

**PROGRAM BUDGETING, ACCOUNTING,  
AND REPORTING SYSTEM**

**NEBRASKA SCHOOL DISTRICTS**

**ACCOUNTING STRUCTURE & USERS'  
MANUAL**

***Coding for Reporting 2020/21 AFR***

**Nebraska Department of Education**

This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document. For comments regarding this document contact [nde.guidance@nebraska.gov](mailto:nde.guidance@nebraska.gov).

# P R E F A C E

This Accounting & Users' Manual for Nebraska school districts is intended to help local school boards and administrators effectively collect and document financial data for educational management decisions.

The use of this manual should significantly improve the completion of reports, such as the Annual Financial Report, required by the Nebraska Department of Education and other state agencies. It is intended to correspond with those concepts, fundamentals and current practices used in accounting principles followed by Nebraska school districts.

The Nebraska Department of Education also recognizes that variations will always exist between districts regarding definition of routine daily accounting needs versus those events that are considered occasional and unusual. As a result, not all situations can be predicted or sufficiently addressed in this manual. School boards should accommodate their needs outside the structure required by the Nebraska Department of Education; this manual addresses the minimum reporting requirements. School districts may expand on this groundwork to meet their own requirements. **However, the financial information reported to NDE must conform to the coding structure found in the School District Master Code List.**

**The School District 2020/21 Master Code List is available at:**

<https://www.education.ne.gov/fos/annual-financial-report-school-district/>

Revised August 2021

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## 2020/21 CODING ADJUSTMENTS

<b>01 GENERAL FUND:</b>		
251	Tuition Reimbursement	<b>Added to:</b> <ul style="list-style-type: none"> <li>• 01-2-02120 Guidance Services</li> </ul>
281	Health Benefits Paid for Teachers/Professional Staff	<b>Added to:</b> <ul style="list-style-type: none"> <li>• 01-2-02660 Security</li> <li>• 01-2-02670 Safety</li> </ul>
320	Professional Educational Services	<b>Added to:</b> <ul style="list-style-type: none"> <li>• 01-2-03300 Community Services</li> <li>• 01-2-03400 Categorical Grants from Corporations &amp; Other Private Interests</li> <li>• 01-2-035XX State Categorical Programs</li> </ul>
431	Non-Technology Related Repairs & Maintenance	<b>Impacts all funds</b> except Cooperative Fund <ul style="list-style-type: none"> <li>• Added to all functions <b>except</b> