "grants" or "entitlements" are sometimes used for restricted categorical resources. These terms do not necessarily define the characteristics necessary for proper revenue recognition. Care should be taken to understand the characteristics of each resource to determine how revenue should be recognized by the LEA.

PROCEDURE NO.

401

Accounting for Expenditures and Other Financing Uses

When the resources of a fund decrease, the decrease is the result of *expenditures, expenses,* or *interfund transfers.*

Expenditures

Expenditures are decreases in net spendable resources. They include expenses (the term used in the proprietary funds), payments toward the retirement of long-term debt, and capital outlay for acquisition of long-term assets, such as land, buildings, and equipment.

Account numbers 1000–7499 and 7651–7699 are used to record a local educational agency's (LEA's) expenditures.

Interfund Transfers

Interfund transfers are flows of assets without equivalent flows of assets in return and without a requirement for repayment. The two major categories of interfund transfers are:

1. *Residual equity transfers.* Residual equity transfers are nonrecurring or nonroutine transfers of equity between funds. Examples of transfers of this type are (1) transfers of residual balances of discontinued funds to the General Fund; and (2) nonroutine contributions of Internal Service Fund capital by the General Fund.

2. *Operating transfers.* Operating transfers, which comprise all interfund transfers other than residual equity transfers, are routine, legally authorized transfers between funds. Examples of operating transfers are (1) transfers from the General Fund to a Special Revenue or Capital Projects Fund; and (2) operating subsidy transfers from the General Fund to an Enterprise Fund.

Both residual equity transfers and operating transfers are nonreciprocal interfund activities. Reciprocal interfund activities, such as interfund loans and interfund services provided and used, are not recorded as interfund transfers.

Interfund transfer accounts are closed at the end of the fiscal year in the same manner as that used for closing expenditure accounts.

Account numbers 7610–7629 are used to record an LEA's interfund transfers.

Recognition of Expenditures and Operating Transfers

Expenditures of governmental funds are accounted for on the *modified accrual basis.* Expenditures, if measurable, are therefore recorded (recognized) during the accounting period in which liabilities are incurred. The only exception is unmatured interest on general long-term debt.

Policies governing expenditure recognition will continue as currently established:

1. Expenditures and transfers out are recorded when the related liabilities, if measurable, are incurred except for unmatured interest on general long-term debt, which is recognized when due.

2. Accruals for accounts payable at the end of the fiscal year are recorded for services rendered or for goods received by June 30.

Expenses of proprietary and trust funds are accounted for on the *accrual basis.* Expenses, if measurable, are recognized during the period in which they are incurred.

Transfers out are recognized during the accounting period in which the interfund transfer obligation arises.

Recognition of Legal Obligations in Reporting for Federal Grants

Legal obligations are commitments made by an LEA to purchase goods or services immediately or in a future period. Commitments are generally made in the form of a purchase order or a written contract. For purposes of accounting at year-end, obligations for future periods are not reflected in the current year's books. Rather, the obligated goods or services are recognized in the following year's books, when the goods or services are actually received.

But for purposes of grant reporting, federal funding may be claimed under a current-year grant for certain qualifying legal obligations incurred by the end of the grant period, even though the goods or services will not be received until after the grant period ends. *The question of whether or not an obligation is claimable for funding under a current-year grant is determined by what the obligation is for.* The following illustration from the Education Department General Administrative Regulations (EDGAR) *Code of*

Federal Regulations (CFR), Title 34, Part 76.707, shows when various commitments are considered to be legal obligations.

If the obligation is for . . .	***The legal obligation is made . . .***
Acquisition of real or personal property	On the date on which the LEA makes a binding written commitment to acquire the property
Personal services by an employee of the LEA	When the services are performed
Personal services by a contractor who is not an employee of the LEA	On the date on which the LEA makes a binding written commitment to obtain the services
Performance of work other than personal services	On the date on which the LEA makes a binding written commitment to obtain the work
Public utility services	When the LEA receives the services
Travel, conferences	When the travel is taken or conference attended
Rental of real or personal property	When the LEA uses the property

On the basis of the previous illustration, an example of a legal obligation that would not qualify for funding under a current-year grant ending June 30 is the cost of a conference to be held in July. Regardless of when a purchase order or contract is signed, that legal obligation occurs when the conference is attended, not before.

When funds are claimed for legal obligations under a current–year grant, unexpended federal revenue will remain in the books at year-end because the expenditures for the legal obligations will not occur until the following year. The unexpended revenue is deferred by decreasing the income account in the current year's books and increasing the income account in the following year's books. The grant revenues claimed for the current year for grant reporting purposes will therefore exceed the federal grant funds recognized in the current year's books.

An example follows:

	Grant Claim (ends 6/30)	*Current-Year Books (as of 6/30)*	*Subsequent-Year Books (begin 7/1)*
Federal Revenue Received	100	100	
Federal Revenue Deferred		(20)	20
Subtotal, Revenue	**100**	**80**	**20**
Actual Expenditures	80	80	20
Legal Obligations	20		
Subtotal, Expenditures/Obligations	**100**	**80**	**20**

This is a normal difference between governmental accounting principles and grant reporting procedures.

Classifications

Fund

Because expenditures are authorized by appropriations specifically related to funds, they must first be classified by fund. Expenditures and other financing uses must then be classified further to provide useful information to management.

Program

Program classification provides information on the overall purposes or objectives of expenditures. Descriptions of the various programs operated by LEAs are presented in Procedure No. 701.

Object

Object classification refers to the items purchased or the types of services obtained. Descriptions of the objects of expenditure used by LEAs are shown on pages 401-5 through 401-26.

The *Education Code* limits an LEA's expenditures to amounts appropriated for the several major expenditure classes in the LEA's budget as adopted or as subsequently revised. To allow budgetary control of expenditures, the budget and all documents dealing with appropriations must be prepared using the same classifications as employed in accounting for expenditures. Similarly, financial reports for local, county, state, or federal use should use the same classifications.

LEA officials who have direct knowledge of the nature and purpose of each expenditure should designate the appropriate expenditure classification on the orders, requisitions, or contracts at the time that commitments are made. Accounts to be charged should be identified when goods or services are ordered or when employees are assigned or reassigned.

Where feasible, notices of employment, contracts, and other LEA documents relating to expenditures or commitments that will result in expenditures should bear the program and object classifications for review and approval by the county office of education. The inclusion of these classifications on the documents permits the prompt settling of any questions concerning the classification of expenditures. One decision regarding expenditure classification can thus serve for multiple disbursements, such as monthly salary payments, to be made at future dates.

Whether or not expenditure classifications are shown on commitment documents, all LEA warrant orders should show the expenditure classifications applicable to the disbursement. In examining and approving such orders, county offices should make sure that the expenditure classifications are correct. They should serve as coordinating officers to ensure that school districts understand and uniformly apply the guidance contained in this manual. When necessary, county offices should confer with school districts regarding any seemingly incorrect expenditure classification and advise the school district of any changes made by the county office.

When county offices draw requisitions on school district funds in those relatively infrequent instances in which they are authorized or required by law to initiate disbursements, county offices should designate the expenditure classifications applicable to such disbursements and inform the districts of the date, payee, purpose, amount, and expenditure classification of each requisition so drawn. They should also notify the districts of (1) the date, purpose, amount, and expenditure classification of any withdrawal from the funds of the school district other than by district order or county superintendent's requisition; and (2) the amounts withheld from apportionments of state funds to be treated as expenditures, such as the amounts withheld for district repayments of school building apportionments.

The expenditure classifications should be designated on every warrant or warrant register so that county offices can maintain the accounting records of expenditures necessary for budgetary control of expenditures and annual reporting purposes.

School districts and county offices are required to report expenditures in accordance with defined object classifications. They may establish *subclassifications* of required object classifications to capture additional data for their own internal reporting requirements.

Objects of expenditure represent all goods or services that may be purchased. Examples are salaries, supplies, and equipment.

Use of Objects of Expenditure (Expense) Classifications

Objects of expenditure may be classified in many different ways. They may be grouped under summary headings or presented in great detail. Grouping them under summary headings saves space, but at the expense of clarity. Greater detail improves clarity, but is more costly. In practice, considerable detail is used in developing budgets and recording expenditures. Then, for reporting purposes, the detail is summarized under more general classification headings.

All objects of expenditure listed in this section must be maintained by all school districts and county offices in their day-to-day accounting of expenditures. The use of

these objects will facilitate the preparation of budgets and the various financial reports requested by federal, state, county, and local agencies.

County offices must maintain minimum budgetary control of school districts' accounts on the following major object of expenditure classifications:

1000 Certificated Personnel Salaries
2000 Classified Personnel Salaries
3000 Employee Benefits
4000 Books and Supplies
5000 Services and Other Operating Expenditures
6000 Capital Outlay
7000 Other Outgo

1000–1999 Certificated Personnel Salaries

Certificated salaries are salaries for positions that require a credential or permit issued by the Commission on Teacher Credentialing. Typical job classifications for certificated personnel are shown in Exhibit 401-1, Analysis of Salaries, at the end of this procedure.

Salaries paid to an employee on leave of absence continue to be charged in the same manner and to the same account classification applicable while the employee was in active service for the LEA.

1100 *Teachers' Salaries*

Record the full-time, part-time, and prorated portions of salaries for all certificated personnel employed to teach the pupils of the district or pupils in schools maintained by the county office. Include salaries for teachers of children in homes or hospitals, all special education resource specialists and teachers, substitute teachers, and instructional television teachers.

The separate recording of teachers' salaries is required by provisions of *Education Code* Section 41011 and is limited to salaries of certificated employees paid to teach the pupils of the district or pupils in schools maintained by the county office.

The following comments, interpretations, and definitions are included to guide school officials in determining whether a total salary or a portion of a salary should be recorded as Object 1100, Teachers' Salaries.

The total salary is recorded in Object 1100, Teachers' Salaries, under the following conditions: The teacher is an employee of the district or county office in a position requiring certification qualifications. The teacher's duties require her or him to teach district pupils for at least one full instructional

period on each school day for which she or he is employed, and she or he is assigned no duties other than those that are connected with or are extensions of classroom teaching. Such activities are limited to the following:

1. Preparation for and evaluation of classroom work

2. Extracurricular activities that arise from and are an extension of classroom work (e.g., class or club sponsorship, supervision at school functions)

3. Management and instruction in a study hall

4. Duties ordinarily assigned to certificated personnel in connection with the custody and control of pupils at recess, at lunchtime, after school, or at other times

The salary must be prorated under the following conditions:

If a certificated employee teaches for at least one instructional period on each day that she or he is employed to teach and is also assigned other duties neither in connection with nor as extensions of classroom teaching, his or her salary must be prorated and recorded in Object 1100, Teachers' Salaries, and in the other objects that provide for recording the expenditures for the other assignment. The amount to be recorded in Object 1100, Teachers' Salaries, is the product of the employee's complete salary and the fraction of the full-time school day of the employee spent as a classroom teacher in the performance of duties in connection with or as an extension of classroom teaching, as limited herein. The remaining portion is then charged to the object in which expenditures for the other assignment are recorded. Some of the other assignments may pertain to work outside the field of teaching. If a teacher performs such assignments, a portion of the teacher's salary must be prorated to objects other than 1100, Teachers' Salaries.

The term *other assignments* includes but is not limited to assignments usually and specifically assigned to certificated persons employed in the following types of positions:

1. General supervisors, coordinators, directors, specialists, consultants, supervisors of special subjects or grades, and certificated assistants

2. Chairperson of an academic department

3. Principals, vice principals, assistant principals, deans, and assistant deans in individual schools

4. Librarians, assistant librarians, computer lab or audiovisual personnel, counselors, nurses, psychologists, psychometrists, audiometrists, and guidance and attendance personnel

The term *other assignments* also includes but is not limited to assignments usually and specifically given to persons in the classified service employed as school bus driver, custodian, secretary to the governing board, or supervisor of transportation. The job description defines the expenditure code used. For example, the salary of a teacher who works half a day as a teacher and half a day as a custodian would be prorated between Object 1100 and Object 2400.

1200 *School Administrators' Salaries*

Record the full-time, part-time, and prorated portions of salaries of principals, vice principals, administrative deans in individual schools, and other personnel performing similar duties.

1300 *Supervisors' Salaries*

Record the full-time, part-time, and prorated portions of salaries for certificated personnel engaged in instructional supervision, including general supervisors, coordinators, directors, consultants, and supervisors of special subjects or grades and their certificated assistants.

Note: The term *supervision* is used to designate those activities having as their purpose the actual improvement of instruction under the direction of supervisors and assistants. Such activities include (1) personal conferences with teachers on instructional problems; (2) classroom visitations; (3) group conferences with teachers; and (4) demonstration teaching.

1400 *Librarians' Salaries*

Record the full-time, part-time, and prorated portions of salaries of all certificated personnel performing the services of a librarian.

1500 *Guidance, Welfare, and Attendance Salaries*

Record the full-time, part-time, and prorated portions of salaries of social workers and all certificated personnel doing pupil personnel work; salaries of psychologists and psychometrists; and salaries of counselors.

1600 *Physical and Mental Health Salaries*

Record the full-time, part-time, and prorated portions of salaries in payment of health services rendered by physicians, oculists, dentists, dental hygienists,

nurses, optometrists, school audiometrists, psychiatrists, otologists, chiropodists, and such other personnel who are authorized in the field of physical and mental health and who are on the payroll of the LEA. These positions require a services credential or a valid credential and a certificate to practice issued by the relevant Board of Examiners *(Education Code* sections 44872–44879 and 49422).

1700 *Superintendents' Salaries*

Record the full-time, part-time, and prorated portions of salaries of superintendents and of deputy, associate, area, and assistant superintendents in school districts and county offices *(Education Code* sections 35028, 35029, 35030, 44065, 44066, and 44069).

1800 *Administrators' Salaries*

Record the full-time, part-time, and prorated portions of salaries of certificated noninstructional personnel, including administrative assistants and directors of administrative activities, such as pupil services or special projects.

1900 *Other Certificated Salaries*

Record the full-time, part-time, and prorated portions of salaries for all certificated personnel who do not fall within one of the categories previously specified. Examples of such personnel are special education and/or other program specialists, certificated civic centers employees, resource teachers not performing duties as classroom teachers, and certificated noon playground supervisors.

2000–2999 Classified Personnel Salaries

Classified salaries are salaries for services that do not require a credential or permit issued by the California Commission on Teacher Credentialing. Typical job classifications for classified personnel are shown in Exhibit 401-1 at the end of this procedure.

Salaries paid to an employee on leave of absence shall continue to be charged in the same manner and to the same account classification as was applicable while the employee was in active service for the LEA.

2100 *Instructional Aides' Salaries*

Record total salaries paid to instructional aides who are required to perform any portion of their duties under the supervision of a classroom teacher or

under the supervision of a special education resource specialist teacher *(Education Code* Section 41011). This object also includes other noncertificated instructional personnel, such as classified coaches or tutors.

2200 *Administrators' Salaries*

Record the full-time, part-time, and prorated portions of salaries of supervisory personnel who are business managers, controllers, directors, chief accountants, supervisors, purchasing agents, assistant superintendents, and superintendents. Include governing board members and personnel commission members. (For assistant superintendents and superintendents, see *Education Code* sections 35028, 35029, 35030, 44065, 44066, and 44069.)

2300 *Clerical and Other Office Salaries*

Record the full-time, part-time, and prorated portions of salaries paid to clerks, secretaries, accountants, bookkeepers, programmers and data processors, and others in similar positions.

2400 *Maintenance and Operations Salaries*

Record the full-time, part-time, and prorated portions of salaries paid to maintenance and operations personnel as follows:

Maintenance: carpenters, painters, plumbers, electricians, and other similar positions

Operations: custodians, matrons, general utility workers, firefighters, dairy workers, guards, gardeners, elevator operators, warehouse workers, delivery personnel, truck drivers, and other similar positions

2500 *Food Services Salaries*

Record the full-time, part-time, and prorated portions of salaries of nutritionists, cooks, helpers, and all other food service personnel except those engaged in the management of the food services program on a district-wide basis. The salary of a classified director of food services at a single site is recorded as Object 2500, Food Services Salaries.

The salary of a classified director of food services, if service is provided district-wide, is recorded as Object 2200, Administrators' Salaries.

2600 *Transportation Salaries*

Record the full-time, part-time, and prorated portions of salaries paid to bus drivers, mechanics, field coordinators, gasoline pump attendants, and all other personnel whose assignments are related to the transportation of students.

2900 *Other Classified Salaries*

Record the full-time, part-time, and prorated portions of salaries not identifiable with Objects 2100 through 2600 (e.g., noon supervision personnel, students, community aides, health aides, library aides, and building inspectors).

3000–3999 Employee Benefits

Record employers' contributions to retirement plans and health and welfare benefits, including cash in lieu of benefits for employees, their dependents, retired employees, and board members.

3100 *State Teachers' Retirement System*

Record expenditures to provide personnel with retirement benefits under the State Teachers' Retirement System (STRS), excluding employee contributions.

3110 STRS—Instructional
3120 STRS—Noninstructional

3200 *Public Employees' Retirement System*

Record expenditures to provide personnel with retirement benefits under the Public Employees' Retirement System (PERS), excluding employee contributions.

3210 PERS—Instructional
3220 PERS—Noninstructional

3300 *Social Security* (Old Age, Survivors, Disability, and Health Insurance [OASDI])

Record expenditures to provide employee benefits under the federal Social Security system, including expenditures to "qualifying" alternative retirement plans for employees not covered under the Social Security system, STRS, or PERS and excluding employee contributions.

3310 Social Security—Instructional
3320 Social Security—Noninstructional
3330 Medicare—Instructional

3340 Medicare—Noninstructional
3350 Retirement In Lieu of OASDI—Instructional
3360 Retirement In Lieu of OASDI—Noninstructional

3400 *Health and Welfare Benefits*

Record expenditures made to provide personnel with health and welfare insurance benefits, excluding employee contributions but including benefit amounts transferred to a Self-Insurance Fund or Retiree Benefits Fund.

3410 Health and Welfare Benefits—Instructional
3420 Health and Welfare Benefits—Noninstructional

3500 *State Unemployment Insurance*

Record expenditures made to provide personnel with unemployment compensation.

3510 Unemployment Insurance—Instructional
3520 Unemployment Insurance—Noninstructional

3600 *Workers' Compensation Insurance*

Record expenditures made to provide personnel with workers' compensation benefits, including benefit amounts transferred to a Self-Insurance Fund.

3610 Workers' Compensation Insurance—Instructional
3620 Workers' Compensation Insurance—Noninstructional

3900 *Other Benefits*

Record the payment for tax-sheltered annuities, deferred compensation, cash-in-lieu, Golden Handshake, and other employee benefits not specified above.

3910 Other Benefits—Instructional
3920 Other Benefits—Noninstructional

4000–4999 Books and Supplies

Record expenditures for books, supplies, and other noncapitalized property, including cost of sales/use tax, freight, and handling charges.

4100 *Approved Textbooks and Core Curricula Materials*

Record expenditures for classroom instructional materials designed for use by pupils and their teachers as the basic curriculum adopted by the State Board of Education or the school district governing board for required subject matter. Instructional materials may be printed or be provided in some other form and may consist of textbooks, technology-based materials, and other educational materials, such as manipulatives (*Education Code* Section 60010[h]). Include all costs for consumable materials available in the approved series, such as kits, audiovisual materials, or workbooks.

Teacher manuals and teacher editions relate to the specific basic or supplementary textbooks and are intended for use by teachers rather than pupils. They are part of the approved curriculum used in the classroom and are part of Object 4100.

For high school, including grades nine through twelve, the costs of textbooks adopted for use as high school textbooks by the governing board of the district under the provisions of *Education Code* Section 60400 shall be recorded as Object 4100, Textbooks.

LEAs should have a mechanism for tracking expenditures for books and materials purchased with funds apportioned by the state for instructional materials purposes under *Education Code* Section 60242.

4200 *Instructional Books Other Than Textbooks*

Record expenditures for (1) books that have not been adopted by the proper authority for use as basic curricula; (2) books, such as reference books, available for general use by students, even though such books may be used solely in the classroom; and (3) all other materials used for reference.

Generally, the purchase of library books or other reference materials is recorded as Object 4200. However, expenditures for library books to stock a new school library or for material expansion are recorded as Object 6300, Books and Media for New School Libraries or Major Expansion of School Libraries.

Consumable materials other than those directly related to adopted curricula (Object 4100) have a limited shelf life (under a year). Expenditures for periodicals, magazines, workbooks, test materials, drill books, exercise pads, bulletins of the California Department of Education, and the like are recorded as Object 4300, Instructional Materials and Supplies.

LEAs should have a mechanism for tracking expenditures for books and materials purchased with funds apportioned by the state for instructional materials purposes under *Education Code* Section 60242.

4300 *Instructional Materials and Supplies*

Record expenditures for consumable materials and supplies and other noncapitalized items of property to be used by students, teachers, and other personnel in connection with the instructional program. Include all tests, periodicals, magazines, workbooks, instructional media materials, audiovisual materials, and any other supplies used in the classroom or library. Expenditures for rentals of materials are recorded as Object 5600, Rentals, Leases, and Repairs.

LEAs should have a mechanism for tracking expenditures for books and materials purchased with funds apportioned by the state for instructional materials purposes under *Education Code* Section 60242.

4400 *Noncapitalized Equipment*

Record expenditures for movable personal property of a relatively permanent nature that has an estimated useful life greater than one year and an acquisition cost less than the LEA's capitalization threshold but greater than the LEA's inventory threshold per *Education Code* Section 35168 or local policy.

4500 *Other Supplies*

Record expenditures for supplies and noncapitalized items of property used in support services and auxiliary programs (except as defined in Object 4600 and 4700), such as custodial, gardening, and maintenance supplies; supplies for operation, repair, and upkeep of equipment, buildings and grounds, and vehicles; and medical and office supplies.

4600 *Pupil Transportation Supplies*

Record expenditures for fuel, oil, tires, parts for repair, small tools, and other similar items.

4700 *Food Services Supplies*

Record under the appropriate subclassification expenditures for all food and supplies used in food service programs or in a particular program or project.

4710 Food

Record expenditures other than for instructional purposes for food used in food services programs (breakfast, snacks, lunch, and other similar items).

Expenditures for food used for instruction in a regular classroom (e.g., in a cooking class) are recorded as Object 4300, Instructional Materials and Supplies.

4790 Other Food Services Supplies

5000–5899 Services and Other Operating Expenditures

Record expenditures for services, rents, leases, maintenance contracts, dues, travel, insurance, utilities, legal, and other operating expenditures. Expenditures may be authorized by contracts, agreements, purchase orders, and so forth.

5100 *Personal Services of Instructional Consultants, Lecturers, and Others*

Record expenditures for personal services of consultants, lecturers, and others who provide direct assistance to teachers or pupils or to the curriculum or health programs. Include the services of organizations such as the Western Association of Schools and Colleges (WASC). Services provided under interdistrict agreements between school districts and/or county offices shall be recorded as Object 5800, Other Services and Operating Expenditures.

LEAs should have a mechanism for tracking expenditures for books, materials, and services purchased with funds apportioned by the state for instructional materials purposes under *Education Code* Section 60242.

5200 *Travel and Conferences*

Record actual and necessary expenditures incurred by or for employees and other representatives of the LEA for travel and conferences *(Education Code* sections 35044 and 44032). Other representatives may include students who are representing the LEA.

5300 *Dues and Memberships*

Record the expenditures or assessments for membership in professional or other organizations or payments to a paying agent for services rendered *(Education Code* Section 35172).

5400 *Insurance*

Record under the appropriate subclassification expenditures for all forms of insurance other than employee benefits.

5440 Pupil Insurance

Record expenditures for accidental death insurance and medical and hospital insurance for pupils.

5450 Other Insurance

Record expenditures for all forms of insurance other than pupils' insurance, such as fire and theft liability and fidelity bond premiums.

5500 *Utilities and Housekeeping Services*

Record expenditures relating to operation of the buildings and grounds for water, fuel, light, power, telephone, waste disposal, laundry and dry cleaning (such as cleaning of drapes and laundering of curtains), and so forth. Include contracts for the services. Fuel for operation of buses used in pupil transportation should be charged to Object 4600.

5600 *Rentals, Leases, Repairs, and Noncapitalized Improvements*

Record expenditures for rentals, leases without option to purchase, and repairs or maintenance by outside vendors of sites, buildings, and equipment. Include expenditures for site or building improvements that do not meet the LEA's threshold for capitalization. Capital leases should be recorded according to the accounting for lease/purchase agreements in Procedure 805 of this manual.

5700 *Direct Costs for Interprogram/Interfund Services*

Record the transfers for direct costs of services provided within a fund or on an interfund basis. Typical transfers in this account will be services provided or products developed by the LEA, such as maintenance and repair of duplicating, audiovisual, or other equipment; photocopying expenses; field trips; district vehicle use; and information technology expenses. Transfers to this account shall be recorded within the following classifications:

5710–5749 Direct Costs for Interprogram Services

Record the transfers for direct costs of services within a fund. This account series must net to zero at the fund level.

5750–5799 Direct Costs for Interfund Services

Record the transfers for direct costs of services provided on an interfund basis. This account series will reflect a balance at the fund level but only for the amount of between-funds costs. The total between-funds debit and credit transactions must net to zero.

5800 *Other Services and Operating Expenditures*

Record expenditures to nonpublic, nonsectarian schools for the education of exceptional children for whom no appropriate services are available or can be provided. (These expenditures shall be excluded from the current cost of education for the Teachers' Salaries computation.)

Note: Expenditures for excess costs and/or deficits in Special Education paid to provider districts or county offices should be charged to Objects 7131–7133.

Record expenditures for all advertising, including advertising for such items as bond sales, contract bidding, and personnel vacancies.

Record expenditures for judgments, penalties, legal advice, attorneys, hearing officers, elections, audits, and other similar costs.

Record expenditures for professional and personal services related to noninstructional programs.

Record expenditures for such services as administration, bus transportation, audiovisual services, and library services.

Record assessments for other than capital improvements, including state assessment for nonuse of school sites.

Record expenditures for surveys and appraisals of sites not purchased. Expenditures for surveys, appraisals, and assessments in connection with site purchases and/or improvements are recorded as Object 6100, Sites and Improvement of Sites.

Record expenditures not otherwise specified, such as payments of interest on loans repaid within the fiscal year; payments for damages to personal property; expenditures for fingerprints, physicals, and x–rays required for employment; and similar items.

Debt issue costs, including underwriter discounts and fees, should be recorded here. If long-term debt is issued at a discount, the discount should be recorded in Object 7699.

5900 *Intergovernmental Fees* (Optional)

Fees charged to LEAs by other local governmental agencies (not other LEAs), such as counties, cities, and special districts, for required services may be recorded separately. Such fees include those charged for health, building, and operating inspections and permits; plan reviews; and utility connection fees. These charges typically relate to emissions, fuel tank operations, hazardous waste generation, chemical storage, food safety, water safety, and fire safety. Examples of departments and special districts that assess these fees include the following: Air Pollution Control, Environmental or Public Health Services, Fire Department, and Public Water Control.

6000–6999 Capital Outlay

Record expenditures for sites, buildings, books, and equipment, including leases with option to purchase, that meet the LEA's threshold for capitalization. LEAs should record in Objects 6000–6999 only those items they intend to capitalize for purposes of the government-wide statements required by GASB Statement 34.

6100 *Sites and Improvement of Sites*

Record expenditures for each of the following:

Acquisition of land and additions to old sites and adjacent ways. Include incidental expenditures in connection with the acquisition of sites, such as appraisal fees, search and title insurance, surveys, and condemnation proceedings and fees. If a site is not purchased after the appraisal or survey, record the expenditure under Object 5800, Other Services and Operating Expenditures. Include costs to remove buildings on newly acquired sites.

Improvement of new and old sites and adjacent ways. Include such work as grading, landscaping, seeding, and planting shrubs and trees; constructing new sidewalks, roadways, retaining walls, sewers, and storm drains; installing hydrants; treating soil and surfacing athletic fields and tennis courts for the first time; furnishing and installing, for the first time, fixed playground apparatus, flagpoles, gateways, fences, and underground storage tanks that are not parts of building service systems; and doing demolition work in connection with improvement of sites.

Leasehold improvements to sites. Include costs of site improvements to leased property.

Payment of special assessments. Include assessments against the school district for capital improvements, such as streets, curbs, sewers, drains, and pedestrian tunnels, whether on or off school property.

Site improvements that do not meet the LEA's threshold for capitalization should be recorded in Object 5600.

6200 *Buildings and Improvements of Buildings*

Record costs of construction or purchase of new buildings and additions and replacements of obsolete buildings, including related advertising; architectural and engineering fees; blueprinting; inspection service (departmental or contractual); tests and examinations; demolition work in connection with construction of new buildings; installation of plumbing; installation of electrical, sprinkling, and warning devices; installation of heating and ventilating fixtures, attachments, and built-in fixtures; and other expenditures directly related to the construction or acquisition of buildings. Include leasehold improvements.

Building improvements that do not meet the LEA's threshold for capitalization should be recorded in Object 5600.

6300 *Books and Media for New School Libraries or Major Expansion of School Libraries*

Record expenditures for books and materials for new and expanded libraries when such expenditures are substantial and meet the LEA's threshold for capitalization.

6400 *Equipment*

Record expenditures for movable personal property that have both an estimated useful life of over one year and an acquisition cost that meets the LEA's threshold for capitalization. Examples of equipment are vehicles, machinery, computer systems, and playground equipment. Equipment is defined in Procedure 801 of Part I of this manual.

Piece-for-piece replacements of equipment are recorded under Object 6500, Equipment Replacement, if the unit cost meets the LEA's capitalization threshold.

Initial built-in fixtures that are integral parts of the building or building service system are recorded under Object 6200, Buildings and Improvement of Buildings.

Equipment that does not meet the LEA's threshold for capitalization should be recorded in Object 4400.

6500 *Equipment Replacement*

Record expenditures for equipment replaced on a piece-for-piece basis as defined in Procedure No. 801 of this manual.

Replacement of equipment that does not meet the LEA's threshold for capitalization should be recorded in Object 4400.

> *Note:* An LEA may use a day labor or force account within the limits of the law *(Public Contract Code* Section 20114) to improve new or old sites, construct or improve buildings, and fabricate equipment. The expenditures for such day labor or force account, including materials, shall be a direct charge to the Facilities program. Such expenditures may include salaries of maintenance personnel (Object 2400, Maintenance and Operations Salaries), fringe benefits (Object 3000, Employee Benefits), and necessary materials and supplies (Object 4500, Other Supplies).

6900 *Depreciation Expense*

This object code is applicable to proprietary or fiduciary funds only. Record the portion of the cost of a capital asset charged as an expense during the fiscal year. In accounting for depreciation, the cost of a capital asset, less any anticipated salvage value, is prorated over the estimated useful life of the asset and each period is charged with a portion of the cost. Through this process, the cost of the asset, less salvage value, is ultimately charged off as an expense.

7000 Other Outgo

7110–7199 *Tuition*

7110 Tuition for Instruction Under Interdistrict Attendance Agreements

Record expenditures for tuition under interdistrict attendance agreements incurred as a result of a district's realizing a reduction of 25 percent or more in IASA (Improving America's Schools Act), Title VIII, Impact Aid (formerly PL 81-874) funds if the average daily attendance of pupils residing within the district is credited to the district of attendance *(Education Code* Section 46607[b]).

7121–7123 *Regional Occupational Centers/Programs (ROC/Ps)*

Record payments for tuition, excess costs, and/or deficits paid to regional occupational centers or programs operated by other school districts or county offices under a joint powers agreement/agency (JPA).

7121 Payments to School Districts
7122 Payments to County Offices
7123 Payments to JPAs

7131–7133 *Special Education Excess Costs and/or Deficits*

Record payments for tuition, excess costs, and/or deficits paid to programs operated by school districts, county offices, or JPAs.

Record expenditures for regionalized services, in excess of those required in law, provided by another school district or county office pursuant to an approved local plan for Special Education.

7131 Payments to School Districts
7132 Payments to County Offices
7133 Payments to JPAs

7140 *State Special Schools*

Record payments for students placed in state special schools.

7190 *Other Tuition, Excess Costs, and/or Deficits*

Record payments for tuition, excess costs, and/or deficits not otherwise identified.

7200–7299 *Other Transfers Out*

7211–7213 *Transfer of Pass-Through Grants*

Record disbursements of pass-through grants to school districts, county offices, or JPAs in which the recipient LEA has administrative involvement only for the grants (i.e., the recipient LEA does not also have a responsibility to operate the project).

7211 Transfers of Pass-Through Revenues to Districts
7212 Transfers of Pass-Through Revenues to County Offices
7213 Transfers of Pass-Through Revenues to JPAs

7221–7223 *Special Education Local Plan Area (SELPA) Transfers*

Record transfers of special education apportionments to school districts, county offices, or JPAs.

7221 SELPA Transfers of Apportionments to Districts
7222 SELPA Transfers of Apportionments to County Offices
7223 SELPA Transfers of Apportionments to JPAs

7231–7233 *ROC/P (Regional Occupational Center/Program) Transfers*

7231 ROC/P Transfers of Apportionments to Districts
7232 ROC/P Transfers of Apportionments to County Offices
7233 ROC/P Transfers of Apportionments to JPAs

7270 *PERS Reduction from Revenue Limit*

Record the transfers of funds from the LEA to the state as a result of the PERS Reduction adjustment to the Revenue Limit.

7280 *Charter School Transfers of Funding In Lieu of Property Taxes*

Record the transfers of funding in lieu of property taxes from the sponsoring LEA to its charter school (*Education Code* Section 47635).

7291–7299 *All Other Transfers Out*

Record all other transfers between entities, such as transfers of funds to community facilities districts (Mello-Roos Community Facilities Districts).

7291 All Other Transfers Out to Districts
7292 All Other Transfers Out to County Offices
7293 All Other Transfers Out to JPAs
7299 All Other Transfers Out

Note: Interdistrict payments for specific services provided to one LEA by another (such as health, administration, instruction, or transportation services), excluding payments for Special Education excess costs and/or deficits, should be charged to Object 5100, Personal Services, or 5800, Other Services and Operating Expenditures, as appropriate. When such an interdistrict payment is received, it must be accounted for and recorded on any financial reports of the LEA receiving the payment as revenue in Object 8677, Interagency Revenues, or Object 8676, Transportation Services.

Example:

Two school districts contract with each other for pupil transportation services. The following procedure is used in reporting such transactions:

District A, which receives pupil transportation services, charges Object 5800, Other Services and Operating Expenditures, and the Pupil Transportation program.

District B, which performs the services, records revenue (reimbursement from district A) in Object 8676, Transportation Services. The costs incurred in providing the services are charged to the nonagency educational program.

7300–7399 *Direct Support/Indirect Costs*

Objects in this group are used to record transfers of direct support costs for direct and indirect support costs within or between funds. (See the discussion of accounting for support services in Procedure No. 702.)

7310–7349 *Interprogram*

Record the transfers of direct support and indirect support costs within a fund. This series of accounts must net to zero at the fund level.

7350–7399 *Interfund*

Record the transfers of direct support and indirect support costs between funds. This series of accounts will reflect a balance at the fund level, but only for the amount of between-funds costs. The total between-funds debit and credit transactions must net to zero.

7430-7449 *Debt Service*

Object Codes 7630 through 7649, Debt Service Expenditures, were renumbered to corresponding Objects 7430 through 7449, effective beginning in fiscal year 2002-2003. The last two digits of each object remained the same.

7432 State School Building Repayment

Record expenditures for the state school building loan repayments *(Education Code* Section 16090).

7433 Bond Redemptions

Record expenditures to retire the principal of bonds.

7434 Bond Interest and Other Service Charges

Record expenditures to pay interest and other service charges on bonds.

7435 Repayment of State School Building Fund Aid Proceeds from Bonds

Record expenditures for the repayment of the State School Building Aid Fund, using the proceeds from the sale of bonds *(Education Code* Section 16058).

7436 Payments to Original District for Acquisition of Property

Record expenditures to cover the liability of a newly organized district to the original district for the new district's proportionate share of the bonded indebtedness of the original district.

7438 Debt Service—Interest

Record that portion of a debt service payment that represents the current interest due on the debt.

7439 Other Debt Service—Principal

Record that portion of other debt service payment that represents the repayment of principal. Examples of all other debt are capital leases and certificates of participation.

7610–7629 *Interfund Transfers*

Record the following transfers:

7611 From the General Fund to the Child Development Fund

Record transfers of moneys from the General Fund to support the activities in the Child Development Fund *(Education Code* Section 41013).

7612 Between the General Fund and the Special Reserve Fund

Record transfers of moneys between the General Fund and the Special Reserve Funds *(Education Code* sections 42840–42843).

7613 To the State School Building Fund or the County School Facilities Fund from all other funds of the district

Record transfers of any moneys of the district required to be expended for the project for which such apportionment was made *(Education Code* sections 15746 and 16095).

7614 From the Bond Interest and Redemption Fund to the General Fund

Record transfers of moneys from the Bond Interest and Redemption Fund, after all principal and interest payments have been made, to the General Fund or to the Special Reserve Fund *(Education Code* sections 15234 and 15235).

7615 From the General, Special Reserve, and Building Funds to the Deferred Maintenance Fund

Record transfers of moneys from the General, Special Reserve, and/or Building Funds to the Deferred Maintenance Fund to support state matching requirements *(Education Code* sections 17582–17587 and 39619).

7616 From the General Fund to the Cafeteria Fund/Account for the Meals for Needy Pupils Program

Record transfers of moneys from the General Fund to the Cafeteria Fund. LEAs may record the transfer of Meals for Needy Pupils as an interfund transfer rather than as a revenue limit transfer.

7619 Other Authorized Interfund Transfers Out

Record all other authorized transfers of moneys to another fund.

7630–7649 *Debt Service*

Object codes 7630 through 7649, Debt Service Expenditures, were renumbered to corresponding Objects 7430 through 7449, effective beginning in fiscal year 2002-2003. The last two digits of each object remained the same.

7651–7699 *Other Uses*

7651 Transfers from Funds of Lapsed/Reorganized Districts

Record the disbursement of other funds under *Education Code* sections 35560 and 35561.

7699 All Other Uses

Record expenditures for other financing uses not specified previously. If long-term debt is issued at a discount, record the discount here. Debt issue costs such as underwriter discounts and fees should be recorded in Object 5800.

Exhibit 401-1 Analysis of Salaries

Certificated Salaries		Classified Salaries	
Salary object classification	*Position title*	*Salary object classification*	*Position title*
1100 Teachers	Teacher, Adaptive Physical Education* Teacher, Assistant* Teacher, Regular Teacher, Resource Specialist (Special Education) Teacher, Speech* Teacher, Student* Teacher, Substitute Teacher, Tutor*	2100 Instructional Aides	Instructional Aide Classified Coach Classified Tutor
1200 School Administrators	Dean Dean, Assistant Principal Principal, Assistant Principal, Vice Registrar*	2200 Administrative Personnel	Accounting, Chief Business Manager Controller Director Governing Board Member Personnel Commission Member Purchasing Agent Superintendent Superintendent, Assistant Supervisor
1300 Supervisors	Consultant Coordinator Director Specialist Supervisor, Assistant Supervisor, General Supervisor, Specialist	2300 Clerical and Other Office Personnel	Accountant Bookkeeper Clerk Computer Operator Machine Operator Secretary Switchboard Operator
1400 Librarians	Librarian Librarian, Assistant	2400 Maintenance and Operations Personnel	Custodian Custodian's Helper Delivery Person Elevator Operator Firefighter Gardener Guard Maintenance Employee Matron Other Housekeeping Position Truck Driver Utility Worker, General Warehouse Worker

*Positions not included in object definitions.

Exhibit 401-1 Analysis of Salaries (Continued)

Certificated Salaries		Classified Salaries	
Salary object classification	*Position title*	*Salary object classification*	*Position title*
1500 Guidance, Welfare, and Attendance Personnel	Counselor, Pupil/Parent* Psychologist Psychometrist Social Worker	2500 Food Service Personnel	Cook Director (Single Site) Helper Manager Nutritionist Supervisor
1600 Physical and Mental Health Personnel	Audiologist Audiometrist Chiropodist Dental Hygienist Dentist Nurse Oculist Optometrist Otologist Physician Psychiatrist	2600 Transportation Personnel	Bus Driver Field Coordinator Gasoline Pump Attendant Mechanic Other
1700 Superintendents	(District and county administration) Superintendent Superintendent, Assistant Superintendent, Associate Superintendent, Deputy	2900 Other Classified Personnel	Building Inspector Health Aide Library Aide Noon Playground Supervisor Recreation Worker Student
1800 Administrative Personnel	Administrative Assistant Director Director, Assistant*		
1900 Other Certificated Personnel	Civic Center Employee* Consultant* Program Specialist (Special Education included) Recreation Worker* Resource Teacher—other than Special Education		

*Positions not included in object definitions.

Documenting Salaries and Wages Charged to Federal Programs

Office of Management and Budget (OMB) Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments," is a policy directive affecting what costs are allowable charges to federal programs, what costs are not allowable, and how costs must be documented. OMB Circular A-87 applies to all local educational agencies (LEAs) receiving federal funds.

Compensation for personnel services is an allowable cost for federal reimbursement. However, LEAs are required to document their salary and wage charges. The standards for documenting salary and wage charges are specified in OMB Circular A-87, Attachment B, Section 11(h). The standards for time distribution are in addition to those for payroll documentation. In general, the level of detailed backup support for accounting for the time spent by an employee is determined by whether an employee is funded from a single federal categorical program or cost objective, from more than one federal categorical program, or from a mix of federal and state programs or cost objectives. (OMB Circular A-87 defines *cost objective* as a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.) The salaries and wages of employees used in meeting cost sharing or matching requirements of federal awards must be supported in the same manner.

How an employee is funded determines whether the documentation of the employee's time spent on federal programs can be satisfied by a periodic (semiannual) certification or must be provided in the more detailed form of a personnel activity report (PAR) or equivalent documentation. (PARs are discussed in the section titled "How Salaries and Wages Are to Be Documented.")

Employees Funded from a Single Federal Categorical Program or Cost Objective

1. If an employee is funded solely (100 percent) from a single federal categorical program or cost objective or from a single nonfederal categorical program used in meeting cost sharing or matching requirements of federal awards, the minimum requirement for documenting salary or wages is a semiannual certification by the employee that he or she worked solely on that federal categorical or cost objective during the period covered by the certification. The certification must be signed by the employee or the supervisor having firsthand

knowledge of the work performed (OMB Circular A-87, Attachment B, Section 11[h][3]).

2. Whenever a Schoolwide Program (SWP) has been approved by the CDE, LEAs may use Improving America's Schools Act (IASA), Title I, funds in combination with other federal funds and state and local general-purpose funds to upgrade the entire educational program in a school (Title I, Part A, Subpart 1, Section 1114). A school-site employee working solely on an SWP may be considered to be funded from one cost objective, and a periodic certification is sufficient for time accounting.

   If there are employees in the schoolwide program who are paid, in whole or in part, by federal programs that have not been combined in the schoolwide program, personnel activity reports will still be necessary for those employees. (See "Employees Funded from More than One Categorical Program Source or Cost Objective" on page 407-3.)

3. California's School-Based Coordinated Programs (SBCPs) combine several state categorical programs in a manner similar to but not identical with an SWP. Because of a recent change in *Education Code* Section 52853 for SBCPs, employees of an SWP at a school site funded from SWP and SBCP funds (and assuming those are the only two fund sources) may be considered as funded by a single cost objective.

   Prior to considering the SWP and SBCP funds as a single cost objective, be sure that the SBCP school plan includes the proposed expenditure of IASA funds available to the school. If IASA funds are not included, the existing SBCP school plan should be revised to include them. For SWP and SBCP funds to be considered as a single cost objective, the school must operate the state-approved SWP in a manner consistent with the expenditure of funds available to the school under SBCP, which means that the SWP and SBCP funds must be used for the same purpose.

   Essentially, for employees at a school site to consider their SWP and SBCP funding sources as a single cost objective, the school's funding sources must be contained in an SBCP and a state-approved Title I SWP. That means that the school would use all the funds available to upgrade the entire educational program in the school. If all the funds are not available to all the students, the SBCP and SWP funding sources cannot be considered as a single cost objective. There may be individual IASA funds used at an SBCP school, such as for Title I Targeted Assistance schools; however, those funds cannot be considered as a single cost objective unless they are included in a state-approved SWP that benefits all the pupils at the school.

4. Other instances occur in which it is unnecessary for every employee working in a project funded by a mix of federal, state, and local resources to substantiate federal time more often than semiannually. For example, the salary of a cook working in a school cafeteria may be funded from a mix of federal funds (free or reduced-priced meal reimbursement), state funds (additional reimbursement funds), and local funds (lunch sales). If the cook spends all of his or her time in the preparation and serving of school lunches, the cook is not required to provide detailed documentation of the proportion of his or her time to be charged to the federal portion of the funding because the cook's time is all one cost objective—food service. The cook must certify semiannually that 100 percent of his or her time was spent providing food service.

   Similarly, an aide working in a child care center may be receiving wages from child development funds, which may include federal, state, and local resources. If the aide spends 100 percent of his or her time providing child care, the aide's time may be considered one cost objective. The aide must certify semiannually that 100 percent of his or her time was spent providing child care.

Employees Funded from More Than One Categorical Program Source or Cost Objective

Whenever an employee works in more than one categorical program or cost objective and at least one of the sources is federal, the distribution of the employee's salary must be supported by a PAR (see "How Salaries and Wages Are to Be Documented," on page 407-6) or equivalent documentation (OMB Circular A-87, Attachment B, Section 11[h][4], [5], and [7]).

The requirement to document the employee's time with a PAR or equivalent documentation is triggered by one or more of the following:

- The employee is funded by more than one federal categorical program source, and the funding is not combined in an SWP.
- The employee is funded by a mix of federal and state categorical program funding sources, and those sources are not combined in an SWP.
- The employee is funded by a mix of federal categorical programs (other than an SWP) and general purpose funding sources.
- The employee is funded by more than one nonfederal categorical program source, and one of the sources is used in meeting cost sharing or matching requirements of federal awards.

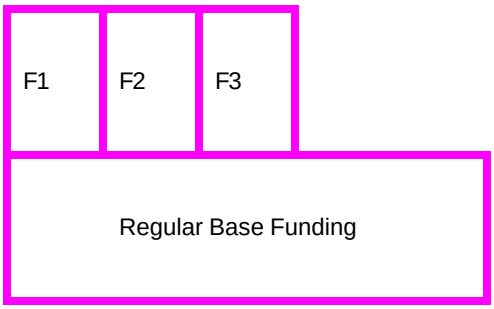
OMB Circular A-87 allows for substitute systems which use sampling methods that meet statistical sampling standards for allocating salary and wages to be used in place of a PAR (OMB Circular A-87, Attachment B, Section 11[h][6]). The United States Department of Education (USDE) has approved a substitute sampling system for time accounting for federal programs for the LEAs in California (see "Approved Substitute System for Time Accounting for Federal Programs," pages 407-7 through 407-9.)

Whenever federal funding is used to fund an employee's salary (unless the employee is 100 percent funded from only one federal source or in an SWP or covered under a Substitute System as noted previously), the time spent by the employee on federal projects must be documented with a PAR or an equivalent documentation.

Examples of documentation required according to different funding configurations are presented as follows:

School A

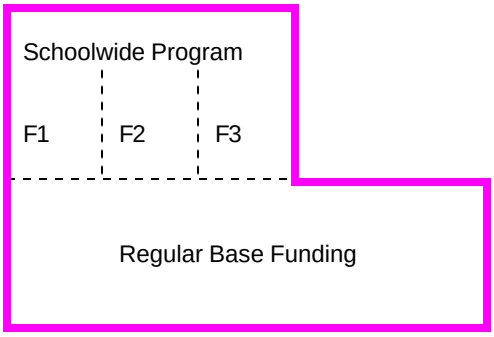
School A has three federal categorical programs (F1, F2, and F3) that supplement the school's regular base funding. All categorical employees are multifunded, either by more than one federal categorical or by a federal categorical and other general-purpose revenues (regular base funding).



Requirements
In this example all of School A's categorical employees are required to provide PARs for their total work time at least monthly because they are funded by two or more federal programs or by a federal program and the general-purpose revenues.

School B

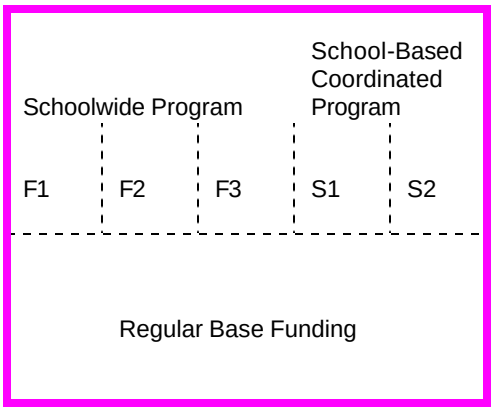
School B has been approved as an SWP school. It has the same three federal categorical programs supplementing its regular base funding. In its SWP plan School B has combined F1, F2, and F3 and its regular base funding into a single cost objective.



Requirements
In this example employees working solely at the School B site do not need to prepare PARs; semiannual certifications are sufficient. However, an employee who works at the School B site and works on other activities at another site must prepare a PAR.

School C

School C has been approved as an SWP school and has combined its regular base funding, its three federal categorical programs (F1, F2, and F3), and its SBCP funds from two state categorical programs (S1 and S2) as a single cost objective in its SWP plan.



Requirements
In this example School C employees working solely on the SWP do not need to prepare PARs; semiannual certifications are sufficient. However, an employee who works at the School C site and works on other activities at another site must prepare a PAR.

How Salaries and Wages Are to Be Documented

OMB Circular A-87 requires PARs or equivalent documentation to support the costs of salaries and wages charged to federal programs in which employees work on multiple activities or cost objectives (OMB Circular A-87, Attachment B, Section 11[h][4]).

The intent of a PAR is to document the employee's certification of work performed in each categorical program or cost objective during the month. The PAR may be as detailed as a time sheet that identifies the employee's activity daily by hours, or it may be as simple as a report of the total hours or percentage of hours spent in each categorical program or cost objective for the month. The level of detail can generally be determined by the diversity and variation of the employee's work activities. OMB Circular A-87 states that PARs or equivalent documentation must:

- Reflect an after-the-fact distribution of the actual activity of each employee.
- Account for the total activity for which each employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but those figures may be used for interim accounting purposes provided that:

- The LEA's system for establishing the estimates produces reasonable approximations of the activities actually performed.
- Comparisons of actual costs to budgeted distributions based on the monthly activity reports are made at least quarterly. If the variances between budgeted and actual costs are 10 percent or more, adjustments must be made on the LEA's financial records, including billings made to federal grantor agencies. If the variances between budgeted and actual costs are less than 10 percent, the adjustments may be recorded annually.
- The budget estimates or other distribution percentages are revised at least quarterly if necessary to reflect changed circumstances.

A sample PAR obtained from USDE is provided on page 407-10. The sample may help LEAs in designing their own instrument for getting the required documentation.

Approved Substitute System for Time Accounting for Federal Programs

For California LEAs, USDE has approved a substitute sampling system of time accounting for federal programs. The substitute system may be used by California's LEAs for substantiating federal salary and wage charges for those employees working on multiply funded activities or cost objectives.

The substitute system is intended to simplify recordkeeping for LEAs that must substantiate salary and wage charges to federal programs through the use of PARs or equivalent documentation. Without an approved substitute system, PARs must be prepared at least monthly for employees working on activities funded from multiple resources whenever federal funds are involved.

Under the substitute system approved for California, PARs may be required less frequently. Specifically, the approved substitute system allows LEAs to collect PARs from employees every fourth month (three times a year). The information from the PARs is used to estimate the percentage of time employees would spend on various federal programs in the next three months and reconcile the federal timekeeping estimates from the previous three months. This system works best when the composite workload produces an even distribution of salaries to accounts over the full 12-month period.

The following is a description of the substitute system process. The description assumes that the LEA begins the substitute recordkeeping process in July. However, LEAs may choose any month to begin the cycle. Because the starting month establishes the recordkeeping cycle for the year, LEAs should choose a starting month that most accurately reflects their annual average labor cost experience.

- All multiple-resource-funded employees (i.e., those employees funded from more than one resource, at least one of which is federal or one used in meeting cost sharing or matching requirements of federal awards) keep PARs for the full month of July to account for 100 percent of their time spent on activities for which they are compensated. From the PARs, labor distribution reports for July are generated to support effort distribution and charges for incurred costs in July and provide the basis for employee salary and fringe benefit allocations for August, September, and October.

- In November and again in March, employees keep PARs, which are used to:

    1. Support effort and labor costs incurred in November and March.

    2. Compare with and adjust the budgeted effort distribution for August through October and December through February.

    3. Project salary and fringe benefit allocations for December through February and April through June.

- The same process is followed once more in July to support incurred labor cost allocations for that month and to compare and adjust the budgeted effort distribution for April through June. Further, the July PARs start another round of labor distribution estimates for the second year.

- After the first full year on the system, LEAs may shift from collecting PARs three times a year to two times a year if the deviation between their total estimated and total actual time charges is constantly less than 10 percent. Thereafter, the twice-yearly PAR collection may be maintained as long as the deviation is constantly less than 10 percent.

- Written policies and procedures are essential to implementing an effective labor distribution system. Each LEA must develop its own instructions for the:

  1. Completion of PARs (including information about how frequently PAR data must be recorded and what constitutes adequate documentation)

  2. Review and approval cycle that is required

  3. Handling of completed forms

  4. Internal review process that will be established to ensure compliance

  Generally, this information should provide enough detail to permit an understanding of how this system will operate from the point labor is expended to the point it is recorded in the accounting records and charged to federal awards.

  LEAs must develop forms and management and employee instructional materials to meet their particular needs for time accounting. They may consult with their independent auditor for guidance specific to the LEA in this process. LEAs should provide training before implementing the system and do a trial run before beginning the actual substitute system process.

Important Rules:

1. For purposes of this substitute system, a “multifunded” or “multiple-resource-funded” employee means that the employee is funded from one of the following:

   a. The employee is funded by more than one federal categorical program source, and that funding is not combined in an SWP.

   b. The employee is funded by a mix of federal and state categorical program funding sources, and those sources are not combined in an SWP.

   c. The employee is funded by a mix of federal categorical programs (other than an SWP) and general-purpose funding sources.

d. The employee is funded by more than one nonfederal categorical program source, and one of the funding sources is used in meeting cost sharing or matching requirements of federal awards.

2. Those employees funded solely (100 percent) from a single federal source must be excluded from the substitute system because their data would distort the aggregate results of the multifunded data. (Those employees must prepare semiannual certifications.)

3. If LEAs use the substitute system, all multifunded employees who are required to complete PARs must participate.

4. PARs completed by each participating multifunded employee must cover the entire month that is being sampled.

The decision to use this substitute system for allocating salaries and wages to federal programs is completely optional for each LEA. After examining this substitute system, LEAs may wish to continue their current methods of substantiating salary and wage charges to federal programs rather than use the substitute system.

Sample Personnel Activity Report

Period Ending [1] _____ Fiscal Year _____

Name _____ Division or Department _____

Account Description	Account Number	Percent of Effort
Project:	A	30
	B	30
	C	30
Administration		5
Cost Sharing		5
Total Effort		100%

I hereby certify that this report is an after-the-fact determination of actual effort expended for the period indicated, and I have full knowledge of 100 percent of these activities.

_____	_____	_____	_____
Employee	Date	Responsible Official[2]	Date

[1] This report must be prepared at least monthly and coincide with one or more pay periods.

[2] This person is the supervisory official having firsthand knowledge of the activity performed by the employee (optional).

Note of Caution: This sample form will work well in those situations when an employee's time spent on federal programs is fairly predictable and does not vary much during the month. However, for those employees whose time is unpredictable and varies significantly from day to day, a more detailed personnel activity report may be appropriate. Keep in mind that hourly time accounting is the most acceptable method for auditors and that the safest approach is always to provide more documentation rather than less.

Documenting Salaries and Wages Charged to State Programs (Resources)

LEAs are required to document salaries and wages charged to state restricted funds (resources). The LEA may elect to use either the same A-87 documentation methods used to support salaries and wages charged to federal programs, as described in this section, or the documentation requirements described in pages 702-9 to 702-11 of Part I of this manual. The single cost objective rules that apply to federal programs, as explained on pages 407-1 and 407-2, can also be used to document salaries and wages charged to state restricted resources. However, if an employee being funded from state restricted funds is also funded from one or more federal categorical programs, that employee's time must be documented following A-87 documentation methods. As noted in page 407-6, under A-87 rules, PAR's or equivalent documentation must account for the total activity for which each employee is compensated.

Note that the documentation requirements for supporting the division/allocation of salaries and wages between goals, as described in Procedure 301 of Part II, or between functions, may be less rigorous than the requirement above.

PROCEDURE NO.

601

Accounting for Pass-Through Grants and Cooperative Projects

Frequently California school districts and county offices of education enter into agreements with other local educational agencies (LEAs) to more effectively operate a program. Multiple LEAs may pool their resources to operate certain projects cooperatively (cooperative projects) or one LEA may pass revenue to multiple LEAs (pass-through grants). There are three accounting models commonly used to record these transactions between the LEAs: cash conduits, pass-through grants, or contracts for services. It is necessary to analyze each agreement to make sure that all the participants have implemented the appropriate model.

Cash Conduits

In general, Governmental Accounting Standard Board (GASB) Statement 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires the recipient LEA to report pass-through grants as revenues and expenditures in a governmental fund. However, there are some infrequent cases in which a recipient LEA serves only as a cash conduit. This situation exists when the recipient LEA only transfers money from a grantor to the grantee, and the recipient LEA has no administrative or direct financial involvement in the program. In this case, the recipient LEA should report the grant in an agency fund as additions and deletions of cash. Unlike governmental funds, agency funds are custodial; LEAs report only the assets held for other agencies and the corresponding amounts due to those agencies but do not report revenues, expenditures, or fund balances.

Pass-Through Grants

More frequently, the recipient LEA has either administrative or direct financial involvement in a grant, and the funds must be reported in a governmental fund. Different procedures are used to report (1) grants in which the LEA has administrative involvement only; and (2) grants in which the LEA also has direct financial involvement.

1. Administrative Involvement
   An LEA has administrative involvement in a pass-through grant if it (a) monitors subrecipient LEAs for compliance with requirements; (b) determines the eligible subrecipient LEAs or projects, even if using grantor-established criteria; or (c) has the ability to exercise discretion in how the funds are allocated. For example, the money from federal forest reserves is a pass-through grant in which a county office

has administrative involvement. Therefore, the funds that a county office transfers to other LEAs are reported as a pass-through grant. (See Example 206, Forest Reserve, *CSAM, Part II*.)

The accounting for a pass-through grant is as follows:

- Recipient LEAs
  For those pass-through grants in which the recipient LEA has administrative involvement only, the recipient LEA reports the receipts as pass-through revenues (Objects 8287, 8587, or 8697) and the disbursements as transfers of pass-through revenues (Objects 7211, 7212, or 7213) in the General Fund/County School Service Fund. The disbursements are also reported in the All Other Outgo Program.

  SACS Reporting: For those pass-through grants in which the recipient LEA has administrative involvement only, the recipient LEA reports the receipts as pass-through revenues (Object 8287, 8587, or 8697) and in the specific resource code of the grant. The disbursements are reported as transfers of pass-through revenues (Object 7211, 7212, or 7213) in the undistributed goal (Goal 0000) and in Function 9200, Transfers Between Agencies.

- Subrecipient LEAs
  The subrecipient LEAs report these grants in the specific revenue accounts (e.g., 8290, Other Federal Revenues) that identify the grants. The expenditures are reported in the appropriate object accounts (e.g., 1100, Teachers' Salaries; 4300, Materials and Supplies) that describe the expenditures. The expenditures are also reported in the appropriate Instructional, Special Project, or Support Services programs.

  SACS Reporting: The subrecipient LEAs report these grants in the specific resource code of the grant and in the revenue object of the grant (e.g., 8290, Other Federal Revenue). The expenditures are reported in the specific resource and the appropriate goal, function, and object codes that properly classify the expenditures.

2. Administrative and Direct Financial Involvement
   An LEA has direct financial involvement in a pass-through grant if it is liable for disallowed costs or funds part of the costs. By having financial involvement in a pass-through grant, a recipient LEA also has administrative involvement, such as monitoring the compliance of subrecipients. For clarity, in these cases the transaction should be referred to as a "contract for services" between LEAs; that is, a transaction in which the grantor has awarded the funding to the recipient LEA, who then contracts with subrecipients to carry out the terms of the grant under the direction of the recipient.

   - Recipient LEAs
     The recipient LEA reports these grants in the specific revenue accounts that identify the grants. The disbursements to subrecipient LEAs are reported as contracted service expenditures in Object 5800, Other Services and Operating

Expenditures. When such expenditures are reported in the General Fund/County School Service Fund, they are also reported in the appropriate Special Project programs.

SACS Reporting: For those pass-through grants in which the recipient LEA has administrative and direct financial involvement, the recipient reports the grants in the specific resource and revenue objects that identify the grants. The disbursements to subrecipient LEAs are reported as contracted service expenditures (Object 5800) with the appropriate goal and function.

- Subrecipient LEAs
  The subrecipient LEAs report the revenues as interagency revenues in Object 8677, Interagency Services, except for federal moneys. So that federal interagency revenues can retain their federal identity, they are reported in Object 8285, Interagency Contracts. The expenditures are reported in the appropriate objects that describe the expenditures. When such expenditures are reported in the General Fund/County School Service fund, they are also reported in the J-380/580/780 Report. If the direct costs are instructional, they are reported in EDP 461, Nonagency Activities—Educational. If the direct costs are noninstructional, the expenditures are reported in the Nonagency Activities Program when the costs of support services are distributed back to user programs (i.e., instructional programs, special projects, and other activities).

  SACS Reporting: The subrecipient LEA reports the revenues in the appropriate resource as interagency revenues in Object 8677, Interagency Services, except for federal moneys. So that federal interagency revenues can retain their federal identity, they are reported in Object 8285, Interagency Contracts. The expenditures are reported in the Nonagency goal (Goal 7010) with the appropriate function and object codes that properly classify the expenditures.

Transfers of Apportionment

In California, two types of programs—state apportionment for special education and state apportionment for ROC/P—may be accounted for as "transfers of apportionment" rather than as pass-through grants. If a district participates in a joint powers agreement/agency (JPA) in which the JPA operates an ROC/P, the district recognizes the ROC/P apportionment as a principal apportionment ROC/P entitlement (Object 8311). The district then reports the transfer of funds to the JPA as Other Outgo—ROC/P Transfers of Apportionment to JPAs (Object 7233).

SACS Reporting: If a district participates in a JPA in which the JPA operates an ROC/P, the district recognizes the ROC/P apportionment as other state apportionment (Resource 6350 and Object 8311) and reports the transfer of funds to the JPA as transfers of apportionment to JPAs (Resource 6350, Function 9200, and Object 7223).

Cooperative Projects

California school districts and county offices of education often pool their resources and operate certain federal and state projects cooperatively.

Some cooperative projects are formed to meet certain criteria established by the participants, and their resources are pooled. This approach usually calls for one school district or county office to operate the projects for one or more other school districts or county offices. The operating school agency is usually referred to as a local operating agency. Typically, this is a local decision, not a condition of the grant itself, and the appropriate accounting follows the "contract for services" model. LEAs that participate in this type of cooperative project must report the revenue and expenditures resulting from their involvement in the project as follows:

1. Each participating LEA records its share of the project's revenue in the appropriate revenue classification. If it is the No Child Left Behind (NCLB), Title I, project, for example, the revenue will appear in Object 8160. For LEAs using SACS, the revenue will be reported in Resource 3010, Object 8290.

2. Each participating LEA records its share of the cost of the project in Object 5800, Other Services and Operating Expenditures, as a direct cost to the appropriate special project or to the appropriate resource in SACS when it pays the local operating agency. Its share of the cost will normally be equal to its share of the revenue.

3. During the project year, the local operating agency must account for all the costs in the appropriate expenditure objects under Auxiliary Programs, Nonagency Activities–Educational, or Goal 7110, Nonagency–Educational, in SACS. The local operating agency should bill each participating LEA periodically for its share to date, or at least by the end of the year, and record the revenue received in the contract services object as specified for Nonagency Activities. The local operating agency will report those costs to the Nonagency Activities Program or Nonagency goal in SACS. The participating LEAs will report their costs to the appropriate special projects or goals in SACS.

Other cooperative projects are established only to meet specific federal grant or entitlement requirements. Such projects usually require that one LEA serve as the applicant for purposes of disbursing federal funds to the other participating LEAs, which operate their own projects in this situation. In the implementation of this type of cooperative project, the grantor has accepted the arrangement of one LEA serving as the lead, and the appropriate accounting follows the "pass-through" model. In addition, periodic cash advances may be made directly to the applicant LEA for deposit and disbursement. For example, applicant LEAs should deposit their own prorated revenue in an account under revenue Object 8160, NCLB, Title I, and the prorated amounts for participating LEAs under Object 8287, Pass-through Revenues from Federal Sources. A copy of the cooperative agreement filed with the county office will serve to authorize

payment to the participating LEAs. Disbursement transactions by the applicant LEA should be handled as transfer of pass-through revenue (Object 7211, 7212, or 7313). Participating LEAs should record revenue under Object 8160 or Resource 3010 and Object 8290 in SACS.

Summary of Pass-through Codes (in SACS)

I. Pass-through of Apportionment (Resource 6500, Special Education, and Resource 6350, ROC/P, only)

Original Recipient	Subrecipient
01-6500-0-5001-0000-**8311**	
Receive revenue	
01-6500-0-5001-9200-**7221, 2, 3**	01-6500-0-5001-0000-**8791, 2, 3**
Transfer out apportionment	Transfer in of apportionment
	01-6500-0-5XXX-XXXX-XXXX
	Expenditure for programs

II. Pass-through of All Other Resources (Federal, State, or Local)

Original Recipient	Subrecipient
01-3310-0-5001-0000-**8287**	
Receipt of federal money to be passed	
01-3310-0-5001-9200-**7211, 2, 3**	01-3310-0-5001-0000-**8181**
Pass-through of resource	Receipt of resource
	01-3310-0-5XXX-XXXX-XXXX
	Expenditure for programs
01-7110-0-0000-0000-**8587**	
Receipt of state money to be passed	
01-7110-0-0000-9200-**7211, 2, 3**	01-7110-0-0000-0000-**8590**
Pass-through of resource	Receipt of resource
	01-7110-0-XXXX-XXXX-XXXX
	Expenditure for programs
01-9110-0-0000-0000-**8697**	
Receipt of local money to be passed	
01-9110-0-0000-9200-**7221, 2, 3**	01-9110-0-0000-0000-**8699**
Pass-through of resource	Receipt of resource

III. Contract for Services

Original Recipient	Subrecipient
01-6500-0-5001-0000-**8311**	
Receipt of resource revenue	
01-6500-0-5750-1110-**5800**	01-9010-0-**7110**-0000-**8677** **(8285 federal)**
Pay for services provided to recipient	Payment for providing services
	01-9010-0-**7110**-1110-XXXX
	Expenditure to provide the service

PROCEDURE NO.

606

Accounting for Certificates of Participation

An issuance of certificates of participation (COPs) is a mechanism for providing capital to school districts and county offices to purchase equipment, finance construction projects, or refinance existing leases. This financing technique provides long-term financing through a lease with an option to purchase or a conditional sales agreement. The major disadvantage of a COP is that there is no repayment source connected to its issuance.

The following points are important to understanding how certificates of participation are accounted for in conformity with generally accepted accounting principles (GAAP):

1. The financing of certificates of participation typically involves the following parties:

   Lessee (Issuer)—A school district or county office of education.

   Lessor—A nonprofit corporation, joint powers authority, leasing company, bank or other entity that holds title to the equipment during the lease period.

   Trustee—Commercial bank or trust company that receives proceeds, collects the lease payments on behalf of the lessor, and/or repays notes. The trustee is required to adhere to the standards in the trust agreement and maintain the trust fund accounts. The trust fund accounts show all disbursements made against the certificates of participation's proceeds as well as any interest earned.

   Underwriter—A municipal securities dealer who commits to the purchase of the certificates and remarkets them to investors. The underwriter will charge a fee, known as the underwriter's discount, to assume the underwriting risk of the COP.

2. At the time the proceeds of the COPs are deposited with the trustee, the money legally belongs to the local educational agency (LEA). Therefore, at this time, the LEA must record the proceeds on its books. (See entry 1 on page 606-4.)

3. The proceeds of the COPs should be reported in the fund that will be used to acquire or construct the assets. This will typically be the General Fund or a Capital Projects Fund.

School districts may identify developer fees as the repayment source for COPs. If this is the case, the LEA will record the proceeds of the COPs in the Capital Facilities Fund.

4. The LEA must review the section of the COPs' documents titled "Sources and Uses of Funds" to determine the opening entry needed on the LEA's books to account for the COPs. The following sources or uses of funds will typically be found:

   Accrued Interest—The amount of interest accrued on COPs from the issue date until closing. The underwriter pays this amount to the trustee at closing, and the money is held by the trustee in the lease payment account as a credit toward the first scheduled lease payment. For this reason the accrued interest is recorded as interest payable. (See entry I on page 606-4.)

   Capitalized or Funded Interest—The amount of interest on a COP that will accrue from the COP's issue date to the date the project or property being financed is projected to be completed. California law precludes issuers from making lease payments unless they have constructive use or occupancy of the property being financed. The funded interest is a component of the COP's proceeds and is used to pay the investors their semiannual interest payments during the construction period. As a matter of practice, funded interest normally extends two to three months beyond the projected completion date to cover unforeseen delays.

   Reserve Account (Reserve for Debt Service)—Underwriters typically require a debt service reserve funded by the proceeds of the COP. The reserve is held by the trustee to pay investors in the event of the issuer's default or in the case of late payment. If neither of these situations occurs, the reserve account is used to make the final lease payment. Because the amount of the COP's proceeds which represents the Reserve for Debt Service is legally restricted, this amount must be shown as a reservation of fund balance at year-end. (See entry 9 on page 606-5.)

   Underwriter's Discount—The fee a municipal underwriter charges to assume the underwriting risk of the COP. The underwriter's fees will typically be deducted from the proceeds before the proceeds are deposited with the trustee.

5. The trustee will maintain the proceeds in various trust accounts. The trustee will provide information to the LEA on all activity in the trust accounts. The LEA must account for all such activity on its books in the funds and accounts available for use by the LEA.

6. *It is not necessary to make the lease payments for COPs out of a separate debt service fund.* The example on pages 606-4 through 606-5 shows the accounting for COPs in conformity with generally accepted accounting principles. In this

example the entries needed in the general long-term debt account group and the general fixed assets account group are provided for those LEAs that maintain these account groups on their books.

Assume, for example, that on August 1, 1992, a school district issues certificates of participation for the purchase of 193 school buses from ABC Bus Company. XYZ Bank is designated as trustee of the certificates and is assigned the rights to enforce amounts payable by the district under the agreement.

Estimated Sources and Uses of Proceeds

Sources		
	Certificate Proceeds	$18,200,000
	Accrued Interest	100,000
	Total Sources	$18,300,000
Uses		
	Cost of Equipment	$14,950,000
	Capitalized Interest	500,000
	Reserve for Debt Service	2,700,000
	Underwriter's Discount	150,000
	Total Uses	$18,300,000

Assume that the Reserve for Debt Service of $2,700,000 was invested and estimated to earn interest of $110,000 through January 31, 1993, and $92,000 from February 1 through June 30, 1993.

The lease payment schedule is as follows:

Lease payment Dates	Principal component	Interest Component	Total payment
February 1, 1993		$ 500,000	$ 500,000
August 1, 1993	$ 3,200,000	500,000	3,700,000
February 1, 1994		400,000	400,000
August 1, 1994	3,300,000	400,000	3,700,000
February 1, 1995		300,000	300,000
August 1, 1995	3,500,000	300,000	3,800,000
February 1, 1996		200,000	200,000
August 1, 1996	3,800,000	200,000	4,000,000
February 1, 1997		100,000	100,000
August 1, 1997	4,400,000	100,000	4,500,000
Total	$18,200,000	$ 3,000,000	$ 21,200,000

Key Entries for Certificates of Participation in Conformity with GAAP–Equipment Purchase

Event	*Entry*
August 1, 1992 Proceeds from the sale of the certificates of participation (COPs) are deposited with the trustee (in the name of the LEA). • The terms of the COPs require a debt service reserve of $2,700,000. • All interest earned on the debt service reserve is available for debt repayment.	**1. General Fund** DR Cash with trustee (9135) $18,150,000 DR Underwriter's discount (5800) 150,000 CR Proceeds from certificates of participation (8971) $18,200,000 CR Interest payable (9510) 100,000 To record the receipt of the proceeds from the sale of the COPs to be used for the purchase of equipment
The LEA incurs $18,200,000 of General long-term debt.	**2. General Long-Term Debt Account Group** DR Amount to be provided for retirement of general long-term debt (9685) $15,500,000 DR Amount available in general fund (9680) 2,700,000 CR Certificates of participation payable (9586) $18,200,000 To record the long-term debt incurred by the LEA in connection with the sale of COPs
September 1, 1992 Equipment is purchased.	**3. General Fund** DR Equipment (6400) $14,950,000 CR Cash in county treasury (9110) $14,950,000 To record the purchase of 193 buses acquired through the issuance of COPs
	4. General Fixed Assets Account Group DR Equipment (9440) $14,950,000 CR Investment in general fixed assets (9690) $14,950,000 To record the purchase of 193 buses acquired through the issuance of COPs
November 1, 1992 Reimbursement is received from trustee.	**5. General Fund** DR Cash in county treasury (9110) $15,000,000 CR Cash with trustees (9135) $15,000,000 To record the reimbursement received from the trustee
February 1, 1993 Interest is received on the investments of the $2,700,000 debt service reserve.	**6. General Fund** DR Cash with trustees (9135) $ 110,000 CR Interest revenue (8660) $ 110,000 To record the interest earned on the debt service reserve

Key Entries for Certificates of Participation in Conformity with GAAP–Equipment Purchase

Event	*Entry*
The first lease payment is made which represents interest only (See the lease payment schedule page 606-3).	**7. General Fund** DR Debt service-interest (7438) $ 400,000 DR Interest payable (9510) 100,000 CR Cash with trustee (9135) $500,000 To record the first payment on the COPs
June 30, 1993 Interest of $92,000 is earned on the debt service reserve.	**8. General Fund** DR Interest receivable (9160) $ 92,000 CR Interest revenue (8660) $ 92,000 To accrue interest earned on the investment of the debt service reserve
June 30, 1993 The books of the LEA are closed.	**9. General Fund** DR Proceeds–COPs (8971) $18,200,000 DR Interest revenue (8660) 202,000 CR Debt service-interest (7438) $ 400,000 CR Underwriter's discount (5800) 150,000 CR Equipment (6400) 14,950,000 CR Unappropriated fund balance (9790) 2,902,000 To close revenues, expenditures, and other financing sources and uses
	10. General Fund DR Unappropriated fund balance (9790) $ 2,700,000 CR Reserve for debt service (9619) 2,700,000 To reserve that portion of fund balance which represents the required debt service reserve
July 5, 1993 The interest earned on the debt service reserve is received.	**11. General Fund** DR Cash with trustee (9135) $ 92,000 CR Interest receivable (9160) $ 92,000 To record the receipt of the interest on the debt service reserve
August 1, 1993 The second lease payment is made.	**12. General Fund** DR Debt service-interest (7438) $ 500,000 DR Debt service-principal (7439) 3,200,000 CR Cash in county treasury (9110) $ 3,498,000 CR Cash with trustee (9135) 202,000 To record the second lease payment on the COPs
When the second lease payment is made, the amount of long-term debt of the LEA is reduced.	**13. General Long-term Debt Account Group** DR COPs payable (9586) $3,200,000 CR Amount to be provided for retirement of general long-term debt (9685) $3,200,000 To reduce the COPs payable by the amount of the principal paid on August 1, 1993

Key Entries for Certificates of Participation in Conformity with GAAP–Equipment Purchase—SACS Entries

August 1, 1992 Proceeds from the sale of the certificates of participation (COPs) are deposited with the trustee (in the name of the LEA). • The terms of the COPs require a debt service reserve of $2,700,000. • All Interest earned on the debt service reserve is available for debt repayment.	**1. General Fund** DR Cash with trustee 01-0000-0-0000-0000-9135-000 $18,150,000 DR Underwriter's discount 01-0000-0-0000-9100-5800-000 150,000 CR Proceed from certificates of participation 01-0000-0-0000-0000-8971-0000 $18,200,000 CR Interest payable 01-0000-0-0000-0000-9500-0000 100,000 To record the receipt of the proceeds from the sale of the COPs to be used for the purchase of equipment
The LEA incurs $18,200,000 of General long-term debt.	**2. General Long-Term Debt Account Group** DR Amount to be provided for retirement of general long-term debt 97-0000-0-0000-0000-9989-000 $15,500,000 DR Amount available in general fund 97-0000-0-0000-0000-9980-000 2,700,000 CR Certificates of participation payable 97-0000-0-0000-0000-9666-000 $18,200,000 To record the long-term debt incurred by the LEA in connection with the sale of COPs
September 1, 1992 Equipment is purchased.	**3. General Fund** DR Equipment 01-0000-0-0000-3600-6400-000 $14,950,000 CR Cash in county treasury 01-0000-0-0000-0000-9110-000 $14,950,000 To record the purchase of 193 buses acquired through the issuance of COPs
	4. General Fixed Assets Account Group DR Equipment 96-0000-0-0000-0000-9440-000 $14,950,000 CR Investment in general fixed assets 96-0000-0-0000-0000-9990-000 $14,950,000 To record the purchase of 193 buses acquired through the issuance of COPs
November 1, 1992 Reimbursement is received from trustee.	**5. General Fund** DR Cash 01-0000-0-0000-0000-9110-000 $15,000,000 CR Cash with trustees 01-0000-0-0000-0000-9135-000 $15,000,000 To record the reimbursement received from the trustee

Key Entries for Certificates of Participation in Conformity with GAAP–Equipment Purchase—SACS Entries

February 1, 1993 Interest is received on the investments of the $2,700,000 debt service reserve.	**6. General Fund** DR Cash with trustees 01-0000-0-0000-0000-9135-000 $ 110,000 CR Interest revenue 01-0000-0-0000-0000-8660-000 $ 110,000 To record the interest earned on the debt service reserve
The first lease payment is made which represents interest only (See the lease payment schedule page 606-3).	**7. General Fund** DR Debt service-interest 01-0000-0-0000-9100-7438-000 $ 400,000 DR Interest payable 01-0000-0-0000-0000-9500-000 100,000 CR Cash with trustee 01-0000-0-0000-0000-9135-000 $500,000 To record the first p ayment on the COPs
June 30, 1993 Interest of $92,000 is earned on the debt service reserve.	**8. General Fund** DR Interest receivable 01-0000-0-0000-0000-9200-000 $ 92,000 CR Interest revenue 01-0000-0-0000-0000-8660-000 $ 92,000 To accrue interest earned on the investment of the debt service reserve
June 30, 1993 The books of the LEA are closed.	**9. General Fund** DR Proceeds–COPs 01-0000-0-0000-0000-8971-000 $18,200,000 DR Interest revenue 01-0000-0-0000-0000-8660-000 202,000 CR Debt service-interest 01-0000-0-0000-9100-7438-000 $ 400,000 CR Underwriter's discount 01-0000-0-0000-9100-5800-000 150,000 CR Equipment 01-0000-0-0000-3600-6400-000 14,950,000 CR Unappropriated fund balance 01-0000-0-0000-0000-9790-000 2,902,000 To close revenues, expenditures, and other financing sources and uses
	10. General Fund DR Unappropriated fund balance 01-0000-0-0000-0000-9790-000 $ 2,700,000 CR Reserve for debt service 01-0000-0-0000-0000-9719-000 2,700,000 To reserve that portion of fund balance that represents the required debt service reserve

Key Entries for Certificates of Participation in Conformity with GAAP–Equipment Purchase—SACS Entries

July 5, 1993 The interest earned on the debt service reserve is received.	**11. General Fund** DR Cash with trustee 01-0000-0-0000-0000-9135-000 $ 92,000 CR Interest receivable 01-0000-0-0000-0000-9200-000 $ 92,000 To record the receipt of the interest on the debt service reserve
August 1, 1993 The second lease payment is made.	**12. General Fund** DR Debt service-interest 01-0000-0-0000-9100-7438-000 $3,700,000 CR Cash in county treasury 01-0000-0-0000-0000-9110-000 $3,498,000 CR Cash with trustee 01-0000-0-0000-0000-9135-000 202,000 To record the second lease payment on the COPs
When the second lease payment is made, the amount of long-term debt of the LEA is reduced.	**13. General Long-term Debt Account Group** DR COPs payable 97-0000-0-0000-0000-9666-000 $3,200,000 CR Amount to be provided for retirement of general long-term debt 97-0000-0-0000-0000-9989-000 $3,200,000 To reduce the COPs payable by the amount of the principal paid on August 1, 1993

PROCEDURE NO.

610

Accounting for Special Education Programs

During 1998 federal and state legislation changed the way in which special education programs are funded and reported. As of 1998 *Education Code* Section 56205(b)(1) requires that a special education budget shall separately identify the following:

1. Apportionment received by the LEA in accordance with the allocation plan adopted by the SELPA

2. Administrative costs of the plan

3. Costs of special education services to pupils with severe disabilities and low-incidence disabilities

4. Costs of special education services to pupils with nonsevere disabilities

5. Costs of supplemental aids and services provided to meet the individual needs of pupils placed in regular education classrooms and environments

6. Regionalized operations and services and direct instructional support by program specialists in accordance with Article 6, "Program Specialists and Administration of Regionalized Operations and Services" (*Education Code* Section 56836.23)

7. Use of property taxes allocated to the SELPA pursuant to *Education Code* Section 2572

For state reporting, direct costs will be reported as the costs of providing services to infants, preschool-age students, severely disabled students from ages five through twenty-two, and nonseverely disabled students from ages five through twenty-two. The costs are further broken down by the type of instructional service provided: separate classes, resource specialists, supplemental aids to students in regular classrooms, nonpublic agencies, and other special instructional services:

1. Certificated employees providing other specialized instructional services shall be recorded as Object 1100 (Teachers' Salaries), Object 1500 (Guidance, Welfare, and Attendance Salaries), or Object 1600 (Physical and Mental Health Salaries) depending on the services provided.

SACS Reporting
The expenditures shall be recorded as Object 1100 (Teachers' Salaries) or Object 1200 (Certificated Pupil Support Salaries) depending on the appropriate function or service provided. For a detailed explanation see Part II of this manual.

2. Instructional aides shall be recorded as Object 2100 (Salaries of Instructional Aides).

   SACS Reporting
   The expenditures shall be recorded as Object 2100 (Instructional Aides' Salaries) with the special education instructional functions 1100–1199. If a classified employee provides other support services, that cost should be coded to the support function with Object 2200 (Classified Support Salaries). For a detailed explanation see Part II of this manual.

3. A school district or county superintendent of schools may be the Administrative Unit (AU) in a given SELPA.

4. Program specialists not providing regionalized services shall be reported as a direct cost to the administration of the instructional program. Subsequently, the costs will be distributed as documented or allocated direct costs as appropriate.

   SACS Reporting
   A program specialist providing regionalized services as defined by *Education Code* Section 56836.23 shall be recorded as Object 1300 (Certificated Supervisors' and Administrators' Salaries) with Goal 5060 (Regionalized Program Specialist), Function 2100 (Supervision of Instruction). A program specialist not providing regionalized services but instead working locally with students as a support to teachers shall be recorded as Object 1300 (Certificated Supervisors' and Administrators' Salaries) with the appropriate special education goal or to Goal 5001 (Special Education—Unspecified), Function 2100 (Supervision of Instruction).

5. Apportionments for Program Specialists and Regionalized Services shall be made directly to the AU, which shall record the apportionments as Object 8321 (Special Education Apportionment). The AU may transfer to participating agencies the responsibility for providing the regionalized services, using Object 7221 (SELPA Transfers of Apportionments to Districts), Object 7222 (SELPA Transfers of Apportionments to County Offices), or Object 7223 (SELPA Transfers of Apportionments to JPAs). LEAs receiving the transfers shall record the revenue as Object 8721 (SELPA Transfers from Districts), Object 8722 (SELPA Transfers from County Offices), or Object 8723 (SELPA Transfers from JPAs). If the AU maintains responsibility for providing the regionalized service but contracts with another entity for the regionalized

services, the AU shall record the cost of the contract as Object 5800 (Other Services and Operating Expenditures). LEAs providing the service under contract shall record the revenue as Object 8677 (Interagency Services). The cost of providing the service would not be a special education program cost to the LEA but a nonagency educational program.

SACS Reporting
An AU transferring the responsibility of providing regionalized services records the transfer of apportionment as Resource 6500 (Special Education), Goal 5001 (Special Education—Unspecified) or optional Goal 5050 (Regionalized Services), Function 9000 (Other Outgo), and the appropriate object, such as Object 7221 (SELPA Transfer of Apportionment to District). The LEA receiving the apportionment shall record the revenue as Object 8792 (Transfers of Apportionment from County Offices) and shall record all related expenditures as Goal 5001 (Special Education—Unspecified) or optional Goal 5050 (Regionalized Services), Function 2100 (Supervision of Instruction), and the appropriate object, such as Object 1300 (Certificated Supervisors' and Administrators' Salaries).

In the case of a contract for services, the AU retains responsibility for providing regionalized services and does not transfer the apportionment. The AU instead records the contracted services as Resource 6500 (Special Education), Goal 5001 (Special Education—Unspecified) or optional Goal 5050 (Regionalized Services), Function 2100 (Supervision of Instruction), and Object 5800 (Professional/Consulting Services and Operating Expenditures). The LEA providing services under the contract records the expenditures as Goal 7110 (Nonagency—Educational), Function 2100 (Supervision of Instruction), and the appropriate objects for salaries, benefits, and supplies. The LEA deposits revenue from the contract as Object 8677 (Interagency Services Between LEAs).

6. Apportionments for other than regionalized services may be allocated to districts and county offices of education in accordance with the allocation plan adopted pursuant to *Education Code* Section 56836.05, unless the allocation plan specifies that funds be apportioned to the AU of the SELPA (*Education Code* Section 56195.7).

   Method 1—Special Education Apportionment Allocated to the AU

   If the SELPA has elected for the apportionments to be made to the AU, the AU shall record the apportionment as Object 8321 (Special Education). The AU shall transfer the operational funds to the participating agencies with Object 7221 for money to be received by districts, with Object 7222 for moneys to be received by county offices, and with Object 7223 for moneys to be received by JPAs.

LEAs receiving transfers shall record the revenue as Object 8721 if received from districts, Object 8722 if received from county offices, and Object 8723 if received from JPAs.

A county office AU transferring apportionment internally to county-run special education programs may use a local interprogram transfer of revenue, such as Object 899X. The internal transfers should net to zero and should not be included in the state reports. Object 7222 is restricted to transfers between legal entities, not internal transfers.

SACS Reporting
The AU records the apportionment, using Resource 6500 (Special Education), an appropriate goal, such as Goal 5001 (Special Education—Unspecified), and Object 8311 (Other State Apportionment). The AU then transfers the operational funds to the participating agencies, using Goal 5001 (Special Education—Unspecified), Function 9000 (Other Outgo), and Object 7221 (Transfers of Apportionment to Districts), Object 7222 (Transfers of Apportionment to County Offices), or Object 7223 (Transfers of Apportionment to JPAs). The participating LEA records the revenue as Resource 6500 (Special Education), the appropriate special education goal, and Object 8791 (Transfers of Apportionments from District), Object 8792 (Transfers of Apportionments from County Office), or Object 8793 (Transfers of Apportionments from JPA).

Method 2—Special Education Apportionment Allocated to Districts and County Superintendents of Schools

If the SELPA has opted for Special Education apportionments (other than for regionalized services) to be made directly to the participating agencies, each district or county office shall record the apportionment as Object 8321.

SACS Reporting
Each LEA records the apportionment as Resource 6500 (Special Education), an appropriate special education goal, such as Goal 5001 (Special Education—Unspecified), and Object 8311 (Other State Apportionment).

7. A district, county office, or JPA billing for and receiving payment for special education excess costs or deficits or payments for special education transportation excess costs or deficits shall record the revenue received as Object 8710 (Tuition). Any LEA paying the excess costs or deficits shall record the payments as Object 7131 for amounts paid to districts, Object 7132 for amounts paid to county superintendents of schools, and Object 7133 for amounts paid to JPAs.

SACS Reporting
An LEA charging for excess costs of special education programs shall record the revenue as Object 8710 (Tuition) with the appropriate special education resource

and the appropriate special education goal. The LEA paying the excess costs shall record the payment with an appropriate resource other than its state apportionment for its own special education programs, a special education goal, Function 9000 (Other Outgo), and Object 7141 (Other Tuition/Excess Costs Paid to Districts), Object 7142 (Other Tuition/Excess Costs Paid to County Offices), or Object 7143 (Other Tuition/Excess Costs Paid to JPAs).

8. A district or county office receiving the federal Individuals with Disabilities Education Act (IDEA) basic local assistance revenue (formerly known as PL 94-142) shall record the revenue as Object 8181 (Special Education—Basic Local Assistance Entitlement) and shall record the expenditures as direct costs of the Special Education program.

   SACS Reporting
   The LEA shall record the revenues as Object 8181 with Resource 3310 (IDEA Basic Local Assistance Entitlement) and shall record the expenditures in Resource 3310, the appropriate special education goals, functions, and objects.

9. A district or county office that receives a federal IDEA grant-in-aid for approved special projects shall record the revenue as Object 8182 (IDEA Discretionary Grants) and shall record the expenditures as direct costs in Special Projects.

   SACS Reporting
   The LEA shall record the revenues as Object 8182 (Special Education—Discretionary Grants) with the appropriate resource and the appropriate special education goal.

10. Any AU receiving federal IDEA money of either the local assistance entitlement or a discretionary grant that is to be distributed to a district or county office shall record the receipt as Object 8287 (Pass-Through Revenues from Federal Sources), and the LEA shall record receipt of the funding as either Object 8181 for IDEA Basic Local Assistance or Object 8182 for IDEA Discretionary Grants.

    SACS Reporting
    The AU shall record the revenue to be passed to participating LEAs as Object 8287 (Pass-Through Revenues from Federal Sources) with the appropriate resource and Goal 5001 (Special Education—Unspecified). The AU shall distribute the funds, using the appropriate resource, the appropriate special education goal, Function 9000 (Other Outgo), Object 7211 (Transfers of Pass-Through Revenues to Districts), Object 7212 (Transfers of Pass-Through Revenues to County Offices), or Object 7213 (Transfers of Pass-Through Revenues to JPAs). The receiving LEA shall record the revenue as either Object 8181 for IDEA Basic Local Assistance or Object 8182 for IDEA Discretionary Grants with the appropriate resource and the appropriate special education goal.

PROCEDURE NO.

701

Classifying Expenditures by Program

The following definitions apply to program classifications for all funds. Included with the definitions are Annual Program Cost Data Report (J-380/580/780) electronic data processing (EDP) numbers. The examples of direct charges are representative and not all-inclusive. Exhibit 701-1 on pages 701-20 through 701-25 provides a matrix of normal object of expenditure codes for the General Fund, by major program, to assist in identifying expenditures associated with each major program.

Instructional Programs

General Education Programs

General education instructional programs and activities, which include preformal, elementary, secondary, occupational, and adult education, are designed to prepare students for their common activities as citizens and for occupations.

Charges for direct instructional programs include those costs that relate directly to the general education instructional programs, such as salaries of teachers (including amounts paid for chairing academic departments); salaries of instructional aides; employee benefits for teachers and instructional aides; payments for textbooks and instructional supplies (including food items used as educational rewards); travel and conference expenses for all employees in the programs; and payments for the repair, maintenance, acquisition, and replacement of instructional equipment used in the programs.

The costs of maintaining interscholastic athletics and after-school sports are also recorded as direct charges to instructional programs.

Examples of activities *excluded* as direct charges to general education instructional programs are costs of general education programs operated on behalf of or under contract to another educational agency (charged to the nonagency activities educational program); benefits paid on behalf of retired teachers or instructional aides (charged to the benefits programs for retirees); and costs of custodial services and utilities (charged to the plant maintenance and operations program).

The following are descriptions of programs and activities within the general education category. The local educational agency (LEA) responsible for each program or activity is identified.

Regular education, kindergarten through grade twelve, EDP No. 110 (school districts and county offices of education). These programs and services are provided for children of prekindergarten age through grade twelve. For reporting purposes general education instructional activities not otherwise described below would be reported in this category (e.g., summer school, home, and hospital).

Adult education, EDP No. 602 (school districts and county offices). These programs consist of educational activities provided for adults, including those concurrently enrolled. County jail programs maintained by school districts pursuant to *Education Code* Section 41841.5 are reported as adult education activities. Adult education activities shall be reported in the Adult Education Fund only.

Alternative schools, EDP No. 112 (school districts only). These schools are provided for students in kindergarten through grade twelve pursuant to the provisions of *Education Code* Section 58500 to allow for innovative teaching methods and ideas. An alternative school may be an instructional unit within a school (such as a classroom section organized differently from the rest of the school). For reporting purposes include only those activities operated in accordance with this described program. *Do not include any other activities that may be identified locally as alternative schools.*

Cal-SAFE County Classroom, EDP No. 125 (county offices only). These programs are operated by county offices pursuant to *Education Code* Section 54749.5 to serve students under the age of eighteen years who are pregnant and have not completed high school. *Activities for pregnant minors conducted by school districts are reported in the regular education program.*

Community day schools, EDP No. 128 (school districts and county offices). School districts and county offices are authorized to establish community day schools for K–12 students who are expelled or meet other criteria (*Education Code* sections 48660–48664).

County community schools, EDP No. 123 (county offices only). These schools are operated by the county office pursuant to *Education Code* Section 1981 and serve students who fit into one or more of the following categories:

1. Have been expelled from a school district

2. Have been referred by recommendation of a school attendance review board

3. Are on probation and have been referred pursuant to sections 300, 601, 602, and 654 of the *Welfare and Institutions Code* or are on probation or parole and are not in attendance in any school

4. Are homeless children

For reporting purposes include only those activities operated in accordance with this described program. Do not include any other activities that may be identified locally as community schools.

Continuation education programs, EDP No. 116 (school districts only). These programs are established by high school and unified school districts pursuant to *Education Code* Section 48430 to serve pupils who need one or more of the following:

1. An opportunity to complete instruction to graduate from high school

2. Individual instruction emphasizing occupational orientation or a work-study schedule

3. Individual instruction and extensive guidance services for behavior or severe attendance problems

County jails, EDP No. 124 (county offices only). These programs consist of classes or schools for adult prisoners. They are maintained by the county offices pursuant to *Education Code* Section 1901. County jail programs maintained by school districts pursuant to *Education Code* Section 41841.5 are reported as an adult education activity in the Adult Education Fund.

Gifted and talented education, EDP No. 280 (school districts and county offices). These programs are provided for students in kindergarten through grade twelve pursuant to *Education Code* Section 52202 and the *California Code of Regulations, Title 5, Education*, Section 3820. These programs provide appropriately differentiated learning opportunities and alternative learning environments for students identified as possessing demonstrated or potential abilities that give evidence of high-performance capabilities.

Handicapped adults, EDP No. 126 (county offices only). These programs consist of special classes for handicapped adults and are operated by county offices pursuant to *Education Code* Section 14058.

Integration/desegregation, EDP No. 117 (school districts only). These programs consist of activities undertaken by schools to comply with court orders or activities that implement a plan prepared by the school district in accordance with the *California Code of Regulations, Title 5, Education*, sections 90–101, that would not be undertaken by the school district in the absence of an integration/desegregation program.

Independent study centers, EDP No. 119 (school districts only). These study centers conduct activities undertaken by school districts pursuant to *Education Code* sections 46300(e), 51745, and 51746 to provide certain students with the option of schooling apart from classrooms. For reporting purposes include in this program only those activities that provide full-time education pursuant to a written agreement as required by statute and regulations as an alternative to daily attendance in a classroom. *Do not include students*

participating in limited periods of full-time independent study because of illness, family vacation, and so on. Attendance recording is by positive (not negative) accounting.

Juvenile court schools, EDP No. 118 (county offices only). These programs consist of classes or schools maintained by county offices serving students in a juvenile hall, juvenile home, day center, juvenile ranch, juvenile camp, regional youth education facility, or group home housing 25 or more children (*Education Code* Section 48645).

Opportunity schools/programs, EDP No. 120 (school districts and county offices). These schools/programs are operated pursuant to *Education Code* Section 48630 to serve students in kindergarten through grade twelve who have experienced difficulty in adapting to regular school programs. Services may be provided at a specialized site or at a regular school campus on a full-time or pull-out basis.

ROC/P, EDP No. 121 (school districts and county offices). Regional Occupational Centers/Programs (ROC/Ps) provide vocational or technical training services as defined in *Education Code* sections 52300–52331 and in the *California Code of Regulations, Title 5, Education*, sections 11500–11508.

Specialized secondary schools, EDP No. 122 (school districts and county offices). These schools provide advanced instruction and training in high-technology fields and in the performing arts. Specialized secondary schools benefit the state by providing talented pupils with enhanced learning opportunities in high-technology fields and in the performing arts while enrolled in close proximity to where the industries are located (*Education Code* Section 58800).

Special Education Category

Special education programs and activities are designed primarily for individuals with exceptional needs who are placed in individualized educational programs (IEPs). The direct instructional activities employed in these programs are similar to those employed in general education programs.

Charges for direct instructional programs include those costs that relate directly to the special education instructional program, such as salaries of teachers and instructional aides; employee benefits for teachers and instructional aides; textbooks and instructional supplies (including food items that are used as educational rewards); travel and conference expenses for all employees in the programs; and repair, maintenance, acquisition, and replacement of instructional equipment used in the programs.

Included in the special education instructional programs and activities are local entitlement expenditures under PL 101-476 (formerly PL 94-142). *Do not* include discretionary grant expenditures under PL 101-476 in the special education programs and activities. Report those expenditures as special projects.

Examples of activities *excluded* as direct charges to special education instructional programs and activities are as follows:

1. Costs of special education programs operated on behalf of or under contract to another educational agency (These costs are charged to the nonagency activities educational program.)

2. Costs of the director of special education and associated clerical staff (These costs are charged to the instructional administration program.)

3. Costs of custodial services and utilities (These costs are charged to the plant maintenance and operations program.)

The following are programs and activities related to special education:

Infants, EDP No. 205 (school districts and county offices). Children who are younger than three years of age and are identified by the district, the special education local plan area (SELPA), or the county office as requiring intensive special education and services as defined by the State Board of Education (*Education Code* Section 56026[c][1]).

Preschool students, EDP No. 215 (school districts and county offices). Children with exceptional needs between the ages of three and five years inclusive (*Education Code* Section 56440). A five-year-old who meets the eligibility criteria to be identified as a kindergartner shall be included in either Age 5–22 Severely Disabled or Age 5–22 Nonseverely Disabled (*Education Code* Section 56441.1).

Age 5–22 severely disabled, EDP No. 225 (school districts and county offices). Students between the ages of five (who have been identified as kindergartners) and eighteen years identified as requiring intensive special education services; and students between the ages of nineteen and twenty-one who are enrolled in a special education program prior to their nineteenth birthday and have not yet completed the prescribed course of study or met proficiency standards pursuant to *Education Code* sections 51215 and 51216. Severely disabled students have the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, and/or severe mental retardation (*Education Code* Section 56030.5).

Age 5–22 nonseverely disabled, EDP No. 235 (school districts and county offices). Students between the ages of five (who have been identified as kindergartners) and eighteen years identified as requiring special education services and students between the ages of nineteen and twenty-one years who are enrolled in a special education program prior to their nineteenth birthday and have not yet completed the prescribed course of study or met proficiency standards pursuant to *Education Code* sections 51215 and 51216. Nonseverely disabled students are those who are not identified as severely disabled.

Special education activities include the following subprograms:

Assessment costs, EDP No. 245 (school districts and county offices). These activities consist of the services provided to children for the assessment of their handicapping conditions, pursuant to *Education Code* Section 56320, by specialized staff, such as psychologists, nurses, audiologists, social workers, vocational education staff, occupational therapists, physical therapists, and physicians. Special education assessment activities begin from the date of the written referral for assessments. Such assessments may occur prior to or during a child's enrollment in special education programs. The assessment costs represent the activities of specialized personnel in the evaluation of a child as well as preparation for and participation in the IEP team meeting. Tasks to be performed include testing, consulting with parents and other professionals, gathering data (e.g., requesting students' records) or reviewing students' files, and writing reports. Travel time is included only when the assessment activity is the primary reason for the travel.

Examples of special education assessment tasks that are *excluded* are direct services to students, staff development, student study teams' pre-special education referral activities, consultation or observation provided as follow-up to the assessment, and assessments for other programs (e.g., Gifted and Talented Education [GATE], Improving America's Schools Act [IASA], Title I). Also excluded are the costs of individuals whose participation in IEP meetings is an ancillary (or ad hoc) duty, such as general or special education classroom teachers and school site administrators.

> *Note*: Expenditures for assessment activities are to be direct charges to the pupil services program and subsequently are transferred to the assessment costs subprogram as documented direct support costs.

Report the special education instructional programs and activities listed in the preceding paragraphs on a supplementary form in the Annual Program Cost Data Report (J-380/580/780) as follows:

1. *Separate Classes:* salaries, supplies, and other costs to provide separate instruction requiring replacement in a separate setting because of the nature or severity of the students' special needs. Instruction may be provided in special classrooms on a part-time or a full-time basis (*Education Code* Section 56364). Students may receive a full continuum of services (*Education Code* Section 56361). However, this category records the cost of only one service, that of the separate class.

2. *Resource Specialist Instruction:* salaries, supplies, and other costs to provide instruction and services for those students whose needs have been identified in an IEP, who receive services under the direction of a resource specialist, and who are assigned to another classroom or a special education separate class for a

majority of a school day (*Education Code* Section 56362). Students may receive a full continuum of services (*Education Code* Section 56361). However, this category records the cost of only one service, that of the resource specialist.

3. *Supplemental Aids and Services in Regular Classrooms:* salaries, supplies, and other costs needed to allow a student to receive instruction provided in a regular education classroom or in an instructional setting other than those settings provided in special education: separate classes, resource specialist instruction, or nonpublic agencies/schools. Supplemental aids and services make possible program modifications and blended programs with more flexibility for the special education student. These services include but are not limited to special education instructional aides, interpreter services, Braille services, assistive technology (devices which allow a student to participate in a regular classroom environment), and special education home and hospital instruction.

4. *Nonpublic Agencies/Schools (NPA/S):* instruction in accordance with an IEP provided by a certified NPA/S under contract with the district, SELPA, or county office when no appropriate public education program is available (*Education Code* Section 56365).

5. *Other Specialized Instructional Services:* specialized instruction provided in accordance with an IEP on a pull-out and/or blended basis to any special education student to supplement the instruction provided in a separate special education class, a nonpublic school, or a regular education setting. The services are instructional and are provided by or under the supervision of certificated special education teachers. Other health, counseling, or psychological services provided to a special education student to help him or her benefit educationally from the regular instruction program are charged to Pupil Services. The difference in coding between an Instructional program and the Pupil Services program sometimes may be difficult to distinguish. The main question to bear in mind when coding is whether the student is receiving direct instruction or is being given a supplemental health or other professional service that facilitates instruction. For example, an adaptive physical education teacher provides an instructional service, the main purpose of which is to provide physical education. A nurse or dentist provides health care that enhances the physical condition of a student so that she or he is better able to participate in an instructional setting. Or a speech teacher may teach students using special techniques to help the students speak and understand verbal signals, which would be coded to Other Specialized Instructional Services. But a speech specialist who diagnoses specific speech disorders and refers problems for medical or other professional attention to treat speech disorders is more properly coded to Pupil Services.

   Other Specialized Instructional Services include but are not limited to language and speech, adaptive physical education, orientation and mobility instruction,

vocational education training, vision services, education technological services, assistive services, and sign language services.

Program specialists/regionalized services, EDP No. 240 (school districts and county offices). The program specialists/regionalized services program represents the costs of program specialists and other staff who provide expertise and consulting services to the instructional staff serving individuals with exceptional needs pursuant to *Education Code* Section 56368. Regionalized services are those programs and services provided in accordance with an approved local plan pursuant to *Education Code* Section 56195.7. Such activities may include services involving program specialists, personnel development, evaluation, management information systems, curriculum development, program review, or any other regionalized service provided for in the local plan.

> *Note*: Expenditures for program specialists not providing regionalized services are a direct charge to the instructional administration program and may be subsequently transferred to the program specialists/regionalized services subprogram as a documented direct support cost.

Special education transportation, EDP No. 250 (school districts and county offices). Special education transportation costs are the costs of providing to individuals with exceptional needs those specialized transportation services that are specified on the children's IEPs and are distinct from any regular transportation services provided by the agency. Costs of transporting pupils enrolled in special education programs are direct charges to the pupil transportation program (EDP No. 415). Only the costs of specialized transportation services are subsequently transferred to the special education transportation subprogram as documented or allocated direct support costs as appropriate.

Special Projects

Special projects are those that may have their own project directors; are approved and funded from *external* sources, including federal, state, local, or private agencies; require special project budgets and audits; and may require financial reports. Special projects usually are conducted entirely in support of an instructional program or another support program.

Charges for special projects include all direct costs in any expenditure classification, including indirect costs. Exclude costs of in-kind activities associated with a special project.

Federal projects include but are not limited to those provided under the following:

1. Economic Opportunity Act
2. Improving America's Schools Act (IASA)

3. Job Training Partnership Act (including Private Industry Council)
4. Discretionary grants under PL 101-476 (formerly PL 94-142)
5. Vocational Education Act

State projects include but are not limited to the following:

1. Economic Impact Aid (*Education Code* sections 54028 and 52168)
2. Assistance Grants for Educational Technology
3. Miller-Unruh Reading Act
4. School Improvement Program
5. State hospital students—special education
6. Tenth-grade counseling

Excluded from special projects are the following:

1. Projects or activities funded entirely by the school district. These costs are charged to instructional programs or support service programs, as appropriate.

2. Programs operated on behalf of or under contract to other educational agencies. These costs are charged to nonagency activities under auxiliary programs or support service programs, as appropriate.

Services to School Districts

Services to school districts (county offices only) constitute those activities performed by county offices in support of school districts or other county offices, including but not limited to the following:

1. Coordination activities and professional services, such as supervision of instruction, health, guidance, attendance, and school library services (*Education Code* Section 1700 et seq.)

2. Financial services (*Education Code* Section 42100 et seq.)

3. Credential services (*Education Code* Section 44330 et seq.)

Services to school districts consist of activities in instructional support, pupil services, special education assessment, and general administration (including county administration and centralized data processing). These services include activities of a regionalized nature, such as curriculum services, centralized data processing services, and warrant audit services to school districts.

Some personnel may be employed in, or some activities may be performed in, more than one function. The following direct-cost distributions may be used in lieu of actual time accounting:

1. County offices that have one person performing similar activities within services to school districts programs and support service programs may charge 50 percent of the costs as a direct cost to the school district function and 50 percent of the costs as a direct cost to the support services function.

2. The costs of the county offices and the county board of education should be charged as direct costs at 50 percent to the general administration program within the services to school districts function and 50 percent to the county administration program within the support services function.

Support Service Programs

Support service programs supply support to various instructional programs, special projects, and other activities.

Instructional Support

Certificated or classified employees assigned to instructional support programs may not be classified as teachers or instructional aides.

Instructional administration, EDP No. 375. Instructional administration is the area of responsibility for the improvement of teaching through a program of leadership, guidance, and assistance to help teaching staff and to improve curriculum and curriculum materials used by teachers. It consists of supervising instruction, developing and improving curriculum and curriculum materials (including testing materials), guiding teachers in the use of instructional materials, administering sabbatical leaves, providing the environment for in-service training, and so forth.

Direct charges to instructional administration include the salaries of directors or supervisors of elementary and/or secondary instruction or curricular laboratories; salaries of directors or supervisors of special education, bilingual education, or similar programs; salaries of associated clerical staff; employee benefits for all employees in this program; consultant services or other costs of in-service training; supplies used by employees in this program; travel and conference expenses for all employees in this program; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Some personnel may be employed or some activities may be performed in more than one function. The following distribution of direct costs may be used in lieu of actual time accounting:

The costs of assistant superintendents for instruction (or equivalent positions) having first-line responsibility for delivery of the services of the instructional administration program and for participation in district/county policy may be charged as a direct cost at 50 percent to the instructional administration function and 50 percent to the district/county administration function (EDP No. 400).

Instructional media, EDP No. 380. Instructional media is the program area that consists of those activities that provide communicative resources to support instruction. Included in this program are the following:

School library and audiovisual. A school library and audiovisual program has the responsibility for organizing and managing library books and preparing, caring for, and making available audiovisual equipment, materials, scripts, and other teaching and learning aids. Activities include ordering, cataloging, processing, and circulating books, audiovisual materials, and equipment; planning for the use of the library by teachers and pupils; selecting books and audiovisual materials; participating in faculty planning for the use of books and audiovisual materials; and guiding teachers and pupils in the use of the library.

Educational television. An educational television program consists of such activities as writing, programming, and directing educational television programs as a part of the instructional program of the school or district.

Computer assistance in instruction. Computer assistance in instruction for a school or school district consists of such activities as writing, programming, and directing ongoing computer-based instructional programs and instructional management information programs.

Direct charges to the instructional media program include salaries of librarians, library clerks, audiovisual personnel, and personnel who are involved in writing, programming, and directing ongoing educational television and computer-based instructional programs; employee benefits of employees in this program; library books, regardless of where they are placed in the district; audiovisual materials; repair and maintenance of equipment used in this program; and acquisition and replacement of audiovisual and library equipment.

Examples of activities or items *excluded* as direct charges to instructional media are as follows:

1. Textbooks (to be charged to the appropriate instructional program)

2. Specific or special materials that are used exclusively in an instructional program or project and that are not part of the central library (to be charged to the appropriate instructional program or special project or program as instructional supplies)

3. Computer-assisted instructional activities of an experimental nature (to be charged to the instructional administration program)

School administration, EDP No. 385. School administration constitutes those activities that have as their purpose overall administrative responsibility for a single school or several schools (but not a district, administrative area, or subunit of the district). It consists of the activities performed by the principal, assistant principal(s), and other assistants in the general supervision of all operations of the school; evaluation of the staff members of the school; assignment of duties of staff members; supervision of the records of the school; coordination of school instructional activities with instructional activities of the school district; and so forth.

Some personnel may be employed or some activities may be performed in more than one function. The distribution of direct costs that may be used in lieu of actual time accounting is as follows:

Small school districts that have one person performing the functions of both the principal and the superintendent may charge 70 percent of the costs as a direct cost to the principal's function (school administration, EDP No. 385) and 30 percent of the costs as a direct cost to the superintendent's function (district administration, EDP No. 401).

Pupil services, EDP No. 395. Direct charges to the pupil services program include the salaries of counselors, attendance officers, psychologists, nurses, physicians, psychiatrists, and other personnel authorized in the field of physical and mental health who are employees of the district; salaries of associated clerical staff; employee benefits for all employees in this program; office, medical, dental, and first-aid supplies; travel and conference expenses for all employees in this program; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Attendance. Attendance includes those activities that promote and improve the school attendance of pupils. Attendance services consist of such activities as early identification of patterns of absence, promotion of pupils' and parents' positive attitudes toward attendance, analysis of causes of absences, and enforcement of compulsory attendance laws. The time spent on attendance recording and reporting on a district-wide basis is charged to the district administration program (EDP No. 400).

Welfare. Welfare includes those activities that assist in the prevention or solution of the personal, social, and emotional problems of pupils involving family, school, and community relationships when such problems have a bearing on the quality of the schoolwork of pupils. It consists of such professional services as diagnosing the problems of pupils arising out of the home, school, or community; undertaking casework services for the child or parent, or both; interpreting the pupils' problems for other staff members; and promoting modification of the circumstances surrounding the individual pupil that are related to his or her problem insofar as the resources of the family, school, and community can be brought to bear on the problem. The activities

are usually assigned to such staff members as school social workers, visiting teachers, or directors of school social work. Programs that provide clothing for children are included.

Guidance. Guidance includes those activities that help pupils assess and understand their abilities, aptitudes, interests, environmental factors, and educational needs; assist them in understanding educational and career opportunities; and aid them in making optimum use of educational and career opportunities through the formulation of realistic goals. Guidance includes such activities as counseling pupils and parents, evaluating the abilities of pupils, helping them to make their own educational and career plans and choices, assisting them in personal and social adjustments, and working with other staff members in planning and conducting guidance programs. Guidance also includes administering psychological tests and managing and planning a program of psychological services for the school system.

Counseling. Counseling covers activities that (1) supplement the school district's information by identifying the individuality of each pupil—his or her capacities, achievements, interests, potentialities, and needs; (2) study the individual pupil experiencing acute problems in educational development in order to furnish diagnostic information; and (3) suggest programs concerning the psychological aspects of these problems.

Health. Health covers activities that provide physical and mental services not directly instructional, such as medical, dental, psychiatric, and nursing services.

Special projects administration, EDP No. 398. Special projects administration is the area of administrative responsibility for special projects or programs defined under "Special Projects," pages 701-8 and 701-9.

Direct charges to special projects administration include salaries of director(s) or supervisor(s) of special projects, including migrant education or similar projects; salaries of associated clerical staff; employee benefits for all employees in this program; supplies used by employees in this program; travel and conference expenses for all employees in this program; and repair and maintenance of equipment used in this program.

General Support

Administration by the county office and the district. General support activities have as their purpose the overall general administrative responsibility for the entire county office or school district and are classified as district/county administration.

Governing board/superintendent costs, EDP No. 401. A governing board's costs are those for services of the board, including clerical support; external auditors' services, such as the cost of the annual audit; and negotiations and staff relations services (including contract administration). Superintendent costs are those for services of the

superintendent, including clerical support, administrative assistants, and others that directly assist the superintendent.

Direct charges to the governing board's/superintendent's costs include payments to and on behalf of governing board members; salaries of the superintendent, assistant(s) to the superintendent, associated administrative secretaries, and clerical staff; employee benefits for all employees in this program; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Some personnel may be employed, or activities performed, in more than one function. The following distributions of direct costs may be used in lieu of actual time accounting:

1. Small school districts that have one person who performs the functions of both the principal and the superintendent may charge 70 percent of the costs as a direct cost to the principal's function (school administration, EDP No. 385) and 30 percent of the costs as a direct cost to the superintendent's function (district administration, EDP No. 401).

2. The costs of the county offices and the county board of education may be charged as direct costs at 50 percent to the general administration program within the services to school district function (EDP No. 397) and 50 percent to the county board's/superintendents' program within the support services function (EDP No. 401).

Other administrative costs, EDP No. 400. Other administrative costs include those for special area administrative services; fiscal services; purchasing services; warehousing and distribution services; and printing, publishing, and duplicating services.

Direct charges to other administrative costs include salaries of the associate, area, and assistant superintendents; salaries of business managers, personnel directors, and directors of pupil services for the general direction and management of all affairs of the district; costs of attendance recording and reporting on a district-wide basis; salaries of administrative secretaries and clerks; salaries of accounting, purchasing, warehousing, and distribution personnel; employee benefits for all employees in this program; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Salaries and other related costs of employing retired personnel shall be charged to the programs to which the persons are actually assigned.

Some personnel may be employed or activities performed in more than one function. The following distribution of direct costs may be used in lieu of actual time accounting:

1. The costs of assistant superintendents for instruction (or equivalent positions) having first-line responsibility for delivery of the services of the district/county

administration program and for participation in the development of district policy may be charged as direct costs at 50 percent to the instructional administration program (EDP No. 375) and 50 percent to the district's other administrative costs program (EDP No. 400).

2. County offices that have one person performing similar activities within the services to school districts programs and support services programs may charge 50 percent of the costs as direct costs to the services to school districts function and 50 percent as direct costs to the support services function.

3. Other administrative costs at the county level may be charged as direct costs at 50 percent to the general administrative program within the services to school districts function (EDP No. 397) and 50 percent to other administrative costs within the support services function (EDP No. 400).

The initial charges for certain insurance should be charged as direct costs to the appropriate user programs, such as pupil insurance and driver training vehicle insurance (to be charged to the instructional programs); insurance on buses and vehicles used for transporting pupils (to be charged to the pupil transportation program); insurance on vehicles used for food service (to be charged to the food services program); and all other costs of property or liability insurance not charged to a specific program (to remain in the district/county other administrative costs program).

The costs of duplicating and reproduction services used by specific programs should be charged as direct costs to the user programs. In-house services should be charged to a user program in the same way that services provided by an outside firm would be charged to a user program.

Included in this program are excessive costs associated with the issuance of tax and revenue anticipation notes (TRANs). (See the definition of *debt service* on page 701-19 for further information.)

Centralized Data Processing

Centralized data processing, EDP No. 402. Centralized data processing includes in-house services provided from a mainframe computer or minicomputer as well as the costs of centralized services provided by another agency. Excluded from this program are services provided entirely on the smaller specialized computers, such as microcomputers or personal computers (to be charged to the program using the computers).

Plant Maintenance and Operations

Plant maintenance and operations, EDP No. 408. Plant maintenance and operations includes those activities necessary to keep the physical plant and grounds open, clean, comfortable, in working condition, and in a state of repair.

Plant maintenance. Plant maintenance includes those activities that are required to repair, restore, improve, or renovate school property, including grounds, buildings, building fixtures, and service systems. Direct charges to the plant maintenance program include salaries of directors and supervisors of maintenance, carpenters, painters, electricians, plumbers, maintenance clerks, and similar employees; employee benefits for all employees in this program; necessary materials and supplies; rental and replacement of plant maintenance equipment; contracts for repairing, restoring, or renovating the grounds, buildings, or equipment, including regrading sites and repairing retaining walls, walks, driveways, sprinkler systems, and playground apparatus or equipment; reseeding of lawns; repainting; repairs to or replacement of roofs, walls, heating and air-conditioning units, and electrical and plumbing installations; repairs to built-in fixtures; resurfacing and refinishing of floors; movement of movable walls or partitions; and acquisition and replacement of related equipment.

The plant maintenance program includes the costs of building repairs or renovations that do not meet the LEA's threshold for capitalization. These costs are charged as current expense, generally in Object 5600, Rentals, Leases, Repairs and Noncapitalized Improvements. Major remodeling or renovation of buildings, such as structural changes, modernization, or whole roof replacements, that substantially enhance the value or extend the life of the building and that meet the LEA's threshold for capitalization, should be charged as capital outlay to the facilities acquisition and construction program (EDP No. 468), generally in Object 6200, Buildings and Improvements to Buildings.

Plant operations. Plant operations are housekeeping activities concerned with keeping the physical plant open and ready for use. Included activities are cleaning and disinfecting; heating and lighting; communications; maintenance of power; moving of furniture; caring for grounds; garbage and trash disposal; laundry and dry cleaning service, including the rental of towels; rental of equipment, such as floor polishers; softwater service; and such other housekeeping activities as are repeated on a daily, weekly, monthly, or seasonal basis.

Direct charges to the operations program include salaries of directors and supervisors of operations, custodians, guards, gardeners, telephone switchboard operators, truck drivers, operational clerks, security personnel, and similar employee(s); employee benefits for all employees in this program; supplies, including brooms, brushes, disinfectants, fuses, garbage cans, light bulbs and fluorescent tubes, mops, wax, soap, toilet paper, towels, outdoor flags, weed killers, and fertilizers; office supplies; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Pupil Transportation

Pupil transportation, EDP No. 415. Pupil transportation means the conveying of pupils to and from home.

Direct charges to the pupil transportation program include salaries of directors and supervisors, bus drivers, clerks, and mechanics; salaries of other personnel whose assignments are related to the transportation of pupils, such as bus aides and security aides; employee benefits for all employees in this program; gas, oil, tires, parts, and supplies for the repair and maintenance of the buses; office supplies; insurance on buses and other vehicles used for transporting pupils; contracts for outside repair; contracts with individual(s), other districts, or firms for transporting pupils; rental of buses; and acquisition and replacement of equipment used for transporting pupils, including buses.

Examples of direct charges that are not charged to the pupil transportation program include conveying pupils to and from school activities (e.g., field trips, after-school sports) or between schools. These costs are charged to the applicable instructional program. If these activities are provided by the LEA, the costs are initially recorded in the pupil transportation program and then transferred to the appropriate instructional program or special project, using Objects 5710 and 5750.

Auxiliary Programs

Community services, EDP No. 450. Community services are those activities that have as their purpose community and school recreation and other activities authorized by the Civic Center Act (*Education Code* Section 38130 et seq.) and the Community Recreation Act (*Education Code* Section 10900 et seq.).

Direct charges to the community services program include salaries for playground directors, supervisors, or aides; salaries of associated clerks and other recreational personnel; paid overtime or extra time for custodial services performed entirely as a result of community services activities; employee benefits for all employees in this program; and those expenditures necessary to conduct activities under these acts.

Retiree benefits, EDP No. 453. Direct charges to this program include fringe benefits, compensation deferred as a retirement incentive, or other payments that are made as a result of retirement and for which no service is being provided by the retiree. Consulting services and/or related benefit costs paid for services rendered by a retiree are charged to the appropriate program responsible for those services.

Food services, EDP No. 455. Food services include management of the food services program of the school or school district, including the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities and the delivery of food.

Direct charges to the food services program include salaries of directors and supervisors, managers, cooks, helpers, bookkeepers, and clerks; employee benefits for all employees in this program; food; laundry; costs of purchase and operation of vehicles used in the delivery of food to various locations; insurance on vehicles used for food service; repair and maintenance of equipment used in this program; and acquisition and replacement of related equipment.

Child development activities, EDP No. 458. Child development activities include child care and development programs conducted by the district, such as day care programs and latch-key programs. Also included are programs provided to children in schools and in children's centers pursuant to *Education Code* sections 8200–8370. Certain child development programs shall be reported in the Child Development Fund only.

Nonagency activities, EDP No. 461–463. Nonagency activities are conducted on behalf of another agency, by contract or agreement, for which the other agency retains the prime responsibility. Such services may be instructional or support in nature.

Nonagency activities shall be classified as "educational" activities (EDP No. 461) when the contracting agency is a public educational agency and as "other" (EDP No. 463) when the contracting agency is not a public educational agency. Direct charges to this program are similar to the costs identified as direct charges for any instructional program. This program may or may not include direct charges. However, direct support costs will most likely be reported when such activities are conducted, such as allocations for plant maintenance and plant operations and school administration.

Facilities

Facilities ¾ Rents and leases, EDP No. 467. Direct charges to the facilities—rents and leases program are the costs of renting or leasing facilities without the option of purchase.

Capital lease payments are not charged here. These payments are debt service and are charged to all other outgo (EDP No. 480).

Facilities ¾ All other costs, EDP No. 468. Direct charges to the facilities—all other costs program includes all costs of obtaining land and buildings through purchase or lease with option to purchase; major remodeling or renovation of buildings; construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in fixtures; initial improvements to sites; and books and equipment for new buildings.

The salaries and other expenses of school district employees assigned specifically to the facilities program and of architects, engineers, and contractors hired for capital improvement projects are recorded in this program.

The facilities program includes major remodeling or renovation of buildings, such as structural changes, modernization, or whole roof replacements, that substantially enhance the value or extend the life of the building and that meet the LEA's threshold for capitalization. These costs are charged as capital outlay, generally in Object 6200, Buildings and Improvements to Buildings. Costs of building repairs or renovations that do not meet the LEA's threshold for capitalization are charged as current expense to the plant maintenance and operations program (EDP No. 408), generally in Object 5600, Rentals, Leases, Repairs and Noncapitalized Improvements.

Other Outgo

Outgoing tuition, EDP No. 475. Outgoing tuition is tuition for instruction under interdistrict attendance agreements, payments for excess costs, and other tuition.

All other outgo, EDP No. 480. All other outgo consists of outlays for debt service, interfund transfers, and transfers to other agencies other than outgoing tuition.

Debt service. Debt service consists of expenditures for the retirement of debt and for interest on debt, except principal and interest on current loans (money borrowed and repaid during the same year). That portion of direct costs for issuing TRANs, including interest expense, which is equal to or less than investment earnings on TRANs' proceeds, is to be charged to this program. If costs exceed investment earnings, the excess costs are to be charged to the district's or county's other administrative costs.

Interfund transfers. Interfund transfers consist of various transfers from the General Fund to various other funds, from the various funds to the General Fund, and between various funds.

Site or Operational Unit

Instructional and support programs may be identified by school site, location, or operational unit to provide additional management information relative to the total operation of a district.

Exhibit 701-1 Object of Expenditure Codes, by Major Program

Object, by Program	Instructional programs (general and special education)	Special projects	Support Services Programs: Instructional Support: Instructional administration	Instructional media	School administration	Pupil Services: Attendance/welfare	Guidance/counseling	Health	General Support: Special projects administration	District/county administration	Centralized data processing
1000 Certificated Personnel Salaries											
1100 Teachers' Salaries	●	●								●[i]	
1200 School Administrators' Salaries		●			●						
1300 Supervisors' Salaries		●	●	●					●		
1400 Librarians' Salaries		●		●							
1500 Guidance, Welfare, and Attendance Salaries		●				●	●				
1600 Physical and Mental Health Salaries		●						●			
1700 Superintendents' Salaries		●[j]								●	
1800 Administrators' Salaries		●				●	●	●	●	●	
1900 Other Certificated Salaries	●[a]	●	●	●	●	●	●	●	●	●	
2000 Classified Personnel Salaries											
2100 Instructional Aides' Salaries	●	●									
2200 Administrators' Salaries		●							●	●	●
2300 Clerical and Other Office Salaries		●	●	●	●	●	●	●	●	●	●
2400 Maintenance and Operation Salaries		●								●[h]	●
2500 Food Service Salaries		●									
2600 Transportation Salaries		●									
2900 Other Classified Salaries	●[a]	●	●	●	●	●	●	●	●	●	●
3000 Employee Benefits											
3110 STRS—Instructional	●	●									
3120 STRS—Noninstructional	●[a]	●	●	●	●	●	●	●	●	●	●
3210 PERS—Instructional	●	●									
3220 PERS—Noninstructional	●[a]	●	●	●	●	●	●	●	●	●	●
3310 OASDI—Instructional	●	●									
3320 OASDI—Noninstructional	●[a]	●	●	●	●	●	●	●	●	●	●
3330 Medicare—Instructional	●	●									
3340 Medicare—Noninstructional	●[a]	●	●	●	●	●	●	●	●	●	●
3350 Retirement in Lieu of OASDI—Instructional	●	●									

[a] Noon duty only.

[b] One-time retirement stipends.

[c] Services provided under the Civic Center Act.

[d] Only during construction.

[e] Dedicated phone lines only.

[f] Adult education, cafeteria, and child development funds only.

[g] Portion of TRANs' cost and interest expense equal to or less than investment earnings on TRANs' proceeds.

[h] Warehousing only.

[i] Substitutes for negotiations only.

[j] Assistant Superintendent of Instruction having first-line responsibility for delivering instructional administrative services only.

Exhibit 701-1 (Continued)

Object, by Program	Support Services Programs			Auxiliary Programs							
	General Support							Nonagency Activities			
	Plant maintenance	Plant operation	Pupil transportation	Community service	Retiree benefits	Food services	Child development activities	Educational	Other	Facilities	Other outgo
1000 Certificated Personnel Salaries											
1100 Teachers' Salaries								●	●		
1200 School Administrators' Salaries											
1300 Supervisors' Salaries											
1400 Librarians' Salaries											
1500 Guidance, Welfare, and Attendance Salaries											
1600 Physical and Mental Health Salaries											
1700 Superintendents' Salaries											
1800 Administrators' Salaries				●			●				
1900 Other Certificated Salaries				●	●[b]		●	●[a]	●[a]		
2000 Classified Personnel Salaries											
2100 Instructional Aides' Salaries								●	●		
2200 Administrators' Salaries	●	●	●	●		●	●			●	
2300 Clerical and Other Office Salaries	●	●	●	●		●	●			●	
2400 Maintenance and Operation Salaries	●	●	●	●[c]		●				●	
2500 Food Service Salaries						●					
2600 Transportation Salaries			●								
2900 Other Classified Salaries	●	●	●	●	●[b]	●	●	●[a]	●[a]	●	
3000 Employee Benefits											
3110 STRS—Instructional								●	●		
3120 STRS—Noninstructional	●	●	●	●	●		●	●[a]	●[a]	●	
3210 PERS—Instructional								●	●		
3220 PERS—Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
3310 OASDI—Instructional								●	●		
3320 OASDI—Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
3330 Medicare—Instructional								●	●		
3340 Medicare—Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
3350 Retirement in Lieu of OASDI—Instructional								●	●		

Exhibit 701-1 (Continued)

Object, by Program	Instructional programs (general and special education)	Special projects	Support Services Programs: Instructional Support			Pupil Services			General Support		
			Instructional administration	Instructional media	School administration	Attendance/ welfare	Guidance/ counseling	Health	Special projects administration	District/ county administration	Centralized data processing
3360 Retirement in Lieu of OADSI—Noninstructional	● [a]	●	●	●	●	●	●	●	●	●	●
Health and Welfare Benefits											
3410 Instructional	●	●									
3420 Noninstructional	● [a]	●	●	●	●	●	●	●	●	●	●
Unemployment Insurance											
3510 Instructional	●	●									
3520 Noninstructional	● [a]	●	●	●	●	●	●	●	●	●	●
Workers' Compensation											
3610 Instructional	●	●									
3620 Noninstructional	● [a]	●	●	●	●	●	●	●	●	●	●
Other Benefits											
3910 Instructional	●	●									
3920 Noninstructional	● [a]	●	●	●	●	●	●	●	●	●	●
4000 Books and Supplies											
4100 Textbooks	●	●									
4200 Books Other Than Textbooks	●	●	●	●					●		
4300 Instructional Materials and Supplies	●	●	●	●					●		
4400 Noncapitalized Equipment		●	●	●	●	●	●	●	●	●	●
4500 Other Supplies		●	●	●	●	●	●	●	●	●	●
4600 Pupil Transportation Supplies		●									
4700 Food Service Supplies		●									
5000 Services and Other Operating Expenditures											
5100 Personal Services of Instructional Consultants, Lecturers, and Others	●	●	●	●		●	●	●	●		
5200 Travel and Conferences	●	●	●	●	●	●	●	●	●	●	●
5300 Dues and Memberships	●	●	●	●	●	●	●	●	●	●	●

[a] Noon duty only.

[b] One-time retirement stipends.

[c] Services provided under the Civic Center Act.

[d] Only during construction.

[e] Dedicated phone lines only.

[f] Adult education, cafeteria, and child development funds only.

[g] Portion of TRANs' cost and interest expense equal to or less than investment earnings on TRANs' proceeds.

[h] Warehousing only.

[i] Substitutes for negotiations only.

[j] Assistant Superintendent of Instruction having first-line responsibility for delivering instructional administrative services only.

Exhibit 701-1 (Continued)

Object, by Program	Support Services Programs: General Support: Plant maintenance	Plant operation	Pupil transportation	Auxiliary Programs: Community service	Retiree benefits	Food services	Child development activities	Nonagency Activities: Educational	Other	Facilities	Other outgo
3360 Retirement in Lieu of OADSI—Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
Health and Welfare Benefits											
3410 Instructional								●	●		
3420 Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
Unemployment Insurance											
3510 Instructional								●	●		
3520 Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
Workers' Compensation											
3610 Instructional								●	●		
3620 Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
Other Benefits											
3910 Instructional								●	●		
3920 Noninstructional	●	●	●	●	●	●	●	●[a]	●[a]	●	
4000 Books and Supplies											
4100 Textbooks								●	●		
4200 Books Other Than Textbooks								●	●		
4300 Instructional Materials and Supplies								●	●		
4400 Noncapitalized Equipment	●	●	●	●		●	●	●	●	●	
4500 Other Supplies	●	●	●	●		●	●	●	●	●	
4600 Pupil Transportation Supplies			●								
4700 Food Service Supplies						●					
5000 Services and Other Operating Expenditures											
5100 Personal Services of Instructional Consultants, Lecturers, and Others								●	●		
5200 Travel and Conferences	●	●	●	●		●	●	●	●	●	
5300 Dues and Memberships	●	●	●	●		●	●	●	●		

Exhibit 701-1 (Continued)

Object, by Program	Instructional programs (general and special education)	Special projects	Support Services Programs								
			Instructional Support			Pupil Services			General Support		
			Instructional administration	Instructional media	School administration	Attendance/ welfare	Guidance/ counseling	Health	Special projects administration	District/ county administration	Centralized data processing
5400 Insurance	●	●	●	●	●	●	●	●	●	●	●
5500 Utilities and Housekeeping Services		●									●[e]
5600 Rentals, Leases, and Repairs	●	●	●	●	●	●	●	●	●	●	●
5710 Direct Costs for Interprogram Services	●	●	●	●	●	●	●	●	●	●	●
5750 Direct Costs for Interfund Services	●	●	●	●	●	●	●	●	●	●	●
5800 Other Services and Operating Expenditures	●	●	●	●	●	●	●	●	●	●	●
6000 Capital Outlay											
6100 Sites and Improvement of Sites		●									
6200 Buildings and Improvement of Buildings		●									
6300 Books and Media for New School Libraries or Major Expansion of School Libraries		●		●							
6400 Equipment	●	●	●	●	●	●	●	●	●	●	●
6500 Equipment Replacement	●	●	●	●	●	●	●	●	●	●	●
7000 Other Outgo											
71XX Tuition											
7221–7243 Other Transfers Out											
7270 PERS Reduction from Revenue Limit	●	●	●	●	●	●	●	●	●	●	●
7291 All Other Transfers Out											
7310 Direct Support/Indirect Costs for Interprogram Services	●	●	●	●	●	●	●	●	●	●	●
7350 Direct Support/Indirect Costs for Interfund Services	●[f]	●[f]	●	●	●	●	●	●	●	●	●
761X Interfund Transfers Out											
7639–7699 Other Uses		●									

[a]Noon duty only.

[b]One-time retirement stipends.

[c]Services provided under the Civic Center Act.

[d]Only during construction.

[e]Dedicated phone lines only.

[f]Adult education, cafeteria, and child development funds only.

[g]Portion of TRANs' cost and interest expense equal to or less than investment earnings on TRANs' proceeds.

[h]Warehousing only.

[i]Substitutes for negotiations only.

[j]Assistant Superintendent of Instruction having first-line responsibility for delivering instructional administrative services only.

Exhibit 701-1 (Continued)

Object, by Program	Support Services Programs			Auxiliary Programs							
	General Support							Nonagency Activities			
	Plant mainte-nance	Plant operation	Pupil transpor-tation	Commu-nity service	Retiree benefits	Food services	Child develop-ment activities	Educa-tional	Other	Facilities	Other outgo
5400 Insurance	●	●	●	●		●	●		●	●[d]	
5500 Utilities and Housekeeping Services		●								●[d]	
5600 Rentals, Leases, and Repairs	●	●	●	●		●	●	●	●	●	
5710 Direct Costs for Interprogram Services	●	●	●	●		●	●	●	●	●	
5750 Direct Costs for Interfund Services	●	●	●	●		●	●	●	●	●	
5800 Other Services and Operating Expenditures	●	●	●	●	●	●	●	●	●	●	●[g]
6000 Capital Outlay											
6100 Sites and Improvement of Sites										●	
6200 Buildings and Improvement of Buildings										●	
6300 Books and Media for New School Libraries or Major Expansion of School Libraries										●	
6400 Equipment	●	●	●	●		●	●	●	●	●	
6500 Equipment Replacement	●	●	●	●		●	●	●	●	●	
7000 Other Outgo											
71XX Tuition											●
7221–7243 Other Transfers Out											●
7270 PERS Reduction from Revenue Limit	●	●	●	●		●	●	●	●	●	●
7291 All Other Transfers Out											●
7310 Direct Support/Indirect Costs for Interprogram Services	●	●	●	●		●	●	●	●		
7350 Direct Support/Indirect Costs for Interfund Services	●	●	●	●[f]		●[f]	●[f]	●[f]	●[f]		
761X Interfund Transfers Out											●
7639–7699 Other Uses											●

PROCEDURE NO.

801

Distinguishing Between Supplies and Capitalized Equipment

One common accounting challenge LEAs face is that of distinguishing between supplies and capitalized equipment, between capitalized equipment and improvement of grounds, and between capitalized equipment and building fixtures or service systems. LEAs must correctly identify each expenditure if they are to achieve the necessary uniformity of accounting.

Whether an item should be classified as capitalized equipment or as supplies is determined by the length of time the item is serviceable and on its contribution to the value of the physical assets of the LEA. For example, supplies are constantly consumed and replaced without substantially increasing the physical assets of the LEA. Capitalized equipment has relatively permanent value and substantially increases the value of the physical assets of the LEA.

Expenditures for capitalized equipment, improvement of sites, building fixtures, and service systems are charged as capital outlay. Expenditures for noncapitalized equipment, supplies, and noncapitalized improvements are charged as current expense.

Criteria for Distinguishing Between Supplies and Equipment

Supplies are items of an expendable nature that are consumed or worn out, deteriorate in use, or are easily broken, damaged, or lost.

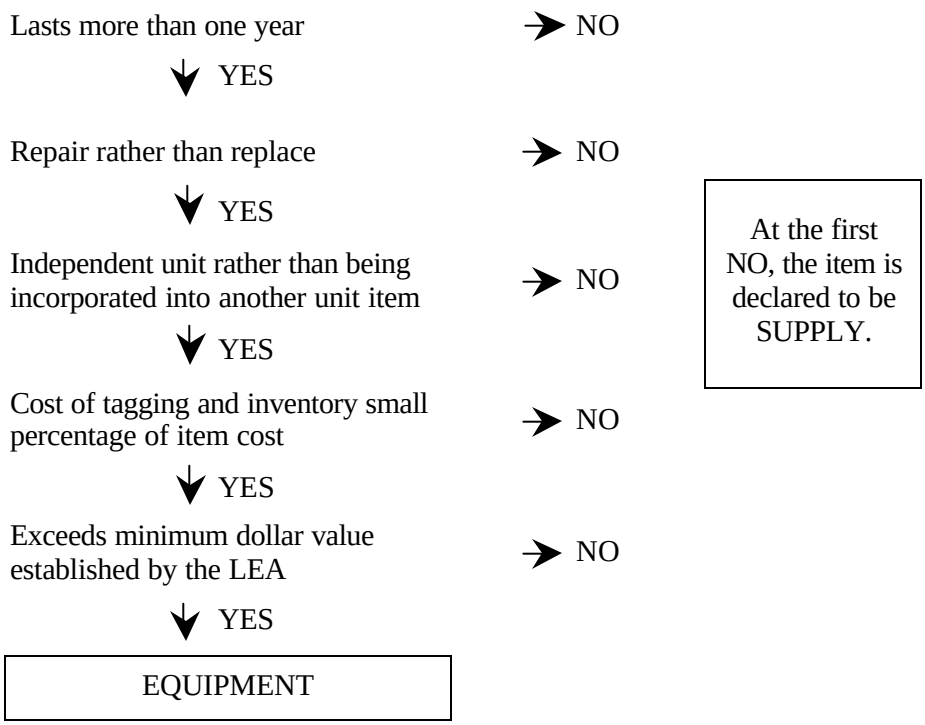
It is sometimes difficult to classify some articles as either supplies or capitalized equipment. They have the characteristics of equipment but may have a low unit cost or are frequently lost, broken, or worn out and replaced in normal use. To obtain uniformity, the LEA should assign items to the various classifications on the basis of answers to the questions below:

1. Does the item lose its original shape and appearance with use?
2. Is it consumable, with a normal service life of less than one year?
3. Is it easily broken, damaged, or lost in normal use?
4. Is it usually more feasible to replace it with an entirely new unit than to repair it?
5. Is the cost of the item below the LEA's capitalization threshold?

If the answer to any one of the preceding questions is yes, the item should be classified as a supply item, and the expenditure should be recorded within Object 4000, Books and Supplies. If all the answers are no, the item should be classified as capital outlay, and the expenditure should be recorded within Object 6400, Equipment, or 6500, Equipment Replacement.

The federal government uses the following flowchart to distinguish capitalized equipment from supplies. At the first NO, the item is declared to be a supply, not capitalized equipment.

Criteria for Distinguishing Capitalized Equipment from Supply Items
(Listed in Priority Order)



Inventory vs. Capitalization

Property inventory requirements and capitalization thresholds are different subjects that are commonly confused because of their overlapping terminology. An inventory is an itemized list for tracking and controlling property. Capitalization is an accounting treatment whereby an item of property is recorded as an asset rather than as an expense of the current period. Capital assets are those assets that meet the estimated useful life and monetary cost criteria and warrant capitalization in the financial statements. All items owned by an LEA can rightfully be considered assets, but as a practical matter, LEAs do not need to capitalize all of them.

Education Code Section 35168 requires LEAs to maintain an inventory of equipment whose current value exceeds $500. This requirement does not mean that LEAs must capitalize equipment costing more than $500. While all capitalized items should be inventoried, not all inventoried items should necessarily be capitalized. LEAs should maintain inventories—for compliance, accountability, and internal control purposes—of many items they do not capitalize in their financial statements. For example, LEAs might want to inventory VCRs and computers for internal control purposes, but might not want to capitalize them because of their low cost.

Capitalization Threshold

Capitalization threshold is the per-unit cost at which a given item qualifies for capitalization. Capitalization thresholds may differ from one LEA to another, depending on materiality; typically, the larger the LEA, the higher its capitalization threshold. The Government Finance Officers Association (GFOA) recommends that the threshold amount be set so that about 80 percent of the dollar value of an LEA's assets are reported (not 80 percent of the LEA's individual items of property). The Office of Management and Budget (OMB) Circular A-87, *Costs Principles for State, Local, and Indian Tribal Governments*, allows property costing up to $5,000 to be charged to federal grants as supplies, rather than as equipment, unless the LEA has set a lower capitalization threshold.

For most LEAs a capitalization threshold of at least $5,000 is recommended. For larger LEAs a higher capitalization threshold may be appropriate. If an LEA elects to set a threshold higher than $5,000, it needs to have a separate threshold of $5,000 for items paid for with federal funds. It is recommended that LEAs set a similar threshold for items paid for with restricted state funds. It is further recommended that LEAs consider capitalizing any item acquired through long-term debt such as a capital lease, even if the item does not otherwise meet the LEA's threshold for capitalization. This ensures that when the LEA reports the liability for the long-term debt, the LEA will also report the corresponding asset for which the debt was issued.

LEAs may wish to establish a separate, higher threshold for capitalization of site and building improvements than for capitalization of equipment. This part of the capitalization threshold should probably include a "common-sense" component whereby only those improvements that meet the threshold for capitalization AND that significantly enhance the value or extend the life of the site or building, regardless of the cost, are capitalized.

Reconciling Property Inventories to Accounting Records

LEAs have the ability to reconcile their property inventories, whether the property was capitalized or noncapitalized, to their accounting records.

It is relatively easy to reconcile inventoried items of capitalized property to accounting records because items of property that are capitalized should also be inventoried. To make it easy to reconcile inventoried items of noncapitalized property to accounting records, LEAs should use Object 4400, Noncapitalized Equipment, to distinguish expenditures for noncapitalized but inventoried items of property from expenditures for other materials and supplies.

For example, assume that an LEA maintains an inventory of items of property costing more than $500. The LEA would charge expenditures for items of property costing more than $500 to Object 4400, Noncapitalized Equipment. The LEA would charge items costing less, such as pencils and staplers, to Object 4300, Materials and Supplies. It would be easy to reconcile inventoried items of noncapitalized property to the accounting records.

Criteria for Repairs, Maintenance, and Betterments

Repair parts that the LEA purchases for buildings, equipment, and grounds, regardless of cost, are normally charged as supplies.

Examples: plumbing fixtures, compressors (if part of a larger unit), bus transmissions, engines, and timer devices for automatic sprinkler systems

Repair costs are those outlays that are necessary to keep an asset in its intended operating condition but that do not materially increase the value or physical properties of the asset.

In contrast, all additions and betterments to fixed assets should be charged to a capital outlay account when acquired or when construction or installation is completed. An addition refers to a physical extension of some existing asset. A betterment exists when a part of an existing asset is replaced by another and the replacement provides a significant increase in the life or value of the asset.

Criteria for Identification of Capital Outlay

Capital outlay expenditures are those that result in the acquisition of capital assets or additions to capital assets. They are expenditures for sites, improvement of sites, buildings, improvement of buildings, building fixtures, service systems, and purchase of

initial or additional equipment that meet the LEA's threshold for capitalization and substantially increase the LEA's assets.

6100—*Sites and Improvement of Sites*

Sites and Improvement of Sites includes acquisition of land, improvement of new and old sites and adjacent ways, and acquisition of physical property of a permanent nature attached to land. In addition to purchase price, the recorded costs should include such items as legal and title fees, surveying fees, appraisal and negotiation fees, damage payments, site preparation costs (clearing, filling, and leveling), and demolition of unwanted structures.

Examples: land, curbs, grading, playground surfacing, retaining walls, sidewalks, storm drain systems, landscaping, driveways, parking lots, fixed playground apparatus, and flagpoles

6200—*Buildings and Improvement of Buildings*

Buildings

Buildings include the construction or purchase costs of new buildings and additions, including advertising costs, architectural and engineering fees, blueprints, inspection, tests and examinations, demolition, the razing of existing obsolete or old buildings to clear sites for new buildings, building fixtures and service systems, and any other expenditures directly related to the construction or acquisition of buildings.

Improvement of Buildings

Improvement of buildings includes alterations, remodeling, renovations, and replacement of buildings in whole or in part. Improvements include the replacement of an existing building unit or construction of an improved or superior unit, usually resulting in a more efficient or a longer-lasting property. Significant improvements that meet the LEA's threshold for capitalization should be considered as capital outlay expenditures.

Criteria for Identification of Building Fixtures and Service Systems

The following criteria provide a uniform basis for the identification of building fixtures and service systems. To be classified as either a building fixture or a service system, as opposed to maintenance, an item must conform to five criteria:

1. The item is attached permanently to the building.

2. The item functions as part of the building.

3. Removal of the item would result in appreciable damage to the building or would impair the designed use of the facility.

4. The item is generally accepted as real property (not personal property).

5. The item loses identity as a separate unit.

Building Fixtures

Building fixtures include attachments to a building that are not subject to transfer or removal, presumably function as integral parts of the building, and have fairly long and useful lives. Such fixtures are generally accepted as real property and lose functional identity as separate units.

Service Systems

Service systems include any parts of a building that are intended to serve a single function throughout the building, are usually included as a part of the original construction or subsequently added in whole or in part, are built as integral parts of buildings, and are expected to have long and useful lives. Such systems are generally accepted as real property and lose identity as separate units.

Examples: air-conditioning systems or intercommunication systems

6300—*Books and Media for New School Libraries or Major Expansion of School Libraries*

Books and media for equipping new school libraries or a major acquisition of books and media for the purpose of expanding existing libraries should be charged as capital outlay.

6400—*Equipment*

Equipment means an item of movable personal property of a relatively permanent nature having an estimated useful life greater than one year and an acquisition cost that meets the LEA's capitalization threshold. If equipment is constructed by LEA employees, the cost of the materials and labor as well as indirect costs should be recorded as the total cost of the item that is produced.

Examples: computer network hardware and buses

6500—*Equipment Replacement*

Equipment replacement includes the replacement of movable personal property as defined in Object 6400, Equipment.

PROCEDURE NO.

805

Accounting for Lease-Purchase Agreements (Capital Leases)

One of the most common ways school districts acquire equipment is through lease-purchase agreements. These transactions will include the general long-term debt account group and the fixed assets account group.

Governmental Accounting and Financial Reporting Standards (GASB Codification) Code Section L20.109 requires that a lease agreement that meets any one of the following criteria be capitalized:

1. The lease transfers ownership of the property to the lessee by the end of the lease term. *This is a common situation in LEAs.*
2. The lease contains a bargain purchase option. *This is a common situation in LEAs.*
3. The lease term is equal to 75 percent or more of the estimated economic life of the leased property.
4. The value at the beginning of the lease's term of the minimum lease payments, excluding that portion of the payments representing executory costs to be prepaid by the lessor but including any profit thereon, equals or exceeds 90 percent of the excess of the fair value of the leased property to the lessor at the inception of the lease.

When lease agreements are capitalized, the property rights acquired under the lease are reported in the general fixed assets accounts group (unless the property is acquired by an enterprise fund, an internal service fund, or a nonexpendable trust fund).

The following rules apply to accounting for capital leases in the governmental funds:

1. At the inception of the lease, record the capital lease in the fund acquiring the asset as a debit to Object 6000 for the amount of the entire principal that is due. The credit is to account 8972, Proceeds from Capital Leases.
2. At the inception of the lease, record in the general long-term debt account group the total principal that is due.
3. At the inception of the lease, record the asset in the general fixed assets account group. Record the asset at an amount equal to the total principal that is due.
4. As lease payments are made, record the payments in the fund acquiring the asset as a debit to accounts 7439, Debt Service-Principal, and 7438, Debt Service-Interest.

5. As lease payments are made, make entries to deduct the amount of principal paid from the general long-term debt account group.

As an example of accounting for a capital lease, assume that equipment is leased for a five-year period, which is the economic life of the equipment. The lease is signed on June 30, 1992, and beginning on this date, five annual payments of $50,000 will be made.

The lease agreement contains the following amortization schedule which shows the breakdown of the annual payments into the principal and interest components:

Amortization Schedule

Date	*Lease Payment*	*Interest Expenditure @ 10%*	*Principal Expenditure*	*Amount of General Long-Term Debt*[1]
6/30/92				$208,493
6/30/92	$ 50,000		$ 50,000	158,493
6/30/93	50,000	$15,849	34,151	124,342
6/30/94	50,000	12,434	37,566	86,776
6/30/95	50,000	8,678	41,322	45,454
6/30/96	50,000	4,546	45,454	-0-
	$250,000	$41,507	$208,493	

[1]This column was computed from the amortization schedule provided in the lease agreement. This column provides the figures to be used to reconcile the amounts recorded in the general long-term debt account group. To compute this column, subtract the amount of principal paid each year from the total principal due at the beginning of the lease.

This amortization schedule is necessary to make the entries that are needed to record the capital lease.

The following entries are made to record the lease:

June 30, 1992

General Fund

		Dr	*Cr*
6400	**Equipment**	**$208,493**	
8972	**Proceeds from Capital Leases**		**$208,493**
	To record the acquisition of equipment with a capital lease		

General Fixed Assets Account Group

		Dr	*Cr*
9440	**Equipment**	**$208,493**	
9690	**Investment in General Fixed Assets**		**$208,493**
	To record the asset		

General Long-Term Debt Account Group

		Dr	*Cr*
9685	**Amount to Be Provided for Lease Payments**	**$208,493**	
9587	**Obligation Under Capital Lease Agreements**		**$208,493**
	To record the long-term debt resulting from a capital lease		

General Fund

		Dr	*Cr*
7439	**Debt Service-Principal**	**$50,000**	
9110	**Cash (Vouchers Payable)**		**$50,000**
	To record the first lease payment		

General Long-Term Debt Account Group

		Dr	*Cr*
9587	**Obligation Under Capital Lease Agreements**	**$50,000**	
9685	**Amount to Be Provided for Lease Payments**		**$50,000**
	To record the first payment (principal only)		

The second lease payment (6/30/93) would be recorded in the following manner:

General Fund

		Dr	*Cr*
7438	**Debt Service-Interest**	**$15,849**	
7439	**Debt Service-Principal**	**34,151**	
9110	**Cash (Vouchers Payable)**		**$50,000**
	To record the second lease payment		

General Long-Term Debt Account Group

		Dr	*Cr*
9587	**Obligation Under Capital Lease Agreements**	**$34,151**	
9685	**Amount to Be Provided for Lease Payments**		**$34,151**
	To reduce long-term debt as a result of the second lease payment		

If the lease payments are to be paid from a Debt Service Fund, any transfers from the General Fund to the Debt Service Fund are treated as operating transfers, not as General Fund expenditures.

The entries using the standardized account code structure (SACS) for a photocopy machine used in the accounting department would be recorded as follows:

General Fund

		Dr	*Cr*
x-xx-xx	**Equipment**		
	01-0000-0-0000-7200-6400-000	**$208,493**	
	Proceeds from Capital Leases		
	01-0000-0-0000-0000-8972-000		**$208,493**
	To record the acquisition of equipment with a capital lease		

General Fixed Assets Account Group

		Dr	*Cr*
x-xx-xx	**Equipment**		
	96-0000-0-0000-0000-9440-000	**$208,493**	
	Investment in General Fixed Assets		
	96-0000-0-0000-0000-9990-000		**$208,493**
	To record the asset		

General Long-Term Debt Account Group

		Dr	*Cr*
x-xx-xx	**Amount to be provided for Lease Payments**		
	97-0000-0-0000-0000-9989-000	**$208,493**	
	Capital Leases Payable		
	97-0000-0-0000-0000-9667-000		**$208,493**
	To record the long-term debt resulting from a capital lease		

General Fund

		Dr	*Cr*
x-xx-xx	**Debt Service-Principal**		
	01-0000-0-0000-9100-7439-000*	**$50,000**	
	Cash		
	01-0000-0-0000-0000-9110-000		**$50,000**
	To record the first lease payment		

***If a restricted resource authorizes the expenditure of funds for a capital lease, the appropriate resource and goal would be used.**

General Long-Term Debt Account Group

		Dr	*Cr*
x-xx-xx	**Obligations Under Capital Lease Agreements**		
	97-0000-0-0000-0000-9667-000	**$50,000**	
	Amounts to be provided for lease payments		
	97-0000-0-0000-0000-9989-000		**$50,000**
	To record the first payment (principal only)		

The second lease payment (6/30/93) would be recorded in the following manner:

General Fund

		Dr	*Cr*
x-xx-xx	**Debt Service-Interest**		
	01-0000-0-0000-9100-7438-000	**$15,849**	
	Debt Service-Principal		
	01-0000-0-0000-9100-7439-000*	**34,151**	
	Cash		
	01-0000-0-0000-0000-9110-000		**$50,000**
	To record the second lease payment		

***If a restricted resource authorizes the expenditure of funds for a capital lease, the appropriate resource and goal would be used.**

General Long-Term Debt Account Group

		Dr	*Cr*
x-xx-xx	**Obligation Under Capital Lease Agreements**		
	97-0000-0-0000-0000-9667-000	**$34,151**	
	Amount to be provided for lease payments		
	97-0000-0-0000-0000-9989-000		**$34,151**
	To reduce long-term debt as a result of the second lease payment		

PROCEDURE NO.

806

Accounting for Fixed Assets in the Proprietary and Fiduciary Funds

Generally, Procedure 806 is included for the benefit of those LEAs that have not yet implemented the new governmental reporting model established by GASB Statement 34. In the new model, the term fixed assets is replaced by capital assets. The Fixed Asset Account Group is eliminated, and capital assets are reported in the government-wide statement of net assets.

A table of estimated useful lives is included for the benefit of all LEAs, whether they have implemented GASB Statement 34 or not.

Procedure 806 does not reflect fund classifications and types based on the new model. Updated fund classifications and types are described in Procedure 202.

Fixed Assets of Expendable Trust Funds

Expendable trust funds are accounted for in essentially the same manner as governmental funds. Accordingly, fixed assets of an expendable trust fund should be reported in the general fixed assets account group.

Fixed Assets of Proprietary Funds or Nonexpendable Trust Funds

Fixed assets of enterprise funds and internal service funds are recorded in the respective funds, not in the General Fixed Assets Account Group. These funds should reflect their fixed assets for the following reasons:

- Fixed assets are used in the production of the funds' services or products.
- Depreciation on the fixed assets is an essential element in determining the funds' total expenses, net income, and changes in fund equity.
- Fixed assets may serve as security for the issuance of debt by the funds.

A proprietary fund must account for fixed assets and related depreciation charges in a fashion that complies with the accounting and reporting standards applicable to commercial enterprises.

Similarly, nonexpendable trust funds must account directly in their financial statements for their specific fixed assets. This manner of accounting for fixed assets by nonexpendable trust funds results in the following benefits:

- Enhances the likelihood of compliance with trust agreement terms
- Discourages mismanagement of trust assets
- Facilitates the computation of depreciation when the trust corpus must not be spent

Acquisition and Depreciation of Fixed Assets in Proprietary and Nonexpendable Trust Funds

In proprietary and nonexpendable trust funds, outlay for acquisition of fixed assets is charged to the appropriate asset account for Land, Buildings, Equipment, or Work in Progress (see Procedure 204).

Depreciation of fixed assets is charged to Object 6900, Depreciation Expense.

Estimated Useful Lives of Fixed (Capital) Assets

Estimated useful life means the estimated number of months or years that an asset will be able to be used for the purpose for which it was intended. Estimated useful lives are used to allocate depreciation expense to the appropriate periods.

In estimating an asset's useful life, LEAs should consider the asset's present condition, use, construction type, maintenance policy, and how long the asset is expected to meet service demands.

LEAs may depreciate assets either individually or in groups. If the LEA elects to depreciate assets in groups, the estimated life of the group may be based on the weighted average or the simple average of the useful lives of the individual items, or on assessment of the life of the group as a whole.

The following table of estimated useful lives is included for general information only. Estimation of useful lives should be a local decision based on local factors. LEAs are not required to utilize the estimated useful lives suggested in this table.

Table of Estimated Useful Lives

The following table is provided as general guidance regarding reasonable estimated useful lives. In estimating an asset's useful life, LEAs should consider the asset's present condition, use of the asset, construction type, maintenance policy, and other local variables.

ASSET CLASS	EXAMPLES	YEARS
Land		**N/A**
Site Improvements	Paving, flagpoles, retaining walls, sidewalks, fencing, outdoor lighting	**20**
School Buildings		**50**
Portable Classrooms		**25**
HVAC Systems	Heating, ventilation, and air conditioning systems	**20**
Roofing		**20**
Interior Construction		**25**
Carpet Replacement		**7**
Electrical / Plumbing		**30**
Sprinkler / Fire System	Fire suppression systems	**25**
Outdoor Equipment	Playground, radio towers, fuel tanks, pumps	**20**
Machinery & Tools	Shop & maintenance equipment, tools	**15**
Kitchen Equipment	Appliances	**15**
Custodial Equipment	Floor scrubbers, vacuums, other	**15**
Science & Engineering	Lab equipment, scientific apparatus	**10**
Furniture & Accessories	Classroom and office furniture	**20**
Business Machines	Fax, duplicating & printing equipment	**10**
Copiers		**5**
Communications Equip	Mobile, portable radios, non-computerized	**10**
Computer Hardware	PC's, printers, network hardware	**5**
Computer Software	Instructional, other short-term	**5 to 10**
Computer Software	Administrative or long-term	**10 to 20**
Audio Visual Equip	Projectors, cameras (still & digital)	**10**
Athletic Equipment	Gymnastics, football, weight machines, wrestling mats	**10**
Musical Instruments	Pianos, string, brass, percussion	**10**
Library Books	Collections	**5 to 7**
Licensed Vehicles	Buses, other on-road vehicles	**8**
Contractors Equipment	Major off-road vehicles, front–end loaders, large tractors, mobile air compressor	**10**
Grounds Equipment	Mowers, tractors, attachments	**15**

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001—Overview of the Standardized Account Code Structure

Part II of the *California School Accounting Manual* presents the Standardized Account Code Structure (SACS) for use by school districts and county offices of education. The standardized structure has been developed to accomplish the following objectives:

- Establish a uniform, comprehensive, and minimum chart of accounts statewide to improve financial data collection, reporting, transmission, accuracy, and comparability.
- Reduce the administrative burden on local educational agencies (LEAs) in preparing required financial reports.
- Meet federal compliance guidelines and increase the opportunities for California to receive federal funding for education programs.
- Ensure that school districts and county offices of education comply with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).
- Create a logical framework that can be used to determine where education funds come from and how they are used.
- Provide better information for use by administrators, parents, board members, legislators, and others interested in school finance.

The Standardized Account Code Structure contains seven numerically coded, required fields that must be built into the accounting structure of all LEAs that implement SACS. However, the use of one of these fields, the school field, is not required at this time.

1.	Fund/Account Group	2 digits
2.	Resource	4 digits
3.	Project Year	1 digit
4.	Goal	4 digits
5.	Function (Activity)	4 digits
6.	Object	4 digits
7.	*School (Three-digit field is required, but its use is optional.)*	*3 digits*

Local educational agencies may include additional subfields in their chart of accounts and/or expand the number of digits in each field, but they must utilize fields one through six described in this manual.

This section of the *California School Accounting Manual* provides a chart of accounts with detailed account codes, descriptions, and definitions for each of the seven fields and examples of how to use the codes for common financial transactions.

001—Overview of the Standardized Account Code Structure

Standardized Account Code Structure Field Descriptions

Fund/Account Group (2 digits)

Fund

- Establishes a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, all related liabilities, and residual equities and balances or changes therein
- Identifies specific activities or defines certain objectives of an LEA in accordance with special regulations, restrictions, or limitations
- Applies to revenue, expenditure, and balance sheet accounts

Account Group

- Establishes a self-balancing group of accounts to account for fixed assets or for the unmatured general long-term debt of an LEA
- Applies to balance sheet accounts

Resource (Project/Reporting) (4 digits)

- Tracks those activities that are funded with revenues that have special accounting or reporting requirements or that are legally restricted, such as Title I
- Includes Resource 0000 for accounting activities using resources that are unrestricted within the fund
- Applies to revenue, expenditure, and balance sheet accounts

Project Year (1 digit)

- Distinguishes the activities of those projects that span more than one fiscal year
- Applies to revenue, expenditure, and balance sheet accounts

Goal (4 digits)

- Accumulates costs by instructional goals and objectives of an LEA. Groups costs by population, setting, and/or educational mode
- Allows the charging of instructional costs and direct support costs to the benefiting goals
- Provides the framework for accumulating the costs of different functions by goals
- Captures financial information by subject matter and/or mode of education
- Includes Goal 0000 for functions that are not directly assignable to a goal
- Applies to expenditure accounts and special education revenue accounts; may be used with other revenue accounts and is required in special education revenue accounts

001—Overview of the Standardized Account Code Structure

Function (Activity) (4 digits)

- Describes activities or services performed to accomplish one or more objectives in the goal field
- Describes the activity for which a service or material object is acquired
- Consists of activities that have somewhat the same general operational objectives
- Applies to expenditure accounts; may be used in revenue accounts

Object (4 digits)

- Captures the service or commodity obtained as a result of a specific expenditure, the general source and type of revenue, or a balance sheet account
- Generates financial statements
- Applies to revenue, expenditure, and balance sheet accounts

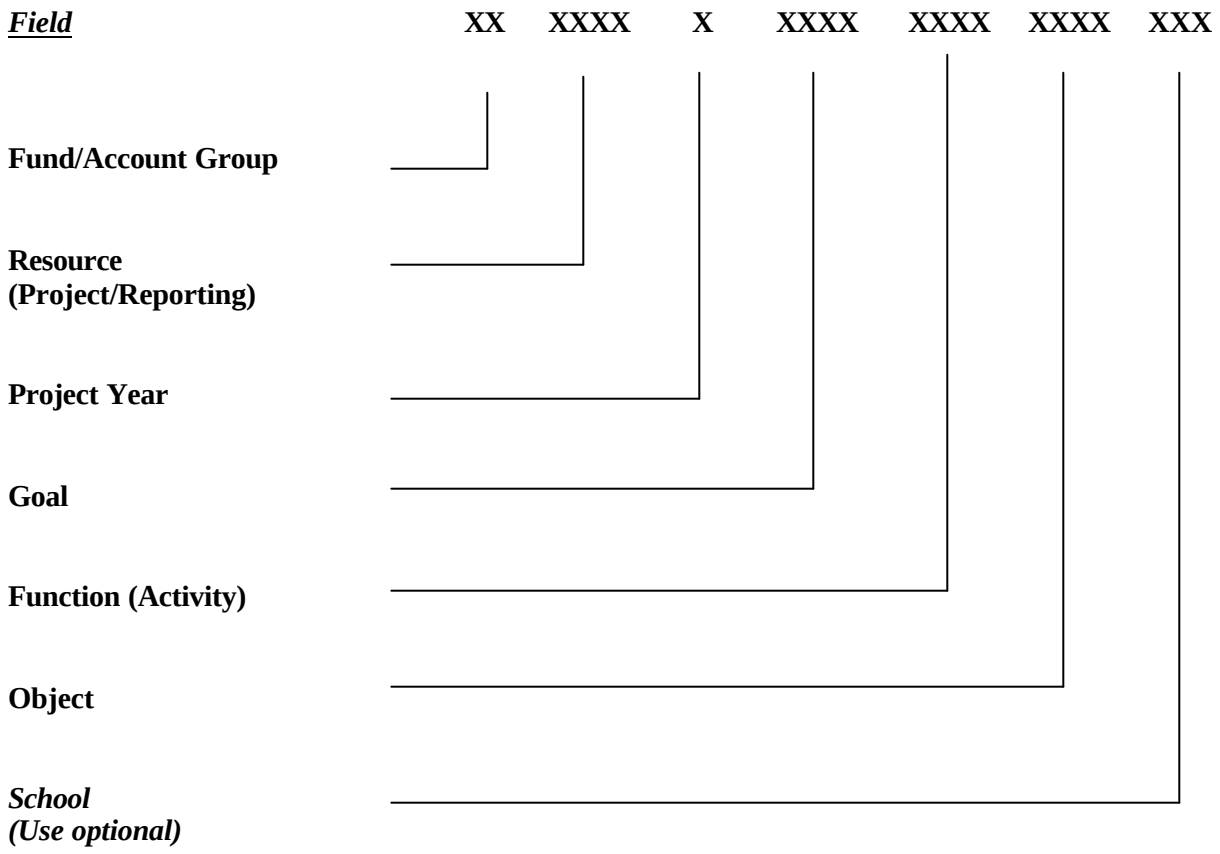
School (3 digits)

- Designates a specific, physical school structure or group of structures that form a campus under a principal's responsibility, for which a unique set of test scores is reported and that is identified as such in the *California Public School Directory*
- Applies to expenditure accounts; may be used in revenue accounts and balance sheet accounts

Note: The school field is required to be built into the accounting system of all LEAs that implement SACS. However, *its use is not required at this time* for state reporting purposes.

001—Overview of the Standardized Account Code Structure

Standardized Account Code Structure Layout



- The fields must be presented in this order when data are submitted to the Department of Education.
- Each of these fields must contain either digits or default zeros.
- The three digits of the school field will not be submitted to the Department of Education at this time.

001—Overview of the Standardized Account Code Structure

Use of Standardized Account Code Structure

The following graphics highlight the use of each field for the major types of accounts. The display for each type of account contains a legend that groups the fields in accordance with these uses.

1. Revenue Accounts

☐ Fund/Account Group, Resource, and Object must be coded for all revenue transactions.

▩ Project Year must be coded for revenue transactions when more than one year of a federal or state project occurrs in the LEA fiscal year.

▩ Coding of the diagonally striped fields (Function and School) is not required. An exception occurs for the Goal, which must be coded at the 5XXX level for special education revenue; coding the Goal field is optional for other revenue.

Fund/ Account Group	Resource (Project/ Reporting)	Project Year	Goal	Function (Activity)	Object	School
XX	XXXX	X	XXXX	XXXX	XXXX	XXX

2. Expenditure Accounts

☐ Fund/Account Group, Resource, Goal, Function, and Object must be coded for all expenditure transactions.

▩ Project Year must be coded for expenditure transactions when more than one year of a federal or state project occurrs in the LEA fiscal year.

▩ Coding of School is not required at this time.

Fund/ Account Group	Resource (Project/ Reporting)	Project Year	Goal	Function (Activity)	Object	School
XX	XXXX	X	XXXX	XXXX	XXXX	XXX

3. Balance Sheet Accounts

☐ Fund/Account Group, Resource, and Object must be coded for all balance sheet transactions.

▩ Coding of Project Year, Goal, Function, and School is not required.

Fund/ Account Group	Resource (Project/ Reporting)	Project Year	Goal	Function (Activity)	Object	School
XX	XXXX	X	XXXX	XXXX	XXXX	XXX

001—Overview of the Standardized Account Code Structure

100—Account Code Descriptions

This section of the *California School Accounting Manual* presents the codes and descriptions of the accounts comprising each of the seven fields in SACS. The fields are presented as follows:

- Fund/Account Group
- Resource (Project/Reporting)
- Project Year
- Goal
- Function (Activity)
- Object
- School

In the following pages each field will be examined. First, the field and its use are described. Second, examples are offered that demonstrate the application of the field in typical revenue, expenditure, and balance sheet transactions. Third, a list is provided of the required and optional account codes and account titles for the field. Fourth, the flexibility of the field for LEA use is discussed. Finally, a detailed list of the accounts is presented to fully describe the proper use of the field.

Optional codes are shown in *italics*; their use is *not required for state reporting purposes*. However, LEAs that choose to account for transactions at the optional, lower level of detail are required to use the optional codes in this section when they apply to affected transactions. In other words LEAs cannot use their own codes or definitions to identify accounts that are already defined by required or optional codes in this section. Further, neither the codes nor the definitions of any codes that appear in this section (required or optional) may be altered by LEAs for their own use. LEAs may, however, create and use their own unique codes and definitions to reflect accounting detail not addressed by this section. If an LEA elects to use locally defined optional codes, account balances in such accounts must be "rolled up" by the LEA to the coding level specified by the California Department of Education (CDE) for the purpose of transmitting accounting data for state financial reporting.

For example, an LEA may code its transactions to the minimum level required by this section (see Section 105–Function for further detail), as follows:

8100	Plant Maintenance and Operations (required minimum level of detail)
8500	Facilities Acquisition and Construction (required minimum level of detail)
8700	Facilities Rents and Leases (required minimum level of detail)

Or an LEA may code its transactions to a more detailed level by using the optional codes in this section, more detailed codes developed by the LEA (which do not conflict with either the required or optional codes in this section), or a combination of both, as shown in the following example:

8100	Plant Maintenance and Operations (required minimum level of detail)
8110	*Maintenance (optional code in this section)*
8120	*Repairs, Vandalism (optional locally defined code)*
8200	*Operations (optional code in this section)*
8700	Facilities Rents and Leases (required minimum level of detail)

In this example the LEA used the more detailed optional codes defined in Part II as well as a locally defined code in addition to the required codes. At year-end for transmission of data to CDE, the transactions in optional codes 8110 and 8200 must be reported separately to CDE. However, any locally defined codes must "roll up" (or combine) to the minimum level designated by CDE. Function 8120 would "roll up" into Function 8110. This method of reporting will permit CDE to "roll up" the accounts to a level that provides for statewide comparisons with districts not using the optional codes.

Caution: CDE is not encouraging the use of locally defined codes, but the system does allow local flexibility. It must be understood, however, that if LEAs elect to add their own detailed codes, they should be aware that in the future some of the codes they use may be preempted by CDE for other uses.

1. How the Fund/Account Group Field Is Used

Fund
The accounting systems of school districts and county offices of education are organized and operated on a fund basis. A fund is an accounting entity with a self-balancing set of accounts recording financial resources and liabilities. It is established to carry on specific activities or to attain certain objectives of an LEA in accordance with special regulations, restrictions, or limitations.

The fund field applies to revenue, expenditure, and balance sheet accounts.

Account Group
An account group is a self-balancing group of accounts established to account for fixed assets of an LEA or to account for the unmatured general long-term debt of an LEA.

The account group field applies to balance sheet accounts.

2. Examples of Coding in the Fund/Account Group Field

Revenue Transaction
The school district receives a federal lunch reimbursement allowance. The revenue would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
13	5310	0	0000	0000	8220	000

- **Fund 13 is the Cafeteria Special Revenue Fund.**
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not required because the program year follows the fiscal year.
- Goal is generally not required for revenues.
- Function is not required for revenues.
- Object 8220 is Child Nutrition Programs.
- School is not required.

Expenditure Transaction
The district purchases food for the school lunches. The expenditure would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
13	5310	0	0000	3700	4700	123

- **Fund 13 is the Cafeteria Special Revenue Fund.**
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not required because the program year follows the fiscal year.
- Goal 0000 is Undistributed.
- Function 3700 is Food Services.
- Object 4700 is Food.
- School 123 is the ABC Elementary School. Coding of the school field is not required; however, LEAs may wish to code expenditures for local information.

Balance Sheet Transaction
At year-end a contract has not yet been paid, and the payable is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
13	5310	0	0000	0000	9500	000

- **Fund 13 is the Cafeteria Special Revenue Fund.**
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not required because the program year follows the fiscal year.
- Goal is not required for balance sheet transactions.
- Function is not required for balance sheet transactions.
- Object 9500 is Accounts Payable.
- School is not required.

3. List of Fund/Account Groups

Code	Description
01–60	**GOVERNMENTAL FUNDS**
01	General Fund/County School Service Fund
03	*General Fund Unrestricted*
06	*General Fund Restricted*
09–20	Special Revenue Funds
09	Charter Schools Special Revenue Fund
11	Adult Education Fund
12	Child Development Fund
13	Cafeteria Special Revenue Fund
14	Deferred Maintenance Fund
15	Pupil Transportation Equipment Fund
16	Forest Reserve Fund
17	Special Reserve Fund for Other Than Capital Outlay Projects
18	School Bus Emissions Reduction Fund
19	Foundation Special Revenue Fund
21–50	Capital Project Funds
21	Building Fund
25	Capital Facilities Fund
30	State School Building Lease-Purchase Fund
35	County School Facilities Fund
40	Special Reserve Fund for Capital Outlay Projects
51–56	Debt Service Funds
51	Bond Interest and Redemption Fund
53	Tax Override Fund
56	Debt Service Fund
57–60	Permanent Funds
57	Foundation Permanent Fund
61–70	**PROPRIETARY FUNDS**
61–65	Enterprise Funds
61	Cafeteria Enterprise Fund
63	Other Enterprise Fund
66–68	Internal Service Funds
66	Warehouse Revolving Fund
67	Self-Insurance Fund

101—Fund/Account Group

Code	Description
71–95	**FIDUCIARY FUNDS**
71–75	Trust Funds
71	Retiree Benefit Fund
72	Article XIII-B Fund
73	Foundation Private Purpose Trust Fund
76–95	Agency Funds
76	Warrant/Pass-through Fund*
95	Student Body Fund*
96–99	**ACCOUNT GROUPS**
96	General Fixed Asset Account Group**
97	General Long-Term Debt Account Group

*Not required to be reported to CDE; however, these fund groups are required to be included in the audited financial statements to meet GAAP reporting requirements.

****** Currently, the General Fixed Asset Account Group is not required by CDE. However, there is a requirement to report capital assets in the government-wide financial statements under GASB Statement 34, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments*.

4. Flexibility of the Fund/Account Group Field

When LEAs submit data to CDE, they must use the fund codes presented in Part II of the *California School Accounting Manual.* LEAs may establish additional funds at the local level by using the unassigned codes in this fund structure. However, any locally defined funds must "roll up" for reporting purposes. For example, if an LEA uses fund numbers 36, 37, and 38 to establish separate funds for each of its state school building projects, these funds must "roll up" to Fund 35 for reporting purposes. In addition, LEAs need to be aware that the CDE may use the currently unassigned codes for additional funds in the future.

5. List of Fund/Account Groups with Descriptions

Governmental Accounting Standards Board Statement 34 (GASB 34) established a new governmental financial reporting model. The Fund/Account Group Section has been updated to describe fund classifications and types based on the new model. LEAs that have not yet implemented GASB 34 may utilize the new fund types if they wish, but are not required to do so.

01–60 GOVERNMENTAL FUNDS

01 **General Fund (school districts and joint powers agreements [JPAs]/County School Service Fund for county offices).** The General Fund and the County School Service Fund (CSSF) are used to account for the ordinary operations of an LEA. All transactions except those required or permitted by law to be in another fund are accounted for in these funds.

Restricted projects or activities within the General Fund must be identified and separated from unrestricted activities. The LEA has the option of using one general fund or of separating transactions into two general funds: restricted and unrestricted.

03 ***General Fund Unrestricted (Optional).*** *The General Fund Unrestricted is used to account for those projects and activities that are funded with unrestricted revenues.*

06 ***General Fund Restricted (Optional).*** *The General Fund Restricted is used to account for those projects and activities that are funded by external revenue sources that are legally restricted or restricted by the donor to specific purposes.*

09–20 **Special Revenue Funds.** Special revenue funds are established to account for the proceeds from specific resources, which by law are restricted to the financing of particular activities.

09 **Charter Schools Special Revenue Fund.** The Charter Schools Special Revenue Fund is used to report separately the activities of those charter schools not included in the General Fund or in the County School Service Fund.

The principal revenues in this fund are the following:

Charter Schools General Purpose Entitlement-State Aid
Charter Schools Categorical Block Grant
Charter Schools Funding in Lieu of Property Taxes
Lottery
Interest
All Other Local Revenue

11 **Adult Education Fund.** The Adult Education Fund is used to account separately for federal, state, and local revenues for adult education programs.

The principal revenues in this fund are the following:

Adult Education Block Entitlement
Apprentice Transfer from the General Fund
Workforce Investment Act (WIA)

Code	Description

Other Federal Revenue (e.g., Adult Basic Education)
All Other State Revenue
Interest
Adult Education Fees
All Other Local Revenue

Expenditures in this fund must be for adult education purposes only; money received for programs other than adult education shall not be expended for adult education (*Education Code* sections 52616[b] and 52501).

Other educational programs and activities that are administered by adult education staff but do not specifically serve adults should be expended in the LEA's general fund.

12 **Child Development Fund.** The Child Development Fund is used to account separately for federal, state, and local revenues to operate child development programs (*Education Code* Section 8328).

The principal revenues and other sources in this fund are the following:

Economic Opportunity Act
Child Nutrition Programs (Federal)
State Preschool
Child Nutrition Programs (State)
Child Development Apportionments
All Other State Revenue
Interest
Child Development Parent Fees
All Other Local Revenue
Interfund Transfers In

The Child Development Fund may be used only for expenditures for the operation of child development programs.

Child development programs that are not subsidized by state or federal funds and that are operated with the intent of recovering the costs of the program through parent fees or other charges to users should be accounted for in an enterprise fund.

13 **Cafeteria Special Revenue Fund.** The Cafeteria Special Revenue Fund (*Education Code* sections 38090–38093) is used to account separately for federal, state, and local resources to operate the food service program.

The principal revenues in this fund are the following:

Child Nutrition Programs (Federal)
Child Nutrition Programs (State)
Food Service Sales
Interest
All Other Local Revenues

Code	Description
	The Cafeteria Fund shall be used only for expenditures for the operation of the LEA's food service program (*Education Code* sections 38091 and 38100). The governing board of an LEA may establish and maintain within the Cafeteria Fund a reserve for cafeteria equipment (*Education Code* Section 38102).
14	**Deferred Maintenance Fund.** The Deferred Maintenance Fund is used to account separately for state apportionments and the LEA's contributions for deferred maintenance purposes (*Education Code* sections 17582–17587). The principal revenues in this fund are the following: Deferred Maintenance Allowance Interest Interfund Transfers In Expenditures in this fund are intended for major repairs or replacements under the plan approved by the Office of Public School Construction (*Education Code* Section 17582).
15	**Pupil Transportation Equipment Fund.** The Pupil Transportation Equipment Fund is used to account separately for state and local revenues for the acquisition, rehabilitation, or replacement of equipment used to transport students (*Education Code* Section 41852[b]). Typical expenditures in this fund are items charged to Object 4400, Noncapitalized Equipment, Object 6400, Equipment, and Object 6500, Equipment Replacement.
16	**Forest Reserve Fund (county offices).** The Forest Reserve Fund exists primarily to account separately for federal forest reserve funds received by offices of county superintendents for distribution to school districts (*Education Code* Section 2300). See Section 206, Forest Reserve, for appropriate coding.
17	**Special Reserve Fund for Other Than Capital Outlay Projects.** The Special Reserve Fund for Other Than Capital Outlay Projects is used primarily to provide for the accumulation of General Fund money for general operating purposes (*Education Code* Section 42842). Amounts from this special reserve fund must first be transferred into the General Fund or other appropriate fund of the LEA before expenditures can be made.
18	**School Bus Emissions Reduction Fund.** The School Bus Emissions Reduction Fund is used to accumulate money for the purchase or lease of new low- or zero-emission school buses or for the retrofitting of existing school buses (*Education Code* sections 17920–17926). The money could come from private parties as payment for the right to use emission reduction credits or from air pollution control district and air quality management district grants. Resource 7236, School Bus Emissions Reduction, may be deposited to the General Fund as well as to Fund 18. More than 50 percent of money deposited in the School Bus Emissions Reduction Fund must come from local LEA revenues. The LEA's contribution could be local sources or unrestricted General Fund money but *cannot* be money from the existing Small School District Bus Replacement Program. This restriction also applies to any new money that the

Code	Description
	state appropriates for the purchase or lease of new low- or zero-emission school buses or for the retrofitting of existing school buses.
19	**Foundation Special Revenue Fund.** The Foundation Special Revenue Fund is used to account for resources received from gifts or bequests pursuant to *Education Code* Section 41031 under which both earnings and principal may be used for purposes that support the LEA's own programs. This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Special Revenue Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032). Resources accounted for in the Foundation Special Revenue Fund would have been accounted for in an expendable trust fund prior to GASB 34.
21–50	**Capital Project Funds.** Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Capital projects are coded to Function 8500, Facilities Acquisition and Construction. Instructional functions may not be used in capital project funds.
21	**Building Fund.** The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146). Other authorized revenues to the Building Fund are (1) proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code* Section 17462); and (2) revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code* Section 41003). The principal revenues and other sources in this fund are the following: Rentals and Leases Interest Proceeds from the Sale of Bonds Proceeds from the Sale/Lease-Purchase of Land and Buildings Federal Emergency Management Act (FEMA) Expenditures in the Building Fund are most commonly made against the Object 6000, Capital Outlay, and accounts. Another example of an authorized expenditure in the Building Fund is repayment of State School Building Aid out of proceeds from the sale of bonds (*Education Code* Section 16058).
25	**Capital Facilities Fund.** The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code* sections 17620–17626). The authority for these levies may be county/city ordinances (*Government Code* sections 65970–65981) or private agreements between the LEA and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code* Section 66006).

Code	Description
	The principal revenues in this fund are the following: Interest Mitigation/Developer Fees Expenditures in the Capital Facilities Fund are restricted to the purposes specified in *Government Code* sections 65970–65981 or to the items specified in agreements with the developer (*Government Code* Section 66006).
30	**State School Building Lease-Purchase Fund.** The State School Building Lease-Purchase Fund is used primarily to account separately for state apportionments as provided by *Education Code* sections 17000–17039. The LEA may be required to transfer to this fund any available moneys from other funds as the LEA's contribution to a particular project. The principal revenues and other sources in this fund are the following: Interest Interfund Transfers In School Facilities Apportionments Typical expenditures in this fund are items charged to Object 6200, Buildings and Improvements of Buildings, and Object 6300, Books and Media for New School Libraries.
35	**County School Facilities Fund.** The County School Facilities Fund is established pursuant to *Education Code* Section 17070.43 to receive apportionments from the State School Facilities Fund authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants. The principal revenues and other sources in this fund are the following: School Facilities Apportionments Interest Interfund Transfers In Typical expenditures in this fund are for the costs of site, site improvements, buildings, building improvements, and furniture and fixtures capitalized as a part of the construction project. Funding provided by the State Allocation Board for reconstruction of facilities after disasters such as flooding may be deposited to Fund 35.
40	**Special Reserve Fund for Capital Outlay Projects.** The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code* Section 42840). Other authorized resources that may be transferred to the Special Reserve Fund are (1) proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code* Section 17462); (2) rentals and leases of real property specifically authorized for deposit to the fund by the governing board (*Education Code* Section 41003); and (3) excess amounts sufficient to pay all unpaid bond obligations (*Education Code* Section 15235).

Code	Description
	The principal revenues and other sources in this fund are the following: Rentals and Leases Interest Other Authorized Interfund Transfers In Proceeds from Sale/Lease-Purchase of Land and Buildings Resource 6200, Class Size Reduction Facilities Funding, may be transferred from the General Fund to Fund 40 for construction projects. Transfers authorized by the governing board from the General Fund must be expended for capital outlay purposes. Proceeds from the sale or lease-with-option-to-purchase may be spent for capital outlay purposes, costs of maintenance of the LEA's property, and future maintenance and renovation of school sites (*Education Code* Section 17462). Expenditures for capital outlay are most commonly made against the 6000 object codes for capital outlay. Salaries of school district employees whose work is directly related to projects financed by Fund 40 revenues are capitalized as a part of the capital facilities project. Function 1000, Instruction; Function 2420, Instructional Library, Media and Technology; Function 7200, General Administration; and other operational functions of the General Fund are not used in a capital facilities fund.
51–56	**Debt Service Funds.** Debt service funds are established to account for the accumulation of resources for and the payment of the principal and interest on general long-term debt.
51	**Bond Interest and Redemption Fund.** The Bond Interest and Redemption Fund is used for the repayment of bonds issued for an LEA (*Education Code* sections 15125–15262). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the LEA. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the LEA. The county auditor maintains control over the LEA's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller. The principal revenues in this fund are the following: State Subventions for Homeowners' Exemptions Other Subventions/In-lieu Taxes Secured Roll Taxes Unsecured Roll Taxes Prior Years' Taxes Interest Expenditures in this fund are limited to bond interest, redemption, and related costs. Excess money shall be transferred to the General Fund (*Education Code* Section 15234) or the Special Reserve Fund (*Education Code* Section 15235).

Code	Description
53	**Tax Override Fund.** The Tax Override Fund is used for the repayment of voted indebtedness tax levies (other than Bond Interest and Redemption Fund repayments) to be financed from the ad valorem tax levies. An example is a public school building loan repayment. Interest earned in the Tax Override Fund is credited to the General Fund of the LEA. The principal revenues in this fund are the following: State Subventions for Homeowners' Exemptions Other Subventions/In-lieu Taxes Secured Roll Taxes Unsecured Roll Taxes Prior Years' Taxes Supplemental Taxes Authorized Levies Public school building loan repayments (*Education Code* Section 15742) State school buildings loan repayments (*Education Code* Section 16090) Compensatory education housing repayments (*Education Code* Section 16214) Lease purchase payment levies (*Education Code* Section 17409) Construction of exceptional children's facilities repayment (*Education Code* Section 16196) Other voter-approved debt service levies
56	**Debt Service Fund.** The Debt Service Fund is used for the accumulation of resources for and the retirement of principal and interest on general long-term debt. The principal source in this fund is the following: Other Authorized Interfund Transfers In Expenditures are most commonly made against the 7400 object codes for debt service.
57–60	**Permanent Funds.** Permanent Funds were introduced as part of the governmental financial reporting model established by GASB Statement 34 to account for permanent foundations that benefit a LEA.
57	**Foundation Permanent Fund.** The Foundation Permanent Fund is used to account for resources received from gifts or bequests pursuant to *Education Code* Section 41031 that are restricted to the extent that earnings, but not principal, may be used for purposes that support the LEA's own programs. This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Permanent Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032). Resources accounted for in the Foundation Permanent Fund would have been accounted for in a non-expendable trust fund prior to GASB 34.

Code	Description
61–70	**PROPRIETARY FUNDS**
61–65	**Enterprise Funds.** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. An enterprise fund must be used to report any activity whose principal revenue sources meet any of the following criteria: 1. The LEA has issued debt backed solely by fees and charges from that activity. 2. There is a legal requirement that the cost of providing services, including capital costs such as depreciation or debt service, must be recovered through fees or charges. 3. The LEA's policy is to establish activity fees or charges designed to recover the cost of providing services, including capital costs such as depreciation or debt service. An enterprise fund is accounted for on a full-accrual basis. In an enterprise fund, capital assets and long-term debt (including all long-term debt obligations such as vacation pay and capital leases) are recorded in the fund, not in the account groups. All revenues and expenses (rather than expenditures) are recorded, regardless of when they are received or paid. Depreciation of capital assets is recorded. Generally, use Goal 0000, Undistributed, with an enterprise fund. The costs of an enterprise fund are not included in the program cost report (PCR) nor are the goals of an enterprise fund necessary for the district-wide statements.
61	**Cafeteria Enterprise Fund.** The Cafeteria Enterprise Fund may be accounted for as an enterprise fund rather than as a special revenue fund even though its primary source of financing comes from federal and state child nutrition program revenues rather than through the price paid for meals by the students. CDE recommends that an LEA use only an enterprise fund to account for its cafeteria operations if the LEA's governing board intends to operate its cafeteria program in a manner similar to that employed by private business enterprises and to fully recover all costs of providing services, including depreciation of capital assets.
63	**Other Enterprise Fund.** The Other Enterprise Fund may be used to account for business activities other than cafeteria services. This fund may be used to account for any activity that an LEA accounted for in an enterprise fund prior to issuance of GASB 34 even if the activity does not otherwise meet the criteria for using an enterprise fund. Fund 63 uses only Function 6000, Enterprise.
66–68	**Internal Service Funds.** Internal service funds are created principally to render services on a cost-reimbursement basis to other organizational units of the LEA. These funds are generally intended to be self-supporting.
66	**Warehouse Revolving Fund.** The Warehouse Revolving Fund is used primarily to maintain budget control and stock accounting of merchandise for an LEA's use (*Education Code* Section 42830). The Warehouse Revolving Fund is reimbursed from various funds of the LEA for amounts consumed by these user funds.

Code	Description
	Expenses in the Warehouse Revolving Fund may include the purchase of stores to be placed in stock and the costs of receiving, storing, and delivering stores (*Education Code* Section 42832).
67	**Self-Insurance Fund.** Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of an LEA. Separate funds may be established for each type of self-insurance activity, such as workers' compensation, health and welfare, and deductible property loss (*Education Code* Section 17566).

The principal revenues in this fund are the following:

Interest
In-District Premiums/Contributions
Interagency Revenues
All Other Local Revenue

Expense transactions in the Self-Insurance Fund shall be recorded for the payment of claims, estimates of costs relating to incurred-but-not-reported (IBNR) claims, administrative costs, deductible insurance amounts, cost of excess insurance, and other related costs. Most of the activities of the Self-Insurance Fund should be coded to Function 6000, Enterprise. (See *California School Accounting Manual*, Part I, Procedure No. 902.)

Amounts contributed to a Self-Insurance Fund are lawfully restricted for insurance purposes (*Education Code* Section 17566 and *Government Code* Section 53205).

71–95 FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held in a trustee or agent capacity for others that cannot be used to support the LEA's own programs. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

71–75 **Trust Funds.** Trust funds are divided between pension and other employee benefit trust funds and private purpose trust funds.

Pension and other employee benefit trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, post employment benefit plans, or other employee benefit plans. For a state-administered pension system such as STRS or PERS, the state, not the LEA, maintains the pension (and other employee benefits) trust funds.

71 **Retiree Benefit Fund.** The Retiree Benefit Fund exists to account separately for restricted money from salary reduction agreements, other contributions for employees' retirement benefit payments, or both.

Money may be transferred to the Retiree Benefit Fund from other funds by periodic expense charges in amounts based on existing and future obligation requirements. Payments may be

Code	Description
	made from the fund for insurance, annuities, administrative costs, or any other authorized purpose (*Education Code* Section 42850). The principal revenues in this fund are the following: Interest In-District Premiums/Contributions All Other Local Revenue Expenditures in the Retiree Benefit Fund are made from Object 5800, Professional/Consulting Services and Operating Expenditures. Use with Function 6000, Enterprise. Private purpose trust funds are used to report trusts that benefit the LEA itself.
72	**Article XIII-B Fund.** Note: The Article XIII-B Fund is being phased out and will be eliminated altogether effective in fiscal year 2003-2004 as a result of guidance in GASB 34 relating to fiduciary funds. LEAs utilizing this fund should eliminate it concurrently with their implementation of GASB 34 and instead use one or more of the other funds defined in this manual. The Article XIII-B Fund is an expendable trust fund whose purpose is to allow an LEA to establish "such contingency, emergency, unemployment, reserve, retirement, sinking fund, trust, or similar funds it shall deem reasonable and proper," as authorized in Section 5, Article XIII-B, of the State Constitution. The principal revenues in this fund are the following: Interest Other Authorized Interfund Transfers In Expenditures may not be made from the Article XIII-B Fund. Amounts from this fund must be transferred to other authorized funds before expenditures can be made.
73	**Foundation Private Purpose Trust Fund.** The Foundation Private Purpose Trust Fund is an optional fund used to account separately for gifts or bequests per *Education Code* Section 41031 that benefit individuals, private organizations, or other governments, and under which neither principal nor income may be used for purposes that support the LEA's own programs. This fund should be used when there is a formal trust agreement with the donor. Other types of donations should be accounted for in the General Fund. Amounts in the Foundation Private Purpose Trust Fund shall be expended only for the specific purposes of the gift or bequest (*Education Code* Section 41032).

Code	Description
76–95	**Agency Funds**
76	**Warrant/Pass-through Fund.** (Not required to be reported to CDE; however, this fund is required to be included in the audited financial statements to meet the GAAP reporting requirements.) The Warrant/Pass-through Fund exists primarily to account separately for amounts collected from employees for federal taxes, state taxes, credit unions, and other contributions. It is also to account for those receipts for transfer to agencies for which the LEA is acting simply as a "cash conduit." It is recommended that two agency funds be used at a local level: One for clearing payroll withholdings and another for the pass-through of resources. If the LEA chooses to report this information to CDE, the funds would combine into one Fund 76.
95	**Student Body Fund.** (Not required to be reported to CDE; however, this fund is required to be included in the audited financial statements to meet the GAAP reporting requirements.) In the financial reports of the LEA, the Student Body Fund is an agency fund and, therefore, consists only of accounts such as Cash and balancing liability accounts such as Due to Student Groups. The student body itself maintains its own general fund, which accounts for the transactions of that entity in raising and expending money to promote the general welfare, morale, and educational experiences of the student body (*Education Code* sections 48930–48938). Sources of receipts include, but are not limited to, fund-raising ventures, student store merchandise sales, athletic and student body performances, concessions, publications, gifts, grants, and interest. Unorganized student body funds are governed by the same principles of student body accounting that govern organized student body funds (*Education Code* Section 48938). Disbursements from the student body's general ledger may be made for merchandise, student body activities, food, hospitality, and student awards (*California Code of Regulations, Title 5, Education*, sections 15500 and 15501).
96–99	**ACCOUNT GROUPS** The following guidance on account groups is included for the benefit of those LEAs that have not yet implemented the new governmental reporting model established by GASB Statement 34. In the new reporting model, account groups are eliminated. Instead, capital assets and long-term debt balances are reported in the government-wide statement of net assets, and capital asset and long-term debt schedules are disclosed in the notes to the financial statements. In addition to the funds described above, two account groups are used in fund accounting: the General Fixed Asset Account Group and the General Long-Term Debt Account Group. The account groups are self-balancing sets of accounting records that classify and record the amounts of the general fixed assets and the general long-term debt of the LEA. The term general in the title of the account groups indicates that the assets and long-term debt are not included in specific funds.

Code	Description
96	**General Fixed Asset Account Group.** (Not required to be reported to CDE; however, this account group is required to be included in the audited financial statements to meet the GAAP reporting requirements.) The General Fixed Asset Account Group is a management control and accountability listing of the LEA's general fixed assets. It is established to account for long-lived assets not accounted for in the proprietary or trust funds. General fixed assets are those assets of a physical nature that have a long period of usefulness to and are owned by the LEA. They include buildings, land, furniture, and equipment. *Education Code* Section 35168 requires that LEAs maintain information on equipment, including costs, descriptions, names, identification numbers, acquisition dates, locations of use, and the times and means of disposal. LEAs should maintain similar information for all fixed assets. All fixed assets should be recorded at cost. In instances in which the cost of an item is not available, LEAs should use the estimated cost. Donated fixed assets should be recorded at their estimated fair market values at the time received.
97	**General Long-Term Debt Account Group.** The General Long-Term Debt Account Group is established to account for the unmatured principal of long-term indebtedness that is not the primary obligation of the proprietary or trust funds. Long-term debt comprises outstanding bonds, long-term notes payable, capital leases, and long-term liabilities for compensated absence and other post-employment benefits. Typically, long-term debts are incurred to construct or purchase buildings, land, and equipment for the LEA. LEAs should maintain detailed information on all of their long-term debts, including issue dates, interest rates, total debts outstanding, principal and interest repayments, and so forth.

101—Fund/Account Group

1. How the Resource (Project/Reporting) Field Is Used

The resource code is used to classify revenues and resulting expenditures in accordance with restrictions or special reporting requirements placed on either of these aspects of LEA financial activities by law or regulation. Further, because such revenues frequently are not fully expended within a fiscal year and related liabilities are not completely liquidated, the resource code is also used to reflect restrictions and special reporting obligations on balance sheet accounts. Each of these uses is described below.

Resource and Revenue Object Accounts

The Resource (Project/Reporting) field gives LEAs the ability to track activities funded with revenues that have financial reporting or special accounting requirements (e.g., State Lottery) or to track activities funded with revenues that have restrictions on how the funds are spent (e.g., NCLB, Title I). Those activities using revenues that are unrestricted are coded to Resource 0000.

The use of the resource codes may eliminate the need for LEAs to establish subfunds to account for those transactions/activities that must be separately tracked. For example, previously in order to track multiple state school building projects, LEAs often established subfunds within the State School Building Fund for each project. By identifying each authorized project with a separate resource code, LEAs will be able to maintain information on the revenues and expenditures as well as balance sheet accounts of each state school building project and run reports by project.

The list of resource codes later in this chapter links the resource codes to revenue object accounts. The resource code creates the link between funding sources and related expenditures. Thus, the resource code allows expenditures that are paid from state, federal, and local sources to be linked for reporting and information purposes.

Resource codes are associated with activities funded with unrestricted revenues (0000–1999 series) or activities funded with restricted revenues (2000–9999 series). The restricted resource codes are further classified by source: revenue limit, federal, state, and local. Although the restricted resources are classified by source, the classifications are general in nature. An activity may be funded with revenues from different sources. Therefore a single resource code tracking the activity could have revenues from federal, state, and local sources. For example, a restricted resource in the federal classification could have, in addition to revenues from the federal government, revenues from the state and/or from local sources.

A single source of revenue that must link to expenditures will have both:

- A unique resource code and
- A generic revenue object code (such as Object 8290, Other Federal Revenues)

For example:

Resource	Object
3010	8290
NCLB, Title I	Other Federal Revenues

Two or more specific sources of revenues, which must link to expenditures in the aggregate, will have both:

- A unique resource code and
- A separate revenue object code for each type of revenue associated with that resource

For example:

Resource	Object
5310 Child Nutrition - School Programs	8220 Federal Child Nutrition
	8520 State Child Nutrition
	8634 Local Food Service Sales

Some revenue object accounts have more than one resource code. For example, Revenue Object 8281, FEMA, uses Resource 5652 and Resource 5650 for FEMA revenues for which reports to the federal government are required.

Resource and Balance Sheet Accounts

The Resource (Project/Reporting) field also applies to balance sheet accounts. At year-end the Resource field will identify the ending balance of restricted resources, such as Special Education, ROC/P, Instructional Materials, County Community Schools, Juvenile Court, and so forth. This field will also identify deferred revenues and the amounts due to other governmental agencies, such as NCLB, Title I, Vocational Education, Special Education discretionary grants, and so forth.

Depending on how the LEA's financial system is programmed, balance sheet accounts such as Cash and Accounts Payable may include the Resource field at the time of the transaction or may be identified as a part of year-end closing procedures. However, when year-end data are submitted to the California Department of Education (CDE), the balance sheet accounts must be identified by resource. This is because at the state level, the Resource field is used to separate the unrestricted general fund from the restricted general fund. If the balance sheet accounts have not been posted with the Resource field during the year, the unrestricted and restricted accounts will be out of balance and an additional closing entry will be needed before the information is submitted to CDE.

For example, when the accounts payable staff pays the LEA's bills, the detailed expenditure transaction (the debit) is entered into the financial system by the accounts payable staff; however, the entry to the cash account (the credit) is usually an automatic entry made by the financial system.

Some financial systems have been programmed to post any automatic balance sheet entries to the Resource field. LEAs using these systems will automatically have all balance sheet transactions posted to the Resource field and no additional entry is needed at year-end.

Some financial systems will not be reprogrammed to post automatic balance sheet entries to the Resource field. In these LEAs, for state reporting purposes, the unrestricted and restricted general funds will be out of balance and an entry must be made to cash to balance the restricted and unrestricted resources. Example 3 in Part II, Section 203, shows how an LEA would prepare this entry.

Table of Resource Codes

The Table of Resource Codes contains the resources in numerical order with the most commonly associated revenue object codes, their number from the *Catalog of Federal Domestic Assistance* (CFDA), and a D/F designation. Depending on the conditions placed on the receipt or expenditure of certain restricted funds, the revenue of a restricted program may be subject to recognition in the period in which it is received, and at year-end carryover is calculated as ending fund balance. These resources are indicated with F (fund balance). The revenue of other restricted resources may be subject to recognition in the period when expended, and carryover is booked as deferred revenue. These resources are indicated with D (deferred revenue). Carryover of other resources, such as contracts, should be accounted for in fund balance (F). A list of the program cost accounts (PCAs) associated with the resources as of September 2002 is found in Appendix C. A more current listing is maintained on the SACS Query Page on the Internet at:

http://www.cde.ca.gov/fiscal/sacs/pcaresource/queryhome.asp

Obsolete Resource Codes

When a resource becomes obsolete, it will appear in Part II, Section 102, "Resource (Project/Reporting)" of this manual for one year with its final fiscal year in parenthesis next to the title. For example, a resource with "(01-02)" in the 2002 edition of Part II indicates that the last year that funding was available for this resource was fiscal year 2001-2002. This resource code would then be eliminated in the December 2003 edition of Part II of the *California School Accounting Manual.* LEAs may need to carry this resource code in their general ledger to track fund balances for a longer period. Therefore, the outdated resource code will remain in the matrix of valid combinations for a period of three years. In the previous example, the resource would remain in the matrix for fiscal years 2002-03, 2003-04, and 2004-05 to allow for carryovers.

The list of resources maintained on the Internet in the SACS Query System will include only those that are valid as of the list date. Resource codes will be deleted from the list as soon as they are determined to be invalid. For example, a resource code for which funding was available only through 2001-02 would be deleted from the SACS Query System in 2002-03.

Following is an example of the deletion of a resource code that was valid through 2001-02.

	2001-02	**2002-03**	**2003-04**	**2004-05**	**2005-06**
Part II of CSAM	Included	Included with notation of (01-02)	Deleted	Deleted	Deleted
Internet Query System	Included	Deleted	Deleted	Deleted	Deleted
Matrix of Valid Combinations	Included	Included	Included	Included	Deleted

The following page provides examples of how to use the Resource field.

2. Examples of Coding the Resource (Project/Reporting) Field

Revenue Transaction
Assume that the school district receives School Improvement Program (SIP) funding. The revenue would be coded as follows:

Fund/Group	**Resource**	Project Year	Goal	Function	Object	School
01	**7260**	0	0000	0000	8311	000

- Fund 01 is the General Fund.
- **Resource 7260 is SIP.**
- Project Year is not necessary for this resource.
- Goal is generally not required for revenues.
- Function is not required for revenues.
- Object 8311 is Other State Apportionments.
- School is not required.

Expenditure Transaction
Assume that instructional supplies are purchased for the ABC Elementary School. The expenditure would be coded as follows:

Fund/Group	**Resource**	Project Year	Goal	Function	Object	School
01	**7260**	0	1110	1000	4300	123

- Fund 01 is the General Fund.
- **Resource 7260 is the SIP.**
- Project Year is not necessary for this resource.
- Goal 1110 is Regular Education, K–12.
- Function 1000 is Instruction.
- Object 4300 is Materials and Supplies.
- School 123 is the ABC Elementary School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Balance Sheet Transaction
At year-end, if expenditures are less than the cash received, the deferral of SIP revenue will be coded as follows:

Fund/Group	**Resource**	Project Year	Goal	Function	Object	School
01	**7260**	0	0000	0000	9650	000

- Fund 01 is the General Fund.
- **Resource 7260 is the SIP.**
- Project Year is not necessary for this resource.
- Goal is not required for balance sheet transactions.
- Function is not required for balance sheet transactions.
- Object 9650 is Deferred Revenue.
- School is not required.

For more examples that demonstrate resource coding, refer to Section 200, "Using the Account Code Structure."

3. List of Resource (Project/Reporting) Accounts
(See previous section for explanation of table references.)

Resource Code	Resource Description	Revenue Object	D/F	CFDA
0000–1999	**UNRESTRICTED RESOURCES**			
0000	No reporting requirements	8010–8099, 8110 8260 8270 8280 8281 8290 8425 8434 8540 8550 8590 8631 8632 8639 8660 8671 8672 8674 8689 8691 8699 8910–8919, 8980		
0001–0999	Reporting: Locally defined These codes are used at the option of the LEA to track unrestricted revenues that do not have reporting requirements. For CDE reporting, these accounts are converted to account 0000.			
1000–1999	**Unrestricted Resources: Reporting or Special Accounting Required**			
1100	State Lottery	8560	F	
1200	Class Size Reduction, Grade 9	8435 8980 8990	F	
1300	*Class Size Reduction, Grades K–3*	*8434* *8980* *8990*	*F*	

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
2000–9999	**RESTRICTED RESOURCES**			
2000–2999	**Restricted Revenue Limit Resources**			
2200	Continuation Education (*Education Code* sections 42244 and 48438)	8091	F	
2400	Juvenile Court/County Community Schools	8091	F	
2410	*Juvenile Court (*Education Code *Section 1982.5)*	*8091*	*F*	
2420	*County Community Schools (*Education Code *sections 1980–1982.3)*	*8091*	*F*	
2430	Community Day Schools (*Education Code* sections 48660–48667)	8091	F	
2900	Other Restricted Revenue Limit Sources	8091	F	
3000–5999	**Federal Resources Restricted**			
3010	NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	8290	D	84.010
3015	IASA: Title I, Capital Expenses/Private Schools	8290	D	84.216
3020	NCLB: Title I, Basic School Support	8290	D	84.010
3025	NCLB: Title I, Part D, Local Delinquent Programs	8290	D	84.010 84.013
3030	NCLB: Title I, Part B, Reading First Program	8290	D	84.357
3035	IASA: Title I Local Improvement Plan, Regional School Support, and Improvement Centers	8290	D	84.011
3040	NCLB: Title I, Migrant Ed Mini Corps Project (Regular and Summer)	8290 8990	D	84.011
3041	NCLB: Title I, Migrant Ed Mini Corps Summer Project	8990	D	84.011
3045	NCLB: Title I, Migrant Ed Statewide Pass Project	8290	D	84.011
3060	NCLB: Title I, Part C, Migrant Ed (Regular and Summer Program)	8290 8990	D	84.011
3061	NCLB: Title I, Migrant Ed Summer Program	8990	D	84.011
3090	NCLB: Title I, Part D, Adult Correctional	8290	D	84.013
3100	NCLB: Title I, Juvenile Delinquent	8290	D	84.013
3105	NCLB: Title I, Even Start Family Literacy	8290	D	84.213
3110	NCLB: Title I, Part B, Even Start Migrant Ed (MEES)	8290	D	84.214

Resource Code	Resource Description	Revenue Object	D/F	CFDA
3150	NCLB: Schoolwide Programs (SWP)	8290 8990	D	84.010
3160	IASA: Title XI Coordinated Services (from Consolidated Application) (01/02)	8990	D	84.144
3170	NCLB: Title I, Part F, Comprehensive School Reform Demonstration (CSRD)	8290	D	84.010
3171	NCLB: Title I, Program Improvement & School Choice	8290	D	84.348
3310	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly PL 94-142)	8181 8287	D	84.027
3315	Special Ed: IDEA Preschool Grants, Part B, Sec 619	8182	D	84.173
3320	Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611	8182	D	84.027A
3326	Special Ed: IDEA Preschool Capacity Building, Part B, Sec 619	8182	D	84.173A
3330	Special Ed: IDEA Infant Discretionary, Part B, Sec 611	8182	D	84.027A
3340	Special Ed: IDEA Local Staff Development Grant, Part B, Sec 611	8182	D	84.027
3345	Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	8182	D	84.173A
3350	Special Ed: Comprehensive Personnel Development (01/02)	8182	D	84.029
3355	Special Ed: IDEA LCI Growth, Part B, Sec 611	8182	D	84.027
3360	Special Ed: IDEA Low-Incidence Entitlement, Part B, Sec 617	8182	D	84.027A
3370	Special Ed: IDEA State/Staff Development	8182	D	84.027A
3372	Special Ed: State Improvement Grant, Improving Special Ed Systems	8182	D	84.323
3375	Special Ed: IDEA Cross-Cultural Assessment, Special Project Special Studies	8182	D	84.027
3385	Special Ed: IDEA Early Intervention Grants	8182 8590	D	84.181
3386	Special Ed: IDEA Quality Assurance & Focused Monitoring	8182	D	84.027
3395	Special Ed: Alternative Dispute Resolution	8182	D	84.027
3400	Special Ed: Disabled Children State Institutions	8182	D	84.027

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
3405	Special Ed: Workability I	8182 8590	D	84.027
3410	Department of Rehab: Workability II, Transition Partnership	8290	D	84.158
3505	Vocational Programs: Nontraditional Training and Employ (Carl Perkins Act)	8290	D	84.048
3510	Vocational Programs: Voc & Applied Tech Prep Programs, Title II, Sec 203 (Carl Perkins Act)	8290	D	84.243
3515	Vocational Programs: Voc & Applied Tech Prep, Title II, Sec 124 (Carl Perkins Act)	8290	D	84.048
3525	Vocational Programs: Voc & Applied Sex Bias/Equity II B (Carl Perkins Act)	8290	D	84.048
3530	Vocational Programs: Voc & Applied Sex Bias/Equity II B (Carl Perkins Act)	8290	D	84.048
3540	Vocational Programs: Voc & Appl Tech Corrections Education II B (Carl Perkins Act)	8290	D	84.048
3550	Vocational Programs: Voc & Appl Tech Secondary II C, Sec 131 (Carl Perkins Act)	8290	D	84.048
3555	Vocational Programs Postsecondary and Adult II C, Sec 132 (Carl Perkins Act)	8290	D	84.048
3710	NCLB: Title IV, Part A, Drug-Free Schools	8290	D	84.186
3715	NCLB: Drug-Free Schools: Program Development	8290	D	84.186
3831	Goals 2000: Student Academic Partnership, Grades 7–12	8290 8590	D	84.276
3835	Goals 2000: Advancement via Individual Determination (AVID) Program	8290	D	84.276
3837	Goals 2000: K–12 Reading/Language Arts, Mathematics, and English Language Development	8290 8590	D	84.276A
3840	Goals 2000: Student Academic Partnerships, Grades 1–6	8290 8590	D	84.276
3855	Goals 2000: Mathematics Professional Development Grants, Grades 4–12	8290	D	84.276
3856	Goals 2000: Secondary School Reading	8290 8590	D	84.276A
3870	IASA: Title VIII Reading Excellence Act: Local Reading Improvement	8290	D	84.338

Resource Code	Resource Description	Revenue Object	D/F	CFDA
3871	IASA: Title VIII Reading Excellence Act: Tutorial Assistance Grant	8290	D	84.338
3900–3999	Adult Education			
3909	Adult Education: State Leadership Projects	8290	D	84.002
3910	Adult Education: Priority 1–3 Adult Basic Education	8290	D	84.002
3911	Adult Education: Priority 1–3, English as a Second Language (ESL)	8290	D	84.002
3912	Adult Education: Priority 4, Family Literacy	8290	D	84.002
3913	Adult Education: Priority 5, Adult Secondary Education	8290	D	84.002
3915	Adult Education: 353 Services, Special Project & Training (01/02)	8290	D	84.002
3920	Adult Education: 353 Services Training (01/02)	8290	D	84.002
3925	Adult Education: Priority 1–3, ESL Citizenship	8290	D	84.002
3926	Adult Education: English Literacy & Civics Education State Leadership	8290	D	84.002(A)
3927	Adult Education: English Literacy & Civics Education	8290	D	84.002(A)
3930	Adult Education: 326 Institutional Services, Homeless (01/02)	8290	D	84.002
3940	Adult Education: Institutionalized Adults	8290	D	84.002
4010	IASA: Title II Eisenhower (01/02)	8290	D	84.281
4015	IASA: Title II Eisenhower Teacher Training (01/02)	8290	D	84.281
4035	NCLB: Title II, Part A, Teacher Quality	8290	D	84.367
4040	IASA: Technology Literacy Challenge Grant (formerly Title III)	8290	D	84.318
4045	NCLB: Title II, Part D, Enhancing Education Through Technology	8290	D	84.318
4110	NCLB: Title V, Part A, Innovative Education Strategies	8290	D	84.298
4115	NCLB: Title V, Priority Projects	8290	D	84.298
4124	NCLB: Title IV, Part B, 21st Century Community Centers Learning Program	8290	D	84.287
4126	NCLB: Title VI, Part B, Rural & Low Income School Program	8290	D	84.358

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
4130	IASA: Title XIII Regional Collaboratives for Workforce Preparation (01/02)	8290 8590	D	
4135	IASA: Title VI Class Size Reduction (01/02)	8290	D	84.340
4140	Federal School Renovation Program	8290	D	84.352(A)
4141	Federal School Renovation Classroom Technology	8290	D	84.352(A)
4201	NCLB: Title III, Immigrant Education Program	8290	D	84.365
4203	NCLB: Title III, Limited English Proficiency (LEP) Student Program	8290	D	84.365
4215	IASA: Title VII Emergency Immigrant Education Program (01/02)	8290	D	84.162
4216	Refugee Children Supplemental Assistance Program	8290	D	93.576
4230–4250	Bilingual Education: Discretionary Grants–Locally defined These codes are used, at the option of the LEA, to track federal bilingual revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 4230.			
4230	Bilingual Education: Discretionary Grants, Title III	8290	D	84.
4310–4330	School-to-Work: Locally defined These codes are used, at the option of the LEA, to track federal school-to-work revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 4310.			
4310	School-to-Work (School-to-Career)	8290 8590	D	84.278
4410–4430	Educational Technology: Locally defined These codes are used, at the option of the LEA, to track federal educational technology revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 4410.			
4410	Educational Technology	8290	D	84.318
4510	Indian Education	8290	D	84.060
4600–4699	Charter Schools			
4610	NCLB: Title V, Part B, Charter Schools Grants	8290	D	84.282

Resource Code	Resource Description	Revenue Object	D/F	CFDA
4710–4730	Gifted and Talented Education (Javits): Locally defined These codes are used, at the option of the LEA, to track federal gifted and talented revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 4710.			
4710	Javits GATE	8290	D	84.206
5000–5199	Child Development Programs			
5025	CD: Federal Child Care, Center-based (Contract Prefix FCTR, FHUD)	8290	D	93.596
5026	CD: Federal Family Child Care Homes (Contract Prefix FFCC)	8290	D	93.596
5035	CD: Quality Improvement Activities	8290 8590	D	93.575
5050	CD: Federal Alternative Payment (Contract Prefix FAPP)	8290 8590	D	93.575 93.596
5055	CD: Local Planning Councils (Contract Prefix FLPC)	8290	D	93.596
5061	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	8290	D	93.575 93.596
5062	CD: Federal Alternative Payment, Stage III	8290	D	93.596
5080	CD: School-Age Child Care Resource Contracts	8290	D	93.575
5081	CD: Dependent Care Before- and After- School Planning Grants	8290	D	93.575
5085	CD: Federal Resource and Referral (Contract Prefix FBRR)	8290	D	93.575 93.596
5090	CD: Capacity Building Grant	8290 8590	D	93.575
5095	CD: Infant/Toddler Child Care Resource Contracts	8290	D	93.575
5210–5240	Head Start Program: Locally defined These codes are used, at the option of the LEA, to track federal Head Start revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 5210.			
5210	Head Start	8290	D	93.600
5310	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	8220 8520 8634 8091	F	10.553 10.555 10.556

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
5320	Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	8220 8520	F	10.558
5330	Child Nutrition: Summer Food Service Program Operations	8220	F	10.559
5335	Child Nutrition: Summer Food Service Sponsor Administration	8220	F	10.559
5340	Child Nutrition: CCFP Cash in Lieu of Commodities	8220	F	10.558
5350	Child Nutrition: CCFP Family Day Care Sponsor Admin	8220	F	10.558
5360	Child Nutrition: CCFP Startup	8220	F	10.558
5375	Child Nutrition: Summer Food Service Startup	8220 8520	D	10.559
5380	Child Nutrition: School Breakfast Startup	8520 8990	D	
5450	Child Nutrition: SHAPE California Expansion	8290 8590	D	10.560
5451	Child Nutrition: Garden Enhanced Nutrition Education Project	8290 8590	D	
5452	Child Nutrition: Team Nutrition Implementation Project	8290 8590	D	10.574
5453	Child Nutrition: SHAPE California Model Nutrition Education	8699	D	
5454	Child Nutrition: Team Nutrition	8290	D	10.574
5455	Child Nutrition: Nutrition Education	8290 8590	D	Various
5510	NCLB: Title V, Part D, Character Education	8290	D	84.215
5570	CalServe: Learn & Serve America, Staff Development	8290 8590	D	94.004
5575	CalServe: Learn & Serve America	8290	D	94.004
5600	Workforce Investment Act (formerly JTPA)	8290	D	17.255
5610	Workforce Investment Act (WIA) From Other Agencies (LWIB)	8290	D	17.255
5628	High School Reform Grant	8290	D	84.215
5630	NCLB: Title X, McKinney-Vento Homeless Assistance Grants	8290	D	84.196

Resource Code	Resource Description	Revenue Object	D/F	CFDA
5640	Medi-Cal Billing Option	8290	F	93.778
5650	FEMA Public Assistance Funds	8281	F	84.041
5652	FEMA Hazard Mitigation Grant	8281	D	84.287
5800–5999	Other Federal: Locally defined These codes are used, at the option of the LEA, to track all other restricted federal revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 5810.			
5810	Other Federal	8290	D/F	
6000–7999	**State Resources Restricted**			
6010	After School Learning & Safe Neighborhood Partnerships	8590	D	
6012	After School & Safe Neighborhood Partnership Planning & Startup Grants (01/02)	8290 8590	D	93.575
6015	Adults In Correctional Facilities	8590	F	
6016	Adult Ed: Site Management Information Systems (MIS)	8590	D	
6017	School Improvement & Pupil Achievement Block Grant (District-wide) (01/02)	8590	F	
6020	CSIS: California School Information Service	8590	D	
6030	Charter Schools Facilities Lease	8590	D	
6040	Child Development: State Alternative Payment (Contract Prefix GAPP)	8590	D	
6041	Child Development: State Alternative Payment Stage II (Contract Prefix G2AP)	8590	D	
6042	Child Development: State Alternative Payment, Stage III	8590	D	
6055	Child Development: State Preschool (Contract Prefix GPRE)	8590 8673	D	
6056	Child Development: Preschool-Full Day (Contract Prefix GWAP)	8590 8673	D	
6060	Child Development: State General Child Care, Center Based (Contract Prefix GCTR, GHUD, GHAN)	8530 8590	D	
6065	Child Development: Migrant Day Care Centers (Contract Prefix GMIG)	8530 8590	D	

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
6070	Child Development: Migrant Special Services (Contract Prefix GMSS)	8530 8590	D	
6075	Child Development: State Family Child Care Homes (Contract Prefix GFCC)	8590	D	
6080	Child Development: Extended Day Care (Latchkey) (Contract Prefix GLTK)	8290 8530	D	
6091	Cal-SAFE Supportive Services	8590	F	
6092	Cal-SAFE Child Care and Development Services	8590	F	
6093	Cal-SAFE County Classroom (formerly Pregnant Minor Program)	8590	F	
6110	Child Development: Resource & Referral (Contract Prefix GFRR)	8590 8660	D	
6130	Child Development: Center-Based Reserve Account	8990	F	
6131	Child Development: Resource & Referral Reserve Account	8990	F	
6132	Child Development: Alternative Payment Reserve Account	8990	F	
6140	Child Development: Child Care Facilities Revolving Fund	8979	F	
6144	Child Development: Instructional Materials and Supplies	8590	D	
6145	Child Development: Facility Renovation and Repair	8590	D	
6200	Class Size Reduction Facilities Funding	8590	F	
6215	Gang Risk Intervention Program	8590	D	
6240	Healthy Start: Planning Grants and Operational Grants	8590	D	
6243	Healthy Start: Business Partnerships, Regional Demo Projects	8590	D	
6245	Healthy Start-Pregnant & Parenting	8590	D	
6250	Early Mental Health Initiative (EMHI) (Department of Mental Health)	8590	D	
6255	Teacher Recruitment Centers	8590	D	
6260	Alternative Certification Program for Intern Teachers (CCTC)	8590	D	
6261	California Mathematics Initiative for Teaching (CTC)	8590	D	
6262	Pre-Internship Teaching Program (CTC)	8590	D	

Resource Code	Resource Description	Revenue Object	D/F	CFDA
6263	Paraprofessional Teacher Training (CTC)	8590	D	
6265	Teachers As a Priority (TAP) Block Grant	8590	D	
6267	National Board Certification Teacher Incentive Grant	8590	D	
6268	Certificated Staff Performance Incentive Bonus	8590	F	
6270	Academic Volunteer and Mentor Service Program (Office of Child Development and Education)	8590	D	
6280	Community Ed: Intergenerational Education	8590	D	
6285	Community-Based Tutoring Grants	8590	D	
6286	English Language Acquisition Program, Teacher Training & Student Assistance	8590	F	
6288	English Language and Intensive Literacy Program	8590	F	
6292	Classroom Library Materials, Grades K–4	8590	F	
6296	Calif. Public School Library Act of 1998	8590	F	
6300	Lottery: Instructional Materials	8560	F	
6310	School/Law Enforcement Partnership: Mini-Grants	8590	D	
6315	Sch/Law Enforcement: Conflict Resolution & Youth Mediation	8590	D	
6316	Tolerance Education Program	8590	D	
6320	School/Law Enforcement: School Community Violence Prevention	8590	D	
6330	School Community Policing Partnerships	8590	D	
6340	Parent/Teacher Involvement: Nell Soto Program	8590	D	
6341	Parent/Teacher Involvement: Teresa Hughes Family/School Partnerships	8590	D	
6342	Parent/Teacher Involvement: Tom Hayden Community Parent Involvement	8590	D	
6350	ROC/P Apportionment	8091 8097 8311 8319 8791 8792 8793	F	
6355	ROC/P: Training & Certification for Community Care (Dept Develop Service)	8590	F	

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Resource Code	Resource Description	Revenue Object	D/F	CFDA
6360	Pupils with Disabilities Attending ROC/P	8311	F	
6365	ROC/P: Equipment	8590	F	
6370	ROC/P or Adult Ed: CALWORKs Participants Supportive Services	8590	D	
6375	Industry-Based Certification Incentive Grant Program	8590	F	
6405	School Safety & Violence Prevention, Grades 8–12	8590	F	
6500	Special Education	8091 8097 8311 8319 8590 8710 8791 8792 8793 8980	F	
6510	Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)	8311	F	
6550	Standardized Account Code Structure (01/02)	8590	D	
6570	Targeted Truancy Grant Program (01/02)	8590	D	
6575	High-Risk Youth and Public Safety Program	8590	D	
6585	Reading Professional Development Institute	8590	F	
6650	Tobacco-Use Prevention Education: Discretionary District Grants	8590	D	
6660	Tobacco-Use Prevention Education: Elementary Grades 4–8	8590	D	
6670	Tobacco-Use Prevention Education: High School Competitive Grants	8590	D	
6680	Tobacco-Use Prevention Education: COE Administration Grants	8590	D	
6700	WIA: State Match	8590	D	
6701	WIA: Regional Coordination	8590	D	
6781	AIDS Education: W/Health Services	8590	D	
7005	Categorical Programs Per ADA Allocations	8590	F	
7010	Agricultural Vocational Incentive Grants	8590	D	
7015	American Indian Education Centers	8590	D	

Resource Code	Resource Description	Revenue Object	D/F	CFDA
7018	Arts Education Partnership Grants	8590	D	
7021	Child Nutrition: Linking Education, Activity, & Food (LEAF)	8590	D	
7035	Desegregation: Court Ordered (01/02)	8550	D	
7040	Desegregation: Voluntary (01/02)	8550	D	
7045	Targeted Instruction Improvement Grants Program (TIIG)	8590	F	
7050	Demonstration Programs in Intensive Instruction	8590	D	
7060	Dropout Prevention: Educational Clinics	8590	D	
7065	Dropout Prevention: Implementation Model	8590	D	
7070	Dropout Prevention: Alternative Work Centers	8590	D	
7075	Dropout Prevention: Motivation/Maintenance	8590	D	
7090	Economic Impact Aid (EIA)	8311	F	
7091	Economic Impact Aid: Limited English Proficiency (LEP)	8311	D	
7100	Education Technology: Digital High School	8590	D	
7101	Education Technology: Digital High School Staff Development & Support	8590	F	
7105	Education Technology: High Tech High Schools	8590	D	
7110	Education Technology: CTAPS, SETS, & Supplemental Grants	8590	D	
7120	Education Technology: Staff Development	8590	F	
7125	Education Technology: Institute for Computer Technology	8590	D	
7127	Education Technology: AB 2882 Ed Tech Grant Program for High Schools/Online Advanced Placement and Instructional Computers	8590	D	
7130	Early Intervention for School Success (EISS)	8590	D	
7135	Environmental Education	8590	D	
7140	Gifted & Talented Education (GATE)	8311	F	
7155	Instructional Materials: Grades K–8 (Includes Disaster funding and Fast Growth)	8590	F	
7160	Instructional Materials: Grades 9–12	8590	F	
7170	Instructional Material: Braille & Large Print	8590	F	

102—Resource (Project/Reporting)

Resource Code	Resource Description	Revenue Object	D/F	CFDA
7180	Instructional Materials: Standards-Based	8590	F	
7200	Miller Unruh Reading Program	8590	F	
7210	American Indian Early Childhood Education	8590	D	
7220	Partnership Academies Program	8590	D	
7225	Partnership Academies New Program Grants	8590	D	
7227	Information Technology Career Academy Grant	8590	D	
7230	Transportation: Home to School	8311 8675 8677 8980 8990	F	
7235	Transportation: School Bus Replacement	8590 8990	D	
7236	School Bus Emissions Reduction Funds	8590 8699	D/F	
7240	Transportation: Special Education (Severely Handicapped/Orthopedically Handicapped) *Education Code* sections 41850–41851.2	8311 8675 8677 8980	F	
7250	School Based Coordination Program (SBCP)	8590 8990	F	
7255	Immediate Intervention/Underperforming Schools Program	8590	F	
7258	High Priority School Grants Program	8590	F	
7260	School Improvement Program (SIP)	8311 8990	D	
7265	*School Improvement Program (optional: LEA may use to report 7–12 funding separately)*	*8311* *8990*	*D*	
7271	California Peer Assistance & Review Program for Teacher (CPARP)	8590	F	
7274	Advanced Placement Challenge Grant	8590	D	
7275	Staff Development: Bilingual Teacher Training (BTTP)	8590 8990	D	
7280	Staff Development: Beginning Teacher Support & Assessment Study (BTSA)	8590	D	
7282	Staff Development: High School Coaching Training	8590	D	

Resource Code	Resource Description	Revenue Object	D/F	CFDA
7286	International Baccalaureate (IB) Program: Staff Development & Startup	8590	F	
7292	Staff Development: Standards Based Math, Grade 4–12	8590	D	
7294	Staff Development: Mathematics and Reading (AB 466)	8590	F	
7295	Staff Development: Reading Services for Blind Teachers	8590	D	
7305	Staff Development: Resource Agencies & Consortia	8590	D	
7315	Staff Development: School Development Plans (SB 1882)	8590	F	
7320	Staff Development: Administrator Training and Evaluation	8590	D	
7325	Staff Development: Principals' Training (AB 75)	8590	F	
7335	Staff Development: Intersegmental College Readiness	8590	D	
7336	College Prep Partnership: College Entrance Exam Prep Courses	8590	D	
7337	Academic Improvement & Achievement: Regional Partnerships	8590	F	
7340	Staff Development: Intersegmental Advancement via Individual Determination (AVID)	8590	D	
7345	Staff Development: Intersegmental California Teacher Education Institutes (CTEI)	8590	D	
7352	School Improvement and Staff Development Cluster (AB 615)	8990	F	
7353	Alternative and Compensatory Education Cluster (AB 615)	8990	F	
7354	School District Improvement Cluster (AB 615)	8990	F	
7360	Student Organizations Vocational Education	8590	D	
7365	Supplementary Programs: Foster Youth	8590	D	
7366	Supplementary Programs: Foster Youth in Licensed Care Facilities	8590	D	
7370	Supplementary Programs: Specialized Secondary	8590	D	
7375	Tenth Grade Counseling	8590	F	
7380	Year-Round Education (YRE) Implementation Grants	8425	D	

102—Resource (Project/Reporting)

Resource Code	Resource Description	Revenue Object	D/F	CFDA
7800–7999	**Other State: Locally defined** **These codes are used, at the option of the LEA, to track all other restricted state revenues not defined elsewhere. For CDE reporting, these accounts are converted to account 7810.**			
7810	Other State	8590	D/F	
8000–9999	**Local Restricted Resources**			
8100	Routine Repair & Maintenance (RRRMF: *Education Code* Section 17014)	8980	F	
8150	Ongoing & Major Maintenance Account (RMA: *Education Code* Section 17070.75)	8980	F	
9000–9999	**Other Local: Locally defined** **These codes are used, at the option of the LEA, to track all other restricted local revenues not defined elsewhere and to track other financing sources. For CDE reporting, these accounts are converted to account 9010.**			
9010	Other Local	8610–8699 8931–8979	D/F	

4. Flexibility of the Resource (Project/Reporting) Field

Resource codes are assigned by CDE just as PCA codes are assigned by the Department's budget office. The ranges indicated in the preceding List of Resource (Project/Reporting) Accounts (e.g., 3300–3499, Special Education) designate the range within which CDE may assign new resource codes in future years.

The LEA may not create its own locally defined resource codes except within specific ranges. These ranges are as follows:

4230–4250	Bilingual Education, Discretionary Grants
4310–4330	School-to-Work
4410–4430	Educational Technology
4510–4530	Indian Education
4710–4730	Gifted and Talented Education (federal)
5210–5240	Head Start
5800–5999	Other Federal–Locally Defined
7800–7999	Other State–Locally Defined
9000–9999	Other Local–Locally Defined

When data are submitted to CDE, all resources within these ranges must be rolled up to the one resource indicated in the list of resource codes.

102—Resource (Project/Reporting)

1. How the Project Year Field Is Used

The Project Year field is used to distinguish the activities of the same grant with different project years within the fiscal year. In most cases, the grant is a federal one; however, in some instances, state grants have different fiscal years.

For example, an LEA may have a bilingual grant operating from October 1, 1999, through September 30, 2000, and another one operating from October 1, 2000, through September 30, 2001. The grant activities during the reporting state fiscal year 2000-01 would include three months of expenditures for the federal project year October 1, 1999, through September 30, 2000, and nine months of expenditures for the federal project year October 1, 2000, through September 30, 2001.

For those projects that cross the LEA reporting fiscal year, the project year code is the last digit of the federal fiscal year in which the project terminates; for example, a project year ending in 2000 is represented by a "0". Once the project year is assigned to a project, revenues and expenditures reflect that number for the entire duration of the project, even though the grantor may extend it.

If used, the Project Year field applies to revenues and expenditures. Its use is optional for balance sheet accounts.

The following are examples of project year codes:

Code	Federal Project Year
0	1999-00
1	2000-01
2	2001-02
4	2003-04
5	2004-05
6	2005-06
7	2006-07
8	2007-08
9	2008-09

2. Examples of Coding the Project Year Field

Revenue Transactions

A. Assume that an LEA has received two Infant Discretionary Grants: One grant will end in September 1999; the subsequent grant will begin in October 1999 and end in September 2000. For the LEA's 1999-2000 year, the revenue would be coded as follows:

Fund/Group	Resource	**Project Year**	Goal	Function	Object	School
01	3330	**9**	5001	0000	8182	000
01	3330	**0**	5001	0000	8182	000

- Fund 01 is the General Fund.
- Resource 3330 is the federal Special Ed-IDEA Infant Discretionary Grant.
- **Project Year 9 is for the first grant, which ends in September 1999 during the LEA fiscal year. The project year is 0 for the second grant that begins during the LEA fiscal year and that will end in September 2000.**
- Goal 5001, Special Education—Unspecified, is required for special education revenues. (See the Goal section of the manual.)
- Function is not required for revenues.
- Object 8182 is Special Education—Discretionary Grants.
- School is not required.

B. In the next LEA fiscal year, 2000-2001, the second federal grant retains the 0. The third subsequent grant, which will end in September 2001, will require a 1 in the Project Year field.

Fund/Group	Resource	**Project Year**	Goal	Function	Object	School
01	3330	**0**	5001	0000	8182	000
01	3330	**1**	5001	0000	8182	000

- Fund 01 is the General Fund.
- Resource 3330 is the federal Special Ed-IDEA Infant Discretionary Grant.
- **Project Year is 0 for the grant that ends in September 2000. The project year is 1 for the subsequent grant that begins in October 2000 and ends in September 2001.**
- Goal 5001, Special Education—Unspecified, is required for special education revenues.
- Function is not required for revenues.
- Object 8182 is Special Education—Discretionary Grants.
- School is not required.

Any other grants that begin and end during a single LEA fiscal year will be distinguished by their own resource code and need no further identification in the Project Year field. Therefore, the Project Year fields for all those grants contain a "default" zero.

Expenditure Transaction
Assume that the grants are used to hire teachers to work with infants with special needs. The expenditures would be coded as follows:

Fund/Group	Resource	**Project Year**	Goal	Function	Object	School
01	3330	**9**	5710	1190	1100	456
01	3330	**0**	5710	1190	1100	456

- Fund 01 is the General Fund.
- Resource 3330 is the federal Special Ed-IDEA Infant Discretionary Grant.
- **Project Year 9 indicates that the first grant ends during the LEA fiscal year and would cover expenditures through September 1999. The project year is 0 for the second grant that begins in the state fiscal year and would cover expenditures from October 1999 to June 2000.**
- Goal 5710 is Special Education, Infants.
- Function 1190 is Special Education: Other Specialized Instructional Services.
- Object 1100 is Teachers' Salaries.
- School 456 is the XYZ Elementary School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Balance Sheet Transaction
On June 30, 2000, the final payment has not yet been received from the granting agency for the remainder of the first grant, nor for the beginning months of the second grant. The two receivables would be booked as follows:

Fund/Group	Resource	**Project Year**	Goal	Function	Object	School
01	3330	**9**	0000	0000	9290	000
01	3330	**0**	0000	0000	9290	000

- Fund 01 is the General Fund.
- Resource 3330 is the federal Special Ed-IDEA Infant Discretionary Grant.
- **Project Year separates the receivables for the two grants. However, its use is optional in balance sheet accounts.**
- Goal is not required for balance sheet transactions.
- Function is not required for balance sheet transactions.
- Object 9290 is Due from Grantor Governments.
- School is not required.

103—Project Year

3. Flexibility of the Project Year Field

The Project Year field may be used by an LEA to label other state or local projects. For example, an LEA may choose to use this field to identify deferred revenue from one year to the next. However, this is not required by CDE.

1. How the Goal Field Is Used

The goal field defines an objective or a set of objectives for the LEA. Another way to view the goal is to look at the instructional setting or the group of students who are receiving instructional services: regular classes, special education classes, vocational education, adult education, or community service, for example.

The goal is used to account for the cost of instruction and other services by the instructional goals and objectives of an LEA. This field provides the framework for charging instructional costs and direct support costs to the benefiting goals. For example, both a special education teacher (an instruction function) and a special education counselor (a guidance and counseling function) would be charged to the Special Education Goal.

The goal applies to expenditure accounts. Those expenditures in functions that are not directly assignable to a goal are coded to Goal 0000. This field may be used in revenue accounts. A Goal 5XXX is required in both special education revenue and expenditure accounts.

In general, the following guidelines should be used in coding functions to goals:

Instructional Goals (Goals 1000–7000)

- Include Function 1000, Instruction, and the Special Education instructional functions. May include Function 4000, Ancillary Services.

- May include Function 2000, Instruction-Related Services, and Function 3000, Pupil Services, if the expenditures can be directly identified and supported with the goal.

Community Services and Child Care Services Goals (Goals 8100 and 8500)

- Include Function 5000, Community Services.

- May include Function 3600, Pupil Transportation, and Function 3700, Food Services, if the expenditures can be directly identified with a goal.

Undistributed Goal (Goal 0000)

- May include those expenditures in Function 2000, Instruction-Related Services; Function 3000, Pupil Services; Function 7000, General Administration; and Function 8000, Plant Services.

- After they originally charge costs to Goal 0000, districts may wish to transfer costs by function to the other goals by using Object 7310, Direct Support/Indirect Costs Charges, and Object 7350, Direct Support/Indirect Costs, for Interfund Charges based on supporting documentation or allocation factors.

Message from the State Superintendent of Public Instruction

I am pleased to present the 2002 edition of the *California School Accounting Manual.* This document will assist educational agencies in their all-important tasks of managing the tax dollars invested in education and accounting for those dollars in a way that facilitates informed decision-making on educational matters. California law requires that school districts use systems to record their financial affairs that comply with the definitions, instructions, and procedures published in this manual.

In difficult economic times such as these, it is more important than ever that we demonstrate the fiscal accountability and wise stewardship of public funds necessary to achieve our educational goals. I want to thank those of you at the local level who are involved in the school accounting process. Your job is becoming increasingly challenging as resources for our schools diminish, and I appreciate your hard work on behalf of our state's children.

JACK O'CONNELL
State Superintendent of Public Instruction

2. Example of Coding the Goal Field

Example 1: Federal Categorical
Revenue Transaction
Assume that the school district receives Title I moneys. The revenue would be coded as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	3010	0	**0000**	0000	8290	000

- Fund 01 is the General Fund.
- Resource 3010 is the federal categorical NCLB, Title I Basic Grants.
- Project Year is not used in this example because this federal project does not cross the LEA reporting fiscal year.
- **Goal is generally not required for revenues.**
- Function is not required for revenues.
- Object 8290 is All Other Federal Revenues.
- School is not required.

Expenditure Transaction
Assume that computers are purchased for the Title I students at the ABC Elementary School. The expenditure would be coded as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	3010	0	**1110**	1000	4400	123

- Fund 01 is the General Fund.
- Resource 3010 is the federal categorical NCLB, Title I Basic Grants.
- Project Year is not used in this example because this federal project does not cross the LEA reporting fiscal year.
- **Goal 1110 is Regular Education, K–12.**
- Function 1000 is Instruction. Instructional functions must be directly charged to a goal.
- Object 4400 is Noncapitalized Equipment.
- School 123 is the ABC Elementary School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Balance Sheet Transaction
At year-end, if expenditures are less than the cash received, the deferral of Title I revenue will be coded as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	3010	0	**0000**	0000	9650	000

- Fund 01 is the General Fund.
- Resource 3010 is the federal categorical NCLB, Title I Basic Grants.
- Project Year is not used in this example because this federal project does not cross the LEA reporting fiscal year.
- **Goal is not required for balance sheet transactions.**
- Function is not required for balance sheet transactions.
- Object 9650 is Deferred Revenue.
- School is not required.

Example 2: Special Education
Revenue Transaction
Special education transactions are united by the Goal field. By including a 5XXX Goal in each transaction, including deposits of revenue and transfers of unrestricted money, the LEA will be able to obtain reports that include all special education resources, whether funded by federal, state, or local sources. In this example, assume that the school district receives the following special education funding:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	6500	0	**5001**	0000	8311	000
01	6500	0	**5001**	0000	8980	000
01	3310	0	**5001**	0000	8181	000

- Fund 01 is the General Fund.
- Resource 6500 is the state Special Education, and Resource 3310 is federal Special Education, IDEA Basic Local Assistance Entitlement. Two resources are used because there is a separate reporting requirement for the federal funding. All the other revenues, such as the statutory contribution, state apportionment, or tuition from another LEA, are coded into the 6500 special education resource from which they are expended.
- Project Year is not used in this example because the federal project does not cross the LEA reporting fiscal year and because the state resource does not require the project year.
- **Goal 5001 is Special Education—Unspecified. A 5XXX goal is used for all the special education transactions to provide a means of consolidating all the special education revenue and expenditures.**
- Function is not required for revenues.
- Object 8311 is Other State Apportionments; Object 8980 is Contributions from Unrestricted Resources; and Object 8181 is Special Education—Entitlement.
- School is not required.

Expenditure Transaction
Assume that teaching assistant salaries are paid with the federal money, and all other special education expenditures are made from state and local funding. The expenditures would be coded as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	3310	0	**5750**	1110	2100	123
01	6500	0	**5770**	1130	1100	234

- Fund 01 is the General Fund.
- Resource 6500 is the state Special Education, and Resource 3310 is federal Special Education, IDEA Basic Local Assistance Entitlement.
- Project Year is not used in this example because this federal project does not cross the LEA reporting fiscal year and because the state resource does not require the field.
- **Goal 5750 is Special Education, Ages 5-22 Severely Disabled; and Goal 5770 is Special Education, Ages 5-22, Nonseverely Disabled.**
- Function 1110 is Special Education: Separate Class, and Function 1130 is Special Education: Supplemental Aids and Services in Regular Classroom. Instructional functions must be directly charged to a specific goal; Goal 5001 is not used with an instructional function.
- Object 2100 is Instructional Aides' Salaries, and Object 1100 is Teachers' Salaries.
- School 123 is the ABC Elementary School that houses the separate class, and School 234 is the DEF High School, site of the regular classroom instruction. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Indirect Cost Allocation
At year-end if indirect costs are charged to special education, the codes would be as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	6500	0	**5001**	7200	7310	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not used in this example.
- **Goal 5001 is Special Education—Unspecified.**
- Function 7200 is Other General Administration.
- Object 7310 is Direct Support/Indirect Costs Charges.
- School is not required.

Balance Sheet Transaction
At year-end the special education cash is identified as follows:

Fund/Group	Resource	Project Year	**Goal**	Function	Object	School
01	6500	0	**0000**	0000	9110	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not used in this example.
- **Goal is not required for balance sheet transactions.**
- Function is not required in balance sheet accounts.
- Object 9110 is Cash in County Treasury.
- School is not required.

3. List of Goal Accounts

Code	Description
0000	**UNDISTRIBUTED**
0001–7999	**INSTRUCTIONAL**
0001–0999	General Education, Pre–K
0001	General Education, Pre–K
1000–3999	General Education, K–12
1110	Regular Education, K–12
1130–1999	*Other K–12 Subject Matter and Other K–12 Tracking—Locally Defined*
2000–2999	Reserved for Future State Definition for Other Subject Matter and Other Tracking
3100	Alternative Schools
3200	Continuation Schools
3300	Independent Study Centers
3400	Opportunity Schools
3500	County Community Schools (county offices only)
3550	Community Day Schools
3600	Juvenile Courts
3700	Specialized Secondary Programs
3800	Vocational Education
4000–4749	General Education, Adult
4110	Regular Education, Adult
4130–4399	*Other Subject Matter and Other Tracking, Adult—Locally Defined*
4610	Adult Independent Study Centers
4620	Adult Correctional Education
4630	Adult Vocational Education
4750–4999	Supplemental Education, K–12
4760	Bilingual
4850	Migrant Education
4900	Other Supplemental Education (county offices only)
5000–5999	Special Education
5001	Special Education—Unspecified
5050	*Regionalized Services*
5060	*Regionalized Program Specialist*
5710	Special Education, Infants
5730	Special Education, Preschool Students
5750	Special Education, Ages 5–22 Severely Disabled
5770	Special Education, Ages 5–22 Nonseverely Disabled
6000–6999	Regional Occupational Center/Program (ROC/P)
6000	Regional Occupational Center/Program (ROC/P)

104—Goal

Code	Description
7100–7199	Nonagency
7110	Nonagency—Educational
7150	Nonagency—Other
8000–9999	**OTHER GOALS**
8100–8199	Community Services
8100	Community Services
8500–8599	Child Care and Development Services
8500	Child Care and Development Services
8600–8699	County Services to Districts
8600	County Services to Districts
9000–9999	Other Goals—Locally Defined
9000	Other Local Goals

4. Flexibility of the Goal Field

The LEA may code its transactions only to the minimum level required by CDE, as follows:

1110 Regular Education, K–12
3100 Alternative Schools
3200 Continuation Schools
3550 Community Day Schools

Or the LEA may code its transactions to a more detailed level by using the optional (italicized) codes presented in this manual, the more detailed codes developed by the LEA, or a combination of both. At year-end, for submission of data to CDE, the transactions in those codes defined by CDE are reported separately. Any locally defined codes must roll up to the nearest level as defined in Part II of the *California School Accounting Manual*.

CDE has provided a specific range of goals (Goals 1130–1999) for local definition of regular K–12 instruction, such as mathematics, science, or language arts. These goals must be rolled up to Goal 1110, Regular Education, K–12, when data are presented to CDE. Similarly, a range of goals for local definition is provided for Goal 4110, Regular Education, and Adult.

5. List of Goal Accounts with Descriptions

Code	Description
0000	**UNDISTRIBUTED**
	Expenditures other than those for instruction, ancillary services, and community service functions that are not assignable directly to one of the goals described below. This code is also used for revenues and balance sheet transactions for which a goal is not required. Generally, use Goal 0000, Undistributed, with an enterprise fund. The costs of an enterprise fund are not included in the program cost report (PCR) nor are the goals of an enterprise fund necessary for the district-wide statements.
0001–7999	**INSTRUCTIONAL**
0001–0999	**General Education, Pre-K**
0001	**General Education, Pre-K.** A group of activities and/or services that provides educational experiences for children during the year or years preceding kindergarten is part of a sequential program of an elementary school and is under the direction of a qualified teacher. The term "general" refers to basic skill areas that emphasize beginning literacy and numeracy. General Education, Pre-K, does not include special education. This goal would include those child development programs that require teachers to possess a children's center instructional permit. Local child care programs that are not subsidized by state or federal funds and that are operated with the intent of recovering the costs of the program through parent fees or other charges should be accounted for in an enterprise fund.
1000–3999	**General Education, K–12**. A group of activities and/or services that provide students in kindergarten through grade 12 (K–12) with learning experiences that prepare them for roles as citizens, family members, and employable workers. The term "general" refers to basic skill areas that emphasize literacy, numeracy, and knowledge in languages, mathematics, sciences, history and related social studies, arts, and other subject areas, including vocational and technical education.
1110	**Regular Education, K–12**. Educational programs that are designed to serve the vast majority of the public school student population in traditional settings. This goal should not be used by county offices of education except for a county-operated charter school. A second exception to this general rule would be for county-operated child development programs that require teachers to possess a children's center instructional permit.
1130–1999	***Other K–12 Subject Matter and Other K–12 Tracking—Locally Defined (Optional).*** *These codes are used, at the option of the LEA, to track expenditures by subject matter. They may include languages, mathematics, sciences, history and related social studies, and arts. For CDE reporting, these accounts are converted to Goal 1110.*

Code	Description
2000–2999	**Reserved for Future State Definition for Other Subject Matter and Other Tracking**
3100	**Alternative Schools.** A school or separate class group established in a school district or county office of education that is operated to (a) maximize the opportunity for students to develop self-reliance, initiative, kindness, spontaneity, resourcefulness, courage, creativity, and joy; (b) recognize that the best learning takes place when the student learns because of his or her desire to learn; (c) maintain a learning situation maximizing student self-motivation and encouraging the student in his or her own time to follow his or her own interests; (d) maximize the opportunity for teachers, parents, and students to cooperatively develop the learning process and its subject matter; and (e) maximize the opportunity for the students, teachers, and parents to continually react to the changing world (*Education Code* Section 58500). A county office of education would use this goal to record the expenditures for the Cal-SAFE County Classroom Program (Resource 6093).
3200	**Continuation Schools.** Schools and classes established by high school and unified school districts to provide all of the following: (a) an opportunity for pupils to complete the academic courses of instruction to graduate from high school; (b) a program of instruction that emphasizes occupational orientation or a work-study schedule and offers intense guidance services to meet the special needs of pupils; and (c) a program designed to meet the educational needs of each pupil, including, but not limited to, independent study, regional occupational programs, work study, career counseling, and job placement services, as a supplement to classroom instruction (*Education Code* Section 48430). Continuation schools are funded with Resource 2200, Continuation Education.
3300	**Independent Study Centers.** These study centers conduct activities undertaken by school districts pursuant to *Education Code* sections 46300(e) and 51745–51749 to provide certain students with the option of schooling apart from classrooms. For reporting purposes, include in this goal only those activities that provide full-time education pursuant to a written agreement, as required by statutes and regulations, as an alternative to daily attendance in a classroom. Do not include students participating in limited periods of full-time independent study because of illness, family vacation, and so on.
3400	**Opportunity Schools.** An alternative school, class, or program placement that may be provided by school districts or county boards of education for pupils who demonstrate irregular attendance or who are at risk of being habitually truant or who are in danger of becoming insubordinate or disorderly during their attendance. The intent is to provide instruction to resolve the problems so that the students may maintain themselves in regular classes or return to regular classes or regular schools as soon as practicable (*Education Code* sections 48630–48644).
3500	**County Community Schools (county offices only).** Schools established by a county board of education and administered by the county superintendent for (a) pupils who have been expelled from a school district; (b) pupils who have been referred to county community schools by a school district on the recommendation of a school attendance review board, or pupils whose school districts of attendance have, at the request of the pupils' parents or guardians, approved the pupils' enrollment in a county community school; (c) pupils who are probation-referred pursuant to the *Welfare and Institutions Code*,

Code	Description
	or who are on probation or parole and who are not in attendance in any school, or who are expelled; and (d) homeless children (*Education Code* Section 1981). County community schools are funded by Resource 2400, Juvenile Court/County Community Schools.
3550	**Community Day Schools.** Schools established by a governing board of a school district or county office of education for students in grades 2–12 who (a) have been expelled for any reason; (b) are on probation pursuant to the *Welfare and Institutions Code;* or (c) are referred by a School Attendance Review Board (SARB) or any other attendance review board (*Education Code* sections 48660–48666). Community day schools are funded by Resource 2430, Community Day School.
3600	**Juvenile Courts.** Public schools in juvenile halls, juvenile homes, day centers, juvenile ranches, camps, and so forth, provided by the county board of education or by contract with the governing board of the local school district (*Education Code* Section 48645).
3700	**Specialized Secondary Programs.** Secondary schools established to provide advanced instruction and training in high technology fields and in the performing arts. These schools benefit the state by providing talented students with enhanced learning opportunities in high technology fields and in the performing arts while the students are enrolled in schools that are in close proximity to where the industries are located (*Education Code* Section 58800).
3800	**Vocational Education.** Refers to skill areas, such as distributive education, health, home economics, industrial arts, technology, and trades, designed to prepare students for gainful employment. The Vocational Education Goal is used to track the costs of vocational education students and is not used for adult education, ROC/P, or special education costs.
4000–4749	**General Education, Adult.** Refers to a group of activities and/or services for adults who have not completed or have interrupted their formal schooling and have subsequently taken on adult roles and responsibilities. Programs in which adults develop knowledge and skills to meet their immediate and long-range educational objectives include activities to foster the development of fundamental tools of learning; prepare students for a postsecondary career or postsecondary education program; upgrade occupational competence; prepare students for a new or different career; develop skills and appreciation for special interests; and enrich the aesthetic qualities of life. Adult basic education is included in these goals (*Education Code* sections 41976, 52610).
4110	**Regular Education, Adult.** Educational programs that are designed to serve the vast majority of the adult student population in more traditional settings.
4130–4399	***Other Subject Matter and Other Tracking, Adult—Locally Defined (Optional).*** *These codes are used, at the option of the LEA, to track expenditures by subject matter for adult students. They may include languages, mathematics, sciences, history and related social studies, and arts. For CDE reporting, the LEA must convert these accounts to Goal 4110.*
4610	**Adult Independent Study Centers.** Study centers providing adult education classes and courses through independent study for adult students as defined in *Education Code* Section 41976.2.

Code	Description
4620	**Adult Correctional Education.** Classes established for prisoners in any county jail, county honor farm, county industrial farm, or county or joint-county road camp for the purpose of providing instruction in civic, vocational, literacy, health, homemaking, technical, and general education (*Education Code* sections 1900, 41841.5).
4630	**Adult Vocational Education.** Refers to skill areas, such as distributive education, health, home economics, industrial arts, technology, and trades, designed to prepare adult students for gainful employment.
4750–4999	**Supplemental Education, K–12.** A group of activities and/or services designed to meet the needs of students in areas other than the basic skill areas. Supplemental education does not include special education.
4760	**Bilingual.** Activities and/or services provided to students from homes where English is not the primary language.
4850	**Migrant Education.** Activities and/or services provided for children under the age of 18 of migrant agricultural workers and migratory fishermen whose situations require additional resources through regional coordinating offices (*Education Code* sections 54440–54445). This goal is used with the migrant education resources.
4900	**Other Supplemental Education.** Activities or programs offered by county offices of education to directly serve students who attend other schools and who are not students of the county office, such as Foster Youth Services or Tutors for Indian Education. This goal may be associated with Function 1000, Instruction, or Function 3100, Guidance and Counseling, for example. County offices of education use Goal 3100 when providing services to students in their own programs, such as the Cal-SAFE County Classroom/Pregnant Minors Program, or Goal 8600 when providing services such as nursing or psychological services to direct service districts.
5000–5999	**Special Education.** Activities and/or services to students with exceptional needs who are assigned individualized education programs (IEPs). The activities and/or services in the IEPs are designed for students with exceptional mental or physical needs and incorporate distinctive techniques, materials, and arrangements to suit their learning needs.
5001	**Special Education—Unspecified.** This code is used to account for the costs of services that are not identified for a specific special education population or setting as listed below. Goal 5001 may not be used with the special education instruction functions. These costs must be directly charged to a definitive special education goal such as Goal 5750, Special Education Students, Ages 5–22 Severely Disabled.
5050	***Regionalized Services.*** *Regionalized services to local special education programs include program specialist services; personnel development for staff, parents, and community; data collection; curriculum development; and provision for ongoing review of programs under the local plan (Education Code* Section 56836.23*).*

Code	Description
5060	***Regionalized Program Specialist.*** *A program specialist has a special credential and advanced training in special education to assist instructional staff, plan programs, and provide staff development in a specialized area (Education Code* sections 56362 and 56368*). If a program specialist is working in a specific special education setting, his or her cost should be charged to that goal; when a program specialist is working on a regionalized basis, his or her cost should be charged to Goal 5060.*
5710	**Special Education, Infants.** Children who are younger than three years of age and are identified by the district, the special education local plan area, or the county office as requiring intensive special education and services as defined by the State Board of Education (*Education Code* Section 56026 [c] [1]).
5730	**Special Education, Preschool Students.** Children with exceptional needs between the ages of three and five years, inclusive (*Education Code* Section 56440). A five-year-old who meets the eligibility criteria to be identified as a kindergartner shall be included in either Goal 5750 or Goal 5770 (*Education Code* Section 56441.1).
5750	**Special Education Students, Ages 5–22 Severely Disabled.** Students between the ages of five (who have been identified as kindergartners) and 18 years identified as requiring intensive special education and services and students between the ages of 19 and 21 years who are enrolled in a special education program prior to their 19th birthday and have not yet completed the prescribed course of study or met proficiency standards pursuant to *Education Code* sections 51215 and 51216. Severely disabled students have the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, and/or severe mental retardation (*Education Code* Section 56030.5).
5770	**Special Education Students, Ages 5–22 Nonseverely Disabled.** Students between the ages of five (who have been identified as kindergartners) and 18 years identified as requiring special education services and students between the ages of 19 and 21 years who are enrolled in a special education program prior to their 19th birthday and have not yet completed the prescribed course of study or met proficiency standards pursuant to *Education Code* sections 51215 and 51216. Nonseverely disabled students are those who are not identified as severely disabled.
6000–6999	**Regional Occupational Center/Program (ROC/P)**
6000	**Regional Occupational Center/Program (ROC/P).** Refers to skill areas, such as agriculture, distributive education, health, home economics, industrial arts, technology, and trades, designed to prepare students for gainful employment.
7100–7199	**Nonagency**
7110	**Nonagency—Educational.** Refers to activities conducted on behalf of one local educational agency (LEA) by contract or agreement for which another LEA retains the prime responsibility. Such services may be instructional or supportive in nature. An LEA is defined as all K–12 public educational agencies, including charter schools. Use for costs of providing transportation services to other LEAs or providing cafeteria services to other LEAs.

Code	Description
7150	**Nonagency—Other.** Refers to activities conducted on behalf of a non-LEA agency by contract or agreement for which the other agency retains the prime responsibility. Such services may be instructional or supportive in nature. Contracts for a non-LEA, such as a community college or a private school, would be coded to this goal.
8000–9999	**OTHER GOALS**
8100–8199	**Community Services**
8100	**Community Services.** A group of activities and/or services not directly related to the educational purpose and goals of an LEA. These include services and activities as authorized by the Community Recreation Act (*Education Code* Section 10900 et seq.) and by the Civic Center Act (*Education Code* Section 38130 et seq.).
8500–8599	**Child Care and Development Services**
8500	**Child Care and Development Services.** A group of activities and/or services pertaining to the operation of programs for the care of children in residential day schools or child care and development programs that are not a part of, or directly related to, LEA instructional goals. Child care and development programs that require teachers to possess a children's center instructional permit should be reported in an instructional goal, Goal 0001.
8600–8699	**County Services to Districts**
8600	**County Services to Districts (or other county offices).** Includes those activities performed by the county superintendent of schools in support of school districts or other offices of county superintendents of schools, including, but not limited to, the following: (a) coordination activities and professional services, such as supervision of instruction, health, guidance, attendance, and school library services (*Education Code* Section 1700 et seq.); (b) financial services (*Education Code* sections 41200 et seq. and 42100 et seq.); and (c) credential services (*Education Code* Section 44330).
9000–9999	**Other Goals—Locally Defined.** These codes are used, at the option of the LEA, to track other local goals that are not defined elsewhere. CDE will consider these activities to be undistributed goal costs.
9000	**Other Local Goals.** Report local goals not defined elsewhere. These goals will be treated as Goal 0000, Undistributed, by the CDE financial reporting software and will be allocated among appropriate goals on the program cost report (PCR).

104—Goal

1. How the Function Field Is Used

The function field represents a general operational area in an LEA and groups together related activities. A function describes activities or services performed in order to accomplish the goal. Most LEAs use all of the functions in the process of educating students or organizing the resources to educate students. For example, to provide the appropriate atmosphere for learning, school districts transport students to school, teach students, feed students, and provide health services. Each of these activities is a function. Function refers to the activity or service performed to support one or more goals.

Every expenditure must be coded to a function. Although the function field applies mainly to expenditure accounts, it may be used with revenue accounts and balance sheet accounts at the discretion of the LEA.

Expenditures coded to instructional functions (1000–1999), ancillary service functions (4000–4999), or community service functions (5000–5999) must be directly charged to a specific goal. Goal 0000, Undistributed, and Goal 5001, Special Education—Unspecified, are not allowed with those three types of functions.

The following page provides examples of how to use the function field.

2. Examples of Coding the Function Field

Revenue Transaction
The school district receives its state lottery funding. The revenue would be coded as follows:

Fund/Group	Resource	Project Year	Goal	**Function**	Object	School
01	1100	0	0000	**0000**	8560	000

- Fund 01 is the General Fund.
- Resource 1100 is State Lottery, which has a special accounting requirement.
- Project Year is not necessary in this example.
- Goal is generally not required for revenues.
- **Function is not required for revenues.**
- Object 8560 is State Lottery Revenue.
- School is not required.

Expenditure Transaction
The district uses the lottery funding to pay for upgrading the equipment in the computer lab:

Fund/Group	Resource	Project Year	Goal	**Function**	Object	School
01	1100	0	1110	**2420**	4400	123

- Fund 01 is the General Fund.
- Resource 1100 is State Lottery.
- Project Year is not necessary in this example.
- Goal 1110 is Regular Education, K–12. The computer lab is used primarily by the regular K–8 students of the ABC Elementary School.
- **Function 2420 is Instructional Library, Media, and Technology.**
- Object 4400 is Noncapitalized Equipment.
- School 123 is the ABC Elementary School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Balance Sheet Transaction
At year-end the third and fourth quarters of lottery revenue have not yet been received and are booked as an account receivable:

Fund/Group	Resource	Project Year	Goal	**Function**	Object	School
01	1100	0	0000	**0000**	9290	000

- Fund 01 is the General Fund.
- Resource 1100 is State Lottery.
- Project Year is not required for balance sheet transactions.
- Goal is not required for balance sheet transactions.
- **Function is not required for balance sheet transactions.**
- Object 9290 is Due from Grantor Governments.
- School is not required.

3. List of Function (Activity) Accounts

Code	Description
0000	**NOT APPLICABLE.** Used with revenues and balance sheet transactions that do not require a function; only expenditure transactions require a function.
1000–1999	**INSTRUCTION**
1000	Instruction
1001-1099	*Instruction for Other Than Special Education—Locally Defined*
1100-1199	Special Education Instruction
1110	Special Education: Separate Classes
1120	Special Education: Resource Specialist Instruction
1130	Special Education: Supplemental Aids and Services in Regular Classrooms
1180	Special Education: Nonpublic Agencies/Schools (NPA/S)
1190	Special Education: Other Specialized Instructional Services
2000–2999	**INSTRUCTION-RELATED SERVICES**
2100	Supervision of Instruction
2110	*Instructional Supervision*
2120	*Instructional Research*
2130	*Curriculum Development*
2140	*In-house Instructional Staff Development*
2200	Administrative Unit (AU) of Multidistrict SELPA
2420	Instructional Library, Media, and Technology
2490	Other Instructional Resources
2495	*Parent Participation*
2700	School Administration
3000–3999	**PUPIL SERVICES**
3110	Guidance and Counseling Services
3120	Psychological Services
3130	Attendance and Social Work Services
3140	Health Services
3150	Speech Pathology and Audiology Services
3160	Pupil Testing Services
3600	Pupil Transportation
3700	Food Services
3900	Other Pupil Services
4000–4999	**ANCILLARY SERVICES**
4000	Ancillary Services
4100	*School-Sponsored Co-curricular*
4200	*School-Sponsored Athletics*
4900	*Other Ancillary Services*
5000–5999	**COMMUNITY SERVICES**
5000	Community Services
5100	*Community Recreation*
5400	*Civic Services*
5900	*Other Community Services*

105—Function (Activity)

Code	Description
6000–6999	**ENTERPRISE**
6000	Enterprise
7000–7999	**GENERAL ADMINISTRATION**
7100	Board and Superintendent
7110	*Board*
7150	*Superintendent*
7180	*Public Information*
7200	Other General Administration
7300	*Fiscal Services*
7310	*Budgeting*
7320	*Accounts Receivable*
7330	*Accounts Payable*
7340	*Payroll*
7350	*Financial Accounting*
7360	*Special Projects Accounting*
7370	*Internal Auditing*
7380	*Property Accounting*
7390	*Other Fiscal Services*
7400	*Personnel/Human Resources Services*
7410	*Staff Development*
7430	*Credentials*
7490	*Other Personnel/Human Resources Services*
7500	*Central Support*
7510	*Planning, Research, Development, and Evaluation*
7530	*Purchasing*
7540	*Warehousing and Distribution*
7550	*Printing, Publishing, and Duplicating*
7600	*All Other General Administration*
7700	Data Processing Services
8000–8999	**PLANT SERVICES**
8100	Plant Maintenance and Operations
8110	*Maintenance*
8200	*Operations*
8300	*Security*
8400	*Other Plant Maintenance and Operations*
8500	Facilities Acquisition and Construction
8700	Facilities Rents and Leases
9000–9999	**OTHER OUTGO**
9000	Other Outgo
9100	Debt Service
9200	Transfers between Agencies
9300	Interfund Transfers

4. Flexibility of the Function Field

The LEA may code its transactions to only the minimum level required by CDE, such as:

7100	Board and Superintendent
7200	Other General Administration
7700	Data Processing Services

Or the LEA may code its transactions to a more detailed level using the optional (italicized) codes presented in this manual, to more detailed codes developed by the LEA, or to a combination of both. For example, the LEA may decide to add its own functions for data processing:

7700	Data Processing Services, *Mainframe*
7710	*Data Processing Services, PC Support*

In this example, the LEA has used a locally defined function, which must be rolled up to Function 7700, for presentation of data to CDE.

Caution: If LEAs elect to add codes, they should be aware that in the future, these numbers could be preempted by CDE for other uses.

5. List of Function Accounts with Descriptions

Code	Description
0000	**NOT APPLICABLE.** This code is used for revenues and balance sheet transactions for which a function is not required. All expenditures must be coded to one of the functions below.
1000–1999	**INSTRUCTION**
1000	**Instruction.** Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom or in another location, such as a home or hospital. It may also be provided through some other approved medium, such as computers, television, radio, telephone, and correspondence. Included here are the activities of aides or classroom assistants of any type (readers, teaching machines, etc.) who assist in the instructional process. If a stipend is paid to a teacher for any noninstructional function, the stipend should be coded to the appropriate function. Expenditures for department chairpersons who teach part-time should be prorated using the full-time equivalent (FTE) ratio. Full-time department chairpersons' expenditures should be included in Function 2700, School Administration. Expenditures for instructional technology, which include computers, routers and servers, software licenses, communication lines, and computer maintenance costs, may be coded to Function 1000, Instruction, where they can be identified directly with the classroom. Instructional functions may not be used in capital project funds.
1001–1099	***Other Instructional Activities–Locally Defined.*** *Instruction provided for students in all goals except the special education goals. Generally used with Goals 1000–7000; may be used with Goal 8500, Child Care and Development Service, and Goal 4900, Other Supplemented Education. For reporting, these accounts are converted to Function 1000, Instruction.*
1100–1199	**Special Education Instruction.** Specialized instruction provided to special education students with individualized education programs (IEPs). This function measures the cost of those personnel who work directly with the students to teach them. The following instructional functions must be used with the special education goals; they may not be used with Goal 5001, Special Education—Unspecified.
1110	**Special Education: Separate Classes.** Salaries, supplies, and other costs to provide separate instruction requiring placement in a separate setting due to the nature or severity of the students' special needs. Instruction may be provided in special classrooms on a part-time or a full-time basis (*Education Code* Section 56364). Students may receive a full continuum of services (*Education Code* Section 56361); however, this function records the cost of only one of those services, that of the separate class.
1120	**Special Education: Resource Specialist Instruction.** Salaries, supplies, and other costs to provide instruction and services for those students whose needs have been identified in an IEP, who receive services under the direction of a resource specialist, and who are assigned to another classroom or a special education separate class for a majority of a school day

Code	Description
	(*Education Code* Section 56362). Students may receive a full continuum of services (*Education Code* Section 56361); however, this function records the cost of only one of those services, that of the resource specialist.
1130	**Special Education: Supplemental Aids and Services in Regular Classrooms.** Salaries, supplies, and other costs needed to allow a student to receive instruction provided in a regular education classroom or in an instructional setting other than those provided for in Function 1110, Special Education: Separate Classes; Function 1120, Resource Specialist Instruction; or Function 1180, Nonpublic Agencies/Schools. Supplemental aids and services make possible program modifications and blended programs with more flexibility for the special education student; these services include, but are not limited to, the following: **Special Education Instructional Aides.** Teaching assistants necessary to allow a special education student to participate in a regular classroom. **Interpreter Services.** Sign language interpretation of spoken language through the sign system of the student and tutoring of students regarding class content through the sign system of the student. **Braille Services.** Transcription services to convert materials from print to braille. Transcription is for textbooks, tests, work sheets, or other instructional necessities. **Assistive Technology.** Devices that allow a student to participate in a regular classroom environment. **Special Education Home and Hospital Instruction.** Instructional services provided to students with special needs who are either homebound or in a hospital.
1180	**Special Education: Nonpublic Agencies/Schools (NPA/S).** Instruction, in accord with an IEP, provided by a certified NPA/S under contract with the district, special education local plan area (SELPA), or county office when no appropriate public education program is available (*Education Code* Section 56365).
1190	**Special Education: Other Specialized Instructional Services.** Specialized instruction provided in accord with an IEP on a pullout and/or blended basis to any special education student to supplement the instruction provided in a separate special education class, a nonpublic school, or a regular education setting. These services are instructional in nature and are provided by or under the supervision of certificated special education teachers. Other health, counseling, or psychological services provided to a special education student to help him or her benefit educationally from the regular instruction program are coded under the Pupil Services functions. The difference in coding between an Instructional function and a Pupil Services function sometimes may be difficult to distinguish. The main question to bear in mind when coding is whether the student is receiving direct instruction or whether the student is being given a supplemental health or other professional service that facilitates instruction. For example, an adaptive physical education teacher provides an instructional service in which the main purpose of the class is to provide physical

Code **Description**

education. A nurse or dentist provides health care that enhances the physical condition of a student so that she or he is better able to participate in an instructional setting. As another example, a speech teacher may teach students using special techniques to help them speak and understand verbal signals, which would be coded to Function 1190; but a speech specialist, who diagnoses specific speech disorders and refers problems for medical or other professional attention to treat speech disorders, is more properly coded to Function 3150, Speech Pathology and Audiology Services. Other Specialized Instructional Services include, but are not limited to, the following:

Language and Speech. Instruction provided by a certificated teacher in language and speech skills to provide remedial intervention for students with difficulty understanding or using spoken language. The difficulty may result from problems with articulation, abnormal voice quality, fluency, or hearing loss.

Adaptive Physical Education. Direct physical education services provided by an adaptive physical education teacher to pupils who have needs that cannot be adequately satisfied in other physical education programs.

Orientation and Mobility Instruction. Instruction for students with identified visual impairments to develop skills in body awareness and movement around school and in the community.

Vocational Education Training. Instruction directly related to the preparation of individuals for paid or unpaid employment. This instruction may include provision for work experience, job coaching, job placement, and situational assessment.

Vision Services. This is a broad category of services provided to students with visual impairments. Assessment of an individual's visual ability should be coded to Function 3140, Health Services. The cost of classroom visual aids, such as curriculum modification and braille textbooks, used in a general classroom setting should be coded to Function 1130. Other specialized vision services coded to Function 1190 include the student's concept development; instruction in communication skills, such as reading braille; and career, vocational, and independent living skills.

Education Technological Services. Any specialized training or technical support for the incorporation of assistive devices, adaptive computer technology, or specialized media for the educational programs of the student.

Assistive Services. Training or technical assistance for students. See Pupil Services functions for the functional analysis of the student's need, including selecting, designing, fitting, customizing, or repairing appropriate devices.

Sign Language Service. Instruction in the use of sign language. This training is provided separately for the student. The provision of interpreters in the classroom is coded to Function 1130, Supplemental Aids and Services in Regular Classrooms.

Code	Description
2000–2999	**INSTRUCTION-RELATED SERVICES.** Instruction-related services provide administrative, technical, and logistical support to facilitate and enhance instruction, community services, and enterprise programs rather than operate as entities within themselves.
2100	**Supervision of Instruction.** Activities primarily for assisting instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. These activities include curriculum development, techniques of instruction, understanding of child development, staff training, and so forth. This function includes both staff members with supervisorial duties as well as staff members who are singularly involved with projects to improve curriculum and guidance of teachers in the use of instructional materials. This function also includes special project administration. Salaries and associated costs of accountants who provide supplemental services above the level provided by the business office or who provide services normally required of program managers, may be charged to Function 2100, Supervision of Instruction. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise, used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services, and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged.
2110	***Instructional Supervision (Optional).*** *Activities associated with directing, managing, and supervising instructional services.*
2120	***Instructional Research (Optional).*** *Activities associated with assessing programs and instruction based on research.*
2130	***Curriculum Development (Optional).*** *Activities that aid teachers in developing the curriculum, preparing and utilizing special curriculum materials, and understanding and appreciating the various techniques to stimulate and motivate students.*
2140	***In-house Instructional Staff Development (Optional).*** *Expenditures for staff or consultants to develop curriculum for the professional or occupational growth and competence of instructional staff members during the time of their service to the school system or school. These activities include guiding teachers in the use of instructional materials, administering sabbaticals, providing the environment for in-service training, and so forth.* *The cost of a consultant who works with teachers outside the classroom should be charged to Function 2140, Staff Development, and Object 5800, Professional and Consulting Services and Operating Expenditures.* *A fee paid for an employee to attend a conference or a salary stipend for attending a staff development conference should follow the function of the employee. For example, the cost of a classroom teacher improving his or her ability to teach is an instructional cost, an "activity dealing directly with the interaction between teachers and students," and should be charged to Function 1000. Likewise, the cost of a school nurse attending a staff development conference should be coded to Function 3140, Health Services.*

Code	Description
	The cost of a maintenance employee attending staff development should be coded to Function 8100, Plant Maintenance and Operations. (Please refer to the examples in Section 210, Staff Development.)
2200	**Administrative Unit (AU) of a Multidistrict SELPA.** Activities concerned with the receipt and distribution of regionalized services funds, provision of administrative support, and coordination of the implementation of the local plan (Education Code Section 56195). Activities of the AU of a single-district SELPA are reported under Function 2100.
2420	**Instructional Library, Media, and Technology.** Activities concerned with the use of all teaching and learning resources, including hardware and content materials, methods, or experiences used for teaching and learning purposes. These activities consist of selecting, preparing, caring for, and making available to members of the instructional staff audiovisual equipment and material, education programs presented through television services, and computer-assisted instruction services. This category also includes guiding individuals in the use of library books and materials. All educational media include printed and nonprinted sensory materials. Instructional technology costs identified with computer labs and other instructional support centers may be charged to Instructional Library, Media, and Technology where they can be directly identified to it. Generally used with Goal 0000, Undistributed; if directly identifiable to a specific goal, it may be used with that goal. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged.
2490	**Other Instructional Resources.** Other activities and materials that provide students the resources to achieve appropriate student learning outcomes.
2495	***Parent Participation (Optional).*** *Activities designed to include the parents in the student's education.*
2700	**School Administration.** Activities concerned with directing and managing the operation of a particular school. The activities include those performed by the principal, assistant principals, and other assistants while they supervise all operation of the school, evaluate the staff members, assign duties to staff members, supervise and maintain the school records, and coordinate school instructional activities with those of the LEA. These activities also include the work of clerical staff in support of the teaching and administrative duties. Other school administration services include graduation expenditures and department chairpersons. Generally used with Goals 1000–7000 if only one goal is offered at the school (i.e., all special education or all ROC/P) or if costs can be specifically identified with a goal. Otherwise used with Goal 0000, Undistributed. May also be used with Goal 8500, Child Care Services; and Goal 8600, County Services to Districts. If expenditures are charged to specific goals, there should be support indicating how the expenditures relate to the goals being charged.

Code	Description
3000–3999	**PUPIL SERVICES**
3110	**Guidance and Counseling Services.** Activities involving counseling with students and parents; consulting with other staff members on learning problems; evaluating the abilities of students; assisting students as they make their own educational and career plans and choices; assisting students in personal and social development; providing referral assistance; and working with other staff members in planning and conducting guidance programs for students. This function includes information services, appraisal services, placement services, counseling services, and record maintenance services. Information services consist of activities for disseminating educational, occupational, personal, and social information to help acquaint students with the curriculum and with educational and vocational opportunities and requirements. Such information may be provided directly to students through activities such as group or individual guidance, or it may be provided indirectly to students through staff members or parents. Appraisal services consist of activities that assess student characteristics. They are used in administration, instruction, and guidance to assist the student in assessing his or her purposes and progress in career and personality development. Placement services consist of activities that help place students in appropriate situations while they are in school. These could be educational situations, part-time employment while they are in school, and appropriate educational and occupational situations after they leave school. These activities also help ease the student's transition from one educational experience to another. The transition may require, for example, admissions counseling, referral services, assistance with records, and follow-up communications with employers. Counseling services consist of activities concerned with the relationship between one or more counselors and one or more students between counselors and other staff members. These activities are intended to help the student understand his or her educational, personal, and occupational strengths and limitations; relate his or her abilities, emotions, and aptitudes to educational and career opportunities; utilize his or her abilities in formulating realistic plans; and achieve satisfying personal and social development. Record maintenance services consist of activities for compiling, maintaining, and interpreting cumulative records of individual students, including systematic consideration of such factors as: • Home and family background • Physical and medical status • Standardized test results • Personal and social development • School performance Used with Goals 1000–7000 if directly identifiable to a goal; otherwise used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services; and Goal 8600, County Services to Districts.

Code	Description
	The following counseling services in this function should be coded to Goals 5000–5999, Special Education:
	Behavior Management Services. Services provided pursuant to an IEP to teachers, parents, or students by a professional counselor to promote lasting, positive changes in the student's behavior. These services result in the student gaining greater access to a variety of community settings, social contacts, public events, and placement in the least restrictive environment (Title 5, *California Code of Regulations*, Section 3001[d]).
	Individual Counseling. One-on-one counseling pursuant to an IEP. Counseling may focus on educational, career, or personal aspects. It may be with parents or staff members. Used with the special education goal, this service is expected to supplement the regular guidance and counseling program.
	Group Counseling. Counseling in a group setting pursuant to an IEP. Typically, group counseling is social skills development, but it may focus on educational, career, or personal aspects. It may be with parents or staff. Used with the special education goal, this service is expected to supplement the regular guidance and counseling program.
	Guidance Services. Interpersonal, intrapersonal, or family interventions pursuant to an IEP. Specific programs include social skills development, self-esteem building, parent training, and assistance to special education students. These services are expected to supplement the regular guidance and counseling program.
	Parent Counseling. Individual or group counseling pursuant to an IEP to assist parents of special education students in better understanding and meeting their children's needs; many counseling sessions include parenting skills or other pertinent issues. IEP-required parent counseling is expected to supplement the regular guidance and counseling program.
3120	**Psychological Services.** Activities concerned with administering psychological tests and interpreting the results; gathering and interpreting information about student behavior; working with other staff members in planning school programs to meet the special needs of students as indicated by psychological tests and behavioral evaluations; and planning and managing a program of psychological services, including psychological counseling for students, staff, and parents.
	Psychological testing services are activities concerned with administering psychological tests, standardized tests, and inventory assessments. These tests measure ability, aptitude, achievement, interests, and personality. Activities also include the interpretation of these tests for students, school personnel, and parents.
	Psychological counseling services are activities that take place between a school psychologist or other qualified person, a counselor, and one or more students in which the students are helped to perceive, clarify, and solve problems of adjustment and interpersonal relationships.

Code	Description
	Psychotherapy services are activities that provide a therapeutic relationship between a qualified mental health professional and one or more students in which the students are helped to perceive, clarify, and solve emotional problems. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise, used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services, and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged. Psychologist services for assessment testing for students with individualized education programs (IEP) should be coded to Goals 5000–5999.
3130	**Attendance and Social Work Services.** Activities designed to improve student attendance at school and that attempt to prevent or solve student problems involving the home, the school, and the community. Attendance services consist of such activities as early identification of patterns of absence, promotion of pupils' and parents' positive attitudes toward attendance, analysis of causes of absences, and enforcement of compulsory attendance laws. The time spent on attendance recording and reporting on a district-wide basis is charged to the general administration function. Social work services consist of such professional services as diagnosing the problems of pupils arising out of the home, school, or community; undertaking casework services for the child or parent or both; interpreting the pupils' problems for other staff members; and promoting modification of the circumstances surrounding the individual pupil that is related to his or her problem insofar as the resources of family, school, and community can be brought to bear on the problem. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services; and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged.
3140	**Health Services.** Physical and mental health services that are not direct instruction. Included are activities that provide students with appropriate medical, dental, and nursing services. Medical services consist of activities concerned with the physical and mental health of students, such as health appraisal, including screening for vision, communicable diseases, and hearing deficiencies; screening for psychiatric services; periodic health examinations; emergency injury and illness care; and communications with parents and medical personnel. Dental services consist of activities associated with dental screening, dental care, and orthodontic activities. Nursing services consist of activities associated with nursing, such as health inspection, treatment of minor injuries, and referrals for other health services.

Code	Description
	Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services, and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged.
	Goals 5000–5999, Special Education, may include the following services in this function:
	Assessment Testing. Individual health assessment done by a credentialed school nurse or physician for students who have or may be determined to need individualized education programs (*Education Code* Section 56324).
	Physical Therapy. Services provided pursuant to an IEP by a registered physical therapist or physical therapist assistant when assessment shows a discrepancy between gross motor performance and other educational skills.
	Occupational Therapy. Services provided to improve a student's postural stability, sensory processing and organization, environmental adaptation, motor planning and coordination, visual perception, and integration and fine motor abilities.
	Vision Services. The assessment of functional vision and therapy to correct visual impairments.
	Health and Nursing. Specialized physical health care services provided pursuant to an IEP, such as catheterization, nebulizer treatments, blood glucose monitoring, administration of oxygen, and any other specialized services that may be provided by a trained staff member and do not require the supervision of a physician. Other services provided pursuant to an IEP when a student has health problems that require nursing intervention beyond basic school health services include managing the health problem, consulting with staff, providing group and individual counseling, making appropriate referrals, and maintaining communication with agencies and health care providers.
3150	**Speech Pathology and Audiology Services.** Activities that identify, assess, and treat children with speech, hearing, and language impairments. Speech pathology services consist of activities that identify children with speech and language disorders; diagnose and assess specific speech and language disorders; refer problems for medical or other professional attention necessary to treat speech and language disorders; provide required speech treatment services; and counsel and guide children, parents, and teachers, as appropriate.
	Audiology services consist of activities that identify children with hearing loss; determine the range, nature, and degree of hearing function; refer problems for medical or other professional attention appropriate to treat impaired hearing; treat language impairment; involve auditory training, speech reading (lip-reading), and speech conversation; create and administer programs of hearing conversation; and counsel and guide children, parents, and teachers as appropriate.
	Audiological services for special education students include measurements of acuity or consultation with speech pathologists. Classroom instruction by a certificated teacher in

Code	Description
	how to speak, read, or interpret verbal signals is more properly coded to Function 1190, Special Education: Other Specialized Instructional Services. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services, and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged. Goals 5000–5999, Special Education, may include language and speech services to provide remedial intervention for individuals with difficulty understanding or using spoken language. Services include referral and assessment, monitoring, reviewing, and consultation.
3160	**Pupil Testing Services.** Cost of staff or consultants assigned to coordinate the standardized testing of students in academic contents. The cost of classroom teachers administering tests to their students during the instructional day remains a part of the instructional function. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise, used with Goal 0000, Undistributed. May be used with Goal 8500, Child Care and Development Services, and Goal 8600, County Services to Districts. If charging to specific goals, there should be support indicating how the expenditures relate to the goals being charged.
3600	**Pupil Transportation.** Activities concerned with conveying students to and from school. Transportation other than from home to school is referred to as "Other Miles," which includes field trips and transportation between school sites. Costs of "Other Miles" are instructional costs to the user program or project. Costs in the Pupil Transportation function include: • Transportation supervisors, directors, bus drivers, clerks, and bus maintenance personnel • Fuel, oil, tires, and parts for buses • Contracted repair of buses • Bus driver training and certification • Contracts with individual(s), other districts, and firms for transporting pupils • Rental of buses • Acquisition and replacement of equipment used for transporting pupils, including buses Costs in this function exclude: • Field trips • Student organization trips • Summer school miles • Financing costs (e.g., principal and interest for acquisition of buses) • Principal and interest on school bus loans/capital leases • Vehicles other than those used for student transportation Costs for trips to school activities ("Other Miles") if first accumulated in Function 3600 are to be transferred to other Functions and/or Resources using Object 5710. (See Example 5 in Section 202, Expenditures; and Section 212, Transportation).

Code	Description
	Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise used with Goal 0000, Undistributed.
3700	**Food Services.** Activities concerned with providing food to students and staff in a school or LEA. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery. Costs in this function include: • Food service supervisors, managers, directors, and related staff, such as bookkeepers and clerks • Cooks and helpers • Food purchases • Nonfood purchases, such as plates, silverware, napkins, etc., essential to providing food services to students • Commodities • Food services laundry • Purchase of vehicles and other transportation costs for the purpose of transporting food from central locations to satellite locations • Acquisition and replacement of related equipment • Repair and maintenance of equipment used in this function • Snacks for kindergarten classes • Food purchased for lunches not reimbursed through the School Lunch Program Costs in this function exclude food purchases for meetings or workshops or to instruct students on food preparation. Function 6000, Enterprise, is used for a catering service. See the examples in Section 204, Cafeteria. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise, used with Goal 0000, Undistributed.
3900	**Other Pupil Services**. Other support services to students not classified elsewhere in the 3000 accounts. Generally used with Goals 1000–7000 if directly identifiable to a goal; otherwise, used with Goal 0000, Undistributed.
4000–4999	**ANCILLARY SERVICES**
4000	**Ancillary Services.** School-sponsored activities during or after the school day that are not essential to the delivery of services in the Functions 1000, 2000, and 3000 series. These activities are generally designed to provide students with experiences such as motivation and enjoyment and improvement of skills in either a competitive or noncompetitive setting. Generally used with Goals 1000–7000.
4100	***School-Sponsored Co-curricular (Optional).*** *School-sponsored activities, under the guidance and supervision of LEA staff, designed to provide students such experiences as motivation, enjoyment, and improvement of skills. Co-curricular activities normally supplement the regular instructional program and include such activities as band,*

Code	Description
	chorus, choir, speech, and debate. Also included are student-financed and managed activities, such as Class of 20XX, Chess Club, Senior Prom, and Future Farmers of America. Athletics is coded to Function 4200.
4200	***School-Sponsored Athletics (Optional).*** *School-sponsored activities, under the guidance and supervision of LEA staff, that provide opportunities for students to pursue various aspects of physical education. Athletics normally involves competition between schools and frequently involves offsetting gate receipts or fees.*
4900	***Other Ancillary Services (Optional).*** *Activities that provide students with learning experiences not included in the other Function 4000, Ancillary Services, accounts.*
5000–5999	**COMMUNITY SERVICES**
5000	**Community Services.** Activities concerned with providing community services to community participants other than students. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, or a community child care center for working parents.
5100	***Community Recreation (Optional).*** *Activities concerned with providing recreation for the community as a whole or for some segment of the community. Included are such staff activities as organizing recreation programs for all citizens of the community at city parks, swimming pools, or school playgrounds.*
5400	***Civic Services (Optional).*** *Activities concerned with providing services to civic affairs or organizations. This function includes services to parent-teacher association meetings, public forums, lectures, and civil defense planning.*
5900	***Other Community Services (Optional).*** *Community services activities that cannot be classified under the preceding areas of responsibility. "Other" may include public library services and welfare activities.* *Used with Goal 8100, Community Service, and Goal 8500, Child Care and Development Services.*
6000–6999	**ENTERPRISE**
6000	**Enterprise.** Activities that are financed and operated in a manner similar to private business enterprises, where the stated intent is that the costs are financed or recovered primarily through user charges. Food services should not be charged here, but rather to Function 3700 because costs are financed in large part through federal and state revenues. This function is used when an LEA is selling goods or services to outside organizations. Function 6000 should be used with Self-Insurance Fund and Retiree Benefit Fund activities. Generally used with Goal 0000, Undistributed.

Code	Description
7000–7999	**GENERAL ADMINISTRATION**

General Administration refers to district-wide or countywide administrative activities that are accounted for in the General Fund. Other funds may receive a proportionate share of these costs through an interfund transfer of indirect costs using Function 7200, General Administration. The optional administrative functions are not appropriate in funds other than the General Fund.

7100 **Board and Superintendent.** Activities concerned with establishing and administering a policy for operating the LEA.

7110 ***Board (Optional).*** *Activities of the elected body that has been created according to state law and vested with responsibilities for educational activities in a given administrative unit.*

Costs in this function include:

- *Activities of the members of the Board of Education*
- *Activities of the district performed in support of school district meetings*
- *Legal activities in interpretation of the laws and statutes and general liability situations*
- *Activities of external auditors*
- *Services rendered in connection with any school system election, including elections of officers and bond elections*
- *Activities concerned with staff relations systemwide and the responsibilities for contractual negotiations with both instructional and noninstructional personnel*

7150 ***Superintendent (Optional).*** *Activities associated with the overall general administration of or executive responsibility for the entire LEA.*

Costs in this function include:

- *Activities performed by the superintendent and such assistants as deputy, associate, and assistant superintendents in generally directing and managing all affairs of the LEA*
- *Personnel and materials in the office of the chief executive officer*
- *Activities associated with community/public relations*
- *Activities associated with developing and maintaining good relationships with state and federal officials*
- *Activities associated with grant procurement*

7180 ***Public Information (Optional).*** *Writing, editing, and other activities necessary for the preparation and dissemination of educational and administrative information to the public through various news media or personal contact.*

Generally used with Goal 0000, Undistributed.

7200 **Other General Administration.** Activities other than Function 7100, Board, and Function 7150, Superintendent, which manage the LEA as an overall entity. Other General Administration activities include fiscal services, personnel services, and central support services.

Code	Description
	Certain insurance should be charged to the appropriate function, such as Function 1000, Instruction, for pupil insurance and driver training vehicle insurance, Function 3600, Pupil Transportation, for insurance on buses; and Function 3700, Food Services, for insurance on food service vehicles. All other costs of property or general liability insurance not charged to a specific function should be charged to Function 7200, Other General Administration; or optionally to Function 7600, All Other General Administration.
	The optional general administrative functions are not appropriate in funds other than the General Fund. Function 7200, General Administration, is allowed in those special revenue funds that may be charged an indirect cost, such as the Child Development Fund. However, district-wide administrative costs are not directly expended in any fund other than the General Fund.
	Generally used with Goal 0000, Undistributed.
7300	***Fiscal Services (Optional).*** *Activities concerned with the fiscal operations of the LEA. This function includes budgeting, receiving and disbursing, financial and property accounting, payroll, inventory control, internal auditing, and managing funds.*
7310	***Budgeting (Optional).*** *Activities concerned with supervising budget planning, formulation, control, and analysis.*
7320	***Accounts Receivable (Optional).*** *Activities concerned with receiving money. They include the current audit of receipts.*
7330	***Accounts Payable (Optional).*** *Activities concerned with paying out money. They include the pre-audit of requisitions or purchase orders to determine whether the amounts are within the budgetary allowances and to determine whether such disbursements are lawful expenditures of the LEA.*
7340	***Payroll (Optional).*** *Activities concerned with periodically paying individuals entitled to remuneration for services rendered.*
7350	***Financial Accounting (Optional).*** *Activities concerned with maintaining records of the financial operations and transactions of the school system. They include such activities as accounting and interpreting financial transactions and account records.*
7360	***Special Projects Accounting (Optional).*** *Activities concerned with maintaining the records of financial operations and transactions of special projects.*
7370	***Internal Auditing (Optional).*** *Activities concerned with verifying the account records, which include evaluating the adequacy of the internal control system, verifying and safeguarding assets, reviewing the reliability of the accounting and reporting systems, and ascertaining compliance with established policies and procedures.*
7380	***Property Accounting (Optional).*** *Activities concerned with preparing and maintaining current inventory records of land, buildings, and equipment. These records are used in equipment control and facilities planning.*

Code	Description
7390	***Other Fiscal Services (Optional).*** *Fiscal services that cannot be classified under the preceding functions.*
7400	***Personnel/Human Resources Services (Optional).*** *Activities concerned with maintaining an efficient staff for the school system. It includes such activities as recruitment and placement, staff transfers, health services, and staff accounting.*
7410	***Staff Development (Optional).*** *The activities concerned with developing district-wide training programs for noninstructional personnel in all classifications.*
7430	***Credentials (Optional).*** *Activities related to credential services.*
7490	***Other Personnel/Human Resources Services (Optional).*** *Personnel services that cannot be classified under the preceding functions.*
7500	***Central Support (Optional).*** *Activities other than general administration that support the instructional and supporting services programs. These activities include planning, research, development, evaluations, purchasing, distribution, and warehousing services for the LEA.*
7510	***Planning Research Development and Evaluation (Optional).*** *Activities associated with conducting and managing programs of planning, research, development, and evaluation for a school system on a systemwide basis, including costs of facility planning and administration not directly identifiable to a capital project.* *Planning Services include activities concerned with selecting or identifying the overall, long-range goals and priorities of the organization. They also involve formulating various courses of action needed to achieve these goals. This is done by identifying needs and relative costs and benefits of each course of action.* *Research Services include activities concerned with the systematic study and investigation of the various aspects of education, undertaken to establish facts and principles.* *Development Services include activities in the deliberate, evolving process of improving educational programs, such as activities using the products of research.* *Evaluation Services include activities concerned with ascertaining or judging the value or amount of an action or an outcome. This is done through a careful appraisal of previously specified data in light of the particular situation and goals previously established.*
7530	***Purchasing (Optional).*** *Activities concerned with purchasing supplies, furniture, equipment, and materials used in schools or school system operations.*
7540	***Warehousing and Distribution (Optional).*** *The activities of receiving, storing, and distributing supplies, furniture, equipment, materials, and mail.*
7550	***Printing, Publishing, and Duplicating (Optional).*** *The activities of printing and publishing administrative publications, such as annual reports, school directories, and*

Code	Description
	manuals. Activities here also include centralized services for duplicating school materials and instruments such as school bulletins, newsletters, and notices.
7600	***All Other General Administration (Optional).*** *All other general administrative services not classified elsewhere in Functions 7300–7500.*
7700	**Data Processing Services.** This function is for expenditures/expenses for data processing services, whether in-house or contracted. Examples of this function are costs for computer facility management, computer processing, systems development, analysis and design, and interfacing costs associated with general types of technical assistance to data users. Specific types of applications include attendance accounting, grade reporting, financial accounting, and human resources/personnel. Personal computers (PCs) that are stand-alone are to be charged to the appropriate function. Peripherals, including terminals and printers, are to be charged to the appropriate function. Costs associated with mainframe, minicomputers, and networked or stand-alone microcomputers that provide services to multiple functions are recorded here. Costs in this function include: • Salaries and other expenditures/expenses (including hardware/software maintenance) for PC networks that include student and general administrative software and serve multiple functions. If these costs can be directly identified as instructional or instructional support, they should be charged to the appropriate function. • Network managers for noninstructional computer networks. • Salaries and other expenditures/expenses (including hardware/software maintenance) for minicomputers that include student and general administrative software and serve multiple functions. • Salaries and other expenditures/expenses (including hardware/software maintenance) for mainframe computers that include student and general administrative software and serve multiple functions. • Management Information Systems (MIS) directors Costs in this function exclude: • Stand-alone or networked computers used by a specific functional area • Instructional computer networks • Instructional technology coordinator Generally used with Goal 0000, Undistributed.
8000–8999	**PLANT SERVICES.** Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in working condition and a state of repair. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools.
8100	**Plant Maintenance and Operations.** This function is used for expenditures related to activities to keep the physical plant and grounds open, clean, comfortable, and in working condition and a state of repair. This function is used to record expenditures for the maintenance and operation of the physical plant and grounds.

Code	Description
	Do not use Function 8100 for a capital project, which extends the life and the value of a capital asset. (See Function 8500, Facilities Acquisition and Construction.)
	Generally used with Goal 0000, Undistributed.
8110	***Maintenance (Optional).*** *Activities involved with repairing, restoring, or renovating school property, including grounds, buildings, site improvements, building fixtures, and service systems.*
8200	***Operations (Optional).*** *Activities concerned with keeping the physical plant clean and ready for daily use. They include operating the heating, lighting, and ventilation systems, trash collection, caring for grounds, and other housekeeping activities that are repeated on a daily, weekly, monthly, or seasonal basis.*
8300	***Security (Optional).*** *Activities concerned with maintaining order and safety in school buildings, on the school grounds, and in the vicinity of schools at all times. Included are police activities for school functions, traffic control on grounds and in the vicinity of schools, building alarm systems, and hall monitoring services.*
8400	***Other Plant Maintenance and Operations (Optional).*** *Operations and maintenance of plant services that cannot be classified elsewhere in Functions 8100–8399.*
8500	**Facilities Acquisition and Construction.** Activities concerned with capital projects, such as acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, initially installing or extending service systems and other built-in equipment, and improving sites. Capitalize projects that extend the life and value of a site, building, or major equipment and that exceed the LEA's capitalization threshold. Documented time of a project manager to a capital project may be capitalized. (Refer to Procedure 801 in Part I of CSAM.) Facility costs that are not clearly identifiable to a capital project should not be charged to Function 8500. Facility planning or administration should be charged to Function 7200, Other General Administration, or to optional Function 7510, Planning Research Development and Evaluation. Facility improvements that do not significantly extend the life or increase the value of a site or building or that do not meet the LEA's threshold for capitalization should be charged to Function 8100, Plant Maintenance and Operations.
8700	**Facilities Rents and Leases.** Activities concerned with acquiring facilities through operating leases or rent. This does not include capital lease payments.

Code	Description
9000–9999	**OTHER OUTGO**
	Used with Goal 0000, Undistributed.
9100	**Debt Service.** Servicing the debt of the LEA, including payments of both principal and interest. Normally, only long-term debt service (obligations exceeding one year) is recorded here. It should also be used to record that portion of direct costs for issuing tax and revenue anticipation notes (TRANS), bonds, or certificates of participation (COPS), including interest expense, which is equal to or less than investment earnings on the proceeds. If costs exceed investment earnings, the excess costs are to be charged to Function 7200, Other General Administration. If long-term debt is issued at a discount, the discount should be recorded in this function with Object 7699, All Other Financing Uses.
9200	**Transfers Between Agencies.** These include outgoing tuitions and transfers of apportionments and resources.
9300	**Interfund Transfers .** Financial outflows to other funds of the LEA that are not classified as quasi-external transactions, reimbursements, loans, or advances.

105—Function (Activity)

1. How the Object Field Is Used

The object field applies to expenditures, revenues, and balance sheet accounts. The object classifies expenditures according to the types of items purchased or services obtained. It classifies revenues by the general source and type of revenue. This field also identifies the balance sheet accounts (i.e., assets, liabilities, and fund balances).

The following pages provide an example of how to use the object field.

2. Examples of Coding the Object Field

Revenue Transaction
The school district has a cafeteria and receives multiple sources of revenue to operate the food service activities. The revenue would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	**Object**	School
13	5310	0	0000	0000	**8220**	000
13	5310	0	0000	0000	**8520**	000
13	5310	0	0000	0000	**8634**	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition-School Programs.
- Project Year is not necessary for this resource.
- Goal is generally not required for revenues.
- Function is not required for revenues.
- **Object 8220 is federal Child Nutrition Programs, Object 8520 is state Child Nutrition, and Object 8634 is local Food Service Sales.**
- School is not required.

Expenditure Transaction
(a) Food is purchased for meal preparation and soap for washing dishes. The expenditure would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	**Object**	School
13	5310	0	0000	3700	**4700**	123
13	5310	0	0000	3700	**4300**	123

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition-School Programs.
- Project Year is not necessary for this resource.
- Goal 0000 is Undistributed because students of several goals are served.
- Function 3700 is Food Services.
- **Object 4700 is Food, and Object 4300, Materials and Supplies, covers other miscellaneous supplies used in the cafeteria.**
- School 123 is the ABC Elementary School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

(b) At year-end the cafeteria is charged for its share of direct support and indirect costs:

	Fund/Group	Resource	Project Year	Goal	Function	**Object**	School
Dr	13	5310	0	0000	7200	**7350**	000
Dr	13	5310	0	0000	8100	**7350**	000
Cr	13	5310	0	0000	0000	**9110**	000
Dr	01	0000	0	0000	0000	**9110**	000
Cr	01	0000	0	0000	7200	**7350**	000
Cr	01	0000	0	0000	8100	**7350**	000

- Fund 13 is the Cafeteria Fund, and Fund 01 is the General Fund.
- Resource 5310 is Child Nutrition-School Programs; Resource 0000 is Unrestricted Resources.
- Project Year is not necessary for this resource.
- Goal 0000 is Undistributed because students of several goals are served. Function 8100 is Plant Maintenance and Operations; Function 7200 is Other General Administration from which indirect costs are charged.
- **Object 7350 is Direct Support/Indirect Costs for Interfund Charges.**
- School is not required.

Balance Sheet Transaction
At year-end a transfer of cash from the General Fund is required to cover the excess of expenditures over cash receipts. This transfer is payable to the General Fund from the Cafeteria Fund:

Fund/Group	Resource	Project Year	Goal	Function	**Object**	School
13	5310	0	0000	0000	**9610**	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition-School Programs.
- Project Year is not necessary for this resource.
- Goal is not required for balance sheet accounts.
- Function is not required in balance sheet accounts.
- **Object 9610 is Due to Other Funds.**
- School is not required.

3. List of Object Accounts

Code	Description
1000–7999	**EXPENDITURES**
1000–1999	Certificated Personnel Salaries
1100	Teachers' Salaries
1200	Certificated Pupil Support Salaries
1300	Certificated Supervisors' and Administrators' Salaries
1900	Other Certificated Salaries
2000–2999	Classified Personnel Salaries
2100	Instructional Aides' Salaries
2200	Classified Support Salaries
2300	Classified Supervisors' and Administrators' Salaries
2400	Clerical, Technical, and Office Staff Salaries
2900	Other Classified Salaries
3000–3999	Employee Benefits
3101	State Teachers' Retirement System, certificated positions
3102	State Teachers' Retirement System, classified positions
3201	Public Employees' Retirement System, certificated positions
3202	Public Employees' Retirement System, classified positions
3301	OASDI/Medicare/Alternative, certificated positions
3302	OASDI/Medicare/Alternative, classified positions
3401	Health & Welfare Benefits, certificated positions
3402	Health & Welfare Benefits, classified positions
3501	State Unemployment Insurance, certificated positions
3502	State Unemployment Insurance, classified positions
3601	Workers' Compensation Insurance, certificated positions
3602	Workers' Compensation Insurance, classified positions
3701	Retiree Benefits, certificated positions
3702	Retiree Benefits, classified positions
3801	PERS Reduction, certificated positions
3802	PERS Reduction, classified positions
3901	Other Benefits, certificated positions
3902	Other Benefits, classified positions
4000–4999	Books and Supplies
4100	Approved Textbooks and Core Curricula Materials
4200	Books and Other Reference Materials
4300	Materials and Supplies
4400	Noncapitalized Equipment
4700	Food
5000–5999	Services and Other Operating Expenditures
5200	Travel and Conferences
5300	Dues and Membership
5400	Insurance
5440	*Pupil Insurance*
5450	*Other Insurance*

Code	Description
5500	Operation and Housekeeping Services
5600	Rentals, Leases, Repairs, and Noncapitalized Improvements
5700–5799	Direct Costs Transfers
5710	Direct Costs for Transfer of Services
5750	Direct Costs for Interfund Services
5800	Professional/Consulting Services and Operating Expenditures
5900	Communications
6000–6900	Capital Outlay
6100	Sites and Improvement of Sites
6200	Buildings and Improvement of Buildings
6300	Books and Media for New School Libraries or Major Expansion of School Libraries
6400	Equipment
6500	Equipment Replacement
6900	Depreciation Expense (for proprietary and fiduciary funds only)
7000–7399	Other Outgo
7100–7199	Tuition
7110	Tuition for Instruction Under Interdistrict Attendance Agreements
7130	State Special Schools
7141	Other Tuition, Excess Costs, and/or Deficits Payments to School Districts
7142	Other Tuition, Excess Costs, and/or Deficits Payments to County Offices
7143	Other Tuition, Excess Costs, and/or Deficits Payments to JPAs
7200–7299	Other Transfers Out
7211	Transfers of Pass-through Revenues to Districts
7212	Transfers of Pass-through Revenues to County Offices
7213	Transfers of Pass-through Revenues to JPAs
7221	Transfers of Apportionments to Districts
7222	Transfers of Apportionments to County Offices
7223	Transfers of Apportionments to JPAs
7280	Transfers to Charter Schools Funding in Lieu of Property Taxes
7281	All Other Transfers to Districts
7282	All Other Transfers to County Offices
7283	All Other Transfers to JPAs
7299	All Other Transfers Out to All Others
7300–7399	Direct Support/Indirect Costs
7310	Direct Support/Indirect Costs Charges
7350	Direct Support/Indirect Costs for Interfund Charges
7430–7439	Debt Service
7432	State School Building Repayment
7433	Bond Redemptions
7434	Bond Interest and Other Service Charges
7435	Repayment of State School Building Fund Aid—Proceeds from Bonds
7436	Payments to Original District for Acquisition of Property
7438	Debt Service—Interest
7439	Other Debt Service—Principal

Code	Description
7600–7699	Other Financing Uses
7600–7629	Interfund Transfers Out
7611	From General Fund to Child Development Fund
7612	Between General Fund and Special Reserve Fund
7613	To State School Building Fund/County School Facility Fund from All Other Funds of the District
7614	From Bond Interest and Redemption Fund to the General Fund
7615	From General, Special Reserve, and Building Funds to Deferred Maintenance Fund
7616	From General Fund to Cafeteria Fund
7619	Other Authorized Interfund Transfers Out
7630–7699	All Other Financing Uses
7651	Transfers from Funds of Lapsed/Reorganized Districts
7699	All Other Financing Uses
8000–8999	**REVENUE**
8010–8099	Revenue Limit Sources
8010–8019	Principal Apportionment
8011	Revenue Limit State Aid—Current Year
8015	Charter Schools General Purpose Entitlement—State Aid
8019	Revenue Limit State Aid—Prior Years
8020–8039	Tax Relief Subventions
8021	Homeowners' Exemption
8022	Timber Yield Tax
8029	Other Subventions/In-Lieu Taxes
8040–8079	County and District Taxes
8041	Secured Rolls Tax
8042	Unsecured Roll Taxes
8043	Prior Years' Taxes
8044	Supplemental Taxes
8045	Education Revenue Augmentation Fund (ERAF)
8047	Community Redevelopment Funds
8048	Penalties and Interest from Delinquent Taxes
8070	Receipts from County Board of Supervisors
8080–8089	Miscellaneous Funds
8081	Royalties and Bonuses
8082	Other in Lieu Taxes
8089	Less: Non-Revenue Limit (50 Percent) Adjustment
8090–8099	Revenue Limit Transfers
8091	Revenue Limit Transfers
8092	PERS Reduction Transfer
8097	Property Taxes Transfers
8100–8299	Federal Revenue
8110	Maintenance and Operations (Public Law 81-874)
8181	Special Education—Entitlement
8182	Special Education—Discretionary Grants
8220	Child Nutrition Programs
8260	Forest Reserve Funds
8270	Flood Control Funds

Code	Description
8280	U.S. Wildlife Reserve Funds
8281	FEMA
8285	Interagency Contracts Between LEAs
8287	Pass-through Revenues from Federal Sources
8290	All Other Federal Revenue
8300–8599	Other State Revenues
8311	Other State Apportionments—Current Year
8319	Other State Apportionments—Prior Year
8425	Year-Round School Incentive
8434	Class Size Reduction, Grades K–3
8435	Class Size Reduction, Grade 9
8480	Charter Schools Categorical Block Grant
8520	Child Nutrition
8530	Child Development Apportionments
8540	Deferred Maintenance Allowance
8545	School Facilities Apportionments
8550	Mandated Cost Reimbursements
8560	State Lottery Revenue
8571–8579	Tax Relief Subventions
8571	Voted Indebtedness Levies, Homeowners' Exemptions
8572	Voted Indebtedness Levies, Other Subventions/In-Lieu Taxes
8575	Other Restricted Levies, Homeowners' Exemption
8576	Other Restricted Levies, Other Subventions/In-Lieu Taxes
8587	Pass-through Revenues from State Sources
8590	All Other State Revenue
8600–8799	Other Local Revenue
8610–8629	County and District Taxes
8611	Voted Indebtedness Levies, Secured Roll
8612	Voted Indebtedness Levies, Unsecured Roll
8613	Voted Indebtedness Levies, Prior Years' Taxes
8614	Voted Indebtedness Levies, Supplemental Taxes
8615	Other Restricted Levies, Secured Roll
8616	Other Restricted Levies, Unsecured Roll
8617	Other Restricted Levies, Prior Years' Taxes
8618	Other Restricted Levies, Supplemental Taxes
8621	Parcel Taxes
8622	Other Non-Ad Valorem Taxes
8625	Community Redevelopment Funds Not Subject to Revenue Limit Deduction
8629	Penalties and Interest from Delinquent Non-Revenue Limit Taxes
8631–8639	Sales
8631	Sale of Equipment and Supplies
8632	Sale of Publications
8634	Food Service Sales
8639	All Other Sales
8650	Leases and Rentals
8660	Interest
8662	Net Increase (Decrease) in the Fair Value of Investments

106—Object

Code	Description
8670–8689	Fees and Contracts
8671	Adult Education Fees
8672	Nonresident Student Fees
8673	Child Development Parent Fees
8674	In-District Premiums/Contributions
8675	Transportation Fees from Individuals
8677	Interagency Services Between LEAs
8681	Mitigation/Developer Fees
8689	All Other Fees and Contracts
8690–8699	Other Local Revenue
8691	Plus: Miscellaneous Funds Non-Revenue Limit (50 Percent) Adjustment
8697	Pass-through Revenue from Local Sources
8699	All Other Local Revenue
8710	Tuition
8780	Charter Schools Funding in Lieu of Property Taxes
8781	All Other Transfers from Districts
8782	All Other Transfers from County Offices
8783	All Other Transfers from JPAs
8791	Transfers of Apportionments from Districts
8792	Transfers of Apportionments from County Offices
8793	Transfers of Apportionments from Joint Powers Agreements (JPAs)
8799	Other Transfers In from All Others
8910–8979	Other Financing Sources
8910–8929	Interfund Transfers In
8911	To Child Development Fund from General Fund
8912	Between General Fund and Special Reserve Fund
8913	To State School Building Fund/County School Facilities Fund from All Other Funds
8914	To General Fund from Bond Interest and Redemption Fund
8915	To Deferred Maintenance Fund from General, Special Reserve, and Building Funds
8916	To Cafeteria Fund from General Fund
8919	Other Authorized Interfund Transfers In
8930–8979	All Other Financing Sources
8931	Emergency Apportionments
8951	Proceeds from Sale of Bonds
8953	Proceeds from Sale/Lease Purchase of Land and Buildings
8961	County School Building Aid
8965	Transfers from Fund of Lapsed/Reorganized Districts
8971	Proceeds from Certificates of Participation
8972	Proceeds from Capital Leases
8973	Proceeds from Lease Revenue Bonds
8979	All Other Financing Sources
8980–8999	Contributions
8980	Contributions from Unrestricted Resources
8990	Contributions from Restricted Revenues
8998	Flexibility Transfer

Code	Description
9000–9999	**BALANCE SHEET**
9100–9499	Assets
9110	Cash in County Treasury
9111	Fair Value Adjustment to Cash in County Treasury
9120	Cash in Bank
9130	Revolving Cash Account
9135	Cash with a Fiscal Agent/Trustee
9140	Cash Collections Awaiting Deposit
9150	Investments
9200	Accounts Receivable
9290	Due from Grantor Governments
9310	Due from Other Funds
9320	Stores
9330	Prepaid Expenditures (Expenses)
9340	Other Current Assets
9400–9499	Fixed Assets
9410	Land
9420	Improvement of Sites
9425	Accumulated Depreciation—Improvement of Sites
9430	Buildings
9435	Accumulated Depreciation—Buildings
9440	Equipment
9445	Accumulated Depreciation—Equipment
9450	Work in Progress
9500–9699	Liabilities
9500	Accounts Payable (Current Liabilities)
9501–9589	*Accounts Payable (Locally Defined)*
9590	Due to Grantor Governments
9610	Due to Other Funds
9620	Due to Student Groups/Other Agencies
9640	Current Loans
9650	Deferred Revenue
9660–9669	Long-Term Liabilities (Not Used in Governmental or Expendable Trust Funds)
9661	General Obligation Bond Payable
9662	State School Building Loan Payable
9664	Other Postemployment Benefits
9665	Compensated Absences Payable
9666	COPs Payable
9667	Capital Leases Payable
9668	Lease Revenue Bonds Payable
9669	Other General Long-Term Debt
9700–9799	Fund Balance
9700–9759	Fund Balance, Reserved
9710–9719	Reserve for Nonexpendable Assets
9711	Reserve for Revolving Cash
9712	Reserve for Stores
9713	Reserve for Prepaid Expenditures (Expenses)

106—Object

Code	Description
9719	Reserve for All Others
9720	*Reserve for Encumbrances*
9730	General Reserve
9740	Legally Restricted Balance
9760–9799	Fund Balance, Unreserved
9770	Designated for Economic Uncertainties
9775	Designated for the Unrealized Gains of Investments and Cash in County Treasury
9780	Other Designations
9790	Undesignated/Unappropriated
9791	Beginning Fund Balance
9793	Audit Adjustments
9795	Other Restatements
9800–9829	*Budgetary Accounts*
9810	*Estimated Revenue*
9815	*Estimated Other Financing Sources*
9820	*Appropriations*
9825	*Estimated Other Financing Uses*
9830–9899	*Control Accounts*
9830	*Encumbrances*
9840	*Revenue*
9845	*Other Financing Sources*
9850	*Expenditures*
9855	*Other Financing Uses*
9910–9979	*Nonoperating Accounts*
9910	*Suspense Clearing*
9980–9989	Other Debits
9980	Amount Available
9989	Amount to Be Provided
9990–9999	Other Credits
9990	Investment in General Fixed Assets

4. Flexibility of the Object Field

The LEA may code its transactions to only the minimum level required by CDE, such as:

1100 Teachers' Salaries
1200 Certificated Pupil Support Salaries
1300 Certificated Supervisors' and Administrators' Salaries
1900 Other Certificated Salaries

Or the LEA may make use of the last two digits to add more detail to the object codes. Since the localized codes must be rolled up into the CDE-defined level of detail, the definitions must be compatible. For example:

1100 Teachers' Salaries, full-time permanent positions
1110 Teachers' Salaries, part-time positions
1120 Teachers' Salaries, substitutes

In this example, the LEA has used locally defined objects that must be rolled up to Object 1100, Teachers' Salaries, for presentation of data to CDE.

Many object codes that were used in the past are now unnecessary because of the addition of the Function field.

Note: If LEAs elect to add codes, they should be aware that in the future, these numbers may be preempted by CDE for other uses.

The fourth digit of objects 3000–3999 has been restricted by CDE to a specific definition. The third digit is available for LEA use if it rolls up to zero when submitted to CDE.

5. List of Object Accounts with Descriptions

Code	Description
1000–7999	**EXPENDITURES**

Note: See Appendix A for common function/object relationships found in salary expenditures.

1000–1999 **Certificated Personnel Salaries.** Certificated salaries are salaries for positions that require a credential or permit issued by the Commission on Teacher Credentialing. Salaries paid to an employee on leave of absence continue to be charged in the same manner and to the same account classification that was applicable while the employee was in active service of the LEA.

Generally for compensated time off, coding of a substitute in a position recorded in Objects 1000–1999 should follow the goal and function of the absent employee. However, for other than compensated time off, such as release for negotiations, a substitute should be recorded in the appropriate goal and function.

1100 **Teachers' Salaries.** Record the full-time, part-time, and prorated portions of salaries for all certificated personnel employed to teach the pupils of the district or pupils in schools maintained by a county superintendent of schools. Include salaries for teachers of children in homes or hospitals, all special education resource specialists and teachers, substitute teachers, and instructional television teachers. Include salaries of teachers who provide instruction to students on a pullout basis.

The separate recording of teachers' salaries is required by *Education Code* Section 41011 and is limited to salaries of certificated employees paid to teach the pupils of the district or pupils in schools maintained by a county superintendent.

The following comments, interpretations, and definitions are included to guide school officials in determining whether the total salary or a portion of the salary would be charged to Object 1100, Teachers' Salaries.

The total salary is recorded in Object 1100, Teachers' Salaries, under the following conditions: The teacher is an employee of the district or office of the county superintendent in a position requiring certification qualifications. The teachers' duties require him or her to teach pupils of the district for at least one full instructional period on each school day for which he or she is employed, and he or she is assigned no duties other than those that are connected with, or extensions of, classroom teaching. Such activities are limited to the following:

- Preparation for and evaluation of classroom work.
- Extracurricular activities that arise from classroom work and are extensions of it (e.g., class or club sponsorship or supervision at school functions).
- Management of and instruction in a study hall.
- Duties that are ordinarily assigned to certificated personnel in connection with the custody and control of pupils at recess, lunchtime, after school, or at other times.

Code	Description

If a certificated employee teaches at least one instructional period each day that he or she is employed to teach and is also assigned other duties neither in connection with nor as an extension of classroom teaching, his or her salary must be prorated and recorded in Object 1100, Teachers' Salaries, and in the other objects that provide for recording of expenditures for the other assignment. The amount recorded in Object 1100, Teachers' Salaries, is the product of the employee's complete salary and the fraction of the full-time school day that the employee spent as a classroom teacher performing duties that are in connection with, or an extension of, classroom teaching as limited herein. The remaining portion is then charged to the Object in which expenditures for the other assignments are recorded. Some of the other assignments may pertain to work outside the field of teaching; if a teacher performs such assignments, it will be necessary to prorate a portion of the teacher's salary to classifications other than Object 1100, Teachers' Salaries.

The term *other assignments* that must be recorded or prorated to other object codes includes, but is not limited to, assignments usually and specifically assigned to certificated persons employed in the following types of positions:

- General supervisors, coordinators, directors, specialist, consultants, supervisors of special subjects or grades, and certificated assistants (Function 2100, Instruction-Related Service; Object 1300, Certificated Supervisors' and Administrators' Salaries).
- Chairperson of academic department (Function 2700, School Administration; Object 1300, Certificated Supervisors' and Administrators' Salaries).
- Principals, vice-principals, assistant principals, deans, and assistant deans in individual schools (Function 2700, School Administration; Object 1300, Certificated Supervisors' and Administrators' Salaries).
- Librarians, assistant librarians, audiovisual personnel, counselors, nurses, psychologists, psychometrists, audiometrists, and guidance and attendance personnel (Function 2420, Instructional Library, Media, and Technology; Object 1200, Certificated Pupil Support Salaries).
- The term *other assignments* also includes, but is not limited to, assignments usually and specifically assigned to persons in the classified service employed as school bus driver, custodian, secretary to the governing board, and supervisor of transportation.

1200 **Certificated Pupil Support Salaries**. Record the full-time, part-time, and prorated portions of salaries of all certificated personnel performing services of librarian, social worker, or certificated personnel doing pupil personnel work; psychologists and psychometrists; counselors, as well as health services rendered by physicians, oculists, dentists, dental hygienists, nurses, optometrists, school audiometrists, psychiatrists, ontologists, and other personnel as authorized in the field of physical and mental health and who are on the payroll of the LEA. Health services personnel must possess a services credential (*Education Code* sections 44872–44879 and 49422–49427).

1300 **Certificated Supervisors' and Administrators' Salaries**. Record the full-time, part-time, and prorated portions of salaries of principals, vice-principals, administrative deans in individual schools, and other personnel performing similar duties; certificated personnel engaged in instructional supervision, including general supervisors, coordinators, directors, consultants, and supervisors of special subjects or grades and their certificated assistants (whether or not they supervise staff); superintendents and/or deputy, associate, area, and

Code	Description
	assistant superintendents in districts and offices of county superintendents of school (*Education Code* sections 35028, 35029, 35030, 44065, 44066, and 44069).
	Note: The term *supervision* is used to designate those activities having as their purpose the actual improvement of instruction under the direction of supervisors and assistants. Such activities include (1) personal conferences with teachers on instructional problems; (2) classroom visitation; (3) group conferences with teachers; and (4) demonstration teaching.
1900	**Other Certificated Salaries**. Record the full-time, part-time, and prorated portions of salaries for all certificated personnel who do not fall within one of the categories previously specified. Examples of such personnel are special education and/or other program specialists, certificated civic center employees, or resource teachers not performing duties as a classroom teacher. Object 1900 is not open to instructional functions.
2000–2999	**Classified Personnel Salaries**. Classified salaries are salaries for services that do not require a credential or permit issued by the Commission on Teacher Credentialing. Salaries paid to an employee on leave of absence will continue to be charged in the same manner and to the same account classification as was applicable while the employee was in active service for the LEA. Generally for compensated time off, individuals employed to substitute in a position recorded in Objects 2000–2999 should follow the goal and function of the absent employee. Individuals employed to substitute in a position recorded in Objects 1000–1999 for other than compensated time off should be recorded in the appropriate goal and function. Student employees are to be coded to the goal, function, and object that represent the position they are filling. However, if the student is being paid as part of an educational program such as work experience, use Function 1000, Instruction, and Object 2900, Other Classified Salaries.
2100	**Instructional Aides' Salaries**. Record total salaries paid to instructional aides who are required to perform any portion of their duty under the supervision of a classroom teacher or that of a special education resource specialist teacher (*Education Code* Section 41011). This code also includes other noncertificated instructional personnel, such as classified coaches and drug/alcohol program mentors.
2200	**Classified Support Salaries**. This code is used to record the full-time, part-time, and prorated portions of salaries of classified employees not defined elsewhere who are working in the instructional media and library, student support, pupil transportation, food services, and maintenance and operations functions. Salaries for the instructional media and library function include the salaries of library and media aides. Salaries for the student support function include the salaries of counselor aides and health aides.

Code	Description
	Salaries for the pupil transportation function include the salaries of bus drivers, mechanics, field coordinators, gasoline pump attendants, and all other personnel whose assignments are related to the transportation of students.
	Salaries for the food service function include the salaries of nutritionists, cooks, helpers, and all other food service personnel except those engaged in the management of the food services program on a district-wide basis. The salary of a classified director of food services, if district-wide, is recorded under Object 2300, Classified Supervisors' and Administrators' Salaries. The salary of a certificated director of food services, if district-wide, is recorded under Object 1300, Certificated Supervisors' and Administrators' Salaries.
	Salaries for the maintenance function include the salaries of carpenters, painters, plumbers, electricians, and other similar positions.
	The salaries for the operations function include the salaries of custodians, matrons, general utility workers, firefighters, dairy workers, guards, gardeners, elevator operators, warehouse workers, delivery personnel, truck drivers, and other similar positions.
2300	**Classified Supervisors' and Administrators' Salaries**. Record the full-time, part-time, and prorated portions of salaries of supervisory personnel who are business managers, controllers, directors, chief accountants, supervisors, purchasing agents, site administrators, assistant superintendents, and superintendents. Include governing board members and personnel commission members (for assistant superintendents and superintendents, see *Education Code* sections 35028, 35029, 35030, 44065, 44066, and 44069).
2400	**Clerical, Technical, and Office Staff Salaries**. Record the full-time, part-time, and prorated portions of salaries paid to clerks, secretaries, accountants, bookkeepers, programmers and computer technical support, machine and computer operators, and others in similar positions.
2900	**Other Classified Salaries**. Record the full-time, part-time, and prorated portions of salaries not identifiable with Objects 2100 through 2400 (e.g., noon supervision personnel, students employed for work experience, civic center aides, and building inspectors). Students employed as part of a work-study curriculum or job training grant are coded to Function 1000, Instruction.
3000–3999	**Employee Benefits**. Record employers' contributions to retirement plans and health and welfare benefits, including cash in lieu of benefits for employees, their dependents, retired employees, and board members. Benefits are separated into two categories. A code that ends in 1 indicates benefits paid to personnel in certificated positions, and a code that ends in 2 indicates those paid to personnel in classified positions.
3101–3102	**State Teachers' Retirement System.** Record expenditures to provide personnel with retirement benefits under the State Teachers' Retirement System (STRS). This excludes employee contributions. Object 3101 is certificated personnel in STRS; Object 3102 includes those individuals who hold classified positions but are enrolled in STRS.

Code	Description
3201–3202	**Public Employees' Retirement System.** Record expenditures to provide personnel with retirement benefits under the Public Employees' Retirement System (PERS). This excludes employee contributions, although it does include employer payment of employee's contribution. Object 3201 indicates those employees who are in certificated positions and enrolled in PERS; Object 3202 indicates employees in classified positions and enrolled in PERS.
3301–3302	**OASDI/Medicare/Alternative.** Record expenditures to provide employee benefits under the federal Social Security system. This action includes expenditures to qualifying alternative retirement plans for employees not covered under the Social Security system, STRS, or PERS. This excludes employee contributions. Object 3301 indicates that the Social Security benefits cover certificated positions; Object 3302 indicates that these benefits cover classified positions.
3401–3402	**Health and Welfare Benefits.** Record the expenditures made to provide personnel with health and welfare insurance benefits. This excludes employee contributions but includes benefit amounts transferred to a Self-Insurance Fund. Object 3401 indicates that the benefits cover certificated positions; Object 3402 indicates that the benefits cover classified positions.
3501–3502	**State Unemployment Insurance.** Record the expenditures made to provide personnel with unemployment compensation. Object 3501 indicates that the state unemployment insurance covers certificated positions; Object 3502 indicates that the state unemployment insurance covers classified positions.
3601–3602	**Workers' Compensation Insurance**. Record the expenditures made to provide personnel with workers' compensation benefits. This includes benefit amounts transferred to a Self-Insurance Fund. Object 3601 covers certificated positions; Object 3602 covers classified positions.
3701–3702	**Retiree Benefits.** Record the expenditures made to provide retired employees with health and welfare benefits. This includes benefit amounts transferred to the Retiree Benefits Fund. Object 3701 covers certificated positions; Object 3702 covers classified positions.
3801–3802	**PERS Reduction.** Report the transfers of funds from the LEA to the state. Object 3801 covers certificated positions; Object 3802 covers classified positions. The PERS Reduction charge should follow the function of the related salary. Function 9000, Other Outgo, may be used instead of identifying specific functions, but either method must be used exclusively, not together.
3901–3902	**Other Benefits.** Record the payment for tax-sheltered annuities deferred compensation, cash-in-lieu, Golden Handshake, and other employee benefits not specified above. Object 3901 is used for certificated positions; Object 3902 is used for classified positions.
4000–4999	**Books and Supplies**. Record expenditures for books and supplies, including costs of sales/use tax, and freight and handling charges.

Code	Description
4100	**Approved Textbooks and Core Curricula Materials**. Record expenditures for classroom instructional materials designed for use by pupils and their teachers as the basic curriculum adopted by the State Board of Education or the district board for required subject matter. Instructional materials may be printed or in some other form and may consist of textbooks, technology-based materials, and other educational materials such as manipulatives (*Education Code* Section 60010 [h]). The cost includes all consumable materials available in the approved series, such as kits, audiovisual materials, or workbooks. Teacher's manuals and editions relate to specific, basic, or supplementary textbooks and are intended for teachers' use rather than for pupils' use. They are part of the approved curriculum used in the classroom and so are part of Object 4100. Single issues of state-approved textbooks for review by research committees or curriculum directors would be coded to this object with an instruction-related service function such as Function 2130, Curriculum Development.
4200	**Books and Other Reference Materials.** Record expenditures for books and other reference materials used by district personnel. Books used for reference are further identified by the appropriate function. For example, reference books for use in the nurses' office, in the district business office, or in the cafeteria would be coded to Function 3140, Health Services; Function 7200, General Administration; or Function 3700, Food Services. Function 1000, Instruction, would include (1) books that have not been adopted by the proper authority for use as basic curricula; (2) books such as reference books that are available for general use by students even though such books may be used solely in the classroom; and (3) all other materials used for reference purposes. Generally, the purchase of library books or other reference materials is coded to Object 4200. However, expenditures for library books to stock a new school library or for material expansion are recorded under Object 6300, Books and Media for New School Libraries or Major Expansion of School Libraries. Consumable materials other than those directly related to adopted curricula (Object 4100) have a limited shelf life of less than one year. Such materials as periodicals, magazines, workbooks, drill books, exercise pads, and the like are recorded under Object 4300, Materials and Supplies.
4300	**Materials and Supplies.** Record expenditures for consumable materials and supplies to be used by students, teachers, and other personnel. Instructional materials and supplies are those used in the classroom by students and teachers. Other materials and supplies included in Object 4300 are those used in services and auxiliary programs, such as food service supplies, custodial supplies, gardening and maintenance supplies, supplies for operation, transportation supplies including gasoline, repair and upkeep of equipment or buildings and grounds, and medical and office supplies. Expenditures for rentals of materials are recorded under Object 5600, Rentals, Leases, and Repairs. Payments to outside vendors for duplication services should be coded to Object 5800, Professional/Consulting Services and Operating Services.

Code	Description
4400	**Noncapitalized Equipment.** Record expenditures for movable personal property of a relatively permanent nature that has an estimated useful life greater than one year and an acquisition cost less than the LEA's capitalization threshold but greater than the LEA's inventory threshold per *Education Code* Section 35168 or local policy. For information on the capitalization threshold, refer to Procedure 801 of CSAM, Part I.
4700	**Food**. Record expenditures for food used in food service activities for which the purpose is nourishment or nutrition (i.e., breakfast, snacks, lunch, and other similar items). Include food purchased for student meals on field trips even if not reimbursed through the school lunch program. Object 4700, Food, is used only with Function 3700, Food Services. Expenditures for food used for instruction in a regular classroom (e.g., in a cooking class or as an instructional reward) are recorded under Object 4300, Materials and Supplies, with an instructional function. Expenditures for food for staff meetings and similar situations are recorded as Object 4300 and the appropriate function.
5000–5999	**Services and Other Operating Expenditures.** Record expenditures for services, rentals, leases, maintenance contracts, dues, travel, insurance, utilities, and legal and other operating expenditures. Expenditures may be authorized by contracts, agreements, purchase orders, and so forth.
5200	**Travel and Conferences.** Record actual and necessary expenditures incurred by and/or for employees and other representatives of the LEA for travel and conferences (*Education Code* sections 35044 and 44032). Expenditures for employee conferences charged to this object should follow the goal and function of the employee. Object 5200 is designed to capture travel expenses of employees, which may include travel costs to conferences or fees paid for employees to attend conferences. Expenditures for conferences sponsored by the LEA are not coded to this object but are coded to the appropriate object for specific services purchased, such as Object 4300 for food, Object 5800 for caterers, Object 5600 for room rentals, or Object 2400 for staff time in preparing for the conference. (The use of Object 4700, Food, is restricted to Function 3700, Food Services.)
5300	**Dues and Memberships.** Record the membership fee of an LEA in any society, association, or organization as authorized by *Education Code* Section 35172. Object 5300 may be used for the dues of an employee, such as a Chief Business Official or a Superintendent, if it is deemed that the LEA is represented and benefits from the membership. Use Objects 3901–3902 for employee dues if it is deemed that the dues are a benefit only for the employee.
5400	**Insurance.** Record expenditures for all forms of insurance other than employee benefits. Use Function 9000, Other Outgo (or the optional Function 9100, Debt Service) for bond insurance costs when issuing new bonds, a debt service fee.
5440	***Pupil Insurance (Optional).*** *Record expenditures for accidental death insurance and medical and hospital insurance for pupils.*

Code	Description
5450	***Other Insurance (Optional).*** *Record expenditures for all forms of insurance, other than pupils' insurance, such as fire and theft liability and fidelity bond premiums.*
5500	**Operations and Housekeeping Services.** Record expenditures for water, heating fuel, light, power, waste disposal, pest control, laundry and dry cleaning (such as cleaning of drapes and laundering of curtains), and so forth. Include contracts for these services. Object 5500 is used only with the maintenance and operation functions, 8100–8500, and Function 6000, Enterprise. Cleaning of uniforms, such as band or custodial uniforms, is charged to the appropriate function and Object 5800, Professional/Consulting Services and Operating Expenditures. Fuel for pupil transportation is coded to Object 4300, Supplies.
5600	**Rentals, Leases, Repairs and Noncapitalized Improvement.** Record expenditures for rentals, leases without option to purchase, and repairs or maintenance (including maintenance agreements) by outside vendors of sites, buildings, and equipment. Include expenditures for site or building improvements that do not meet the LEA's threshold for capitalization. Capital leases should be recorded following the accounting procedures for lease/purchase agreements in Procedure No. 805 of Part I of this accounting manual. Rental of facilities is to be recorded to Function 8700 and includes all facilities whether rented for a day, a month, or a year.
5700–5799	**Direct Costs Transfers.** Record the transfers of expenditures from one function to another. Typical transfers using this Object account include services provided or products developed by the LEA, such as maintenance and repair of duplicating, audiovisual, or other equipment; photocopying expenses; field trips; district vehicle use; and information technology expenses. These transfers change the function of the expenditures. For example, transfers related to costs of field trips are considered costs of the Instruction Function, not of the Pupil Transportation function. (See Example 5 in Section 202.) Use Object 7310 or 7350, Direct Support/Indirect Cost Charges, for those costs that do not change function, such as custodial costs. Objects 7310 and 7350 are used to transfer direct support and indirect costs between goals, resources, and funds. The function, however, remains the same.
5710	**Direct Costs for Transfer of Services.** Record the transfers for direct costs of services provided within a fund from one function to another. This account must net to zero at the fund level.
5750	**Direct Costs for Interfund Services.** Record the transfers for the direct costs of services that are provided on an interfund basis. This account will reflect a balance at the fund level, but only for the amount of between-funds costs; the total between-funds debit and credit transactions must net to zero.
5800	**Professional/Consulting Services and Operating Expenditures.** Record the expenditures for personal services rendered by personnel who are not on the payroll of the LEA. Professional/consulting services are delivered by an independent contractor (individual,

Code	Description
	entity, or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of the LEA. This includes all related expenditures covered by the personal services contract.
	Record expenditures for services such as printing, engraving, and so forth performed by an outside agency. This includes but is not limited to copies made from masters provided by the LEA.
	Record the price of admission tickets for students and staff on field trips.
	Record the tuition for students attending instructional programs at a community college.
	Record expenditures to nonpublic, nonsectarian schools for the education of exceptional children for whom appropriate services are neither available nor can be provided. (These expenditures will be excluded from the current cost of education for the Teachers' Salary computation.)
	Note: Expenditures for excess costs and/or deficits in special education programs paid to provider school districts or county offices should be charged to Objects 7141–7143, Other Tuition.
	Record expenditures for all advertising, including advertising for items such as bond sales, contract bidding, and personnel vacancies. Record expenditures for judgments, penalties, legal advice, attorneys, hearing officers, elections, audits, and other similar costs. Record expenditures for services provided, such as administration, bus transportation, audiovisual, and library.
	Record assessments for other than capital improvements, including state assessment for nonuse of school sites. Record expenditures for surveys and appraisals of sites that are not purchased. Expenditures for surveys, appraisals, and assessments in connection with site purchases and/or improvements are recorded under Object 6100, Sites and Improvement of Sites.
	Record expenditures for fees charged to LEAs by other local governmental agencies, such as counties, cities, and special districts, for required services. Such fees include those charged for health, building, and operating inspections and permits, plan reviews, and utility connection fees. These charges typically relate to emissions, fuel tank operations, hazardous waste generation, chemical storage, food safety, water safety, and fire safety. Examples of departments and special districts that assess these fees include Air Pollution Control, Environmental or Public Health Services, Fire Department, and Public Water Control.
	Record expenditures not otherwise designated, such as payments of interest on loans repaid within the fiscal year, payments for damages to personal property, expenditures for fingerprints, physical and X-ray examinations required for employment, and similar items.

Code	Description
	Debt issuance costs, including underwriter discounts and fees, should be recorded here. If long-term debt is issued at a discount, the discount should be recorded in Object 7699, All Other Financing Uses.
5900	**Communications.** Record expenditures for periodic servicing of all methods of communication, including pagers, cell phones, beepers, and telephone service systems. This object also includes the monthly charges for Fax lines, TV cable lines, and Internet service and lines. The cost of postage stamps and "refill" of postage meters should be coded to Communications, as should the cost of UPS or other means used to deliver a letter or other communications. Shipping of goods by UPS or other means is considered to be part of the cost of goods purchased and should not be charged to Object 5900, Communications. Generally communication costs should be charged to either Function 2700, School Administration, or Function 7200, Other General Administration. Communication service fees may be charged to other functions by direct documentation such as monthly statements. The monthly bills for pagers, cell phones, cable, and Internet may follow the user as can be documented. For example, Internet fees that are part of classroom instruction may be charged to Function 1000, Instruction. The cost of communication equipment is normally coded to Object 4400, Noncapitalized Equipment. If the cost of a unit of equipment exceeds the capitalization threshold of the LEA, use Object 6400, Equipment, or Object 6500, Equipment Replacement, as appropriate. However, if the cost is minor and the expected life short, the cost of the equipment should be coded to Object 4300, Materials and Supplies. The cost of wiring and installing cables for communication equipment that become an integral part of the building or building service system is coded to Object 6200, Buildings and Improvement of Buildings, with Function 8500, Facilities Acquisition and Construction. Repairs to these lines would be coded to Function 8100, Plant Maintenance and Operations; with either Object 5600, Rentals, Leases, and Repairs, or with the salaries and supplies of the maintenance budget.
6000–6599	**Capital Outlay.** Record expenditures for sites, buildings, books, and equipment, including leases with option to purchase. These object codes are not used in proprietary funds, in which capital expenditures are capitalized as assets and subsequently depreciated.
6100	**Sites and Improvement of Sites.** Record expenditures for each of the following with Function 8500, Facilities Acquisition and Construction: <u>Acquisition of land and additions to old sites and adjacent ways</u>. Include incidental expenditures in connection with the acquisition of sites, such as appraisal fees, search and title insurance, surveys, and condemnation proceedings and fees. If a site is not purchased after the appraisal or survey, record the expenditure in Object 5800, Other Services and Operating Expenditures. Include costs to remove buildings on newly acquired sites.

Code	Description
	Improvement of new and old sites and adjacent ways. Include such work as grading, landscaping, seeding, and planting shrubs and trees; constructing new sidewalks, roadways, retaining walls, sewers, and storm drains; installing hydrants; treating soil and surfacing athletic fields and tennis courts for the first time; furnishing and installing, for the first time, fixed playground apparatus, flagpoles, gateways, fences, and underground storage tanks that are not parts of building service systems; and doing demolition work in connection with improvement of sites. Leasehold improvements to sites. Include costs of site improvements to leased property. Payment of special assessments. Include assessments against the school district for capital improvements, such as streets, curbs, sewers, drains, and pedestrian tunnels whether on or off school property.
6200	**Buildings and Improvement of Buildings.** Record costs of construction or purchase of new buildings, (including relocatable buildings such as portable classrooms) and additions and replacements of obsolete buildings, including advertising; architectural and engineering fees; blueprinting; inspection service (departmental or contract); tests and examinations; demolition work in connection with construction of electrical, sprinkling, or warning devices; installation of heating and ventilating fixtures, attachments, and built-in fixtures; and other expenditures directly related to the construction or acquisition of buildings. Include leasehold improvements. Use with Function 8500, Facilities Acquisition and Construction.
6300	**Books and Media for New School Libraries or Major Expansion of School Libraries.** Record expenditures for books and materials for new and expanded libraries.
6400	**Equipment.** Record expenditures for movable personal property, including such equipment as vehicles, machinery, computer systems, and playground equipment, that have both an estimated useful life over one year and an acquisition cost equal to or greater than the capitalization threshold established by the LEA. For more detail, refer to Part I of this manual, Procedure No. 801, Distinguishing Between Supplies and Capitalized Equipment. Piece-for-piece replacements of equipment are recorded under Object 6500, Equipment Replacement, if the unit cost exceeds the LEA's capitalization threshold. Initial built-in fixtures that are integral parts of the building or building service system are recorded under Object 6200, Buildings and Improvement of Buildings.
6500	**Equipment Replacement.** Record expenditures for equipment replaced on a piece-for-piece basis as defined in Procedure No. 801.
6900	**Depreciation Expense (for proprietary and fiduciary funds only).** Record the portion of the cost of a capital asset charged as an expense during the fiscal year. In accounting for depreciation, the cost of a capital asset less any anticipated salvage value is prorated over the estimated service life of the asset, and each period is charged with a portion of that cost. Through this process, the cost of the asset less salvage value is ultimately charged as an expense. This object is applicable only for Funds 61, 63, 66, and 67.

Code	Description
7000–7399	**Other Outgo**
7110–7199	**Tuition**
7110	**Tuition for Instruction Under Interdistrict Attendance Agreements.** Record expenditures for tuition under interdistrict attendance agreements incurred as a result of a district's realizing a reduction of 25 percent or more in PL 81–874 funds if the average daily attendance of pupils residing within the district is credited to the district of attendance (*Education Code* Section 46607[b]).
7130	**State Special Schools.** Record payments for students placed in state special schools.
7141	**Other Tuition, Excess Costs, and/or Deficit Payments to School Districts.** Record payments for tuition, excess costs, and/or deficits paid to programs operated by other school districts. Use Function 9000, Other Outgo (or, optionally, Function 9200, Transfers Between Agencies).
7142	**Other Tuition, Excess Costs, and/or Deficit Payments to County Offices.** Record payments for tuition, excess costs, and/or deficits paid to programs operated by county superintendents of schools. Use Function 9000, Other Outgo (or, optionally, Function 9200, Transfers Between Agencies).
7143	**Other Tuition, Excess Costs, and/or Deficit Payments to Joint Powers Agreements (JPAs).** Record payments for tuition, excess costs, and/or deficits paid to programs operated under a JPA. Use Function 9000, Other Outgo (or, optionally, Function 9200, Transfers Between Agencies).
7200–7299	**Other Transfers Out**
7211	**Transfers of Pass-through Revenues to Districts**. Report disbursements of pass-through grants to school districts in which the recipient LEA has administrative involvement only for the grants. (The recipient LEA does not also have a responsibility to operate the project.)
7212	**Transfers of Pass-through Revenues to County Offices**. Report disbursements of pass-through grants to county offices in which the recipient LEA has administrative involvement only for the grants (the recipient LEA does not also have a responsibility to operate the project).
7213	**Transfers of Pass-through Revenues to JPAs**. Report disbursements of pass-through grants to JPAs in which the recipient LEA has administrative involvement only for the grant (the recipient LEA does not also have a responsibility to operate the project).
7221	**Transfers of Apportionments to Districts.** Record transfers to school districts of apportionments, such as special education and regional occupational centers/programs.
7222	**Transfers of Apportionments to County Offices.** Record transfers to county offices of apportionments, such as special education and regional occupational centers/programs.

Code	Description
7223	**Transfers of Apportionments to JPAs.** Record transfers to JPAs of apportionments, such as special education and regional occupational centers/programs.
7280	**Transfers to Charter Schools Funding in Lieu of Property Taxes.** Funds in lieu of property tax transferred from the sponsoring LEA to the charter schools according to *Education Code* Section 47635.
7281	**All Other Transfers to Districts.** Record transfers to school districts of resources other than apportionments or pass-through revenues. An example is the transfer of funding from a county office of education to a direct service district for health services.
7282	**All Other Transfers to County Offices.** Record transfers to county offices of resources other than apportionments or pass-through revenues.
7283	**All Other Transfers to JPAs.** Record transfers to JPAs of resources other than apportionments or pass-through revenues.
7299	**All Other Transfers Out to All Others.** Record transfers of resources to non-LEAs. Use Object 7299 for transfers to a Mello-Roos district.
7300–7399	**Direct Support/Indirect Costs.** Objects in this group are used to record transfers of direct support costs and indirect costs between resources, goals, and funds. These transfers do not change the function of the expenditures. For example, when transferring indirect costs to the Adult Education Fund from the General Fund, the function still remains Other General Administration Function.
7310	**Direct Support/Indirect Costs Charges.** Record the transfers of direct support and indirect support costs within a fund. This account must net to zero by function at the fund level. The function does not change; for example, when transferring indirect costs, the function remains Function 7200, Other General Administration, for both the debit and the credit.
7350	**Direct Support/Indirect Costs for Interfund Charges.** Record the transfers of direct support and indirect support costs between funds. This account will reflect a balance at the fund level, but only for the amount of between-funds costs; the total between-funds debit and credit transactions must net to zero by object as well as by function.
7430–7439	**Debt Service.** Debt service consists of expenditures for the retirement of debt and for interest on debt, except principal and interest on current or short-term loans (money borrowed and repaid during the same fiscal year).
7432	**State School Building Repayments.** Record expenditures for state school building loan repayments (*Education Code* Section 16090).
7433	**Bond Redemptions.** Record expenditures to retire the principal of bonds.
7434	**Bond Interest and Other Service Charges.** Record expenditures to pay interest and other service charges on bonds.

Code	Description
7435	**Repayment of State School Building Fund Aid—Proceeds from Bonds.** Record expenditures for the repayment of the State School Building Aid Fund using the proceeds from the sale of bonds (*Education Code* Section 16058).
7436	**Payments to Original District for Acquisition of Property.** Record expenditures to cover the liability of a newly organized district to the original district for the new district's proportionate share of the bonded indebtedness of the original district.
7438	**Debt Service—Interest.** Record that portion of a debt service payment that represents the current interest expense due on the debt.
7439	**Other Debt Service—Principal.** Record that portion of the other debt service payment that represents the repayment of principal. Examples of all other debts include capital leases and certificates of participation.
7600–7699	**Other Financing Uses.** The following objects are used for the transfer of funds or expenditures for other than general operations. They are categorized as Function 9000, Other Outgo.
7600–7629	**Interfund Transfers Out**
7611	**From General Fund to Child Development Fund.** Record transfers of moneys from the General Fund to support the activities in the Child Development Fund (*Education Code* Section 41013).
7612	**Between General Fund and Special Reserve Fund.** Record transfers of moneys between the General Fund and the Special Reserve Fund (*Education Code* sections 42840–42843).
7613	**To State School Building Fund/County School Facilities Fund from All Other Funds of the District.** Record transfers of any moneys of the district that are required to be expended for the project for which such apportionment was made.
7614	**From Bond Interest and Redemption Fund to General Fund**. Record transfer of moneys from the Bond Interest and Redemption Fund after all principal and interest payments have been made to the General Fund or to the Special Reserve Fund (*Education Code* sections 15234 and 15235).
7615	**From General, Special Reserve, and Building Funds to Deferred Maintenance Fund.** Record transfers of moneys from the General, Special Reserve, and/or Building Funds to the Deferred Maintenance Fund to support state match requirements (*Education Code* sections 17582–17587).
7616	**From General Fund to Cafeteria Fund**. Record transfers of moneys from the General Fund to the Cafeteria Fund. LEAs may record the transfer of Meals for Needy Pupils as an interfund transfer rather than as a revenue limit transfer.
7619	**Other Authorized Interfund Transfers Out.** Record all other authorized transfers of moneys to another fund.

Code	Description
7630–7699	**All Other Financing Uses**
7651	**Transfers from Funds of Lapsed/Reorganized Districts.** Record the disbursement of funds under *Education Code* sections 35560 and 35561.
7699	**All Other Financing Uses.** Record expenditures for other financing uses not specified above. Do not use Object 7699 for debt service payments or for the return of unexpended resources to the grantor agency.
8000–8999	**REVENUES**
8010–8099	**Revenue Limit Sources.** By law, most State School Fund apportionments or allowances to an LEA must be deposited in the General Fund of the LEA. All such amounts must be accounted for in terms of the gross amount apportioned. Deductions and withholdings made by the State Controller, as required by law, must be accounted for as expenditures just as they would if the full apportionment had been received and an LEA warrant had been drawn for such purposes. Before the gross revenue limit apportionment is determined, the state makes the adjustments of special education and county community school revenue limit funds for county-operated programs transferred from school districts to offices of county superintendents of schools. These adjustments will not be accounted for as expenditures. Revenue that was not previously accrued but is the result of the correction of a prior apportionment, or is included in the final state apportionment, should be recorded in the revenue class or classes that define the original apportionment (*Education Code* Section 41341.)
8010–8019	**Principal Apportionment**
8011	**Revenue Limit State Aid—Current Year.** Record amounts allowed for the current year, including amounts accrued at the end of the fiscal year.
8015	**Charter Schools General Purpose Entitlement—State Aid.** Record the state-aid portion of the general purpose entitlement funding for charter schools. (Direct funded charter schools use Object 8011 for summer school revenue.)
8019	**Revenue Limit State Aid—Prior Years.** Record the amounts received but not previously accrued for prior years' principal apportionments.
8020–8039	**Tax Relief Subventions**
8021	**Homeowners' Exemptions.** Record amounts received for loss of revenue because of homeowners' exemptions (*Revenue and Taxation Code* Section 218).
8022	**Timber Yield Tax.** Record the yield tax collected by the State Board of Equalization on timber harvested from private or public land (*Government Code* Section 27423; *Revenue and Taxation Code* sections 38905.1 and 38906).

Code	Description
8029	**Other Subventions/In-Lieu Taxes.** Record amounts received for loss of revenue because of exemptions on motion picture films, wine and brandy products (*Revenue and Taxation Code* sections 988 and 992; *Education Code* Section 41052), and severance aid allowances for real property acquired for state highway purposes (*Education Code* Section 41960).
8040–8079	**County and District Taxes.** Record revenue from local sources in the appropriate subordinate classifications in this major classification. All revenue received from tax sources is to be accounted for when received (cash basis). Credits to the various LEA tax accounts are made on receipt of an apportionment notice from the county superintendent of schools indicating that taxes have been deposited in the county treasury.
8041	**Secured Roll Taxes.** Record revenue from taxes levied on the secured roll (*Education Code* Section 2500 et seq.).
8042	**Unsecured Roll Taxes.** Record revenue from taxes levied on the unsecured roll.
8043	**Prior Years' Taxes.** Record revenue from tax levies of prior years. Include secured and unsecured receipts from redemptions and tax sales.
8044	**Supplemental Taxes.** Record taxes resulting from changes in assessed value due to changes in ownership and completion of new construction at the time they occur (*Revenue and Taxation Code* sections 75–75.9).
8045	**Education Revenue Augmentation Fund (ERAF).** Report the shift of property taxes from local agencies to schools according to SB 617 (Chapter 699, 1992), SB 844 (Chapter 700, 1992) and SB 1559 (Chapter 691, 1992).
8047	**Community Redevelopment Funds.** Report community redevelopment funds *except* for any amount received pursuant to Section 33401 or 33676 of the *Health and Safety Code* that is used for land acquisition, facility construction, reconstruction or remodeling or deferred maintenance, except for any amount received pursuant to sections 33492.15, 33607.5, and 33607.7 of the *Health and Safety Code* that is allocated exclusively for educational facilities (*Education Code* Section 42238[h][7]). This exception should be recorded in Object 8625, Community Redevelopment Funds Not Subject to Revenue Limit Deduction.
8048	**Penalties and Interest from Delinquent Taxes.** Record penalties and interest assessed on Objects 8041–8044.
8070	**Receipts from County Board of Supervisors (County School Service Fund [CSSF] only).** Record receipts of taxes levied by county governments for the operations of fiscally dependent offices of county superintendents of schools.
8080–8089	**Miscellaneous Funds.** Include miscellaneous funds received from federal, state, and local sources (*Education Code* Section 41604).
8081	**Royalties and Bonuses.** Record the total amount of payments of all or a portion of the royalties and bonuses received from the operation of any law under the terms of any agreement.

Code	Description
8082	**Other In-Lieu Taxes.** Record payments received in lieu of taxes.
8089	**Less: Non-Revenue Limit (50 percent) Adjustment.** Record the transfer of 50 percent of the amount in Objects 8081 and 8082 from unrestricted Revenue Limit Sources to Other Local Revenue.
8090–8099	**Revenue Limit Transfers**
8091	**Revenue Limit Transfers.** Record transfers of Revenue Limit Sources to applicable restricted resources in the General Fund or other funds.
8092	**PERS Reduction Transfer.** Record the reduction to the revenue limit as a result of the PERS transfer.
8097	**Property Tax Transfers.** For county offices, report any transfer of taxes either within the County School Service Fund, such as excess taxes transferred to the ROC/P, or the Special Education portion of revenue limits, or transfers between LEAs, such as excess special education taxes transferred to districts or transfers of special education taxes between counties. For school districts, report any excess special education taxes collected by the office of the county superintendent of schools and subsequently transferred to the school districts.
8100–8299	**Federal Revenue.** Record in the appropriate subordinate classifications revenue received from the federal government. Record federal revenue for which the state or any other agency serves as the distributing agency.
8110	**Maintenance and Operations (Federal Impact Aid, Public Law 81-874).** Record the amounts allowed for maintenance and operations of the district resulting from the identification of students or parents in federally impacted areas in accordance with Federally Impacted Aid programs. These funds are in lieu of property taxes and are unrestricted.
8181	**Special Education—Entitlement.** Record the federal Individuals with Disabilities Education Act (IDEA) entitlement, which is deducted from the state apportionment for special education. See Resource 3310.
8182	**Special Education—Discretionary Grants.** Record all other federal revenues for special education (PL 101-476, Individuals with Disabilities Education Act [IDEA]).
8220	**Child Nutrition Programs.** Record federal revenues for child nutrition programs.
8260	**Forest Reserve Funds.** Record all revenue from forest reserve funds apportioned by the federal government and distributed to the district by the county superintendent of schools with the approval of the county board of education (*Education Code* Section 2300).
8270	**Flood Control Funds.** Record all revenue from flood control funds apportioned by the federal government and distributed to the district by the county superintendent of schools with the approval of the county board of education (*Education Code* Section 1606).

Code	Description
8280	**U.S. Wildlife Reserve Funds.** Record amounts received from U.S. Wildlife Reserve funds.
8281	**FEMA.** Record revenues received from U.S. Federal Emergency Management Agency.
8285	**Interagency Contracts Between LEAs.** Record federal revenues from another LEA for providing services on a contractual basis.
8287	**Pass-through Revenues from Federal Sources.** Record the receipts of those federal pass-through grants in which the recipient LEA has administrative involvement only. An LEA has administrative involvement in a pass-through grant if it: • Monitors subrecipient LEAs for compliance with requirements; or • Determines eligible subrecipient LEAs or projects, even if using grantor-established criteria; or • Has the ability to exercise discretion in how the funds are allocated. The disbursements of these pass-through grants should be recorded in Objects 7211, 7212, and 7213 as appropriate.
8290	**All Other Federal Revenue.** Record all other federal funds received.
8300–8599	**Other State Revenues**
8311	**Other State Apportionments—Current Year.** Report revenues received under the Principal Apportionment other than the state aid portion of the revenue limit and the adult block entitlement. Include apportionments for Regional Occupational Centers/Programs, special education programs, and Gifted and Talented Education. Report revenues received under the Special Purpose Apportionment. They include apportionments for Home-to-School Transportation, Special Education Transportation, School Improvement Program, and Economic Impact Aid. This account is intended to record amounts allowed for the current year, including amounts accrued at the end of the fiscal year.
8319	**Other State Apportionments—Prior Year.** Record the amounts received but not previously accrued for prior years' revenues received under the Principal Apportionment other than the state portion of the revenue limit.
8425	**Year-Round School Incentive.** Record revenues for year-round school pursuant to *Education Code* Section 42260 et seq.
8434	**Class Size Reduction, Grades K–3.** Record revenues realized for reducing class size in kindergarten and grades 1 to 3 pursuant to *Education Code* sections 52120–52128. Note that Resource 6200, Class Size Reduction Facilities, uses Object 8590, All Other State Revenue.

Code	Description
8435	**Class Size Reduction, Grade 9.** Record unrestricted revenues for reducing class size in grade 9 pursuant to *Education Code* sections 52080–52090.
8480	**Charter Schools Categorical Block Grant.** Record the charter schools block grant amount in lieu of categorical funding.
8520	**Child Nutrition.** Record state revenues for child nutrition programs.
8530	**Child Development Apportionments.** Record revenues for child development programs.
8540	**Deferred Maintenance Allowance.** Record the allocation of the State School Deferred Maintenance Fund received by the LEA from the State Allocation Board (*Education Code* sections 17582–17587).
8545	**School Facilities Apportionments.** Record state apportionments received for the State School Building Lease-Purchase projects (*Education Code* sections 17000–17039) or the School Facilities Act of 1998 (*Education Code* sections 17070–17076).
8550	**Mandated Cost Reimbursements.** Record in the year received amounts for reimbursements of costs of legislatively mandated programs (*Government Code* sections 17500–17616).
8560	**State Lottery Revenue.** Record the revenue received under the California State Lottery Act of 1984 (*Government Code* Section 8880.4). This revenue is recorded in the General Fund.
8571–8579	**Tax Relief Subventions**
8571	**Voted Indebtedness Levies, Homeowners' Exemption.** Record amounts received for loss of revenue because of homeowners' exemptions. These amounts are restricted levies for debt service repayment proceeds.
8572	**Voted Indebtedness Levies, Other Subventions/In-Lieu Taxes.** Record amounts received for loss of revenue because of certain exemptions. These amounts are restricted levies for debt service repayment proceeds.
8575	**Other Restricted Levies, Homeowners' Exemption.** Record amounts received for loss of revenue because of homeowners' exemptions. These amounts are restricted levies for other than debt service repayment proceeds, such as County Free Library Tax.
8576	**Other Restricted Levies, Other Subventions/In-Lieu Taxes.** Record amounts received for loss of revenue because of certain exemptions. These amounts are restricted levies for other than debt service repayment proceeds, such as the County Free Library Tax.

Code	Description
8587	**Pass-through Revenues from State Sources.** Record the receipts of those state pass-through grants in which the recipient LEA has only administrative involvement. An LEA has administrative involvement in a pass-through grant if it: • Monitors subrecipient LEAs for compliance with requirements; or • Determines eligible subrecipient LEAs or projects, even if using grantor-established criteria; or • Has the ability to exercise discretion in how the funds are allocated. The disbursements of these pass-through grants should be recorded in Objects 7211, 7212, and 7213 as appropriate.
8590	**All Other State Revenue.** Record all other state funds received.
8600–8799	**Other Local Revenue.** Record in the appropriate subordinate classifications in this major classification revenue from local sources. All revenue received from tax sources is to be accounted for when it is received (cash basis). Credits to LEAs' various tax accounts are made on receipt of an apportionment notice from the county superintendent of schools indicating that taxes have been deposited in the county treasury.
8610–8629	**County and District Taxes**
8611	**Voted Indebtedness Levies, Secured Roll.** Record revenue from taxes levied on the secured tax roll for debt service repayment.
8612	**Voted Indebtedness Levies, Unsecured Roll.** Record revenue from taxes levied on the unsecured tax roll for debt service repayment.
8613	**Voted Indebtedness Levies, Prior Years' Taxes.** Record revenue from tax levies of prior years for debt service repayment. Include secured and unsecured receipts from redemptions and tax sales.
8614	**Voted Indebtedness Levies, Supplemental Taxes.** Record taxes resulting from changes in assessed value because of changes in ownership and completion of new construction at the time they occur. Record in this account those taxes for debt service repayment.
8615	**Other Restricted Levies, Secured Roll.** Record revenue from taxes levied on the secured tax roll in excess of the statutory rates authorized in the *Education Code* for purposes other than debt service repayment, such as County Free Library Tax.
8616	**Other Restricted Levies, Unsecured Roll.** Record revenue from taxes levied on the unsecured tax roll in excess of the statutory rates authorized in the *Education Code* for purposes other than debt service repayment, such as County Free Library Tax. Include secured and unsecured receipts from redemptions and tax sales.
8617	**Other Restricted Levies, Prior Years' Taxes.** Record revenue from tax levies of prior years in excess of the statutory rates authorized in the *Education Code* for purposes other than debt service repayment, such as County Free Library Tax. Include secured and unsecured receipts from redemptions and tax sales.

Code	Description
8618	**Other Restricted Levies, Supplemental Taxes.** Record taxes resulting from changes in assessed value because of changes in ownership and completion of new construction at the time they occur. Record in this account those restricted levies for purposes other than debt service repayment, such as County Free Library Tax.
8621	**Parcel Taxes.** Record the special taxes based on other than the value of properties (not ad valorem) levied by LEA.
8622	**Other Non-Ad Valorem Taxes.** Record all other non-ad valorem taxes, such as sales taxes or maintenance assessment district funds.
8625	**Community Redevelopment Funds Not Subject to Revenue Limit Deduction.** Report community redevelopment funds that are not subject to the revenue limit deduction in this account pursuant to sections 33401 or 33676 of the *Health and Safety Code* that is used for land acquisition, facility construction, reconstruction, remodeling, or deferred maintenance, excluding any amount received pursuant to sections 33492.15, 33607.5, or 33607.7 of the *Health and Safety Code* that is allocated exclusively for educational facilities. This object is restricted in the General Fund or may be used with Resource 0000 in Fund 21 or Fund 25.
8629	**Penalties and Interest from Delinquent Non-Revenue Limit Taxes.** Record penalties and interest collected on delinquent nonrevenue limit taxes.
8631–8639	**Sales**
8631	**Sale of Equipment and Supplies.** Record revenue from the sale of supplies and equipment no longer needed by the LEA. The money received is to be placed to the credit of the fund from which the original expenditure for the purchase of the personal property was made (*Education Code* Section 17547).
8632	**Sale of Publications.** Record revenue from the sale of publications.
8634	**Food Service Sales.** Record sales of meals and other food items.
8639	**All Other Sales.** Record revenue received from all other sales, such as farm products and printed forms.
8650	**Leases and Rentals.** Record revenue for the use of school buildings or portions thereof, houses and other real or personal property of the LEA, and fees collected for civic center use, including reimbursements for custodial salaries and other costs.
8660	**Interest.** Record revenue credited or prorated by the county auditor for interest on deposits of the LEA's funds with the county treasurer and interest earnings.
8662	**Net Increase (Decrease) in the Fair Value of Investments.** Report gains and losses on investments, including changes in the fair value of investments that include the realized and unrealized gains and losses.

Code	Description
	In March 1997 the Governmental Accounting Standards Board (GASB) issued Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," which took effect beginning with the 1997-98 fiscal year. GASB Statement 31 requires governmental entities, including school districts and county offices of education, to report investments at fair value in the financial statements. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. All investment income, including changes in the fair value of investments, is required to be reported as revenue in the operating statement.
	The change in the fair value of investments is defined as the ending fair value, plus proceeds of investments maturing or sold during the year, less the cost of new investments purchased during the year, less beginning fair value.
8670–8689	**Fees and Contracts**
8671	**Adult Education Fees.** Record revenue received from students enrolled in classes for adults under *Education Code* Section 52612. This revenue is recorded in the Adult Education Fund.
8672	**Nonresident Student Fees.** Record the revenue received from parents or guardians for the total cost of educating foreign residents in the schools of the LEA (*Education Code* Section 48052).
8673	**Child Development Parent Fees.** Record revenue received from parents or guardians as fees for the instruction and care of children in child development programs. This revenue is recorded in the Child Development Fund.
8674	**In-District Premiums/Contributions.** Record revenue received by a self-insurance fund from other funds of the district for insurance protection, necessary reserves, or deductible amounts or revenue received by the Retiree Benefit Fund for restricted money from salary reduction agreements, other contributions for employee retirement benefit payments, or both.
8675	**Transportation Fees from Individuals.** Report fees paid by students to be transported to school. This object may be used only with Resource 7230, Transportation: Home to School, and Resource 7240, Transportation: Special Education.
8677	**Interagency Services Between LEAs.** Record revenue received from an LEA for contract services provided for another LEA, except for federal moneys. To ensure that federal interagency revenues retain their federal identity, they should be reported in Object 8285, Interagency Contracts Between LEAs. Expenditures made by an LEA to fulfill these contracts should be coded to Goal 7110, Nonagency-Educational.
8681	**Mitigation/Developer Fees.** Report only those fees collected by agreement between the school district and developer, and *not* imposed as a condition for approving a residential development in the General Fund. Any fees collected as a condition to approving a development must be deposited in the Capital Facilities Fund.

Code	Description
8689	**All Other Fees and Contracts.** Record revenue received from all other fees and contract services.
8690–8699	**Other Local Revenue**
8691	**Plus: Miscellaneous Funds Non-Revenue Limit (50 Percent) Adjustment.** Record the transfer of 50 percent of the amount in Objects 8081 and 8082 from Revenue Limit Sources to Other Local Revenue.
8697	**Pass-through Revenue from Local Sources.** Record the receipts of those local pass-through grants in which the recipient LEA has administrative involvement. An LEA has administrative involvement in a pass-through grant if it: • Monitors subrecipient LEAs for compliance with requirements; or • Determines eligible subrecipient LEAs or projects, even if using grantor-established criteria; or • Has the ability to exercise discretion in how the funds are allocated. The disbursements of these pass-through grants should be recorded in Objects 7211, 7212, and 7213 as appropriate.
8699	**All Other Local Revenue.** Record all other local revenue except funds defined as "miscellaneous funds" in *Education Code* Section 41604. Examples of revenue recorded in this account are library fines, contributions, gifts, and reimbursement for practice teaching.
8710	**Tuition.** Record tuition payments received from the following sources: Tuition contracts for general or specific instructional services, including transportation for interdistrict attendance agreement (IDAA) pupils (*Education Code* sections 46600–46611). See Object 8677, Interagency Services Between LEAs, for revenue from contracts for services provided for another LEA's pupils. Payments from governing boards or authorities in other states for the total cost of educating elementary or high school students whose places of residence are in the other states (*Education Code* Section 48050). No California state aid is apportioned for such students. Revenues received for excess costs and/or deficits for providing services to other LEAs' pupils. All other tuition payments not identified above.
8780	**Charter Schools Funding in Lieu of Property Taxes.** Record the transfer of local revenues from the sponsoring LEAs to the charter schools.
8781	**All Other Transfers from Districts.** Record transfers of resources other than apportionments or pass-through revenues from school districts.

Code	Description
8782	**All Other Transfers from County Offices.** Record transfers of resources other than apportionments or pass-through revenues from county offices. An example is the transfer of funding from a county office of education to a direct service district for health services.
8783	**All Other Transfers from JPAs.** Record transfers of resources other than apportionments or pass-through revenues from JPAs.
8791	**Transfers of Apportionments from Districts.** Record transfers of apportionments of special education or regional occupational centers/programs from school districts.
8792	**Transfers of Apportionments from County Offices.** Record transfers of apportionments of special education or regional occupational centers/programs from county offices.
8793	**Transfers of Apportionments from Joint Powers Agreements (JPAs).** Record transfers of apportionments of special education or regional occupational centers/programs from JPAs.
8799	**Other Transfers from All Others.** Record transfers of resources from non-LEAs, including Mello-Roos districts.
8910–8979	**Other Financing Sources**
8910–8929	**Interfund Transfers In**
8911	**To Child Development Fund from General Fund.** Record transfers of moneys from the General Fund to support the activities in the Child Development Fund (*Education Code* Section 41013).
8912	**Between General Fund and Special Reserve Fund.** Record transfers of moneys between the General Fund and the Special Reserve Fund (*Education Code* sections 42840–42843).
8913	**To State School Building Fund/County School Facility Fund from All Other Funds.** Record transfers of any moneys of the district that are required to be expended for the project for which such apportionment was made.
8914	**To General Fund from Bond Interest and Redemption Fund.** Record transfers of moneys from the Bond Interest and Redemption Fund, after all principal and interest payments have been made, to the General Fund or to the Special Reserve Fund (*Education Code* sections 15234 and 15235).
8915	**To Deferred Maintenance Fund from General, Special Reserve, and Building Funds.** Record transfers of moneys from the General, Special Reserve, and/or Building Funds to the Deferred Maintenance Fund to support state match requirements (*Education Code* sections 17582–17587).
8916	**To Cafeteria Fund from General Fund.** Record transfers of moneys from the General Fund to the Cafeteria Fund. LEAs may record the transfer of Meals for Needy Pupils as an interfund transfer rather than as a revenue limit transfer.

Code	Description
8919	**Other Authorized Interfund Transfers In.** Record all other authorized transfers of moneys from another fund.
8930–8979	**All Other Financing Sources**
8931	**Emergency Apportionments.** Record the amount of emergency apportionments authorized under *Education Code* sections 41320–41324.
8951	**Proceeds from Sale of Bonds.** Record proceeds from the sale of bonds at par value. The amounts received from the sale of bonds must be deposited in the Building Fund of the LEA (*Education Code* Section 15146).
8953	**Proceeds from Sale/Lease Purchase of Land and Buildings.** Record revenue from the sale or lease-purchase of land and buildings. The funds may be used under the provisions of *Education Code* Section 17462.
8961	**County School Building Aid.** Record revenue received for payments required pursuant to School Building Aid laws (*Education Code* sections 16196, 16202, and 16204).
8965	**Transfers from Fund of Lapsed/ Reorganized Districts.** Record revenue received under *Education Code* sections 35560 and 35561.
8971	**Proceeds from Certificates of Participation.** Record the proceeds received from the issuance of certificates of participation.
8972	**Proceeds from Capital Leases.** Record the proceeds that result from entering into a capital lease.
8973	**Proceeds from Lease Revenue Bonds.** Record the proceeds from the issuance of lease revenue bonds that are deposited to the General Fund or to Capital Project Funds (other than the Special Reserve Fund).
8979	**All Other Financing Sources.** Record the proceeds from other financing sources not specified above. Use Object 8979 for charter school loans.
8980–8999	**Contributions**
8980	**Contributions from Unrestricted Resources.** Record the amount of money that must be transferred from unrestricted resources in the General Fund when the revenues for a given restricted resource are less than the expenditures. This account may also apply to transfers of unrestricted resources to other unrestricted resources. Also record in this account the LEA's contribution of matching funds (the cash match) if required by a special project. A transfer is recorded by a debit in this account from Resource 0000, Unrestricted, and by a credit in this account to the given restricted resource. This account must net to zero at the fund level.
8990	**Contributions from Restricted Revenues.** Record the transfers of restricted revenues to another resource, such as transfers to the School-Based Coordination Program (SBCP). The resource transferring out the revenues records a debit in this account, and the resource

Code	Description
	receiving the revenues records a credit in this account. This account must net to zero at the fund level.
8998	**Flexibility Transfer.** Record the reallocation of revenue from one selected categorical program to another, as allowed in the statute for flexibility in the Budget Act. Object 8998, Flexibility Transfer, is used exclusively for this transfer. Other transfers between restricted programs, such as the annual allocation per ADA from Resource 7005, Categorical Programs per ADA Allocation should use Object 8990.
9000–9999	**BALANCE SHEET**
9100–9499	**Assets**
9110	**Cash in County Treasury.** Beginning cash balance, plus all moneys deposited in the county treasury less disbursements. Included are all amounts added or deducted at the county level.
9111	**Fair Value Adjustment to Cash in County Treasury.** The difference between the fair value and the reported amount of cash in county treasury.
9120	**Cash in Bank(s).** Indicated balances in separate bank accounts for adult education incidentals, scholarships and loans, school farm accounts, and cafeteria accounts (*Education Code* sections 35314, 52704, and 38093). This account also includes any money in a bank clearing account awaiting deposit in the county treasury (*Education Code* Section 41017).
9130	**Revolving Cash Account.** (1) A recording of the establishment and maintenance of a cash account for use of the chief accounting officer or other designated official of the LEA in accordance with *Education Code* sections 42800–42806, 42810, 42820, and 42821. This account is similar in use and control to accounts known as petty cash funds. Once this account is established, it should be carried indefinitely in the general ledger and shown in all balance sheets and budgets until it is abolished. The amount recorded will vary only through increase or decrease in the total amount approved for the account. It should be noted that the revolving cash account is a reservation of cash within an already established fund and is not to be considered or accounted for as a separate fund or entity. (2) A sum of money, either in the form of currency or a special bank account, set aside for the purpose of making change or immediate payments of small amounts. The invoices for these payments are accumulated, and the account is reimbursed from the LEA's funds, thus maintaining the account at the predetermined amount. Checks drawn on a prepayment account may not be for more than $1,000, including tax and freight (*Education Code* Section 42821).
9135	**Cash with a Fiscal Agent/Trustee.** Deposits with a fiscal agent, such as a third-party administrator, for self-insurance. This account also includes the proceeds of certificates of participation deposited with a trustee and amounts in an escrow account.
9140	**Cash Collections Awaiting Deposit.** Money received by an LEA and not yet deposited in a bank account or the county treasury (*Education Code* Section 41001). This account is usually posted on June 30 for those material revenues in the LEA safe/vault.

Code	Description
9150	**Investments.** Investments authorized by the governing board of the LEA recorded at fair value (GASB Statement 31) (*Education Code* Section 41015).
9200	**Accounts Receivable.** Amounts due from private persons, firms, or corporations. Accounts receivable will be limited to auditable amounts (usually based on contractual agreements); to amounts billed but not received; and, within provision of law, to amounts that were earned by the close of the fiscal year and that might have been received and deposited in the county treasury by that date except for the lack of time for settlement.
9290	**Due from Grantor Governments.** This account is used to record amounts receivable from state and federal agencies. It represents amounts earned/allocated to a school district from state sources or earned under a federal financial assistance program in excess of cash receipts during the fiscal year. This account would also be used if the grantors are other governmental entities, including counties, cities, and other school districts.
9310	**Due from Other Funds.** Amounts due from other funds of the LEA.
9320	**Stores.** Amounts of materials, supplies, and possibly certain equipment kept in a central warehouse and subject to requisition and use.
9330	**Prepaid Expenditures (Expenses).** Payments made in advance of the receipt and use of services. Prepaid insurance premiums are illustrative. That portion of the premium paid in advance for coverage beyond the current fiscal year may be charged to Prepaid Expenditures. Adjustments to this account in the succeeding fiscal years apportion the premium over the period covered. It is important to note that in fund accounting, expenditures for insurance and similar services extending over more than one accounting period *need not* be allocated between or among accounting periods, but may be accounted for as expenditures in periods of acquisition.
9340	**Other Current Assets.** Assets that are available or that can be made readily available to meet operating costs or to pay current liabilities.
9400–9499	**Fixed Assets.** Accounts that will be used in the proprietary funds or the general fixed assets account group to present the assets of the LEA. These assets are of a permanent character and are intended to continue to be held or used.
9410	**Land.** A fixed asset account reflecting the cost of land owned by the LEA.
9420	**Improvement of Sites.** A fixed asset account reflecting the cost of permanent improvements, other than buildings, which add value to land, such as sidewalks, gutters, pavement, and fences.
9425	**Accumulated Depreciation—Improvement of Sites.** A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using

Code	Description
	site improvements on a historical cost basis over the useful life of the improvement. The depreciation expense is reported in Object 6900, Depreciation Expense, in proprietary and fiduciary funds only.
9430	**Buildings.** A fixed asset account reflecting the cost of permanent structures owned or held by the LEA.
9435	**Accumulated Depreciation—Buildings.** A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using buildings on a historical cost basis over the useful life of the building. The depreciation expense is reported in Object 6900, Depreciation Expense, in proprietary and fiduciary funds only.
9440	**Equipment.** A fixed asset account reflecting the cost of properties that do not lose their identity when removed from their location and are not changed materially or consumed immediately (e.g., within one year) by use. Equipment has relatively permanent value, and its purchase increases the value of the physical properties of the LEA, such as furniture, vehicles, machinery, motion picture film, videotape, and furnishings that are not integral parts of the buildings or the building system.
9445	**Accumulated Depreciation—Equipment.** A contra-asset account used to report the accumulation of systematic and rational allocations of the estimated cost of using equipment on a historical cost basis over the useful life of the equipment. The depreciation expense is reported in Object 6900, Depreciation Expense, in the proprietary and fiduciary funds only.
9450	**Work in Progress.** An asset representing the value of partially completed work.
9500–9699	**Liabilities**
9500	**Accounts Payable (Current Liabilities).** Amounts due to private persons, firms, or corporations for services rendered and goods received on or before the close of the fiscal year. Do not include encumbrances represented by purchase orders or contracts, or portions thereof, for services or goods to be furnished after the close of the fiscal year. Include salaries earned but not paid until after June 30, amounts owed to other LEAs for tuition payments, that portion of construction contracts represented by work done by the close of the fiscal period, invoices for materials or equipment received prior to June 30, and so forth. Use Object 9620, Due to Student Groups/Other Agencies, for the liabilities of a trust or agency fund.
	Note: Range 9501–9589 is reserved for local use, such as for payroll tax accruals.
9501–9589	***Accounts Payable (Locally Defined).*** *These accounts are used at the option of LEAs to track current liabilities, such as payroll withholdings and deductions. For CDE reporting, these accounts must be converted to Object 9500.*
9590	**Due to Grantor Governments.** This account is used to record amounts owed to state entities and federal agencies. The account represents cash received from state sources or

Code	Description
	under a federal financial assistance program that exceed the amounts earned and which must be returned to the grantors. This account would also be used if the grantors are other governmental entities, including counties, cities, and other school districts.
9610	**Due to Other Funds.** Amounts due to other funds within the LEA.
9620	**Due to Student Groups/Other Agencies.** This account is used to record amounts owed to student groups or other agencies within agency funds. Amounts recorded as Due to Student Groups/Other Agencies equal the difference between amounts recorded as assets and any recorded liabilities of student groups/other agencies, such as accounts payable. The assets held should equal the net assets and liabilities of the agencies, and there is no ending fund balance. Do not use Object 9500, Accounts Payable, in a trust or agency fund. Other general receivables from students in the General Fund should be coded to Object 9200, Accounts Receivable. There is no fund balance in an agency fund. Assets held equal the liability to the other agency.
9640	**Current Loans.** Short-term obligations representing amounts borrowed for short periods of time and usually evidenced by notes payable. Such loans may be unsecured or secured by specific revenues to be collected, such as tax-anticipation notes.
9650	**Deferred Revenue.** Revenue that has been received but is unearned as of June 30.
9660–9669	**Long-Term Liabilities.** An account set up to reflect long-term liabilities in the proprietary or trust funds and the General Long-Term Debt Account Group.
9661	**General Obligation Bonds Payable.** The liability account reflecting the outstanding balance of general obligation bonds.
9662	**State School Building Loans Payable.** A liability account reflecting the outstanding principal balance of State School Building Loans. State School Building Loans were granted in the past to facilitate school construction. These loans are no longer being offered under this program; however, some LEAs still have outstanding balances that are being repaid.
9664	**Other Postemployment Benefits.** A liability account reflecting benefits other than pension benefits provided to employees following termination, but before retirement, as well as the period after retirement.
9665	**Compensated Absences Payable.** A liability account reflecting accumulated unpaid benefits that are provided to employees. These benefits include vacation and sick leave and sabbatical leaves that are paid to employees upon termination or retirement. However, this liability account does not include sick leave balances for which employees receive only additional service time for pension benefit purposes.
9666	**Certificates of Participation (COPs) Payable.** The liability account reflecting the outstanding principal balance of COPs.

Code	Description
9667	**Capital Leases Payable.** A liability account reflecting the noncurrent portion of the discounted present value of total future stipulated payments on lease agreements that are capitalized.
9668	**Lease Revenue Bonds Payable.** A liability account reflecting the outstanding balance of lease revenue bonds.
9669	**Other General Long-Term Debt.** A liability account reflecting other long-term liabilities, such as the noncurrent portions of liabilities for unfunded pension obligations and other similar items.
9700–9799	**Fund Balance.** Fund balance represents the difference between the assets and liabilities of a fund.
9700–9759	**Fund Balance, Reserved**
9710–9719	**Reserve for Nonexpendable Assets.** An account set up to reflect the value of nonexpendable asset accounts. At the beginning of the fiscal year, this account is credited with the same amounts that are set up as debits to the previously described asset accounts.
9711	**Reserve for Revolving Cash.** The portion of fund balance reflecting the value of revolving cash account.
9712	**Reserve for Stores.** The portion of fund balance reflecting the value of stores.
9713	**Reserve for Prepaid Expenditures (Expenses).** The portion of fund balance reflecting the value of prepaid expenditures/expenses.
9719	**Reserve for All Others.** The portion of fund balance reflecting the value not specified above. For example, this object is used for the legal reserve required for Certificates of Participation.
9720	***Reserve for Encumbrances.*** *An amount set aside to provide for encumbrances. Generally encumbrances are closed at the end of the fiscal year; new purchase orders or contracts are opened for the subsequent year. However, an LEA may disclose outstanding purchase orders or contracts that will be included in the budget either as a footnote to the financial statements or in the Reserve for Encumbrances.*
9730	**General Reserve.** The amount set aside by the governing board to meet cash requirements in the succeeding fiscal year until adequate proceeds from the taxes levied or from the apportionment of state funds are available.
9740	**Legally Restricted Balance.** Segregation of a portion of a fund balance for legally restricted funds. For example, the unspent instructional material funds or the unspent proceeds from Certificates of Participation.

Code	Description
9760–9799	**Fund Balance, Unreserved**
9770	**Designated for Economic Uncertainties.** The portion of the fund balance that has been designated (set aside) by the governing board to provide for emergencies or economic events, such as revenue shortfalls, that could not be anticipated.
9775	**Designated for the Unrealized Gains of Investments and Cash in County Treasury.** The portion of the fund balance attributable to an increase in the fair value of investments or cash in county treasury, an unrealized gain that is not available for spending.
9780	**Other Designations.** The portion of the fund balance that has been set aside by the governing board for specific purposes.
9790	**Undesignated/Unappropriated.** This account represents the excess of the fund's assets over its liabilities and may include a budgetary element: the excess of estimated revenue (and estimated other financing sources) over appropriations (and estimated other financing uses).
9791	**Beginning Fund Balance.** This account represents the difference between the assets and liabilities of a fund at the beginning of the fiscal year. Audit adjustments and other restatements that restate the beginning fund balance are recorded in Objects 9793 and 9795 as appropriate.
9793	**Audit Adjustments.** This account is used to record the audit adjustments that restate the beginning fund balance.
9795	**Other Restatements.** This account is used to record material prior-year corrections that restate the beginning fund balance.
9800–9829	***Budgetary Accounts.*** *The following budgetary accounts are used by LEAs to record the budget. These accounts are not imported into the SACS software.*
9810	***Estimated Revenue.*** *The budgetary account that shows all revenue estimated to be received or accrued during the fiscal year. This account is a control account in a fund's general ledger and it must agree with the subsidiary ledger.*
9815	***Estimated Other Financing Sources.*** *The budgetary account that shows all the other financial resources that are estimated to be received or accrued during the fiscal year. This account is optional; LEAs may use Object 9810 to record both budgeted revenue and other sources.*
9820	***Appropriations.*** *Authorization granted by the governing board to make expenditures and to incur obligations for specific purposes and amounts within the fiscal year. This account is a control account in the general ledger, and it must agree with the subsidiary ledger.*
9825	***Estimated Other Financing Uses.*** *The budgetary account that shows all of the other financial obligations that will be paid or will accrue during the fiscal year. This account is optional; LEAs may use Object 9820 to record both appropriations and estimated other uses.*

Code	Description
9830–9899	***Control Accounts***
9830	***Encumbrances.*** *Obligations in the form of purchase orders, contracts, salaries, or other commitments that are chargeable to an appropriation and for which part of the appropriation is reserved. Encumbrances are canceled when the obligation is paid or when the actual liability is set up. This control account represents the total amount of the appropriations that has been designated for expenditures for specified purposes. Details of encumbrances by classification or account are recorded in the same subsidiary appropriations ledger in which expenditures are recorded.*
9840	***Revenue.*** *The control account for all revenue that is received or accrued during the fiscal year.*
9845	***Other Financing Sources.*** *The control account for other financing sources. This account is optional; LEAs may use Object 9840 as the control account for revenue and other financing sources.*
9850	***Expenditures.*** *The control account for all expenditures that are paid or accrued during the fiscal year.*
9855	***Other Financing Uses.*** *The control account for other financing uses. This account is optional; LEAs may use Object 9850 as the control account for expenditures and other financing uses.*
9910–9979	***Nonoperating Accounts***
9910	***Suspense Clearing.*** *An account that carries or credits temporarily pending to the determination of the proper account or accounts to which they are to be posted and that may be used for posting of amounts not yet analyzed to decide whether they should be revenue, expenditure, or abatement. Charges that must be allocated or prorated may be posted in their account until such allocation or proration can be calculated. This account must balance to zero at the close of the fiscal year and should be reviewed monthly.*
9980–9989	**Other Debits.** The following accounts are used only in Account Groups 96 and 97.
9980	**Amount Available.** An account in the general long-term debt account group equal to the fund balance available in the governmental fund (e.g., a debt service fund) for the retirement of general long-term liabilities.
9989	**Amount to Be Provided.** An account in the general long-term debt account group representing the amount to be provided by taxes or other general revenues to liquidate general long-term liabilities.
9990–9999	**Other Credits**
9990	**Investment in General Fixed Assets.** An account in the general fixed asset account group that represents the LEA's equity in general fixed assets.

106—Object

1. How the School Field Is Used

The School field designates a specific, physical school structure or group of structures that form a campus as identified in the *California Public School Directory*. The field refers to the physical location of the school building or buildings where students attend class. It is a unit under a principal's responsibility for which a unique set of test scores is reported.

The School field applies to expenditure accounts and may be used in revenue accounts and balance sheet accounts. A generic district-wide site or clearing account is used to capture costs not readily assignable to a particular site. These district-wide costs may be distributed back to the school sites.

Although the field is mandated, reporting to the state at this level is not required at this time. Counties and districts, however, should build into their systems a capacity to house this field for use in the future.

The codes for the School field will be assigned by each school district. The California Department of Education will create a translation table that will match the district-assigned code with the CDS (county district school) code in the *California Public School Directory.* District-assigned codes that do not correspond to the CDS codes in the *California Public School Directory* will be considered district-wide sites.

The following page provides an example of how to use the School field if an LEA chooses to use that field.

2. Examples of Coding the School Field

Revenue Transaction
The school district receives instructional materials funding. The revenue would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	**School**
01	7155	0	0000	0000	8590	**000**
01	7160	0	0000	0000	8590	**000**

- Fund 01 is the General Fund.
- Resource 7155 is Instructional Materials: Grades K–8, and Resource 7160 is Instructional Materials: Grades 9–12.
- Project Year is not required in this example.
- Goal is generally not required for revenues.
- Function is not required for revenues.
- Object 8590 is All Other State Revenue.
- **School is not required.**

Expenditure Transaction
The district uses Instructional Materials revenue to purchase reading textbooks for grade six at ABC Elementary School and science textbooks for QRS High School.

Fund/Group	Resource	Project Year	Goal	Function	Object	**School**
01	7155	0	1110	1000	4100	**123**
01	7160	0	1110	1000	4100	**223**

- Fund 01 is the General Fund.
- Resource 7155 is Instructional Materials: Grades K–8; and Resource 7160 is Instructional Materials: Grades 9–12.
- Project Year is not required in this example.
- Goal 1110 is Regular Education, K–12.
- Function 1000 is Instruction.
- Object 4100 is Approved Textbooks and Core Curricula Materials.
- **School 123 is the ABC Elementary School; School 223 is QRS High School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.**

Balance Sheet Transaction
At year-end the fund balance is restricted for unspent Instructional Material money:

Fund/Group	Resource	Project Year	Goal	Function	Object	**School**
01	7155	0	0000	0000	9740	**000**
01	7160	0	0000	0000	9740	**000**

- Fund 01 is the General Fund.
- Resource 7155 is Instructional Materials: Grades K–8, and Resource 7160 is Instructional Materials: Grades 9–12.
- Project Year is not required in this example.
- Goal is not required for balance sheet transactions.
- Function is not required in balance sheet transactions.
- Object 9740 is Legally Restricted Balance and is established in the fund balance.
- **School is not required.**

200—Using the Account Code Structure: Examples

The following pages contain examples of journal entries to record a variety of transactions in the Standardized Account Code Structure (SACS). These examples demonstrate simple to complex transactions, many of which generate questions from users. The following sections have been added to help answer these common questions and to illustrate how SACS account lines work:

Section 201, Revenue, illustrates the use of both the resource field and the revenue object field.

Section 202, Expenditure, illustrates the relationship of the function field to the expenditure object field, including the charge of direct support costs between goals and the charge of indirect costs between resources.

Section 203, Balance Sheet Accounts, illustrates how the balance sheet accounts may be used during the year and for closing entries at year-end.

Section 204, Cafeteria, answers many common questions about accounting for child nutrition programs.

Section 205, Cooperative Projects, illustrates a common agreement between LEAs to share in a common project, using a "contract for service" model.

Section 206, County Offices of Education, illustrate typical transactions of a COE with appropriate goals and functions.

Section 207, Forest Reserve, is an example of how to code a pass-through grant.

Section 208, Regional Occupational Centers/Programs, illustrates the transfer of apportionment transactions allowed for ROC/Ps and for Special Education. It includes typical contracts for services between LEAs.

Section 209, Special Education, illustrates the relationship between the special education goals, special education functions, and typical entries between a SELPA and an LEA.

Section 210, Staff Development, illustrates the use of the function field in booking the costs of staff development.

Section 211, Tax and Revenue Anticipation Notes, illustrates the basic entries for booking a TRAN.

Section 212, Technology Expenditures, illustrates common transactions for the purchase of computers, software, and other expenditures for technology.

Section 213, Transportation, illustrates transactions for home-to-school programs, entries that will result in correct data collection for the automated transportation report.

200—Using the Account Code Structure: Examples

Revenues are classified by source and type in the Object field. When the revenues are for restricted uses or have reporting requirements, they are further identified by the Resource field. If the revenues are for federal projects that cross the LEA reporting fiscal year, they are also coded by the ending year of the project in the Project Year field.

Example 1: Unrestricted Revenue
A district receives property taxes, the local portion of the revenue limit. The secured roll taxes will be coded as follows:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	9110	000
Cr	01	0000	0	0000	0000	8041	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal is generally not required for revenues.
- Function is not required for revenues.
- Object 8041 is Secured Roll Taxes, and Object 9110 is Cash in County Treasury.
- School is not required.

Example 2: Restricted Revenue
A district receives a federal grant for bilingual programs. The revenue would be coded as follows:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	4230	3	0000	0000	9110	000
Cr	01	4230	3	0000	0000	8290	000

- Fund 01 is the General Fund.
- Resource 4230 is Federal Bilingual Education Discretionary Grants.
- Project Year is 3 because this federal project ends in October 2003; Project Year may be used for balance sheet transactions.
- Goal is not required for revenues.
- Function is not required for revenues.
- Object 8290 is Other Federal Revenues, and Object 9110 is Cash in County Treasury.
- School is not required.

Example 3: Transfer of Unrestricted Money to a Restricted Resource
If the district receives restricted revenue that requires a cash match by the district, the match would be recorded as a contribution from unrestricted resources. The following example shows the receipt of revenue and the recording of the cash match:

201—Revenue

(a) To record district receipt of a federal grant that requires a match:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	5810	0	0000	0000	9110	000
Cr	01	5810	0	0000	0000	8290	000

(b) To record district match to restricted revenue from unrestricted revenues with corresponding transfer of cash:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	8980	000
Dr	01	5810	0	0000	0000	9110	000
Cr	01	5810	0	0000	0000	8980	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources, and Resource 5810 is Other Federal.
- Project Year is not required in this example.
- Goal is not required for revenues or for balance sheet transactions.
- Function is not required for revenues or for balance sheet transactions.
- Object 8980 is Contribution from Unrestricted Resources; Object 8290 is All Other Federal Revenue; and Object 9110 is Cash in County Treasury.
- School is not required.

The expenditures would be tracked by the resource. The following are the sample expenditures for this resource:

(c) To record the payment of salaries:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	5810	0	1110	1000	1100	456
Dr	01	5810	0	1110	2100	1300	000
Dr	01	5810	0	1110	3110	1200	000
Cr	01	5810	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 5810 is Other Federal.
- Project Year is not required in this example.
- Goal 1110 is Regular Education, K–12, and goal is not required for balance sheet transactions.
- Function 1000 is Instruction; Function 2100 is Supervision of Instruction; Function 3110 is Guidance and Counseling Services; and function is not required for balance sheet accounts.
- Object 1100 is Teachers' Salaries; Object 1300 is Certificated Supervisors' and Administrators' Salaries; Object 1200 is Certificated Pupil Support Salaries; and Object 9110 is Cash in County Treasury.
- School 456 is Sample High School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Example 4: Multiple Revenue Objects in a Single Resource or Project
The home-to-school transportation activities are paid from different sources. These include state apportionments, user fees, and unrestricted revenues for the encroachment. However, the expenditures are not required to be broken down by the different sources; they are identified by a single resource. The following are sample transportation transactions:

(a) To record state apportionments and transportation fees:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	0000	0000	9110	000
Cr	01	7230	0	0000	0000	8311	000
Cr	01	7230	0	0000	0000	8675	000

(b) To record contribution from unrestricted revenues to transportation to cover excess costs:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	8980	000
Dr	01	7230	0	0000	0000	9110	000
Cr	01	7230	0	0000	0000	8980	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 7230 is Transportation: Home to School, and Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal is generally not required for revenues and balance sheet accounts.
- Function is not required for revenues and balance sheet accounts.
- Object 8311 is Other State Apportionment; Object 8675 is Transportation Fees; Object 9110 is Cash in County Treasury; and Object 8980 is Contributions from Unrestricted Resources.
- School is not required.

(c) To record transportation expenditures:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	0000	3600	2200	000
Dr	01	7230	0	0000	3600	4300	000
Dr	01	7230	0	0000	3600	6500	000
Cr	01	7230	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 7230 is Transportation: Home to School.
- Project Year is not required in this example.
- Goal 0000 is Undistributed; goal is not required in balance sheet accounts.
- Function 3600 is Pupil Transportation, and function is not required for balance sheet accounts.
- Object 2200 is Classified Support Salaries; Object 4300 is Materials and Supplies; Object 6500 is Equipment Replacement; and Object 9110 is Cash in County Treasury.
- School is not required.

Example 5: Activities Paid from Two or More Revenue Sources
The special education programs are operated with money from different revenue sources. These include federal grants, state aid, unrestricted revenues, tuitions, and transfers of apportionments from other LEAs. Expenditures of federal revenues are required to be identified and reported separately. However, expenditures of state and unrestricted revenues do not need to be identified separately. The following are sample special education transactions:

(a) To record the payment of instructional aide wages with federal IDEA grant money:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	3310	0	5750	1100	2100	456
Cr	01	3310	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 3310 is IDEA Basic Local Assistance.
- Project Year is not required in this example because this federal resource follows the LEAs' fiscal year.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled, and goal is not required for balance sheet transactions.
- Function 1100 is Special Education: Separate Classes; function is not required for balance sheet transactions.
- Object 2100 is Instructional Aide, and Object 9110 is Cash in County Treasury.
- School 456 is Sample High School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

(b) To record the amount receivable from the IDEA grant:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	3310	0	0000	0000	9290	000
Cr	01	3310	0	5001	0000	8181	000

- Fund 01 is the General Fund.
- Resource 3310 is IDEA Basic Local Assistance.
- Project Year is not required in this example.
- Goal 5001 is Special Education—Unspecified; goal is not required for balance sheet transactions.
- Function is not required for revenues or balance sheet transactions.
- Object 9290 is Due from Other Governments, and Object 8181 is Special Education—Entitlement.
- School is not required.

(c) To record receipt of the state special education programs apportionment:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	6500	0	0000	0000	9100	000
Cr	01	6500	0	5001	0000	8311	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education, and Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified; goal is not required for balance sheet transactions.
- Function is not required for revenues or balance sheet transactions.
- Object 9110 is Cash in County Treasury.
- School is not required.

(d) To record contributions from unrestricted revenues to special education and transfer of cash:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	8980	000
Dr	01	6500	0	0000	0000	9110	000
Cr	01	6500	0	5001	0000	8980	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education, and Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified; goal is not required for balance sheet transactions.
- Function is not required for revenues or balance sheet transactions.
- Object 9110 is Cash in County Treasury, and Object 8980 is Contributions from Unrestricted Resources.
- School is not required.

(e) To record special education expenditures:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	6500	0	5770	1190	1100	456
Dr	01	6500	0	5770	3150	1200	000
Cr	01	6500	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5770 is Special Education, Ages 5–22 Nonseverely Disabled; goal is not required for balance sheet accounts.
- Function 1190 is Special Education: Other Specialized Instructional Services; Function 3150 is Speech Pathology and Audiology Services; and function is not required for balance sheet accounts.
- Object 1100 is Teachers' Salaries; Object 1200 is Certificated Pupil Support Salaries; and Object 9110 is Cash in County Treasury.
- School 456 is Sample High School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

201—Revenue

Expenditures are handled differently depending on whether the expenditures are for the instruction function or for other services functions. Expenditures for instruction must be classified by goal. Expenditures for other services may be classified by goal if they are directly identifiable with a goal. Otherwise, they are recorded in the undistributed goal. Certain support service functions in the undistributed goal may be allocated to other goals based on allocation factors.

Example 1: Expenditure Directly Charged to a Goal
Salary is paid for an adult education math teacher at a high school. The school has elected not to track expenditures by subject matter. The salary will be coded as follows:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	11	3910	0	4110	1000	1100	456
Cr	11	3910	0	0000	0000	9110	000

- Fund 11 is the Adult Education Fund.
- Resource 3910 is Priority 1–3: Adult Basic Education.
- Project Year is not applicable in this example.
- Goal 4110 is Regular Education Adult; goal is not required for balance sheet accounts.
- Function 1000 is Instruction; function is not required for balance sheet accounts.
- Object 1100 is Teachers' Salaries, and Object 9110 is Cash in County Treasury.
- School 456 is Sample High School. Coding to the School field is not required; however, LEAs may wish to code expenditures for local information.

Example 2: Expenditures Charged to More than One Goal from Goal 0000, Undistributed
A director of curriculum for a school district is responsible for the district's curriculum development and implementation for K–12, alternative schools, and bilingual education goals. The position is funded with unrestricted revenues. Because this expenditure cannot be directly identified to a goal, it is coded as follows:

(a) To record payment of the director's salary:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	2100	1300	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; goal is not required in balance sheet accounts.
- Function 2100 is Supervision of Instruction; function is not required for balance sheet accounts.
- Object 1300 is Certificated Supervisors and Administrators' Salaries, and Object 9110 is Cash in County Treasury.
- School is not required.

(b) The district may distribute the costs accumulated in the Goal 0000, Undistributed, by function to the other goals as follows:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	1100	2100	7310	000
Dr	01	0000	0	4760	2100	7310	000
Dr	01	0000	0	3100	2100	7310	000
Cr	01	0000	0	0000	2100	7310	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education K–12; Goal 4760 is Bilingual; Goal 3100 is Alternative Schools; and Goal 0000 is Undistributed.
- Function 2100 is Supervision of Instruction.
- Object 7310 is Direct Support/Indirect Costs for Interprogram Charges.
- School is not required.

Example 3: Expenditures Charged Between Funds
A gardener is responsible for maintaining the yards at four high school sites and two adult education centers in the district. This expenditure will be paid with unrestricted general fund sources and adult education fund sources. The monthly salary would be coded as follows:

(a) To record payment of the gardener's salary:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	8100	2200	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; goal is not required in balance sheet accounts.
- Function 8100 is Plant Maintenance and Operations; function is not required for balance sheet accounts.
- Object 2200 is Classified Support Salaries, and Object 9110 is Cash in County Treasury.
- School is not required.

(b) To record transfer of direct support/indirect costs to the Adult Education Fund:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	9310	000
Cr	01	0000	0	0000	8100	7350	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; goal is not required for balance sheet accounts.
- Function is not required for balance sheet accounts, and Function 8100 is Plant Maintenance and Operations.
- Object 9310 is Due from Other Funds, and Object 7350 is Direct Support/Indirect Costs for Interfund Charges.
- School is not required.

(c) To record transfer of direct support/indirect costs from General Fund:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	11	0000	0	0000	8100	7350	000
Cr	11	0000	0	0000	0000	9610	000

- Fund 11 is the Adult Education Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; goal is not required for balance sheet accounts.
- Function 8100 is Plant Maintenance and Operations; functions are not required for balance sheet accounts.
- Object 7350 is Direct Support/Indirect Costs for Interfund Charges, and Object 9610 is Due to Other Funds.
- School is not required.

Example 4: Charge of Approved Indirect Cost Rate to a Federal Resource
Typically, a county office or LEA will charge federal or state programs either the allowed indirect cost rate or their approved indirect cost rate, whichever is lower. Indirect costs consist of those business and administrative costs that benefit the entire LEA, such as accounting, budgeting, personnel, purchasing, and undistributed data processing. An LEA's approved indirect cost rate is based on a specific formula approved annually by CDE.

In the following example, the LEA charges its categoricals its approved indirect cost rate from CDE.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	3010	0	0000	7200	7310	000
Cr	01	3010	0	0000	0000	9110	000
Dr	01	3310	0	5001	7200	7310	000
Cr	01	3310	0	0000	0000	9110	000
Dr	01	3710	0	3550	7200	7310	000
Cr	01	3710	0	0000	0000	9110	000
Dr	01	0000	0	0000	0000	9110	000
Cr	01	0000	0	0000	7200	7310	000

- Fund 01 is the General Fund.
- Resource 3010 is NCLB: Title I Basic Grants Low Income and Neglected; Resource 3310 is Special Ed: IDEA Basic Local Assistance; Resource 3710 is NCLB: Drug-Free Schools; and Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal 5001 is Special Education—Unspecified; Goal 3550 is Community Day Schools.
- Function 7200 is Other General Administration.
- Object 7310 is Direct Support/Indirect Costs Charges.
- School is not required.

Example 5: Direct Documentation of Costs Transferred between Functions
Many LEAs collect costs in a "cost pool" and then transfer out costs on the basis of documentation. For example, the costs of a centralized copy center may be directly charged to user programs, a transfer that may require a change in function from that of the copy center to that of the service provided by the user program.

(a) Initially, all the costs of the copy center may be collected in Function 7550, Printing, Publishing, and Duplicating, and Resource 0000, Unrestricted Resources. These costs include salaries, benefits, supplies, services, and capital outlay.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	7550	2400	000
01	0000	0	0000	7550	4300	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed because the district-wide copy center serves all programs.
- Function 7550 is Printing, Publishing, and Duplicating.
- Object 2400 is Clerical, Technical, and Office Staff Salaries, and Object 4300 is Materials and Supplies.
- School is not required.

(b) Photocopies are made for a teacher in a GATE program, and the per copy cost is charged to the GATE resource.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7140	0	1110	1000	5710	000
Cr	01	7140	0	0000	0000	9110	000
Dr	01	0000	0	0000	7550	9110	000
Cr	01	0000	0	0000	0000	5710	000

- Fund 01 is the General Fund.
- Resource 7140, Gifted and Talented Education, is charged with the cost of the copies. Resource 0000, Unrestricted Resources, is the source of these costs.
- Project Year is not applicable in this example.
- Goal 1100, Regular Education, is debited for the cost of the copies.
- Function 7550, Printing, Publishing, and Duplicating, is reduced, and Function 1000, Instruction, is charged with the cost.
- Object 5710 is Direct Costs for Transfer of Services, and Object 9110 is Cash in County Treasury.
- School is not required.

Balance sheet accounts (i.e., assets, liabilities, and fund balances) are classified in the Object field. If the transactions are from restricted revenues, the balance sheet accounts are also coded to the Resource field.

Example 1: Unrestricted Transactions Resulting in Change to Fund Balance
Cash is deposited in the county treasury for the K–12 revenue limit and expended for various functions and objects. At year-end, closing of the books results in an increase in the unrestricted fund balance.

(a) To record receipt of property taxes:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	9110	000
Cr	01	0000	0	0000	0000	8011	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not used in this example.
- Goal is generally not required for revenues; goal is not required for balance sheet accounts.
- Function is not required for revenues or balance sheet accounts.
- Object 8011 is Revenue Limit State Aid, and Object 9110 is Cash in County Treasury.
- School is not required.

During the year there are many transactions, such as the payment of nurses' salaries.

(b) To record payment of salaries:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	3140	1200	000
Dr	01	0000	0	0000	3140	3101	000
Dr	01	0000	0	0000	3140	3401	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not used in this example.
- Goal 0000 is Undistributed because the nurses serve students of many goals.
- Function 3140 is Health Services; a function is not required for balance sheet accounts.
- Object 1200 is Certified Pupil Support Salaries; Object 3101 is STRS, Certificated; Object 3401 is Health and Welfare Benefits, Certificated; and Object 9110 is Cash in County Treasury.
- School is not required.

At year-end the books are closed and the ending fund balance has increased, changing the components of ending fund balance. The designation for economic uncertainties is increased, and the undesignated fund balance is reduced.

(c) To record proper fund balance designations as of June 2002:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	9790	000
Cr	01	0000	0	0000	0000	9770	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not used in this example.
- Goal is not required for balance sheet accounts.
- Function is not required for balance sheet accounts.
- Object 9770 is Designated for Economic Uncertainties, and Object 9790 is Undesignated/ Unappropriated Fund Balance.
- School is not required.

Example 2: Booking Components of Ending Fund Balance
At year-end the district records the reservations and designations of the ending fund balance when the books are closed (assuming that the excess of revenues over expenditures is automatically posted to Object 9790, Undesignated/Unappropriated Fund Balance):

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	0000	9790	000
Cr	01	0000	0	0000	0000	9711	000
Cr	01	0000	0	0000	0000	9712	000
Cr	01	0000	0	0000	0000	9770	000
Dr	01	7140	0	0000	0000	9790	000
Cr	01	7140	0	0000	0000	9740	000
Dr	01	7155	0	0000	0000	9790	000
Cr	01	7155	0	0000	0000	9740	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources; Resource 7140 is GATE; and Resource 7155 is Instructional Materials (Grades K–8).
- Project Year is not used in this example.
- Goal is not required for balance sheet accounts.
- Function is not required for balance sheet accounts.
- Object 9790 is Undesignated/Unappropriated Fund Balance; Object 9711 is Reserve for Revolving Cash; Object 9712 is Reserve for Stores; Object 9740 is Legally Restricted Fund balance; and Object 9770 is Designated for Economic Uncertainties.
- School is not required.

Example 3: Identifying Cash by Resource
As discussed in the Resource section, those LEAs using financial systems that do not post the resource code to the balance sheet accounts during the year will need to make an additional entry at year-end to balance the restricted and unrestricted resources.

For example, during the year-end closing, the LEA posted deferred revenue to Resource 3010, NCLB: Title I; Resource 3330, Infant Discretionary; and Resource 5600, WIA. In addition, the LEA posted restricted ending balance to Resource 7140, GATE; and Resource 7160, Instructional Materials. The LEA must make the following year-end closing entry to separate out the cash represented by these amounts:

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	3010	0	0000	0000	9110	000
Dr	01	3330	0	0000	0000	9110	000
Dr	01	5600	0	0000	0000	9110	000
Dr	01	7140	0	0000	0000	9110	000
Dr	01	7160	0	0000	0000	9110	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 3010 is NCLB: Title I; Resource 3330 is Infant Discretionary; Resource 5600 is WIA; Resource 7140 is GATE; Resource 7160 is Instructional Materials; and Resource 0000 is Unrestricted Resources.
- Project Year is not used in this example.
- Goal is not required for balance sheet accounts.
- Function is not required for balance sheet accounts.
- Object 9110 is Cash in County Treasury.
- School is not required.

203—Balance Sheet Accounts

204—Cafeteria

The Cafeteria Fund (*Education Code* sections 38090–38093) is used to account separately for federal, state, and local resources to operate the food service program. Although the Cafeteria Fund is meant to be used for the LEA's food service program (*Education Code* sections 38091 and 38100), there may be other costs associated with providing food that are initially accounted for in this special revenue fund and subsequently transferred to other funds.

Example 1: Meals for Field Trips
The basic purpose of the Cafeteria Fund is to account for the provision of meals to students. Meals served incidentally to LEA staff are included in the program. In this example, the cafeteria prepares sack lunches for students on field trips. The lunches are included in the daily count and qualify for federal and state reimbursement.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
13	5310	0	0000	3700	4700	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3700 is Food Services.
- Object 4700 is Food.
- School is not required.

Example 2: Meals Funded with Other Than Child Nutrition Funding
If an LEA, such as a small rural district, does not participate in the federal /state Child Nutrition Program, the LEA uses unrestricted money to provide lunches.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	3700	4700	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3700 is Food Services.
- Object 4700 is Food.
- School is not required.

Example 3: Field Trip Meals
Sometimes meals are provided as a part of a field trip. If the lunches are not provided as a part of the School Nutrition Program and therefore are not paid for with Child Nutrition money and the meals are not counted for the Child Nutrition report, Function 3700 is no longer used. The cost of the meals is the cost of the field trip. For example, if local fundraisers provided the money to send a class on a field trip and part of the costs were for meals, the following coding would apply:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9010	0	1110	1000	4300	000

- Fund 01 is the General Fund.
- Resource 9010 is a local definition for the fundraising project.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education for a specific class taking the field trip.
- Function 1000 is Instruction. The cost of the lunch is a part of the cost of the field trip.
- Object 4300 is Materials and Supplies; the lunches are part of the supplies needed for the field trip.
- School is not required.

This coding follows the example of the cost of transportation for field trips, where the cost of the bus is considered "Other Miles" and is not included in the cost of Home to School transportation.

Example 4: Refreshments for Meetings
The cafeteria runs a catering business in addition to its school nutrition program. The caterer provides pastries and coffee for the superintendent's cabinet meeting. The cost is transferred from the Cafeteria Fund to the General Fund.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	0000	0000	9110	000
Cr	13	5310	0	0000	3700	5750	000
Dr	01	0000	0	0000	7100	5750	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 13 is the Cafeteria Fund. Fund 01 is the General Fund.
- Resource 5310 is Child Nutrition: School Programs, and Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for balance sheet accounts; Function 3700 is Food Services; and Function 7100 is Board and Superintendent.
- Object 9110 is Cash in County Treasury, and Object 5750 is Direct Costs for Interfund Services. Here the direct cost of the food is transferred from the Child Nutrition Program to the General Fund as a cost of meeting supplies.
- School is not required.

Example 5: Catering Services
A cafeteria program may include a catering business that offers its services to outside customers, with profits supporting the Child Nutrition Program. For example, a local organization contracts with the cafeteria to provide a dinner for local business people. These costs are reported on the state report for Child Nutrition. The cafeteria separates out the cost of food and supplies for the dinner and charges the Rotary Club for the service.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	8100	6000	5710	000
Cr	13	5310	0	0000	3700	5710	000
Dr	13	5310	0	0000	0000	9110	000
Cr	13	5310	0	0000	6000	8699	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; Goal 8100 is Community Services.
- Function 6000 is Enterprise, and Function 3700 is Food Services. In this entry, the cost of the food, salaries, and other costs of the meal is transferred from the Food Services function to the Enterprise function. The function field is not required when recording revenue, but in this example, the use of the function code in both revenue and expenditure might be helpful to analyze the profitability of the catering project in the Cafeteria Fund.
- Object 5710 is Direct Costs for Transfer of Services; Object 9110 is Cash in County Treasury; and Object 8699 is All Other Local Revenue. This object is separate from food service sales (Object 8634).
- School is not required.

Example 6: Central Kitchen
An LEA operates a central kitchen that provides meals not only for its own students but also for the students of several other school districts. At the end of every month, the LEA separates out from the total costs of the central kitchen a prorated share based on the number of meals provided to its own students.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	0000	3700	5710	000
Cr	13	5310	0	7110	3700	5710	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is the Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; Goal 7110 is Nonagency–Educational because the contract is with other LEAs.
- Function 3700 is Food Services.
- Object 5710 is Direct Costs for Transfer of Services.
- School is not required.

204—Cafeteria

Each month the revenue received by the central kitchen is recorded as revenue from the other LEAs and revenue received by the district's own federal and state reimbursements and parent fees.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Cr	13	5310	0	7110	3700	8699	000
Cr	13	5310	0	0000	3700	8220	000
Cr	13	5310	0	0000	3700	8520	000
Cr	13	5310	0	0000	3700	8634	000
Dr	13	5310	0	0000	0000	9110	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is the Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed, and Goal 7110 is Nonagency–Educational.
- Function 3700 is Food Services.
- Object 8699 is All Other Local Revenue; Object 8220 is federal Child Nutrition Programs; Object 8520 is state Child Nutrition Programs; Object 8634 is Food Service Sales; and Object 9110 is Cash in County Treasury.
- School is not required.

The LEA may use Fund 63, Other Enterprise Fund, to account for the central kitchen operation as a separate business. In this case, the LEA's Cafeteria Fund would purchase meals for its own students from the Enterprise Fund.

Small school districts of 500 ADA or less may find it advantageous to pool resources to provide programs that cannot be financed by one district alone. The following example assumes that five small districts contract with the county office of education (COE) to use Tobacco-Use Prevention Education (TUPE) money to run an after-school program designed to reach students at risk of using tobacco.

Example 1: The COE receives TUPE grant money for administrative purposes. The districts receive TUPE grant money for program purposes.

(a) The following entries record the receipt of the TUPE grants.

For the COE:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6680	0	0000	0000	8590	000

- Fund 01 is the County School Service Fund.
- Resource 6680 is TUPE: COE Administrative Grants.
- Project Year is not applicable in this example.
- Goal is not required for revenue.
- Function is not required for revenue.
- Object 8590 is All Other State Revenue.
- School is not required.

For the districts:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6660	0	0000	0000	8590	000
01	6670	0	0000	0000	8590	000

- Fund 01 is the General Fund.
- Resource 6660 is TUPE: Elementary Grades 4–8, and Resource 6670 is TUPE: High School Competitive Grants.
- Project Year is not applicable in this example.
- Goal is not required for revenues.
- Function is not required for revenues.
- Object 8590 is All Other State Revenue.
- School is not required.

(b) According to the contractual agreement, the districts pay the COE to operate the Tobacco-Use Prevention Education program.

For the COE, the revenue is booked as a local restricted resource:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9150	0	0000	0000	8677	000

205—Cooperative Projects

- Fund 01 is the County School Service Fund.
- Resource 9150 is a unique code the COE is using for the Friday Night Live contract with an LEA. Project Year is not applicable in this example.
- Goal is not required for revenue.
- Function is not required for revenue.
- Object 8677 is Interagency Services Between LEAs.
- School is not required.

For districts the expenditure fulfills the reporting requirement to CDE; the district, as grantee, is responsible for reporting expenditures.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6660	0	0000	4000	5800	000
01	6670	0	0000	4000	5800	000

- Fund 01 is the district's General Fund.
- Resource 6660 is TUPE: Elementary Grades 4–8, and Resource 6670 is TUPE: High School Competitive Grants.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed. If the TUPE program serves only K–12 students, the goal might be Goal 1110, Regular Education, K–12.
- Function 4000 is Ancillary Services.
- Object 5800 is Professional/Consulting Services and Operating Expenditures.
- School is not required.

(c) The COE operates the Friday Night Live program.

The COE then expends the TUPE funding:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9150	0	7110	4000	1200	000

- Fund 01 is the County School Service Fund.
- Resource 9150 is a unique code the COE is using for the Friday Night Live contract.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational. The COE is using the money of another entity to provide services for that entity.
- Function 4000 is Ancillary Services.
- Object 1200 is Certificated Pupil Support Salaries.
- School is not required.

The districts have no further entries because they have spent their grants.

While the COE spends its TUPE money administering the districts' TUPE program, the COE resource is retained.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6680	0	8600	2100	2400	000

- Fund 01 is the County School Service Fund.
- Resource 6680 is TUPE: COE Administrative Grants.
- Project Year is not applicable in this example.
- Goal 8600 is County Service to Districts.
- Function 2100 is Supervision of Instruction.
- Object 2400 is Clerical, Technical, and Office Staff Salaries.
- School is not required.

(d) At year-end the full funding has not been expended and there is carryover into the next year. The terms of the contract with the districts allow carryover only into the following year; money not spent in the following year must be returned to the districts.

The COE books deferred revenue as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9150	0	0000	0000	9650	000

- Fund 01 is the County School Service Fund.
- Resource 9150 is a unique code the COE is using for the Friday Night Live contract.
- Project Year is not applicable in this example.
- Goal is not required for balance sheet accounts.
- Function is not required for balance sheet accounts.
- Object 9650 is Deferred Revenue.
- School is not required.

The districts have no further entries because they have spent their grants.

205—Cooperative Projects

206—County Offices of Education

County offices of education (i.e., county superintendent of schools offices) perform various activities in support of school districts or other educational entities, including, but not limited to, the following:

a. Coordination activities and professional services, such as supervision of instruction, health, guidance, attendance, and school library services (*Education Code* Section 1700 et seq.)
b. Financial services (*Education Code* Section 41200 et seq.)
c. Credential services (*Education Code* Section 44330)

The following examples of coding address the unique roles of county offices of education (COEs).

Example 1: COE financial office processes districts' payroll.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	8600	7200	2400	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0000 is for Unrestricted Resources.
- Project Year is not required in this example.
- Goal 8600 is County Services to Districts.
- Function 7200 is Other General Administration.
- Object 2400 is Clerical, Technical, and Office Staff Salaries.
- School is not required.

Example 2: COE processes internal payroll.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	7200	2400	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal 0000 is Undistributed.
- Function 7200 is Other General Administration.
- Object 2400 is Clerical, Technical, and Office Staff Salaries.
- School is not required.

Example 3: COE reviews district budget for solvency and for compliance with state Criteria and Standards (*Education Code* Section 42127 et seq).

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0500	0	8600	7200	2300	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0500 is a locally defined resource to track COE Fiscal Oversight funding.
- Project Year is not required in this example.
- Goal 8600 is County Services to Districts.
- Function 7200 is Other General Administration.
- Object 2300 is Classified Supervisors' and Administrators' Salaries.
- School is not required.

Example 4: COE administers Tobacco Use Prevention Education (TUPE) program for school districts in the county.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6680	0	8600	2100	1200	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 6680 is TUPE: COE Administrative Grants.
- Project Year is not required in this example.
- Goal 8600 is County Services to Districts. The role of the COE is administrative and not directly involved with the instruction of students. The districts themselves are implementing the TUPE curriculum.
- Function 2100 is Supervision of Instruction because the COE is assisting the districts with their TUPE program; it is not a part of the COE's own administration.
- Object 1200 is Certificated Pupil Support Salaries.
- School is not required.

Example 5: COE holds annual math, spelling, and language arts contests for the school districts' students.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	4900	4000	4300	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal 4900 is Other Supplementary Education (county office). This goal is for services the COE provides directly to students of other districts who are not on COE attendance rolls.
- Function 4000 is Ancillary Services.
- Object 4300 is Materials and Supplies.
- School is not required.

Example 6: COE employs nurses who go to Direct Service Districts to provide nursing care to the students.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	8600	3140	1200	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal 8600 is County Services to Districts.
- Function 3140 is Health Services.
- Object 1200 is Certificated Pupil Support Salaries.
- School is not required.

Example 7: COE has an assistant superintendent in charge of curriculum who works with LEA teachers and curricula experts to coordinate programs between school districts. This superintendent is not primarily involved with COE general administration.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	8600	2100	1300	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 0000 is Unrestricted Resources.
- Project Year is not required in this example.
- Goal 8600 is County Services to Districts.
- Function 2100 is Supervision of Instruction; the COE is assisting the school districts with their instructional programs.
- Object 1300 is Certificated Supervisors' and Administrators' Salaries.
- School is not required.

Example 8: COE receives funding to operate a county community school based on the attendance of COE students.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	2420	0	3500	1000	1100	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 2420 is County Community Schools.
- Project Year is not applicable in this example.
- Goal 3500 is County Community Schools.
- Function 1000 is Instruction.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 9: COE receives funding to operate a Cal-SAFE County Classroom Program.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6093	0	3100	1000	1100	000

- Fund 01 is the County School Service Fund (or General Fund).
- Resource 6093 is Cal-SAFE County Classroom Program.
- Project Year is not applicable in this example.
- Goal 3100 is Alternative Schools.
- Function 1000 is Instruction.
- Object 1100 is Teachers' Salaries.
- School is not required.

The Forest Reserve funding is an example of pass-through revenue.

Example 1. Receipt and distribution of funds by the recipient LEA
In this example, the county office of education (COE) receives the Forest Reserve money from the federal government. It then allocates the Forest Reserve money in a predetermined pattern to the school districts and to its own County School Service Fund (CSSF).

First, the COE deposits $100,000 of federal Forest Reserve money into its Forest Reserve Fund, a special revenue fund. The transaction is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School	
16	0000	0	0000	0000	8260	000	Received $10,000 for COE
16	0000	0	0000	0000	8287	000	Received $90,000 for LEAs

- Fund 16 is the Forest Reserve Fund.
- Resource 0000 is Unrestricted Resources. The money is restricted by the fund itself.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8260 is Forest Reserve Funds, and Object 8287 is Pass-through Revenues from Federal Sources.
- School is not required.

Then the COE allocates the money to all the participating school districts and to the CSSF according to the agreement with the county.

Fund/Group	Resource	Project Year	Goal	Function	Object	School	
16	0000	0	0000	9000	7211	000	$90,000 transferred to districts
16	0000	0	0000	9000	7619	000	$10,000 transferred to CSSF

- Fund 16 is the Forest Reserve Fund.
- Resource 0000 is Unrestricted Resources. The money is restricted by the fund itself.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 9000 is Other Outgo. More specifically, Function 9200, Transfer Between Agencies, may be used for the transfer of money to the school districts; and Function 9300, Interfund Transfers, may be used to transfer the COE portion to its CSSF.
- Object 7211 is Transfer of Pass-through Revenues to Districts, and Object 7619 is Other Authorized Interfund Transfers Out.
- School is not required.

207—Forest Reserve

The Forest Reserve Fund now reflects the authorized transaction of splitting the Forest Reserve Funds among participating LEAs. The following entry into the CSSF reflects the receipt of its budgeted share of the Forest Reserve money, which is unrestricted but may have a locally defined resource code to distinguish the source of the money and how it was spent.

Fund/Group	Resource	Project Year	Goal	Function	Object	School	
01	0650	0	0000	0000	8919	000	$10,000 transfer from Forest Reserve Fund to CSSF

- Fund 01 is the County School Service Fund.
- Resource 0650 is a locally defined unrestricted resource used by the COE to track its Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8919 is Other Authorized Interfund Transfers In.
- School is not required.

Finally, the COE chooses to spend half its own Forest Reserve Funds to supplement the school districts' GATE programs. The transaction would be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0650	0	0000	9000	7281	000

- Fund 01 is the County School Service Fund.
- Resource 0650 is a locally defined unrestricted resource used by the COE to track its Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 9000 is Other Outgo. More specifically, Function 9200, Transfers between Agencies, may be used.
- Object 7281 is All Other Transfers to Districts.
- School is not required.

Example 2: Receipt and Expenditure of Funds by Subrecipient LEA
First, the school districts receive their share of Forest Reserve money from their COE. They may use the same locally defined unrestricted resource to identify the source of the money as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School	
01	0650	0	0000	0000	8260	000	$90,000 receipt of Forest Reserve from COE

- Fund 01 is the General Fund.
- Resource 0650 is a locally defined unrestricted resource for Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8260 is Forest Reserve Funds.
- School is not required.

Second, they receive the COE's donation toward their GATE program and code it as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School	
01	7140	0	0000	0000	8782	000	$5,000 transfer from COE

- Fund 01 is the General Fund.
- Resource 7140 is Gifted and Talented Education.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8782 is All Other Transfers from County Offices. Although this money is Forest Reserve money, it is not the entitlement of the district but is a transfer from the COE out of the COE's entitlement.
- School is not required.

207—Forest Reserve

208—Regional Occupational Centers/Programs (ROC/Ps)

ROC/P programs have been structured in a variety of ways in California to meet local needs for vocational education. The following examples of coding address the interagency agreements between LEAs.

Example 1: Both a county office of education (COE) and local school districts receive funding based on Form Y of the Revenue Limit report to CDE.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6350	0	0000	0000	8311	000

- Fund 01 is the General Fund or the County School Service Fund.
- Resource 6350 is ROC/P Apportionment.
- Project Year is not applicable in this example.
- Goal is not required for revenue. Goal 6000, Regional Occupational Center/Program, may be used for local purposes.
- Function is not necessary for revenue.
- Object 8311 is Other State Apportionment-Current Year.
- School is not required.

Example 2: The COE contracts with a school district to operate an auto body class for the county ROC/P program.

(a) The COE makes the following entry to record payment of the contract for services. The COE retains full administrative and financial authority over the program.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6350	0	6150	1000	5800	000

- Fund 01 is the County School Service Fund.
- Resource 6350 is ROC/P Apportionment.
- Project Year is not applicable in this example.
- Goal 6150 is a locally defined classification for trade and industry classes. LEAs have the option of tracking ROC/P subject matter in the Goal field as long as it rolls up to Goal 6000 when data are submitted to CDE at year-end.
- Function 1000 is Instruction.
- Object 5800 is Professional/Consulting Services and Operating Expenditures.
- School is not required.

(b) The school district makes the following entry to record receipt of funds to operate the shop class. The district is performing a contract service on behalf of the COE and does not report the ADA as its own.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9635	0	0000	0000	8677	000

- Fund 01 is the district's General Fund.
- Resource 9635 is a unique code the district is using for its ROC/P contract. This and other local restricted resources must roll up to Resource 9010, Other Local, when data are submitted to CDE.
- Project Year is not applicable in this example.
- Goal is not required for revenue.
- Function is not required for revenue.

- Object 8677 is Interagency Services Between LEAs.
- School is not required.

(c) The district expenditures for the shop class are coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9635	0	7110	1000	1100	000

- Fund 01 is the district's General Fund.
- Resource 9635 is the district's code for the contract.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational. The district's expenditures are made on behalf of the COE, which retains the final responsibility for the ROC/P class.
- Function 1000 is Instruction.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 3: The participating school districts transfer their apportionments to the Joint Powers Agreement (JPA) operating the ROC/P. Per *Education Code* Section 52301, school districts may form a JPA to operate ROC/Ps and the *Education Code* section allows the JPA to receive the apportionments through the participating districts.

(a) The districts transfer their apportionment to the JPA.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6350	0	0000	9000	7223	000

- Fund 01 is the General Fund.
- Resource 6350 is ROC/P Apportionment.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed. Goal 6000, ROC/P, may be used for local identification.
- Function 9000 is Other Outgo. (An optional function is 9200, Transfers Between Agencies.)
- Object 7223 is Transfers of Apportionments to JPAs.
- School is not required.

(b) The JPA receives the transfer of apportionment and makes the following entry in its ledger:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6350	0	0000	0000	8791	000

- Fund 01 is the JPA's General Fund.
- Resource 6350 is ROC/P Apportionment.
- Project Year is not applicable in this example.
- Goal is not required for revenue.
- Function is not required for revenue.
- Object 8791 is Transfers of Apportionments from Districts.
- School is not required.

(c) The JPA operates all of the ROC/P classes with many types of expenditures. For example, the JPA operates an auto body class and has designated locally defined goals to track each of the classes as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6350	0	6150	1000	1100	000

- Fund 01 is the JPA's General Fund.
- Resource 6350 is ROC/P Apportionment.
- Project Year is not applicable in this example.
- Goal 6150 is the JPA's code for trade and industry classes.
- Function 1000 is Instruction.
- Object 1100 is Teachers' Salaries.
- School is not required.

208—Regional Occupational Centers/Programs (ROC/Ps)

Special education budgets are complex and of great interest to the public, both locally and statewide. Federal and state legislation during 1998 has changed the way special education local planning areas (SELPAs) and local educational agencies (LEAs) will be receiving and accounting for the special education programs.

As of 1998, *Education Code* Section 56205 (b)(1) requires that a special education budget shall separately identify the following elements:

(1) The apportionment received by the LEA in accordance with the allocation plan adopted by the SELPA. The state funding is identified in the Resource field with a specific revenue object code.
(2) The administrative costs of the plan. (These costs are identified by the Function field.)
(3) The cost of special education services to pupils with severe disabilities and low-incidence disabilities. (This population is identified by the Goal field.)
(4) The cost of special education services to pupils with nonsevere disabilities. (This population is identified by the Goal field.)
(5) The cost of supplemental aids and services provided to meet the individual needs of pupils placed in regular education classrooms and environments. (The cost of these aids and services, which may be provided to both severe and nonsevere students, is tracked in the Function field.)
(6) Regionalized operations and services and direct instructional support by program specialists in accordance with Article 6, *Program Specialists and Administration of Regionalized Operations and Services*. (These costs are tracked in the Goal field for regionalized operations and in the Function field for instructional services.)
(7) The use of property taxes allocated to the SELPA pursuant to *Education Code* Section 2572. (The amount of property taxes allocated to the SELPA is reported in the Resource field and identified with a specific revenue object code.)

Below are some examples of expenditures incurred to educate special education students. The examples show how the costs should be coded in SACS.

Example 1: An employee split between functions
A teaching assistant is hired to work half a day in a separate class for severely disabled children and half a day in assisting a severely disabled student who has been mainstreamed in a regular education class.

Because the teaching assistant is working solely with severely disabled students, his salary has one goal. However, his work is split between two functions.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1110	2100	000
01	6500	0	5750	1130	2100	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not required in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled.

- Function 1110, Special Education: Separate Classes, captures the costs of running a separate class for severely disabled students; and Function 1130, Special Education: Supplemental Aids and Services in Regular Classrooms, captures the costs of providing a teaching assistant for a student who attends a regular education class.
- Object 2100 is Instructional Aides' Salaries.
- School is not required.

Example 2: An employee split between goals
An adaptive physical education teacher is hired to provide physical education classes to special education students attending regular education classes on several campuses and to students attending special education separate classes. Some of the students are categorized as severely disabled, and some are nonseverely disabled. The teacher's salary is split between two goals because she serves two populations of students. The salary may be coded to a single goal and then divided at year-end based on the documented hours spent with each population.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1190	1100	000
01	6500	0	5770	1190	1100	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not required in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled, and Goal 5770 is Special Education, Ages 5–22 Nonseverely Disabled. The salary may be coded to one goal during the year and split between the goals at year-end when the ratio of service to severely and nonseverely disabled students is documented.
- Function 1190, Special Education: Other Specialized Instructional Services. This function includes pullout services that may be provided to students who are normally found in separate classes or regular education classes.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 3: Special education students in regular education classrooms
A student who has a low-incidence disability (deafness) has been placed in a juvenile court school. His individualized educational program (IEP) necessitates the presence of an interpreter and the services of a resource specialist. The following services are being provided by different resources and for different populations. The cost of the teacher in the juvenile court school is chargeable to regular education; the cost of the interpreter and the resource specialist is chargeable to special education.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	2410	0	3600	1000	1100	000

- Fund 01 is the County School Service Fund.
- Resource 2410 is the state apportionment that funds juvenile court schools. These funds are used to pay for the juvenile court teacher.
- Project Year is not required in this example.
- Goal 3600 identifies the costs of educating juvenile court school students.

- Function 1000 is Instruction. General education teachers are coded to the general population they are contracted to teach. A special education student who attends a regular education class is considered a part of the general education class.
- Object 1100 is Teachers' Salaries.
- School is not required.

The cost of the interpreter assigned to a student with an IEP and who has been placed in the juvenile court classroom is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1130	2100	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled. (Students with a low-incidence disability are classified as severely disabled. The LEA may have locally defined goals to separate low-incidence disabilities from other severe disabilities if management needs to identify these costs locally.)
- Function 1130 is Special Education: Supplemental Aids and Services in Regular Classrooms.
- Object 2100 is Instructional Aides' Salaries. (The LEA may have locally defined objects if it is important to track the costs of interpreters separately from those of classroom assistants.)
- School is not required.

The cost of the resource specialist who works with this student on a pullout basis is as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1120	1100	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled. (Students with a low-incidence disability are classified as severely disabled students. The LEA may have locally defined goals to separate these two types of severe conditions if the information is important locally.)
- Function 1120 is Special Education: Resource Specialist Instruction. This is a resource specialist who works directly with the students in an instructional setting.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 4: Special education students in ROC/P
Some special education students are in transition, going from the special education K–12 program into the adult work world. The student has been placed in an ROC/P class, where he receives training at a fast-food business supplemented with ROC/P classes. The cost of the ROC/P instructor is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6360	0	6000	1000	1100	000

- Fund 01 is the school district's General Fund.
- Resource 6360 is apportionment provided for Pupils with Disabilities Attending ROC/P.
- Project Year is not applicable in this example.
- Goal 6000 is ROC/P programs for Regional Occupational Center/Program.
- Function 1000 is Instruction.
- Object 1100 is Teachers' Salaries.
- School is not required.

The cost of a teaching assistant assigned to the special education student to enable him to participate in the ROC/P class is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5770	1130	2100	000

- Fund 01 is the school district's General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5770 is Special Education, Ages 5–22 Nonseverely Disabled.
- Function 1130 is Special Education: Supplemental Aids and Services in Regular Classrooms.
- Object 2100 is Instructional Aides' Salaries.
- School is not required.

Example 5: Instruction provided on a pullout basis
An orientation and mobility (O & M) specialist is hired to teach students how to travel safely and independently around the school and in the community. She works with blind students who attend regular classes at the elementary and high schools. This service is provided on a pullout basis. The O & M specialist has a teaching credential and is trained to teach special education students.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1190	1100	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled, which includes students with a low-incidence disability.
- Function 1190, Special Education: Other Specialized Instructional Services, is an instructional pullout service that may be offered outside the regular education class.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 6: Pupil services
A counselor is hired to provide behavior management services, a systematic implementation of procedures designed to promote lasting, positive changes in the student's behavior, resulting in greater access to a variety of community settings, social contacts, and public events, and placement in the least restrictive environment. The counselor is a licensed professional with a certificate for school service. The salary is coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	3110	1200	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled.
- Function 3110 is Guidance and Counseling Services.
- Object 1200 is Certificated Pupil Support Salaries.
- School is not required.

The student receiving this behavior modification training is in a separate class for severely emotionally disabled (SED) students or autistic students. This class is taught by a special education teacher who works with the counselor to apply the behavior modification procedures in the classroom. The cost of the teacher is as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1110	1100	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled.
- Function 1110 is Special Education: Separate Classes.
- Object 1100 is Teachers' Salaries.
- School is not required.

Example 7: Federal resources
(a) A Workability grant is used to pay a classified assistant to work with students who are in transition from K–12 special education into gainful employment in local business establishments.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	3405	9	5750	1190	2100	000

- Fund 01 is the school district's General Fund.
- Resource 3405 is Special Education: Workability I.
- Project Year refers to this grant, which ends in the year 1998-99 (September 30, 1999).
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled.
- Function 1190 is Special Education: Other Specialized Instructional Services. The student has been transferred from a regular or separate classroom to a work site or other setting.
- Object 2100 is Instructional Aides' Salaries.
- School is not required.

(b) An LEA uses federal funds for students with low-incidence disabilities to purchase assistive technology for a student who will use the computer to communicate with teachers and peers in a regular education classroom.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	3360	8	5750	1130	6400	000

- Fund 01 is the General Fund.
- Resource 3360 is Special Education: IDEA Low-Incidence Entitlement.
- Project Year refers to this grant, which ends in the year 1997-98 (September 30, 1998).
- Goal 5750 is Special Education, Ages 5–22 Severely Disabled.
- Function 1130 is Special Education: Supplemental Aids and Services in Regular Classrooms. The equipment is an aid to the student in a regular classroom.
- Object 6400 is Equipment.
- School is not required.

Example 8: For the special education programs, a county office as the SELPA Administrative Unit (AU) receives the apportionment and transfers it to participating LEAs.

(a) As the SELPA AU, the county office records the receipt of the state apportionment.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	0000	8311	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified. A Special Education goal is required for Special Education revenue.
- Function is not necessary for revenue.
- Object 8311 is Other State Apportionment-Current Year.
- School is not required.

(b) The SELPA AU distributes the apportionment to the participating LEAs.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	9000	7221	000
01	6500	0	5001	9000	7222	000
01	6500	0	5001	9000	7223	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified.
- Function 9000 is Other Outgo. For more details, the optional Function 9200, Transfers Between Agencies, may be used.
- Object 7221 is Transfer of Apportionments to Districts; Object 7222 is Transfer of Apportionments to County Offices; and Object 7223 is Transfer of Apportionments to JPAs.
- School is not required.

(c) The member LEA (in this case a school district) makes the following entry to record receipt of apportionment from the SELPA AU (in this case a county office):

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	0000	8792	000

- Fund 01 is the school district's General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified. A Special Education goal is required for Special Education revenue.
- Function is not required for revenue.
- Object 8792 is Transfers of Apportionments from County Offices. In this case, the AU is a county office of education.
- School is not required.

Example 9: The SELPA, as the AU, has received apportionment for regionalized services. The AU contracts with a participating district to provide regionalized services.

(a) The county office, as the SELPA AU, records payment on a contract with a district to provide regionalized services, in this case, to coordinate curriculum development.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	2130	5800	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified. The AU may choose to use the optional Goal 5050, Regionalized Services.
- Function 2130 is Curriculum Development.
- Object 5800 is Professional/Consulting Services and Operating Expenditures.
- School is not required.

(b) The district records the interagency revenue from the AU. In this case the AU is a county office SELPA.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9010	0	7110	0000	8677	000

- Fund 01 is the General Fund.
- Resource 9010 is Other Local, in this case, a contract with another LEA.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational.
- Function is not required for revenue.
- Object 8677 is Interagency Services between LEAs.
- School is not required.

(c) As part of this contract, the district pays a program specialist who provides regionalized services to members of the SELPA.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9010	0	7110	2100	1900	000

- Fund 01 is the General Fund.
- Resource 9010 is Other Local.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational.
- Function 2100 is Supervision of Instruction.
- Object 1900 is Other Certificated Salaries.
- School is not required.

Example 10: A school district, a member of a SELPA, makes payments to another entity for a special education student's education.

(a) The district makes payments to a State Special School.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	5001	9000	7130	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified.
- Function 9000 is Other Outgo. For more detail, the optional Function 9200, Transfers Between Agencies, may be used.
- Object 7130 is State Special Schools.
- School is not required.

(b) The district makes payments to a nonpublic school for a severely disabled student's education.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	1180	5800	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5750 is Ages 5–22, Severely Disabled.
- Function 1180 is Special Education: Nonpublic Agencies/Schools.
- Object 5800 is Professional/Consulting Services and Operating Expenditures.
- School is not required.

(c) A school district pays excess costs for a program that is run by the SELPA.

(1) The SELPA AU bills the district for excess costs:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	0000	8710	000

- Fund 01 is the County School Service Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable for this example.
- Goal 5750 is Special Education, Ages 5–22, Severely Disabled.
- Function is not required for revenue or balance sheet accounts.
- Object 8710 is Tuition.
- School is not required.

(2) The school district pays the SELPA AU its share of excess costs of the program per the local plan agreement:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5750	9000	7142	000

- Fund 01 is the district's General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable for this example.
- Goal 5750 is Special Education, Ages 5–22, Severely Disabled.
- Function 9000 is Other Outgo.
- Object 7142 is Other Tuition, Excess Costs, and/or Deficit Payments to County Offices.
- School is not required.

Example 11: The administrative costs must be identified.

(a) A multidistrict SELPA AU pays its director.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	2200	1300	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified.
- Function 2200 is Administrative Unit of Multidistrict SELPA.
- Object 1300 is Certificated Supervisors' and Administrators' Salaries.
- School is not required.

(b) A district charges its special education programs its indirect cost rate as follows.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6500	0	5001	7200	7310	000

- Fund 01 is the General Fund.
- Resource 6500 is Special Education.
- Project Year is not applicable in this example.
- Goal 5001 is Special Education—Unspecified.
- Function 7200 is Other General Administration.
- Object 7310 Direct Support/Indirect Costs Charges.
- School is not required.

Generally, the appropriate function for staff development follows the function of the employee being trained. Both Function 2140, In-house Instructional Staff Development, and Function 7410, Staff Development, are optional codes designed to capture the costs of a staff development department or of persons hired to develop staff development programs for LEA personnel.

Example 1: Cost of Staff to Coordinate Staff Development Programs
If a school district hires staff to develop and deliver instructional staff development programs, that cost should be charged to Function 2100, Supervision of Instruction; or optionally Function 2140, In-house Instructional Staff Development. The 2000 functions cover "support to facilitate and enhance instruction" services designed to support the instructional staff.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	2140	1300	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 2140 is In-house Instructional Staff Development.
- Object 1300 is Certificated Supervisors' and Administrators' Salaries.
- School is not required.

Function 7410, Staff Development, is a subset of Function 7400, Personnel/Human Resources Services. This function accounts for staff members in the personnel department who are responsible for coordinating or developing district-wide classes for classified personnel. For example, if the personnel department is responsible for conducting district-wide classes on employee safety, the cost may be coded as follows:

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	7410	2400	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7410 is Staff Development.
- Object 2400 is Clerical, Technical, and Office Staff Salaries.
- School is not required.

Example 2: Cost of Sending Employees to Staff Development Classes
Generally, the cost of a staff development class designed to improve an employee's job performance follows the function of the employee. Thus, the cost of improving a teacher's knowledge of classroom computer use should be coded to the teacher's instructional function. The cost of instructing a maintenance employee on hazardous materials should be coded to the maintenance and operations function. If the school nurses are sent to a seminar on current health issues, the cost should be coded to the health services function. If a speaker is engaged to give instructional training to the district's instructional teachers and teacher's aides, the function should be coded as follows:

210—Staff Development

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	1110	1000	5800	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources, which might be the Staff Development Day Buy-out funding.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, Grades K–12.
- Function 1000 is Instruction.
- Object 5800 is Professional/Consulting Services and Operating Expenses.
- School is not required.

Function 1000, Instruction, is for "activities dealing directly with the interaction between teachers and students." The direct cost of improving a teacher's ability to teach is an instructional cost.

Example 3: Payment of Tuition for Employees
An LEA might obtain funding to assist paraprofessionals with the costs of obtaining the college education necessary for a teaching credential. These costs are incurred to develop the capability of the employee and to increase the level of competency of the teaching staff. Just as a teacher may be paid for taking classes to obtain a master's degree (a cost charged to Function 1000, Instruction), these costs enable a classroom teaching assistant to obtain a credential, a cost that may be charged to Function 1000, Instruction.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	6263	0	1110	1000	5800	000

- Fund 01 is the General Fund.
- Resource 6263 is Paraprofessional Teacher Training, a grant issued by the Commission on Teacher Credentialing.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, Grades K–12.
- Function 1000 is Instruction.
- Object 5800 is Professional/Consulting Services and Operating Expenses.
- School is not required.

211—Tax and Revenue Anticipation Notes (TRANs)

The following example of the accounting procedure for Tax and Revenue Anticipation Notes (TRANs) follows that found in Procedure No. 603 of Part I of the *California School Accounting Manual.*

Example 1: Issuance of TRANs by a Single LEA

(a) The LEA receives the proceeds of a TRANs issuance with the associated administrative expenditure and liability. In this case, the administrative costs ($8,500) are deducted from the notes' proceeds at the time of issuance.

	Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
Dr	01	0000	0	0000	0000	9110	$991,500
Dr	01	0000	0	0000	9100	5800	$8,500
Cr	01	0000	0	0000	0000	9640	$1,000,000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not necessary for balance sheet accounts; Function 9100 is Other Outgo, Debt Services.
- Object 9110 is Cash in County Treasury; Object 5800 is Professional /Consulting Services and Operating Expenditures; and Object 9640 is Current Loans.

(b) In this example, a 50-percent repayment is due on December 31.

	Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
Dr	01	0000	0	0000	0000	9640	$500,000
Cr	01	0000	0	0000	0000	9110	$500,000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 0000 is not necessary for balance sheet accounts.
- Object 9640 is Current Loans, and Object 9110 is Cash in County Treasury.

(c) Four months later, the balance of the principal plus interest on the entire issue is repaid.

	Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
Dr	01	0000	0	0000	0000	9640	$500,000
Dr	01	0000	0	0000	9100	5800	$50,000
Cr	01	0000	0	0000	0000	9110	$550,000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 0000 is not necessary for balance sheet accounts; Function 9100 is Other Outgo, Debt Services.
- Object 9640 is Current Loans, and Object 9110 is Cash in County Treasury.

211—Tax and Revenue Anticipation Notes

The following examples are offered to clarify the coding of expenditures for computer hardware, software, and other technological components.

Example 1: Purchase of Software for Use by Students

(a) In this example, the software is an integral part of a core curriculum adopted by the State Board of Education and is a part of the approved list of instructional materials.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	7155	0	1110	1000	4100	000

- Fund 01 is the General Fund.
- Resource 7155 is Instructional Materials: Grades K–8.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, Grades K–12.
- Function 1000 is Instruction.
- Object 4100 is Approved Textbooks and Core Curricula Materials.
- School is not required.

(b) Instructional software is purchased for use as a reference tool for students in the classroom.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	1100	0	1110	1000	4200	000

- Fund 01 is the General Fund.
- Resource 1100 is State Lottery.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, Grades K–12.
- Function 1000 is Instruction.
- Object 4200 is Books and Reference Materials.
- School is not required.

(c) Computer games are purchased for use in the classroom during rainy day recesses.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	1110	1000	4300	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, Grades K–12.
- Function 1000 is Instruction.
- Object 4300 is Materials and Supplies.
- School is not required.

(d) The district's data processing department purchases a new financial accounting system to implement SACS. This is a major system that handles financial data, personnel data, student attendance, and student grades. The contract includes four costs: a software purchase price of $15,000, a maintenance agreement of $10,000, a one-time research and development cost of $5,000, and one-time training for $3,000.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	7700	6400	$33,000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7700 is Data Processing Services.
- Object 6400 is Equipment.

In this example, the initial cost of the software is capitalized; often, a purchase contract does not specify the price for each of these components. The cost includes the research and development fee and the maintenance agreement, following the capitalization rules that include all costs of acquisition and installation in the cost of the equipment. If an annual maintenance fee is paid each year, the subsequent cost should be coded to Object 5600, Rentals, Leases, and Repairs. Additional training would be coded to Object 5800, Professional/Consulting Services and Operating Expenditures.

(e) The district's business office purchases an "off-the-shelf" spreadsheet program for use by staff members. Their PCs are on a network, and the software cost includes an original license fee for multiple users. There is an annual software maintenance agreement with this program to provide users with help. The total cost of the contract is $18,000.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	7200	6400	$18,000

- Fund 01 is the General Fund.
- Resource 0000 is for Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7200 is Other General Administration.
- Object 6400 is Equipment as defined by capitalization rules (Procedure 801).

A purchase is defined as "equipment" if it has a life of over one year and if the cost exceeds the LEA's capitalization policy. A factor to consider is the difficulty of maintaining software on an inventory of fixed assets.

(f) The district's business office purchases an "off-the-shelf" spreadsheet program for use by the accountant on a "stand-alone" PC. An annual software maintenance agreement with this program provides users with help. The total cost is $350.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	7200	4300	$350

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7200 is Other General Administration.
- Object 4300 is Materials and Supplies.

During the following year, the software vendor offers an upgrade of the software.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	7200	4300	$225

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7200 is Other General Administration.
- Object 4300 is Materials and Supplies. A software upgrade is considered a new purchase of materials.

In all of these examples, the initial cost of the software includes the license fee and maintenance agreement. If during subsequent years, an annual license fee were incurred, it would be coded to Object 5800, Professional/Consulting Services and Operating Expenditures; a maintenance fee would be coded to Object 5600, Rentals, Leases, and Repairs.

Example 2: Purchase of Hardware

(a) The data processing department purchases a computer system that includes hardware and some software packages for the operating system.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	7700	6400	$6,750

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 7700 is Data Processing Services.
- Object 6400 is Equipment as defined by capitalization rules. (See Procedure No. 801 in Part I.)

In this example the entire package has been capitalized; the operating software is considered part of the cost of getting the hardware installed and functioning. Additional software added later would be coded as either Object 4300, Materials and Supplies, or Object 6400, Equipment, depending on the district's capitalization policy.

Generally, software is a separate and independent item; it is not a part of hardware. A software purchase that includes a license enables the user to move the software from one piece of equipment to another and thus exists independently of the equipment. Therefore, if hardware and software were purchased at the same time, two items would be entered under Object 6400, Equipment: the cost of the hardware and the cost of the software.

(b) The school nurse buys a PC for his desk that includes software. The cost includes (1) the hardware with operating software for $2500, which includes a maintenance agreement; (2) software designed for school nurse applications for $1500; (3) a license fee of $500 for that software; and (4) an annual maintenance agreement for $350.

Fund/Group	Resource	Project Year	Goal	Function	Object	Amount
01	0000	0	0000	3140	6400	$2,500
01	0000	0	0000	3140	4300	$2,350

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3140 is Health Services.
- Object 6400 is Equipment as defined by capitalization rules (Procedure No. 801); the specialized software is Object 4300, Materials and Supplies.

The software is not a part of the hardware system and may be considered a supply, Object 4300, because of its life, low vulnerability to theft, and difficulty in tagging. The license fee and fee for the first year of maintenance may be part of the initial cost of the software and therefore may be categorized as a single cost. If either fee is separate from the price of the software and/or is optional in the purchase contract, then the fees would be coded to Object 5800, Contracted Services. In the following year, any upgrade of the software would be coded to Object 4300; a renewal of the license fee or of the maintenance agreement would be coded to Object 5800.

Example 3: Installation and Maintenance of Technology Systems

(a) XYZ District is ordering a complete workover to wire each classroom for the Internet and other technological advances. False floors with wires in conduits are added to the buildings. Underground wiring has also been installed in the classrooms. Underground wiring up to a building is a site cost; wiring inside the building is considered a building cost.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	9010	0	0000	8500	6100	000
01	9010	0	0000	8500	6200	000

- Fund 01 is the General Fund.
- Resource 9010 is a locally defined resource representing a donation from a local business.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 8500 is Facilities Acquisition and Construction.
- Object 6100 is Sites and Improvement of Sites, and Object 6200 is Buildings and Improvement of Buildings.
- School is not required.

(b) Two years later there is a wiring problem in Room 23. The staff electrician locates the problem and repairs the wiring in the cable under the floor. The costs are included in the salary, benefits, and supplies in Maintenance and Operations, as costs of maintaining the facility.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	8100	2200	000
01	0000	0	0000	8100	4300	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 8100 is Plant Maintenance and Operations.
- Object 2200 is Classified Support Salaries, and Object 4300 is Materials and Supplies.
- School is not required.

Although the costs are originally captured by the Maintenance and Operation function, they may be transferred through Object 7310, Direct Support/Indirect Costs, to an instructional goal based on a work order or another method of documentation. The function is not changed even though the costs can be directly documented; the essence of the maintenance work does not change to instructional work.

(c) The library has a multimedia area for student use. A work order has been completed for construction of a built-in cabinet to house a television, CD player, and videocassette recorder. The resulting cabinet is built into the wall and is an integral part of the building.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	8100	2200	000
01	0000	0	0000	8100	4300	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 8100 is Plant Maintenance and Operations.
- Object 2200 is Classified Support Salaries, and Object 4300 is Materials and Supplies.
- School is not required.

If the LEA wishes to capitalize the cost of the building improvement, the final cost of the addition to the room can be transferred by work order to Function 8500, Facilities Acquisition and Construction. In this case because the function changes, the correct object is 5710, Direct Costs for Transfer of Services.

If the cabinet were a rolling cabinet instead of built in, it would be considered a piece of equipment. The transfer would be to the relevant goals, such as Goal 1110, Regular Education, K–12; and Function 2420, Instructional Library, Media, and Technology.

212—Technology Expenditures

The transportation department of a school district may provide more than home-to-school transportation for its own student body. The following examples illustrate a few examples of the types of transactions that may occur between a providing district and a contracting LEA.

Example 1: Direct Documentation of Costs Transferred between Functions (Transportation)
Many LEAs collect costs in a "cost pool" and then transfer out costs on the basis of documentation. For example, the costs of instructional field trips are often charged to the transportation pool and then transferred to the user program. In this example, the cost of field trips conducted as a part of the curriculum under the supervision of a teacher and for which attendance is claimed should be charged to an appropriate resource such as Unrestricted Resources 0000, Function 1000, Instruction. Such costs are excluded from Resource 7230, Home to School, Function 3600, Pupil Transportation.

(a) Initially, all the costs of the transportation system are collected in the Pupil Transportation function and the Home to School resource. These costs include salaries, benefits, supplies, services, and capital outlay.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	7230	0	0000	3600	2200	000

- Fund 01 is the General Fund.
- Resource 7230 is Transportation: Home to School.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed because the home-to-school activity is provided for all students.
- Function 3600 is Pupil Transportation.
- Object 2200 is Classified Support Salaries for bus drivers.
- School is not required.

(b) The cost of the field trip is documented and moved out of the Home to School resource and out of the Pupil Transportation function. Field trips are not included in Function 3600, Pupil Transportation.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	0000	0000	9110	000
Cr	01	7230	0	0000	3600	5710	000
Dr	01	0000	0	1110	1000	5710	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 7230, Transportation: Home to School, is relieved of the field trip expenditure. Resource 0000, Unrestricted Resources, is the true funding source.
- Project Year is not applicable in this example.
- Goal 0000, Undistributed, is credited and Goal 1110, Regular Education, is debited for the cost of the field trip.
- Function 3600, Pupil Transportation, is relieved of the field trip expenditure, and Function 1000, Instruction, is charged with the cost. Function is not required for balance sheet accounts.
- Object 5710 is Direct Costs for Transfer of Services, and Object 9110 is Cash in County Treasury.
- School is not required.

(c) During the year, students are transported by bus from School Site A to School Site B to participate in an instructional program.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	0000	0000	9110	000
Cr	01	7230	0	0000	3600	5710	000
Dr	01	0000	0	1110	1000	5710	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund.
- Resource 7230 is Transportation: Home to School; Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000, Undistributed, is credited while Goal 1110, Regular Education, is debited for the cost of transporting a documented population of students.
- Function 3600, Pupil Transportation, is relieved of the cost of "Other Miles" and Function 1000, Instruction, is charged with the cost. Function is not required for balance sheet accounts.
- Object 5710 is Direct Costs for Transfer of Services, and Object 9110 is Cash in County Treasury.
- School is not required.

(d) In this example a private bus is chartered by the high school band to attend a weekend parade. It can be directly charged to the proper resource, goal, and function.

Fund/Group	Resource	Project Year	Goal	Function	Object	School
01	0000	0	1677	4000	5800	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 1677 is a locally defined goal for a regular education high school music program.
- Function 4000 is Ancillary Services. The optional Function 4100, School-Sponsored Co-curricular, may be used.
- Object 5800 is Professional /Consulting Services and Operating Expenditures.
- School is not required.

Example 2: A school district provides home -to-school transportation for contracting LEAs.
The providing district will transfer those expenditures associated with providing service for another agency out of the pool of costs it has incurred to transport its own students.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	7110	3600	5710	000
Cr	01	7230	0	0000	3600	5710	000

- Fund 01 is the General Fund of the providing district.
- Resource 7230 is Transportation: Home to School.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational; Goal 0000 is Undistributed.
- Function 3600 is Pupil Transportation.
- Object 5710 is Direct Costs for Transfer of Services.
- School is not required.

Example 3: A school district provides transportation for other than home-to-school for the contracting LEAs.
The providing district is contracted to provide buses for another LEA's football team. Unlike Example 1, these costs may not be charged to the Home-to-School programs.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0100	0	7110	4000	5710	000
Cr	01	0100	0	0000	0000	9110	000
Dr	01	7230	0	7110	0000	9110	000
Cr	01	7230	0	0000	3600	5710	000

- Fund 01 is the General Fund of the providing district.
- Resource 7230 is Transportation: Home to School. The district has optionally defined an unrestricted Resource 0100 to track the revenue and expenditures of transportation contracts other than home-to-school contracts.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational, and Goal 0000 is Undistributed.
- Function 4000 is Ancillary Services, the type of service provided to the contracting LEA; Function 3600 is Pupil Transportation, the pool from which the costs are being transferred. Function is not required for balance sheet accounts.
- Object 5710 is Direct Costs for Transfer of Services. This is a transfer not only between goals, but also between resources and functions. Object 9110 is Cash in County Treasury. The transfer between resources requires a corresponding movement of cash.
- School is not required.

Example 4: The school district provides maintenance for other vehicles (not school buses) for the contracting LEAs.
A district may have a central garage that provides services for the vehicles of other LEAs.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0100	0	7110	8100	5710	000
Cr	01	0100	0	0000	0000	9110	000
Dr	01	7230	0	0000	0000	9110	000
Cr	01	7230	0	0000	3600	5710	000

- Fund 01 is the General Fund of the providing district.
- Resource 7230 is Transportation: Home to School. The district has optionally defined an unrestricted Resource 0100 to track the revenue and expenditures of transportation contracts other than home-to-school contracts.
- Project Year is not applicable in this example.
- Goal 7110 is Nonagency–Educational, and Goal 0000 is Undistributed.
- Function 8100 is Plant Maintenance and Operations, the type of service provided to the contracting LEA. Function 3600 is Pupil Transportation, the pool from which the costs are being transferred. Function is not required for balance sheet accounts.
- Object 5710 is Direct Costs for Transfer of Services. This is a transfer not only between goals, but also between resources and functions. Object 9110 is Cash in County Treasury. The transfer between resources requires a corresponding movement of cash.
- School is not required.

Example 5: The school district receives payment from the contracting LEAs.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0100	0	0000	0000	9110	000
Dr	01	7230	0	0000	0000	9110	000
Cr	01	0100	0	0000	4000	8677	000
Cr	01	0100	0	0000	8100	8677	000
Cr	01	7230	0	0000	3600	8677	000

- Fund 01 is the General Fund of the providing district.
- Resource 7230 is Transportation: Home to School. The district has optionally defined an unrestricted Resource 0100 to track the revenue and expenditures of transportation contracts other than home-to-school contracts.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed. The Goal field is not required for revenue or balance sheet accounts.
- Function 0000 is not applicable; function is not required for revenue accounts or balance sheet accounts. However, the LEA may use the Function field to match revenue to the expenditures. In this case, Function 4000 is Ancillary Services; Function 8100 is Plant Maintenance and Operations, the types of service provided to the contracting LEA; and Function 3600 is Pupil Transportation.
- Object 8677 is Interagency Services between LEAs; Object 9110 is Cash in County Treasury.
- School is not required.

Example 6: Pay for a contract for home-to-school services.

(a) The contracting LEA records the payment to the providing school district for transportation services.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	7230	0	0000	3600	5800	000
Cr	01	7230	0	0000	0000	9110	000

- Fund 01 is the General Fund of the contracting school district.
- Resource 7230 is Transportation: Home to School.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3600 is Pupil Transportation. Function is not required for balance sheet accounts.
- Object 5800 is Professional/Consulting Services and Operating Expenditures.
- School is not required.

(b) Pay for the use of buses for a field trip and the transport of the football team.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	1110	1000	5800	000
Dr	01	0000	0	1110	4000	5800	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund of the contracting district.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education, K–12. Goal is not required for balance sheet accounts.
- Function 1000 is Instruction; Function 4000 is Ancillary Services. Function is not required for balance sheet accounts.
- Object 5800 is Professional/Consulting Services and Operating Expenditures; Object 9110 is Cash in County Treasury.
- School is not required.

(c) Pay the providing school district for the cost of vehicle maintenance.

In this example, the district had work done on the superintendent's car, the cafeteria's delivery van, and a maintenance pickup truck.

	Fund/Group	Resource	Project Year	Goal	Function	Object	School
Dr	01	0000	0	0000	7100	5800	000
Dr	01	0000	0	0000	3700	5800	000
Dr	01	0000	0	0000	8100	5800	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 01 is the General Fund of the providing district.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed. Goal is not required for balance sheet accounts.
- Function 7100 is Board and Superintendent; Function 3700 is Food Services; and Function 8100 is Plant Maintenance and Operations. Function is not required for balance sheet accounts.
- Object 5800 is Professional/Consulting Services and Operating Expenditures. Object 9110 is Cash in County Treasury.
- School is not required.

213—Transportation

300—Calculation of Approved Indirect Cost Rate in SACS

In 1996 the United States Department of Education (USDE) approved a method for calculating indirect cost rates for California's LEAs and delegated the authority to CDE to annually calculate and approve indirect cost rates for school districts and county offices of education.

For more information about the indirect cost rate calculation method approved for California, please refer to the letter dated September 16, 1996, regarding "Indirect Cost Allocation Plan and Indirect Cost Rates for Local Educational Agencies," available on the CDE Web site:

<http://www.cde.ca.gov/fiscal/financial/indirect.htm>

Components of the Calculation in SACS

The indirect cost rate is determined by dividing the indirect costs of an LEA by the other expenditures. Using the unaudited actual expenditure data from SACS, in combination with certain supplemental data provided by the LEA, all expenditures are categorized as indirect, base, or other costs. The indirect costs are the numerator of the indirect cost rate calculation, and the base costs are the denominator of the calculation. A few other costs, such as debt service and facility construction, are excluded from the calculation. (An example of how to record indirect costs may be found in Section 202, Example 4.)

Indirect Costs (Numerator)

Indirect costs are the General Fund costs of general management (i.e., activities that are for the direction and control of the LEA's affairs) that are organizationwide. Indirect costs consist of expenditures for administrative activities that are not readily identifiable to a particular goal but are necessary for the general operation of the LEA (e.g., accounting, budgeting, payroll preparation, personnel management, purchasing, warehousing, data processing). Also included in indirect costs is a proportionate share of any maintenance and operations costs and facilities rents and leases attributable, based on space occupied, to these administrative activities. The numerator also includes carry-forward adjustments that are an integral part of the indirect cost rate calculation method approved by USDE. (Refer to the Indirect Cost Rate Work Sheet at the end of this section for a list of the components that appear in the numerator.)

Base Costs (Denominator)

Base costs are almost all of the remaining costs of the LEA except for debt service and facility construction, which are excluded entirely from the calculation. Examples of base costs include teachers' salaries, benefits, supplies, contracts for services, rents, board and superintendent costs, and those data processing services attributable to a specific function. Besides the General Fund, similar expenditures from three special revenue funds (Adult Education, Cafeteria, and Child Development) and one enterprise fund (Cafeteria) are included. Other governmental funds, such as Deferred Maintenance or Capital Facilities, proprietary funds other than Cafeteria, and fiduciary funds are not included in the base costs. (Refer to the Indirect Cost Rate Work Sheet for a list of the components that appear in the denominator.)

Supplemental Data

To ensure that indirect cost rates derived from SACS are consistent with the indirect cost plan method approved by USDE, two supplemental pieces of information must be gathered at the time the indirect cost rate is calculated. First, to enable LEAs to include the administrative activities portion of maintenance and operations and facilities rents and leases in indirect costs, the "classroom unit" allocation factor is used to split these costs proportionately between the numerator and denominator of the calculation.

Second, if there are data processing services in the Undistributed Goal that are attributable to a particular function, these must be identified as well, allowing them to be redistributed from indirect costs to base costs.

Once calculated and approved, the indirect cost rates may be used to recover indirect costs from programs in the second subsequent fiscal year (e.g., rates calculated on 2001-02 expenditures are applied to programs in 2003-04).

Unaudited Actuals
Indirect Cost Rate Work Sheet
General Fund

Indirect Cost Rate Calculation

A. Indirect Costs (numerator)

1. Other General Administration (Functions 7200–7600, Objects 1100–5900, 6400, and 6500)
2. Data Processing Services (Goal 0000, Function 7700, Objects 1100–5900, 6400, 6500, and 7310–7350, less data processing services costs redistributed to the base costs)
3. Plant Maintenance and Operations (Functions 8100–8400, Objects 1100–5900, 6400, and 6500, times the percentage of total classroom units attributable to other general administration, data processing services, and plant maintenance and operations)
4. Facilities Rents and Leases (Function 8700, Object 5600, times the percentage of total classroom units attributable to other general administration, data processing services, and plant maintenance and operations)
5. Total Indirect Costs (sum A1 through A4)
6. Carry-Forward Adjustment (A5 plus 2nd prior year carry forward adjustment, minus [2nd prior year indirect cost rate times B13])
7. Total Adjusted Indirect Costs (A5 plus A6)

B. Base Costs (denominator)

1. Instruction (Functions 1000–1999, Objects 1100–5900, 6400, and 6500)
2. Instruction-Related Services (Functions 2000–2999, Objects 1100–5900, 6400, and 6500)
3. Pupil Services (Functions 3000–3999, Objects 1100–5900, 6400, and 6500)
4. Ancillary Services (Functions 4000–4999, Objects 1100–5900, 6400, and 6500)
5. Community Services (Functions 5000–5999, Objects 1100–5900, 6400, and 6500)
6. Board and Superintendent (Functions 7100–7180, Objects 1100–5900, 6400, and 6500)
7. Data Processing Services (Goals 0001–9000, Function 7700, Objects 1100–5900, 6400, 6500, and 7310–7350, plus data processing services costs redistributed to the base costs)
8. Plant Maintenance and Operations (Functions 8100–8400, Objects 1100–5900, 6400, and 6500 minus A3)
9. Facilities Rents and Leases (Function 8700, Object 5600 minus A4)
10. Adult Education (Fund 11, Objects 1100–5900)
11. Child Development (Fund 12, Objects 1100–5900)
12. Cafeteria (Funds 13 and 61, Objects 1100–5900)
13. Total Base Costs (sum B1 through B12)

C. Straight Indirect Cost Percentage Before Carry Forward Adjustment (For information only – not for use when claiming/recovering indirect costs)
(A5 divided by B13)

D. Indirect Cost Rate (Fixed with carry-forward rate, for use two years from current fiscal year, subject to CDE approval)
(A7 divided by B13)

Unaudited Actuals
Indirect Cost Rate Work Sheet
County School Service Fund

Indirect Cost Rate Calculation

A. Indirect Costs (numerator)

1. Other General Administration (Goals 0000–8500 and 9000, Functions 7200–7600, Objects 1100–5900, 6400, and 6500)
2. Data Processing Services (Goal 0000, Function 7700, Objects 1100–5900, 6400, 6500, and 7310–7350, less data processing services costs redistributed to the base costs)
3. Plant Maintenance and Operations (Functions 8100–8400, Objects 1100–5900, 6400, and 6500, times the percentage of total classroom units attributable to other general administration, data processing services, and plant maintenance and operations)
4. Facilities Rents and Leases (Function 8700, Object 5600, times the percentage of total classroom units attributable to other general administration, data processing services, and plant maintenance and operations)
5. Total Indirect Costs (sum A1 through A4)
6. Carry-Forward Adjustment (A5 plus 2nd prior year carry forward adjustment, minus [2nd prior year indirect cost rate times B14])
7. Total Adjusted Indirect Costs (A5 plus A6)

B. Base Costs (denominator)

1. Instruction (Functions 1000–1999, Objects 1100–5900, 6400, and 6500)
2. Instruction-Related Services (Functions 2000–2999, Objects 1100–5900, 6400, and 6500)
3. Pupil Services (Functions 3000–3999, Objects 1100–5900, 6400, and 6500)
4. Ancillary Services (Functions 4000–4999, Objects 1100–5900, 6400, and 6500)
5. Community Services (Functions 5000–5999, Objects 1100–5900, 6400, and 6500)
6. Board and Superintendent (Functions 7100–7180, Objects 1100–5900, 6400, and 6500)
7. Other General Administration (Goal 8600, Functions 7200–7600, Objects 1100–5900, 6400, and 6500)
8. Data Processing Services (Goals 0001–9000, Function 7700, Objects 1100–5900, 6400, 6500, and 7310–7350, plus data processing services costs redistributed to the base costs)
9. Plant Maintenance and Operations (Functions 8100–8400, Objects 1100–5900, 6400, and 6500 minus A3)
10. Facilities Rents and Leases (Function 8700, Object 5600 minus A4)
11. Adult Education (Fund 11, Objects 1100–5900)
12. Child Development (Fund 12, Objects 1100–5900)
13. Cafeteria (Funds 13 and 61, Objects 1100–5900)
14. Total Base Costs (sum B1 through B13)

C. Straight Indirect Cost Percentage Before Carry Forward Adjustment (For information only – not for use when claiming/recovering indirect costs)
(A5 divided by B14)

D. Indirect Cost Rate (Fixed with carry-forward rate, for use two years from current fiscal year, subject to CDE approval)
(A7 divided by B14)

Background and Purpose
Elementary and secondary schools in California currently spend over $40 billion to provide a high-quality education for six million children. In accounting for these dollars, it is important to identify not only the types of expenditures (e.g., salaries, books, equipment), but also the specific objective or purpose of those expenditures (e.g., special education program, vocational education program). Program cost accounting is an accounting method whereby this important identification of all costs of a program can be accomplished.

Before the Standardized Account Code Structure (SACS) was instituted, local educational agencies (LEAs) had to use a separate state reporting document (J-380/J-580) to identify the costs of programs. The manner in which LEAs were required to report costs by program was not necessarily the manner in which they were actually accounted for in the LEA's books. Therefore, although the method employed at the state level for identifying program costs was standardized, it did not necessarily reflect the costs of those same programs as accounted for at the local level.

With SACS accounting, the basic premise of program cost accounting remains unchanged—an attempt to identify all of the costs of programs. Because the account code structure is comprehensive, LEAs now can account for the costs of their programs in the structure itself. SACS information submitted to the California Department of Education now better reflects how LEAs actually charge costs to programs. Note, however, that the level of documentation needed for program cost accounting may not be sufficient for all purposes; a higher level of documentation may be necessary for other purposes, such as dividing salaries between resources or documenting costs for mandated cost claims.

In SACS the goal field provides the framework for program cost accounting. Throughout this section the terms "goal" and "program" are virtually interchangeable.

Classifying Costs
For the purposes of program cost accounting, expenditures are classified as direct costs, central administrative costs, or other costs. The total costs of a program (goal) will include both direct costs and central administrative costs. Other costs, such as facilities acquisition and construction and debt service, are not attributable to any particular goal and are kept separate.

A. Direct Costs
Direct costs are expenditures that can be identified specifically with a particular goal or "cost objective." In education, cost objectives are generally the instructional programs and services provided by the LEA. All costs benefiting instructional programs and services fall under the category of direct costs whether they are directly charged to a goal at the time of the transaction or are subsequently allocated back to a goal during preparation of the SACS program cost report (PCR).

1. Direct Charged Costs
Direct charged costs are those expenditures that are directly charged to a particular goal (cost objective) at the time of the transaction. Two things must be considered when charging costs to a goal:

1. Expenditures that are directly charged to specific goals require supporting documentation indicating how the expenditures relate to the goals being charged. For example, salaries may be documented to a goal by identification with a position in the personnel/payroll system, an individual's contract, or a class schedule with assigned student enrollment.

2. As outlined in Procedure 104 of CSAM, Part II, costs in the instructional functions (1000s), ancillary functions (4000s), and community service functions (5000s) must be directly charged to specific goals;

costs in other support functions may be directly charged to specific goals or the Undistributed Goal 0000. Expenditures charged to Goal 0000 will be subsequently allocated in the PCR (see item 2, Allocated Direct Costs).

Note: Note that this section provides guidance for directly charging salaries to specific goals. The requirements for documenting salaries paid with federal funds and state restricted funds (resources) are addressed in Procedure 407, Part I of CSAM.

Salaries that are directly charged to specific goals require supporting documentation indicating how the expenditures benefited the goals being charged. The supporting documentation should be consistent and verifiable.

Examples of Documenting Direct Charged Costs

A. Instructional Salaries

Following are general guidelines regarding how instructional salaries directly charged to specific goals may be documented:

- Generally, the class roster provides sufficient documentation for substantiating the salaries of classroom teachers to specific goals.
- The documentation of salaries for instructional aides may be based on their assignment to teachers with class rosters or to the category of student to whom they are assigned.

B. Non-Instructional Salaries with a Single Goal

In most situations, it is appropriate to charge non-instructional salaries to the undistributed goal, Goal 0000, for later allocation using standardized factors such as Full-time Equivalent (FTE) Teachers or Classroom Units (CUs). However, in some cases it may be possible to directly charge a non-instructional salary to a single specific goal. For example:

- The contract or job description of a school nurse or counselor may specify the category of student they will solely serve, such as special education students.
- The contract or job description of a project director may specify the category of student served, such as a Director of Adult Education or ROC/P Administrator.

C. Non-Instructional Salaries with Multiple Goals

If non-instructional salaries are directly charged to multiple goals, documentation should support the amount of time spent on each goal. (Note that meeting the requirements of documenting these salaries to one or more restricted resources will probably also sufficiently document the goal served.)

- The supporting documentation of salaries of certificated administrators in instruction-related services (Functions 2100 through 2700) or certain pupil services (Functions 3100 through 3160 and 3900) that are directly charged to multiple goals should be time activity reports showing the time spent on the specific goals. In many cases, the documentation provided by a time card or personnel activity report (PAR) required for restricted resources will be sufficient documentation. (For detailed information on PARs, see Procedure 407, CSAM, Part I.)
- The supporting documentation of non-instructional salaries of personnel other than administrators may be time activity reports, semi-annual certifications, current job descriptions, or employee contracts. If job descriptions or contracts are used for documentation, they must be regularly reviewed and updated to ensure that they are current and reflect the actual activities of the staff. The actual charges should be based on actual time spent on specific goals rather than on budgeted figures.

- The salaries of classified support staff in the instruction-related and pupil services functions described above should usually be distributed to the same goals and in the same ratio as the salaries of the certificated personnel to whom they report.

D. Salaries with Multiple Resources and Goals

Division of salaries between resources demands a higher level of documentation than division between goals or between functions, but this documentation should, in most cases, support the division between goals. For example:

- A counselor is hired to serve all students. The counselor's salary is paid with unrestricted resources, special education apportionment, and a federal categorical for low-income students. The split of the salary among these three resources must be documented by a timecard or PAR. This documentation will also serve as the documentation between goals.
- A project director's salary is split among four categoricals. The split of the salary among these four resources must be documented by a timecard or PAR. This documentation will also serve as the documentation between goals.
- A school psychologist is under contract to serve all students. Part of the psychologist's time is spent doing assessment testing for special education children with existing IEPs. If the salary is partially paid with special education money, then the rules for documenting salaries split among resources will also support the split among goals. If the psychologist is paid solely with unrestricted money, but the LEA wishes to directly charge this cost among goals, then the charges among goals must be supported by time reports, calendars, or other documentation of actual time spent on multiple goals.

As stated previously, if supporting documentation for charges to specific goals is not readily available for expenditures in support functions (that is, functions other than instruction, ancillary services, and community services), the costs should be charged to the Undistributed Goal, Goal 0000, and subsequently distributed to specific goals based on appropriate allocation factors.

2. Allocated Direct Costs

Allocated direct costs are those expenditures that are direct costs in various support activity cost centers (functions) that have not been directly charged to specific goals. These costs are accumulated in the Undistributed Goal. For each support function, a unit of measure or allocation basis is selected that directly relates the costs of that activity to a program (goal).

Costs most commonly allocated are Functions 2000–2999, Instruction-Related Services, and Functions 3000–3999, Pupil Services (except Function 3700, Food Services). Other functions that may be allocated are Function 8100, Plant Maintenance and Operations; Function 8700, Facilities, Rents, and Leases; and Function 7700, Data Processing Services.

LEAs are not required to allocate in their accounting records the costs of support functions accumulated in the Undistributed Goal, but for those functions that remain in the Undistributed Goal, LEAs must provide allocation factors in the PCR so that the costs can be distributed for program cost accounting purposes to the various programs. The SACS software will distribute the costs to goals based on the allocation factors provided by the LEA in the software.

If allocated costs are recorded in the LEA's records, use Object 7310 within a fund or Object 7350 between funds.

Allocation Factors

The following allocation factors should be used to distribute direct costs from the Undistributed Goal 0000 to specific goals:

1. Full-Time Equivalent (FTE) Teachers
2. Classroom Unit (CU)
3. Pupils Transported (PT)
4. Workstations

FTE Teachers	The ratio of assignment hours to the number of hours that constitute a full-time assignment. The count includes all teachers or assistant teachers (certificated or classified) with active student registers and who are generating average daily attendance. (For more detail, refer to Procedure 702, CSAM, Part 1.) The four common categories for assignments are as follows: 1. Single assignment: a full-time teacher assigned to one goal is counted as 1 FTE unit. 2. Split assignment: a full-time teacher assigned to two or more goals is split between the classifications based on the hours in each assignment. 3. Semester assignment: a full-time teacher assigned to programs of one semester or less is counted as 0.5 FTE unit. Full-time teachers assigned to programs of more than one semester are counted as 1 FTE unit. 4. Part-time assignment: prorate using the basic definition above.
Classroom Unit (CU)	A calculation developed by taking the total square footage of an area and dividing it by 960. Operational buildings (warehouses, maintenance shops, and transportation facilities) are converted to classroom units by dividing the total square footage by 2,880. LEAs need to keep site maps current for usage of areas by goal classifications because the classroom units are the basis for distributing support function costs to instructional areas by goal. (For more detail, refer to Procedure 702, CSAM, Part 1.)
Pupils Transported (PT)	The number of pupils transported, which is determined by counting the number of pupils in each program transported from home to school. Special education pupils receiving home-to-school transportation may be counted as PT's in the special education program only if home-to-school transportation is required in the children's individualized education programs (IEPs). (For more detail, refer to Procedure 702, CSAM, Part 1.)
Workstations	The number of computer terminals, personal computers, or data processing work areas assigned to goals listed as "Instructional" or "Other" in Section 104, CSAM, Part II. Do not include school/district office workstations, those used exclusively by data processing general administration staff, or those applicable to non-General Fund programs. For workstations that are included, records need to be kept which indicate how these stations relate to the LEA goals. Note: In SACS program cost accounting, data processing services costs in Goals 0000 and 9000 default to being attributable to central administration. If the costs all remain as attributable to central administration, workstation factors are not needed; workstation factors are needed only if there are data processing services costs identified as non-central administration.

Allocation Factor for Each Function

Function	Description	Factor
2100	Supervision of Instruction	FTE
2420	Instructional Library	FTE
2490	Other Instructional Resources	FTE
2700	School Administration	FTE
3110	Guidance and Counseling	FTE
3120	Psychological	FTE
3130	Attendance and Social Work	FTE
3140	Health	FTE
3150	Speech Pathology	FTE
3160	Pupil Testing	FTE
3600	Pupil Transportation	PT
3900	Other Pupil Services	FTE
7700	Data Processing (Allocated DP costs are excluded from the central administration costs pool)	Workstation
8100	Maintenance and Operations	CU
8700	Facilities Rents and Leases	CU

Example of Distributing Direct Support Costs by Allocation Factors
Total direct costs in Function 3140, Health Services, under Undistributed Goal 0000, are distributed to goals using the number of FTE teachers in each instructional goal. A ratio for each instructional setting is determined by dividing the total FTEs in each goal by the total of all FTEs. In this example, this ratio is then applied to the costs in Function 3140, Health Services, and the prorated costs are distributed by using Object 7310.

Debit	01-0000-0-1110-3140-7310	$500,000		K–12 Regular Education
Debit	01-0000-0-6000-3140-7310	$100,000		ROC/P
Debit	01-0000-0-3200-3140-7310	$100,000		Continuation Schools
Debit	01-0000-0-5001-3140-7310	$150,000		Special Education
Credit	01-0000-0-0000-3140-7310		$850,000	Undistributed

Note that the costs have been allocated to goals, not to resources. LEAs may allocate the direct costs further to resources. If the LEA chooses to leave program cost accounting allocations to CDE, only Resource 0000 will be used.

B. Central Administrative Costs

Central administrative costs are those business and administrative costs that benefit the entire LEA (e.g., accounting, budgeting, personnel, purchasing, etc.). The central administrative costs include all General Administration Functions 7000–7600 and undistributed costs in Function 7700, Data Processing Services.

LEAs have the option to record the central administrative costs to specific goals for program cost accounting purposes or, absent such action, CDE will calculate and distribute such costs for the LEA. LEAs choosing to record central administrative costs for program cost accounting purposes should use the following procedures:

Step 1 Determine whether there are costs in the Undistributed Goal of the General Fund for these functions: Instruction-Related Services, Pupil Services (other than Food Services), Plant Maintenance and Operations, and Facilities Rents and Leases. If there are costs in the Undistributed Goal, then allocate those costs to the other goals using the appropriate factors.

Step 2 Calculate the direct costs for each of the goals of the General Fund, other than the Undistributed Goal, by including the following functions: Instruction, Instruction-Related Services, Pupil Services (other than Food Services), Ancillary Services, Plant Maintenance and Operations, Facilities Rents and Leases, and Data Processing Services.

Step 3 Calculate the base to be used in the calculation of the ratio for distributing central administrative costs by adding the direct costs of all the goals, except the Undistributed Goal, in the General Fund (Step 2) and the current expenditures in the Adult Education, Child Development, and Cafeteria Funds (Objects 1000–5999).

Step 4 Calculate the ratio to be used for distributing Board and Superintendent costs by dividing costs in Function 7100 by the costs calculated in Step 3.

Step 5 Calculate the ratio to be used for distributing the Other General Administration costs by dividing the costs in Function 7200 by the costs calculated in Step 3.

Step 6 Calculate the ratio to be used for distributing the Data Processing costs by dividing the costs in Function 7700 in the Undistributed Goal by the costs calculated in Step 3.

Step 7 Calculate the portion of the Board and Superintendent costs that should be charged to each goal by multiplying the ratio calculated in Step 4 times the direct costs of each goal. For each goal, compare the calculated amount with the amount of Board and Superintendent costs (Function 7100) that have already been charged to each goal, if any. The difference is the additional amount that would be recorded for program cost accounting for each goal.

Step 8 Calculate the portion of the Other General Administrative costs that should be charged to each goal by multiplying the ratio calculated in Step 5 times the direct costs of each goal. For each goal, compare the calculated amount with the amount of Function 7200 that has already been charged to each goal, if any. The difference is the additional amount that would be recorded for program cost accounting for each goal.

Step 9 Calculate the portion of the Data Processing costs for each goal by multiplying the ratio calculated in Step 6 times the direct costs of each goal. This is the additional amount that would be recorded for program cost accounting for each goal.

Recording Central Administrative Costs

Central administrative costs are recorded using Object 7310 within a fund or Object 7350 between funds; the Undistributed Goal is reduced (credited), while the specific goals are increased (debited).

Example: Assume that Board and Superintendent costs of $10,000 should be distributed to the Regular Education Goal, and $5,000 should be distributed to the Special Education Goal. The entries would be as follows:

Dr	01-0000-0-1110-7100-7310-000	$10,000	
Dr	01-0000-0-5001-7100-7310-000	$5,000	
Cr	01-0000-0-0000-7100-7310-000		$15,000

Example: Assume that Other General Administration costs of $60,000 should be distributed to the Regular Education Goal, and $30,000 should be distributed to the Special Education Goal. The entries would be as follows:

Dr	01-0000-0-1110-7200-7310-000	$60,000	
Dr	01-0000-0-5001-7200-7310-000	$30,000	
Cr	01-0000-0-0000-7200-7310-000		$90,000

Example: Assume that Data Processing costs of $4,000 should be distributed to the Regular Education Goal, and $2,000 should be distributed to the Special Education Goal. The entries would be as follows:

Dr	01-0000-0-1110-7700-7310-000	$4,000	
Dr	01-0000-0-5001-7700-7310-000	$2,000	
Cr	01-0000-0-0000-7700-7310-000		$6,000

C. Other Costs

Other costs are those costs that are not included as program costs. The costs in food services, enterprise, facilities acquisition and construction, and other outgo functions are other costs. They are generally accumulated in the Undistributed Goal. If an LEA directly charges other costs to a specific goal, such costs will be excluded from any computation of a total program cost.

Summary of Cost Distribution by Function

This section is an overview of the ways to distribute and/or record program costs within the frameworks of function and goal.

1000–1999 Instruction

- These costs are direct costs and must be directly charged to a specific goal.
- These costs cannot be charged to the Undistributed Goal.
- Special Education Instruction functions cannot be charged to the Special Education—Unspecified goal.

2100–2999 Instruction-Related Services

2100 Supervision of Instruction
2420 Instructional Library, Media, and Technology
2490 Other Instructional Resources
2700 School Administration

- These costs are direct costs and may be directly charged to a specific goal.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be reclassified to a specified goal or a more appropriate function.
- The allocation basis is FTE teachers in each instructional setting.

3000–3999 Pupil Services

3110 Guidance and Counseling Services
3120 Psychological Services
3130 Attendance and Social Work Services
3140 Health Services
3150 Speech Pathology and Audiology Services
3160 Pupil Testing Services

- These costs are direct costs and may be directly charged to specific goals.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be reclassified to a specified goal or a more appropriate function.
- The allocation basis is FTE teachers in each instructional setting.

3600 Pupil Transportation

- These costs are direct costs and may be directly charged to a specific goal.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be reclassified to a specified goal or a more appropriate function.
- The allocation basis is pupils transported in each instructional setting.

3700 Food Services
- These costs are considered other costs and are generally accumulated in the Undistributed Goal.
- Costs may be directly charged to a specific goal. However, these costs are not considered program costs of a particular goal in a standard cost report; instead, they are considered "other" costs.
- Costs cannot be allocated for purposes of program cost accounting.

3900 Other Pupil Services
- These costs are direct costs and may be directly charged to a goal.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be reclassified to a specified goal or a more appropriate function.
- The allocation basis is FTE teachers in each educational setting.

4000–4999 Ancillary Services
- These costs are direct costs and must be directly charged to a goal.
- Costs cannot be charged to the Undistributed Goal. The goals applicable to this function are Regular Education, Alternative Schools, Continuation Schools, Opportunity Schools, Specialized Secondary Programs, and Nonagency activities.
- Costs cannot be allocated for purposes of program cost accounting.

5000–5999 Community Services
- These costs are direct costs and must be directly charged to specified goals.
- Costs cannot be charged to the Undistributed Goal. The goals applicable to this function are Nonagency, Community Services, and Child Care Services.
- Costs cannot be allocated for purposes of program cost accounting.

6000–6999 Enterprise
- These costs are considered other costs and are accumulated in the Undistributed Goal.
- Costs cannot be allocated for purposes of program cost accounting.

7000–7999 General Administration

7100 Board and Superintendent
- These costs are central administrative costs and are accumulated in the Undistributed Goal.
- Costs may be distributed based on the proportion of direct costs of each goal.

7200 Other General Administration
- These costs are central administrative costs.
- Costs may be distributed based on the proportion of direct costs of each goal.

7700 Data Processing Services
- These costs could be direct or central administrative costs.
- Costs may be accumulated in the Undistributed Goal. Once identified, costs may be documented to a specified goal or a more appropriate function.
- The allocation basis is workstations in each educational setting.

8000–8999 Plant Services

8100 Plant Maintenance and Operations

- These costs are direct costs and may be directly charged to a specific goal.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be reclassified to a specified goal or a more appropriate function.
- The allocation basis is classroom units.

8500 Facilities Acquisition and Construction

- These costs are considered other costs and are generally accumulated in the Undistributed Goal.
- Costs may be directly charged to a specific goal. However, these costs are not considered program costs of a specific goal in a standard cost report; instead, they are considered "other" costs.

8700 Facilities Rents and Leases

- These costs are direct costs and may be directly charged to a specific goal.
- Costs may also be accumulated in the Undistributed Goal. Once identified, costs may be documented to a specified goal or a more appropriate function.
- The allocation basis is classroom units.

9000–9999 Other Outgo

9000 Other Outgo

9100 Debt Service

9200 Transfers between Agencies

9300 Interfund Transfers

- These costs are considered other costs and are generally accumulated in the Undistributed Goal.
- Costs may be directly charged to a specific goal. However, these costs are not considered program costs of a particular goal in a standard cost report; instead, they are considered "other" costs.
- Costs cannot be allocated.

Appendix A—Analysis of Salaries

This list provides guidance to LEAs on which object and function may be used for various job positions. It is not intended to be an all-inclusive list; rather, it is a representative sample on which LEAs can expand.

Salary Object Classification	Function	Position Title
1100 Teachers	1000	Teacher, Adaptive Physical Education
	1000	Teacher, Assistant (Credentialed)
	1000	Teacher, Coach, P.E. (Credentialed)
	1000	Teacher, Resource Specialist
	1000	Teacher, Speech
	1000	Teachers, Student (Permit)
	1000	Teacher, Substitute
	1000	Teacher, Tutor (Credentialed)
	1000	Certificated Playground Supervisor
	4000	Stipend to Teacher for Extracurricular Activities
1200 Certificated Pupil Support	2420	Librarian
	3110	Counselor, Pupil/Parent
	3120	Psychologist
	3130	Child Welfare/Attendance (SARB)
	3130	Social Worker
	3140	Nurse
	3140	Dental Hygienist (Credentialed)
	3140	Dentist (Credentialed)
	3150	Audiologist (Credentialed)
1300 Certificated Supervisors and Administrators	7200	Administrator
	2700	Dean
	2700	Dean, Assistant
	2700	Principal
	2700	Principal, Assistant
	2700	Registrar (Credentialed)
	2700	Vice-Principal
	Various	Coordinator
	Various	Director
	Various	Specialist
	Various	Supervisor
	2100	Superintendent, Assistant, Instruction
	7100	Superintendent (Credentialed)
	7200	Superintendent, Assistant, Finance (Credentialed)
	2700	Stipend to Teacher for Academic Dept. Chair

Salary Object Classification	Function	Position Title
1900 Other Certificated	2100	Program Specialist, Special Education
	2100	Program Specialist, Other
	2140	Mentor Teacher Stipend
	2490	Resource Specialist-Not Classroom
	5400	Civic Center Employees (Credentialed) (*Education Code* Section 38133)
2100 Instructional Aides	1000	Bilingual Teacher Aide
	1000	Classroom Teacher Aide
	1000	Special Ed Classroom Interpreter
	1000	Teacher Aide Substitute
	1190	Orientation and Mobility Therapist (not Credentialed)
	4000	Coach, Classified (After School)
2200 Classified Support	2420	Media Aide
	2420	Library Aide
	2420	Computer Lab Technician
	3110	Career Center Assistant
	3120	Psychologist (Classified)
	3150	Audiologist (Classified)
	3150	Audiometrist (Classified)
	3140	Health Aide
	3600	Bus Driver
	3600	Bus Mechanic
	3700	Cook
	3700	Nutritionist
	7200	Data Processing Computer Operator
	7500	Warehouse Worker
	8100	Custodian
	8100	Delivery Person
	8100	Gardener
	8100	Maintenance Worker
	8300	Guard
	4100	Stage Hand
	3130	Truancy Officer
	4100	Student Employee for Ancillary Events
	8300	Crossing Guard
	2490/2495/ 5000	Child Care Personnel (Noninstructional)
	Various	Interpreter

Salary Object Classification	Function	Position Title
2300 Classified Supervisors and Administrators	2700	Site Administrator
	7100	Governing Board Member
	7100	Superintendent
	7200	Accountant, Chief
	7200	Business Manager
	7200	Controller
	7200	Assistant Superintendent, Finance
	7200	Personnel Commission Member
	7200	Purchasing Director/Manager
	Various	Coordinator of _____
	Various	Director of _____
	Various	Supervisor of _____
2400 Clerical, Technical, and Office Staff	7200	Accountant
	7200	Bookkeeper
	7200	Buyer
	7200	Duplicating Machine Operator
	7700	Computer Operator
	7700	Programmer or Analyst
	2420/7700	Computer Services Technician
	2700/7200	Attendance Clerk
	Various	Clerk
	Various	Secretary
2900 Other Classified	1000	Students (Instructional purposes only)
	1000	Noon Duty Personnel
	5400	Civic Center Aides
	8500	Building Inspectors

Appendix B—Consistency of Standardized Account Code Structure with the Federal Handbook

The following pages provide a cross-reference between the Standardized Account Code Structure in this manual and the federal accounting manual, *Financial Accounting for Local and State School Systems*, commonly referred to as the Federal Handbook.

Federal Handbook	Standardized Account Code Structure
Criteria for Items of Information	
The following basic criteria were used in selecting items and classifications for inclusion:	The Standardized Account Code Structure is a logical, well-organized structure that:
1. The items, accounts, and categories of information should provide the basic framework fundamental to a comprehensive financial management system.	• Contains all fields and accounts necessary for LEAs to run a financial management system
2. The guidelines should serve all sizes and types of LEAs.	• Is appropriate for different sizes and types of school districts
3. The categories of accounts should be both contractible and expandable, enabling all LEAs to adapt them to support various financial management information systems.	• Uses optional accounts and ranges and allows for the addition of nonmandated fields
4. Data elements should be additive into needed categories for purposes of reporting and comparing at the local, state, and federal levels.	• Allows data collection at a detailed or general level; allows summary of data from minor accounts to major accounts
5. The guidelines should conform to generally accepted governmental accounting principles.	• Conforms to generally accepted accounting principles (GAAP)
6. The guidelines should include the categories necessary to provide full disclosure of financial information.	• Provides full disclosure by using the minimum account fields and capturing a comprehensive data set related to each revenue and expenditure
7. The categories included should provide an adequate audit trail.	• Provides an adequate audit trail

Federal Handbook	Standardized Account Code Structure
Conformance with Generally Accepted Accounting Principles	
For LEAs, adherence to GAAP implies that their financial reports contain the same types of financial statements for the same categories and types of funds and account groups. Such conformity will enhance the comparability of LEA financial reporting.	The structure provides all LEAs with a common set of fields and accounts that can be used to generate financial reports. The Object field is used to collect data for financial statements, and the Resource field is used to collect data for categorical reporting requirements.
Basic Philosophy of Financial Accounting	
1. The chart of accounts encourages full disclosure of the financial position of the LEA. 2. Comprehensiveness of financial reporting is encouraged. 3. Simplified reporting is encouraged. 4. Financial reporting emphasizes the results of LEA operations more than the resources applied. 5. The account classification system is flexible; it meets the needs of both small and large LEAs while retaining comparability of reporting data. 6. The classification of accounts and the recommended reporting structure remain in accordance with generally accepted accounting principles.	The basic philosophy of financial accounting closely resembles the "Criteria for Items of Information" (presented earlier in this section). The Standardized Account Code Structure meets these criteria. In addition, the structure focuses on results, particularly in the Goal field. The logical flow of the structure assists nontechnical users in understanding how revenues and expenditures are classified. The number of mandated fields has been kept to a minimum to simplify the structure.
Suggested Criteria for Statewide System	
Adapting State Reporting Requirements	
As soon as the state handbook is developed, the state educational agency (SEA) should redesign the state's reports based upon that handbook. Its requirements probably will not be implemented for another year or two, but the formats are needed for training LEAs.	The structure can be used to generate reports as a byproduct of the system through data downloads. CDE plans to eliminate unnecessary reports and forms and to collect financial information electronically.

Federal Handbook	Standardized Account Code Structure

Comparability

To achieve financial comparability, LEAs, SEAs, and the federal agencies concerned with education must be prepared to use the minimum account classifications included here. This comparability should provide assistance to LEAs, state and federal administrators, legislators, LEA boards of education, and the general public in understanding where the funds come from and how they are used.

The structure uses the minimum account classifications and provides comparability across LEAs. Administrators using the structure can create reports that:

- Fulfill categorical requirements
- Show goals or purposes of the LEA
- Track funding by source
- Track funding by use

The Financial Accounting Account Classification Structure

The dimensions applicable to each type of transaction are:

Revenues	Expenditures	Balance Sheet
Fund	Fund	Fund
Revenue	Program	Balance Sheet
Account		
Source	Function	
Project/	Object	
Reporting	Project/Reporting	
	Level of Instruction	
	Operational Unit	
	Subject Matter	
	Job Classification	
	Special Cost Center	

The structure utilizes the following account fields:

- Fund/Account Group
- Resource
- Goal
- Function (Activity)
- Object
- School

The Object field contains accounts for the revenue, expenditure, and balance sheet dimensions.

Pages 48–49 of the Federal Handbook show how these account combinations comply with the minimum account classifications.

Appendix C—List of Program Cost Accounts (PCAs)

This listing of the program cost accounts (PCAs) used by the California Department of Education has been updated for the December 2002 edition.

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
13001	NCLB: Title I, Even Start Family Literacy	3105	8290	D	8160
13004	Child Nutrition: Summer Food Service Program Operations	5330	8220	F	8220
13006	Child Nutrition: Summer Food Service Sponsor Admin	5335	8220	F	8220
13007	Special Ed: Alternative Dispute Resolution	3395	8182	D	8182
13008	Special Ed: Disabled Children State Institutions	3400	8182	D	8182
13064	NCLB: Title I, Basic School Support	3020	8290	D	8160
13066	NCLB: Title I, Part D, Local Delinquent Programs	3025	8290	D	8160
13067	IASA: Title I, Local Improvement Plan, Regional School Support, and Improvement Centers	3035	8290	D	8160
13073	IASA: Title VI, Class Size Reduction	4135	8290	D	8160
13143	Special Ed: IDEA LCI Growth, Part B, Sec 611	3355	8182	D	8182
13150	NCLB: Title V, Part B, Charter Schools Grants	4610	8290	D	8290
13157	Child Nutrition: Summer Food Service Startup	5375	8220	D	8220
13158	Child Nutrition: Summer Food Service Startup	5375	8220	D	8220
13159	IASA: Title VII, Emergency Immigrant Education Program	4215	8290	D	8290
13161	CalServe: Learn & Serve America	5575	8290	D	8290
13174	NCLB: Title I, Migrant Ed (Regular and Summer Program)	3060	8290	D	8160
13207	IASA: Title II, Eisenhower	4010	8290	D	8190
13230	IASA: Title II, Eisenhower Teacher Training	4015	8290	D	8190
13263	Goals 2000: Advancement Via Individual Determination (AVID) Program	3835	8290	D	8290
13268	Goals 2000: Student Academic Partnerships, Grades 1–6	3840	8290	D	8290
13284	Other Federal: Binational Program	5810	8290	D	8290

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
13285	IASA: Technology Literacy Challenge Grant (formerly Title III)	4040	8290	D	8290
13340	NCLB: Title V, Part A, Innovative Education Strategies	4110	8290	D	8160
13379	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly PL 94-142)	3310	8181	D	8181
13389	Child Nutrition: CCFP Cash in Lieu of Commodities	5340	8220	F	8220
13390	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13391	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13392	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13393	Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	5320	8220	F	8220
13394	Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	5320	8220	F	8220
13396	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13430	Special Ed: IDEA Preschool Grants, Part B, Sec 619	3315	8182	D	8182
13431	Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	3345	8182	D	8182
13447	NCLB: Title V, Priority Projects	4115	8290	D	8160
13452	NCLB: Drug-Free Schools: Program Development	3715	8290	D	8210
13453	NCLB: Title IV, Part A, Drug-Free Schools	3710	8290	D	8210
13459	Special Ed: IDEA Low-Incidence Entitlement, Part B, Sec 617	3360	8182	D	8182
13489	NCLB: Title V, Priority Projects	4115	8290	D	8160
13523	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13524	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
13525	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13526	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13527	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13528	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8220	F	8220
13529	Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	5320	8220	F	8220
13534	Child Nutrition: CCFP Cash in Lieu of Commodities	5340	8220	F	8220
13605	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290
13609	CD: Federal Child Care, Center-based (Contract Prefix FCTR, FHUD)	5025 5026	8290	D	8290
13612	Special Ed: IDEA Infant Discretionary, Part B, Sec 611	3330	8182	D	8182
13613	Special Ed: IDEA Local Staff Development Grant, Part B, Sec 611	3340	8182	D	8182
13615	Special Ed: IDEA State/Staff Development	3370	8182	D	8182
13625	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
13628	NCLB: Title I, Migrant Ed (Regular and Summer Program)	3060	8290	D	8160
13632	NCLB: Title I, Migrant Ed Mini Corps Project (Regular and Summer)	3040	8290	D	8160
13651	Special Ed: IDEA Cross-Cultural Assessment, Spec Project Special Studies	3375	8182	D	8182
13664	Child Nutrition: CCFP Startup	5360	8220	F	8220
13665	Child Nutrition: CCFP Family Day Care Sponsor Admin	5350	8220	F	8220
13666	Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	5320	8220	F	8220
13673	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
13682	Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611	3320	8182	D	8182
13693	Special Ed: IDEA Quality Assurance & Focused Monitoring	3386	8182	D	8182
13694	CD: Federal Alternative Payment (Contract Prefix FAPP)	5050	8290	D	8290
13697	McKinney-Vento Homeless Assistance Grants	5630	8290	D	8290
13700	NCLB: Title I, Even Start Family Literacy	3105	8290	D	8160
13705	Special Ed: Workability I	3405	8182	D	8182
13755	Child Nutrition: Meal Supplements in National School Lunch Program	5366	8220	F	8220
13794	NCLB: Title I, Juvenile Delinquent	3100	8290	D	8160
13796	NCLB: Title I, Adult Correctional	3090	8290	D	8160
13797	NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	3010	8290	D	8160
13798	NCLB: Title I, Part D, Local Delinquent Programs	3025	8290	D	8160
13815	Special Ed: Comprehensive Personnel Develop	3350	8182	D	8182
13839	Special Ed: IDEA Preschool Capacity Building, Part B, Sec 619	3326	8182	D	8182
13880	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
13881	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290
13894	Goals 2000: Mathematics Professional Development Grants, Grades 4–12	3855	8290	D	8290
13895	Goals 2000: Secondary School Reading	3856	8290	D	8290
13904	Special Ed: State Improvement Grant, Improving Special Ed Systems	3372	8182	D	8182
13917	Unrestricted Resources: Advanced Placement Fee	0000	8290	F	8290
13920	Vocational Programs: Voc & Applied Tech Prep, Title II, Sec 124 (Carl Perkins Act)	3515	8290	D	8240
13921	Vocational Programs: Voc & Appl Tech Corrections Education II B (Carl Perkins Act)	3540	8290	D	8240

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
13922	Vocational Programs: Nontraditional Training and Employ (Carl Perkins Act)	3505	8290	D	8240
13923	Vocational Programs Postsecondary and Adult II C, Sec 132 (Carl Perkins Act)	3555	8290	D	8240
13924	Vocational Programs: Voc & Appl Tech Secondary II C, Sec 131 (Carl Perkins Act)	3550	8290	D	8240
13929	Vocational Programs: Voc & Appl State Programs	3510	8290	D	8240
13933	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
13934	CD: Federal Resource and Referral (Contract Prefix FBRR)	5085	8290	D	8290
13941	CD: School-Age Child Care Resource Contracts	5080	8290	D	8290
13942	CD: Quality Improvement Activities CD: Infant/Toddler Resources	5035 5095	8290 8290	D D	8290 8290
13946	CD: Local Planning Councils (Contract Prefix FLPC)	5055	8290	D	8290
13950	CD: Federal Resource and Referral (Contract Prefix FBRR)	5085	8290	D	8290
13953	NCLB: Title I, Capital Expenses/Private Schools	3015	8290	D	8160
13966	NCLB: Title I, Comprehensive School Reform Demonstration (CSRD)	3170	8290	D	8160
13967	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
13970	Adult Education: State Leadership Projects	3909	8290	D	8290
13971	Adult Education: Institutionalized Adults	3940	8290	D	8290
13972	Adult Education: Institutionalized Adults	3940	8290	D	8290
13973	Adult Education: Priority 1–3, Adult Basic Education	3910	8290	D	8290
13974	Adult Education: Priority 1–3, ESL Citizenship	3925	8290	D	8290
13977	Adult Education: Priority 4, Family Literacy	3912	8290	D	8290
13978	Adult Education: Priority 5, Adult Secondary Education	3913	8290	D	8290
13979	CD: Quality Improvement Activities CD: School-Age Child Care Resource Contracts	5035 5080	8290 8290	D D	8290 8290
13981	Refugee Children Supplemental Assistance Program	4216	8290	D	8290

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
14026	Goals 2000: Student Academic Partnership, Grades 7–12	3831	8290	D	8290
14039	NCLB: Title I, Comprehensive School Reform Demonstration (CSRD)	3170	8290	D	8290
14047	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
14049	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290
14106	NCLB: Title I, Program Improvement & School Choice	3171	8290	D	8160
14109	Adult Education: English Literacy & Civics Education State Leadership	3926	8290	D	8290
14110	Adult Education: English Literacy & Civics Education	3927	8290	D	8290
14129	CD: Quality Improvement Activities	5035	8290	D	8290
14130	CD: Quality Improvement Activities	5035	8290	D	8290
14135	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290
14136	CD: Quality Improvement Activities	5035	8290	D	8290
14140	CD: Quality Improvement Activities	5035	8290	D	8290
14153	CD: Federal Alternative Payment (Contract Prefix FAPP)	5050	8290	D	8290
14154	CD: Federal Alternative Payment (Contract Prefix FAPP)	5050	8290	D	8290
14155	Title VIII Reading Excellence Act: Local Reading Improvement	3870	8290	D	8290
14173	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
14180	CD: Federal Alternative Payment, Stage II (Contract Prefix F2AP)	5061	8290	D	8290
14185	Title VIII, Reading Excellence Act: Tutorial Assistance Grant	3871	8290	D	8290
14188	Other Federal: Special Education SELPA Impaction	5810	8290	D	8290
14189	Other Federal: Special Education Mediated Settlements	5810	8290	D	8290
14190	IASA: Technology Literacy Challenge Grant (formerly Title III)	4040	8290	D	8290
14215	CD: Federal Alternative Payment (Contract Prefix FAPP)	5050	8290	D	8290
14292	CD: Quality Improvement Activities	5035	8290	D	8290

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
14302	Adult Education: Priority 1–3, English as a Second Language (ESL)	3911	8290	D	8290
14303	Unrestricted Resources: Advanced Placement Fee	0000	8290	F	8290
14307	High School Reform Grant	5628	8290	D	8290
14310	NCLB: Title V, Priority Projects	4115	8290	D	8160
14311	NCLB: Drug-Free Schools: Program Development	3715	8290	D	8290
14312	Other Federal: Even Start Technical Assistance	5810	8290	D	8290
14313	Federal School Renovation Program	4140	8290	D	8290
14316	CD: Federal Alternative Payment, Stage III	5062	8290	D	8290
14318	Federal School Renovation Classroom Technology	4141	8290	D	8290
14379	Goals 2000: K–12 Reading/Language Arts, Mathematics, and English Language Development	3837	8290	D	8290
23005	ROC/P or Adult Ed: CALWORKs Participants Supportive Services	6370	8590	D	8590
23009	Partnership Academies New Program Grants	7225	8590	D	8490
23011	Special Ed: Workability I	3405	8590	D	8418
23013	Supplemental Grants	Various	Various	D	8590
23014	Categorical Programs Per ADA Allocations	7005	8590	F	8590
23017	Healthy Start-Pregnant & Parenting	6245	8590	D	8581
23018	Parent/Teacher Involvement: Nell Soto Program	6340	8590	D	8590
23022	Other State: Residency Verification	7810	8590	F	8590
23024	Child Development: State Alternative Payment, Stage III	6042	8590	D	8590
23030	International Baccalaureate (IB) Program: Staff Development & Startup	7286	8590	F	8590
23036	Child Development: Migrant Day Care Centers (Contract Prefix GMIG)	6065	8530	D	8530
23038	Child Development: State Preschool (Contract Prefix GPRE)	6055	8590	D	8510
23039	Education Technology: Institute for Computer Technology	7125	8590	D	8424
23040	Unrestricted Resources: Mandate Notices of Truancy	0000	8550	F	8550

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
23042	Unrestricted Resources: Mandate Open Meetings	0000	8550	F	8550
23043	Unrestricted Resources: Mandate PERS Death Benefits	0000	8550	F	8550
23044	Unrestricted Resources: Mandate AIDS Prevention	0000	8550	F	8550
23045	Demonstration Programs in Intensive Instruction	7050	8590	D	8414
23046	Unrestricted Resources: Mandate Collective Bargaining	0000	8550	F	8550
23047	Unrestricted Resources: Mandate Juvenile Court Records	0000	8550	F	8550
23050	Unrestricted Resources: Mandate Removal of Chemicals	0000	8550	F	8550
23052	Unrestricted Resources: Mandate Immunization Records	0000	8550	F	8550
23053	Unrestricted Resources: Mandate Expulsion Transcripts	0000	8550	F	8550
23057	Unrestricted Resources: Mandate Scoliosis Screening	0000	8550	F	8550
23058	Unrestricted Resources: Mandate Unused Sick Leave Credit	0000	8550	F	8550
23059	Unrestricted Resources: Mandate School Crime Reporting	0000	8550	F	8550
23060	Unrestricted Resources: Mandate Emergency Procedures	0000	8550	F	8550
23061	Unrestricted Resources: Mandate School Testing Physical Fitness	0000	8550	F	8550
23065	Tenth Grade Counseling	7375	8590	F	8421
23068	Agricultural Vocational Incentive Grants	7010	8590	D	8590
23072	Classroom Library Materials, Grades K–4	6292	8590	F	8590
23074	Instructional Materials-Standards Based	7180	8590	F	8417
23078	Child Development: State General Child Care, Center Based (Contract Prefix GCTR, GHUD, GHAN)	6060	8590	D	8590
23080	Desegregation: Court Ordered	7035	8550	D	8550
23084	College Prep Partnership: College Entrance Exam Prep Courses	7336	8590	D	8590
23100	Special Education	6500	8311	F	8321
23105	Parent/Teacher Involvement: Teresa Hughes Family/School Partnerships	6341	8590	D	8590
23111	Staff Development-Administrator Training	7320	8590	D	8490

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23112	Supplementary Prgs-Specialized Secondary	7370	8590	D	8490
23114	Unrestricted Resources: Beginning Teacher Minimum Salary	0000	8590	F	8590
23117	Certificated Staff Performance Incentive Bonus	6268	8590	F	8440
23123	Transportation-Bus Replacement	7235	8590	D	8342
23133	Unrestricted Resources: Mandate School Bus Safety	0000	8550	F	8550
23134	Unrestricted Resources: Mandate Charter Schools	0000	8550	F	8550
23141	Community Day Schools	2430	8091	F	8098
23145	Staff Development-Interseg Avid Program	7340	8590	D	8590
23146	Staff Development-Interseg College Readiness	7335	8590	D	8590
23147	Staff Development-Interseg CTEI	7345	8590	D	8590
23155	Parent/Teacher Involvement: Tom Hayden Community Parent Involvement	6342	8590	D	8590
23165	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8520	F	8520
23167	Staff Development-Administrator Training	7320	8590	D	8490
23171	Class Size Reduction Facilities Funding	6200	8590	F	8584
23181	Partnership Academies Program	7220	8590	D	8490
23184	Child Development: State Family Child Care Homes (Contract Prefix GFCC)	6075	8590	D	8590
23186	Child Development: State Alternative Payment (Contract Prefix GAPP)	6040	8590	D	8590
23187	Child Development: Resource & Referral (Contract Prefix GFRR)	6110	8590	D	8590
23197	Healthy Start-Pregnant & Parenting	6245	8590	D	8581
23217	Unrestricted Resources: Golden State Diploma	0000	8590	F	8590
23219	State Lottery	1100	8560	F	8560
23224	Child Development: Instructional Materials and Supplies	6144	8590	D	8590
23225	Child Development: Facility Renovation and Repair	6145	8590	D	8590
23226	CD: Quality Improvement Activities	5035	8590	D	8590

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
23229	Unrestricted Resources: Golden State Exam	0000	8590	F	8590
23231	Unrestricted Resources: Golden State Exam	0000	8590	F	8590
23234	Unrestricted Resources: Career Technical Assessment	0000	8590	F	8590
23235	Unrestricted Resources: Assessment Review	0000	8590	F	8590
23243	CD: Quality Improvement Activities	5035	8590	D	8590
23250	Unrestricted Resources: Mandate School Discipline	0000	8550	F	8550
23251	Unrestricted Resources: Mandate Intradistrict Attendance	0000	8550	F	8550
23252	Child Development: Extended Day Care (Latchkey) (Contract Prefix GLTK)	6080	8530	D	8530
23254	Child Development: State General Child Care, Center Based (Contract Prefix GCTR, GHUD, GHAN)	6060	8530	D	8530
23256	Unrestricted Resources: Mandate Interdistrict Attendance	0000	8550	F	8550
23257	Unrestricted Resources: Mandate Interdistrict Attendance Permits	0000	8550	F	8550
23258	Unrestricted Resources: Mandate Graduate Requirements	0000	8550	F	8550
23259	Unrestricted Resources: Mandate Notify Teachers of Public Expulsion	0000	8550	F	8550
23260	Unrestricted Resources: Mandate Pupil Classroom Suspension	0000	8550	F	8550
23261	Unrestricted Resources: Mandate Public Health Screening	0000	8550	F	8550
23272	Class Size Reduction, Grades K–3	1300	8434	F	8434
23274	Early Intervention for School Success (EISS)	7130	8590	D	8590
23282	Dropout Prevention: Educational Clinics	7060	8590	D	8590
23288	Unrestricted Resources: Charter School Loans	0000	8979	F	8979
23289	Tobacco-Use Prevention Education: COE Administration Grants	6680	8590	D	8580
23290	Dropout Prevention: Motivation/Maintenance	7075	8590	D	8590
23291	Dropout Prevention: Alternative Work Centers	7070	8590	D	8590
23292	Dropout Prevention: Implementation Model	7065	8590	D	8590

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
23293	Tobacco-Use Prevention Education: Elementary Grades 4–8	6660	8590	D	8580
23297	Tobacco-Use Prevention Education: High School Competitive Grants	6670	8590	D	8580
23301	Tobacco-Use Prevention Education: Discretionary District Grants	6650	8590	D	8580
23306	CSIS: California School Information Service	6020	8590	D	8590
23308	Education Technology: Digital High School	7100	8590	D	8424
23313	Unrestricted Resources: Staff Development Buyout	0000	8590	F	8590
23316	Unrestricted Resources: COE Financial Emergency	0000	8590	F	8590
23318	Unrestricted Resources: Unemployment Insurance Administration	0000	8590	F	8590
23322	WIA: State Match	6700	8590	D	8590
23360	Child Development: Migrant Special Services (Contract Prefix GMSS)	6070	8530	D	8530
23362	Unrestricted Resources: STAR	0000	8590	F	8590
23366	Transportation-Home to School	7230	8311	F	8342
23367	Child Development: State Alternative Payment, Stage II (Contract Prefix G2AP)	6041	8590	D	8590
23412	Unrestricted Resources: Mandate Annual Parent Notification	0000	8550	F	8550
23418	High-Risk Youth and Public Safety Program	6575	8590	D	8590
23419	Unrestricted Resources: Mandate Pupil Suspension Parent Visit	0000	8550	F	8550
23422	Workforce Investment Act (formerly JTPA)	5600	8290	D	8170
23424	Child Development: Preschool-Full Day (Contract Prefix GWAP)	6056	8590	D	8510
23434	Unrestricted Resources: Adult Education	0000	8011	F	8011
23438	Staff Development-Read Svcs for Blind Teachers	7295	8590	D	8419
23445	Child Development: Preschool-Full Day (Contract Prefix GWAP)	6056	8590	D	8510

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23487	Child Nutrition: SHAPE California Model Nutrition Education	5453	8699	D	8699
23492	Instructional Materials: Grades K–8 (Includes Disaster Funding and Fast Growth)	7155	8590	F	8415
23494	Instructional Materials: Grades 9–12	7160	8590	F	8416
23498	Class Size Reduction, Grades 9	1200	8435	F	8435
23502	Calif. Public School Library Act of 1998	6296	8590	F	8590
23503	Arts Education Partnership Grants	7018	8590	D	8590
23512	Child Development: Child Care Facilities Revolving Fund	6140	8979	F	8979
23515	ROC/P: Training & Certification for Community Care (Dept Develop Service)	6355	8590	F	8590
23532	Staff Development: High School Coaching Training	7282	8590	D	8590
23542	Year-Round Education (YRE) Implementation Grants	7380	8425	D	8425
23543	Unrestricted Resources: Year-Round Operational Grants	0000	8425	F	8425
23545	American Indian Education Centers	7015	8590	D	8490
23550	ROC/P Apportionment	6350	8311	F	8311
23600	Instructional Materials: Grades K–8 (Includes Disaster Funding and Fast Growth)	7155	8590	F	8415
23616	Unrestricted Resources: Adult Education	0000	8011	F	8011
23621	Healthy Start: Planning Grants and Operational Grants (98/99)	6240	8590	D	8581
23623	Unrestricted Resources: COE Service Fund Contingency	0000	8590	F	8590
23626	Other State: Nutritional Education	7810	8590	D	8590
23627	National Board Certification Teacher Incentive Grant	6267	8590	D	8590
23630	School Community Policing Partnerships	6330	8590	D	8590
23633	Unrestricted Resources: COE Fiscal Oversight	0000	8590	F	8590
23654	Economic Impact Aid	7090	8311	D	8346
23655	Economic Impact Aid	7090	8311	D	8346
23668	Child Nutrition: School Breakfast Startup	5380	8520	D	8520

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23691	Child Nutrition: Garden Enhanced Nutrition Education Project	5451	8590	D	8590
23702	Other State: Playground Equipment	7810	8590	D	8590
23707	ROC/P Apportionment	6350	8311	F	8311
23718	School Safety & Violence Prevention, Grades 8–12	6405	8590	F	8590
23721	Unrestricted Resources: Charter School Categorical Block Grant	0000	8480	F	8480
23725	English Language Acquisition Program, Teacher Training & Student Assistance	6286	8590	F	8590
23749	Supplementary Programs: Foster Youth in Licensed Care Facilities	7366	8590	D	8590
23757	Calif. Public School Library Act of 1998	6296	8590	F	8590
23761	Special Ed: IDEA Early Intervention Grants	3385	8182	D	8590
23766	Adults In Correctional Facilities	6015	8590	F	8490
23767	Education Technology: Staff Development	7120	8590	F	8424
23770	Workforce Investment Act Employment Preparation (formerly JTPA)	5620	8290	D	8170
23776	Instructional Material-Braille & Large Print	7170	8590	F	8417
23778	Instructional Materials: Grades K–8 (Includes Disaster Funding and Fast Growth)	7155	8590	F	8415
23779	Instructional Materials: Grades 9–12	7160	8590	F	8416
23786	Staff Development-Bilingual Teacher Training	7275	8590	D	8590
23788	Environmental Education	7135	8590	D	8590
23792	School Improvement Program (SIP)	7260	8311	D	8344
23793	School Improvement Program (Optional)	7265	8311	D	8344
23811	American Indian Education Centers	7015	8590	D	8490
23826	Unrestricted Resources: Governor's Reading Award	0000	8590	F	8590
23833	Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)	6510	8311	F	8321
23848	Staff Development-Read Svcs for Blind Teachers	7295	8590	D	8419

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23852	Sch/Law Enforcement: Conflict Resolution & Youth Mediation	6315	8590	D	8590
23853	School Community Policing Partnerships	6330	8590	D	8590
23854	School/Law Enforcement Partnership: Mini-Grants	6310	8590	D	8590
23856	Gifted & Talented Education (GATE)	7140	8311	F	8331
23857	Gang Risk Intervention Program	6215	8590	D	8590
23858	Native American Indian Education	7210	8590	D	8490
23859	Miller Unruh Reading Program	7200	8590	F	8411
23860	Unrestricted Resources: Opportunity Programs	0000	8590	F	8490
23869	Education Technology: Digital High School	7100	8590	D	8424
23897	Unrestricted Resources: English Language Development Assessment	0000	8590	F	8590
23898	School Community Policing Partnerships	6330	8590	D	8590
23899	College Prep Partnership: College Entrance Exam Prep Courses	7336	8590	D	8590
23900	Unrestricted Resources: Advanced Placement Fees	0000	8590	F	8590
23901	International Baccalaureate (IB) Program: Staff Development & Startup	7286	8590	F	8590
23902	Academic Improvement & Achievement: Regional Partnerships	7337	8590	F	8590
23903	Staff Development-Beg Teacher Support & Assess Study	7280	8590	D	8590
23910	Unrestricted Resources: Mandate School District of Choice Appeal	0000	8550	F	8550
23911	Child Development: Child Care Facilities Revolving Fund	6140	8979	F	8979
23919	Education Technology: Digital High School Staff Development & Support	7101	8590	F	8424
23936	Unrestricted Resources: Mandate Law Enforcement Agency Notification	0000	8550	F	8550
23937	Unrestricted Resources: Mandate Absentee Ballots	0000	8550	F	8550
23938	Unrestricted Resources: Adult Education	0000	8011	F	8011

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23939	After School Learning & Safe Neighborhood Partnerships	6010	8590	D	8590
23945	After School Learning & Safe Neighborhood Partnerships	6010	8590	D	8590
23961	Staff Development-School Development Plans	7315	8590	F	8419
23962	Staff Development-Resource Agencies & Consortia	7305	8590	D	8419
23964	Unrestricted Resources: High Achieving/Improving Schools Awards	0000	8590	F	8590
23975	Education Technology: CTAPS, SETS, & Supplemental Grants	7110	8590	D	8424
23980	Student Organizations Vocational Education	7360	8590	D	8590
23982	ROC/P Apportionment	6350	8311	F	8311
23984	Community Ed: Intergenerational Education	6280	8590	D	8590
23986	Desegregation: Court Ordered	7035	8550	D	8550
23989	Immediate Intervention/Underperforming Schools Program	7255	8590	F	8590
23997	Supplementary Prgs-Foster Youth	7365	8590	D	8590
24000	Cal-SAFE Child Care and Development Services	6092	8590	F	8590
24001	Cal-SAFE Supportive Services	6091	8590	F	8590
24006	Desegregation: Voluntary	7040	8550	D	8550
24007	English Language Acquisition Program, Teacher Training & Student Assistance	6286	8590	F	8590
24008	Reading Professional Development Institute	6585	8590	F	8590
24014	Unrestricted Resources: Mandate Caregiver Affidavits	0000	8550	F	8550
24015	Unrestricted Resources: Mandate Pupil Suspensions Employee Reports	0000	8550	F	8550
24016	Unrestricted Resources: Mandate Pupil Expulsions Appeals	0000	8550	F	8550
24017	Unrestricted Resources: Mandate Pupil Expulsions	0000	8550	F	8550
24018	Unrestricted Resources: Mandate Investment Reports	0000	8550	F	8550
24019	Unrestricted Resources: Mandate Physical Performance Tests	0000	8550	F	8550

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24020	Unrestricted Resources: Mandate Habitual Truants	0000	8550	F	8550
24021	Unrestricted Resources: Mandate Collective Bargaining	0000	8550	F	8550
24022	Unrestricted Resources: Mandate School Accountability Report Card	0000	8550	F	8550
24023	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8520	F	8520
24024	Staff Development: High School Coaching Training	7282	8590	D	8590
24027	Community-Based Tutoring Grants	6285	8590	D	8590
24028	Unrestricted Resources: HSEE	0000	8590	F	8590
24030	Immediate Intervention/Underperforming Schools Program	7255	8590	F	8590
24032	School/Law Enforcement Partnership: Mini-Grants	6310	8590	D	8590
24033	Advanced Placement Challenge Grant	7274	8590	D	8590
24034	California Peer Assistance & Review Program for Teacher (CPARP)	7271	8590	F	8442
24036	School Safety & Violence Prevention, Grades 8–12	6405	8590	F	8590
24037	Other State: Web-Based Staff Development	7810	8590	D	8590
24038	Unrestricted Resources: Governor's Performance Awards	0000	8590	F	8590
24041	Unrestricted Resources: Governor's Reading Awards	0000	8590	F	8590
24042	National Board Certification Teacher Incentive Grant	6267	8590	D	8590
24044	Teacher Recruitment Centers	6255	8590	D	8590
24048	Child Development: State Alternative Payment, Stage II (Contract Prefix G2AP)	6041	8590	D	8590
24053	CSIS: California School Information Service	6020	8590	D	8590
24054	Cal-SAFE County Classroom	6093	8590	F	8450
24056	Education Technology: AB 2882 Ed Tech Grant Program for High Schools/On-line Advance Placement and Instructional Computers	7127	8590	D	8590
24057	English Language and Intensive Literacy Program	6288	8590	F	8590
24060	Unrestricted Resources: School Site Employees Performance Bonus	0000	8590	F	8590

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24093	Special Education	6500	8311	F	8321
24094	Education Technology: Digital High School	7100	8590	D	8424
24099	CSIS: California School Information Service	6020	8590	D	8590
24100	Unrestricted Resources: Charter School Loans	0000	8979	F	8979
24101	English Language Acquisition Program, Teacher Training & Student Assistance	6286	8590	F	8590
24105	Unrestricted Resources: Beginning Teacher Minimum Salary	0000	8590	F	8590
24107	English Language Acquisition Program, Teacher Training & Student Assistance	6286	8590	F	8590
24108	Tolerance Education Program	6316	8590	D	8590
24111	Desegregation: Voluntary	7040	8550	D	8550
24112	Class Size Reduction, Grades K–3	1300	8434	F	8434
24120	Student Organizations Vocational Education	7360	8590	D	8590
24123	Teachers As a Priority (TAP) Block Grant	6265	8590	D	8590
24124	School Improvement & Pupil Achievement Block Grant (District-wide)	6017	8590	F	8590
24127	Education Technology: Staff Development	7120	8590	F	8424
24128	Education Technology: Digital High School	7100	8590	D	8424
24134	Class Size Reduction Facilities Funding	6200	8590	F	8584
24142	CD: Quality Improvement Activities	5035	8590	D	8590
24144	After School Learning & Safe Neighborhood Partnerships	6010	8590	D	8590
24146	Child Development: Facility Renovation and Repair	6145	8590	D	8590
24147	Other State: HIPPY	7810	8590	D	8590
24148	Child Development: Child Care Facilities Revolving Fund	6140	8979	F	8979
24149	IASA: Title XIII Regional Collaboratives for Workforce Preparation	4130	8590	D	8590
24151	CD: Quality Improvement Activities	5035	8590	D	8590

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24155	Child Nutrition: Garden Enhanced Nutrition Education Project	5451	8590	D	8590
24156	Unrestricted Resources: Mandate American Government Document Requirements	0000	8550	F	8550
24157	Unrestricted Resources: Mandate Pupil Residence Verification	0000	8550	F	8550
24158	Unrestricted Resources: Mandate Criminal Background Checks	0000	8550	F	8550
24159	Other State: Gender Equity Training	7810	8590	D	8590
24160	Other State: Test Development	7810	8590	F	8590
24161	Other State: Child Development One-Time Equipment/Materials	7810	8590	D	8590
24162	Other State: Child Development One-Time Playground Compliance	7810	8590	D	8590
24163	Advanced Placement Challenge Grant	7274	8590	D	8590
24164	Staff Development-Interseg Avid Program	7340	8590	D	8590
24165	Goals 2000: Secondary School Reading	3856	8590	D	8590
24166	Goals 2000: Student Academic Partnerships, Grades 1–6	3840	8590	D	8590
24167	Goals 2000: Student Academic Partnership, Grades 7–12	3831	8590	D	8590
24168	National Board Certification Teacher Incentive Grant	6267	8590	D	8590
24170	Other State: Child Development One-Time Increasing Capacity	7810	8590	D	8590
24171	Supplementary Prgs-Specialized Secondary	7370	8590	D	8490
24174	Child Development: State Alternative Payment, Stage II (Contract Prefix G2AP)	6041	8590	D	8590
24179	Child Development: State Alternative Payment, Stage II (Contract Prefix G2AP)	6041	8590	D	8590
24181	Child Development: State Alternative Payment, Stage II (Contract Prefix G2AP)	6041	8590	D	8590
24182	WIA: State Match	6700	8590	D	8590
24183	WIA: State Match	6700	8590	D	8590

PCA #	SACS RESOURCE CODE DESCRIPTIVE TITLE	SACS Resource Code	SACS Rev Object Code	Deferred Rev (D) or Fund Balance (F)	Non-SACS Income Acct Code
24184	Other State: WIA Communities and Schools for Career Success	7810	8590	D	8590
24192	High Priority School Grants Program	7258	8590	F	8590
24194	Education Technology: CTAPS, SETS, & Supplemental Grants	7110	8590	D	8424
24195	Unrestricted Resources: Mandate Annual Parent Notification	0000	8550	F	8550
24196	Special Education	6500	8311	F	8311
24197	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8520	F	8520
24198	Child Nutrition: School Programs (e.g., School Lunch, School Breakfast, Milk, Pregnant & Lactating Students)	5310	8520	F	8520
24199	ROC/P: Equipment	6365	8590	F	8590
24203	Other State: Substitute Teachers	7810	8590	F	8590
24204	Parent/Teacher Involvement: Nell Soto Program	6340	8590	D	8590
24206	Unrestricted Resources: Mandate School Crime Reports	0000	8590	F	8590
24208	Unrestricted Resources: COE Fiscal Oversight	0000	8590	F	8590
24209	Other State: FCMAT CSIS Administration	7810	8590	G	8590
24211	Staff Development: Principals' Training (AB 75)	7325	8590	F	8419
24214	Unrestricted Resources: Beginning Teacher Salary Program	0000	8590	F	8590
24216	Industry-Based Certification Incentive Grant Program	6375	8590	F	8590
24217	Categorical Programs Per ADA Allocations	7005	8590	F	8590
24218	Other State: Gender Equity Training	7810	8590	D	8590
24219	Education Technology: High Tech High Schools	7105	8590	D	8424
24222	Unrestricted Resources: English Language Development Test	0000	8590	F	8590
24223	Intensive Professional Development in Reading and Math	7294	8590	F	8419
24224	Information Technology Career Academy Grant	7227	8590	D	8590
24225	School Safety & Violence Prevention, Grades 8–12	6405	8590	F	8590
24227	Charter Schools Facilities Lease	6030	8590	D	8590

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24229	Targeted Instruction Improvement Grants Program	7045	8590	F	8590
24233	Healthy Start-Pregnant & Parenting	6245	8590	D	8590
24234	Other State: HSEE	7810	8590	F	8590
24235	Education Technology: Staff Development	7120	8590	F	8424
24236	Class Size Reduction Facilities Funding	6200	8590	F	8584
24237	Unrestricted Resources: One-Time Energy Relief	0000	8590	F	8590
24238	Immediate Intervention/Underperforming Schools Program	7255	8590	F	8590
24241	Community-Based Tutoring Grants	6285	8590	D	8590
24275	Other State: Save the Children, Web of Support	7810	8590	F	8590
24276	After School Learning & Safe Neighborhood Partnerships	6010	8590	D	8590
24277	After School Learning & Safe Neighborhood Partnerships	6010	8590	D	8590
24279	Unrestricted Resources: One-Time Energy Conservation	0000	8590	F	8590
24280	Unrestricted Resources: One-Time Energy Conservation	0000	8590	F	8590
24281	Other State: Snow Removal	7810	8590	F	8590
24283	Unrestricted Resources: Special Ed Mandate Settlement for COEs	0000	8590	F	8590
24284	Unrestricted Resources: Special Ed Mandate Settlement for SELPAs	0000	8590	F	8590
24285	Unrestricted Resources: Special Ed Mandate Settlement for Riverside	0000	8590	F	8590
24286	Unrestricted Resources: Special Ed Mandate Settlement for Districts	0000	8590	F	8590
24287	Other State: California Reads	7810	8590	F	8590
24288	Unrestricted Resources: Special Ed Mandate Settlement, 10 Annual Payments	0000	8590	F	8590
24289	Special Education: Special Ed Mandate Settlement, Ongoing	6500	8590	F	8590
24296	Other State: Child Development Home Instruction	7810	8590	D	8590
24298	Child Development: State Alternative Payment, Stage III	6042	8590	D	8590

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24304	Other State: Pilot, Weekend Parental Involvement	7810	8590	F	8590
24306	International Baccalaureate (IB) Program: Staff Development & Startup	7286	8590	F	8590
24308	WIA: Regional Coordination	6701	8590	D	8590
24309	WIA: State Match	6700	8590	D	8590
24314	Special Ed: IDEA Early Intervention Grants	3385	8590	D	8490
24315	Child Development: State Alternative Payment, Stage III	6042	8590	D	8590
24317	Child Development: State Alternative Payment, Stage III	6042	8590	D	8590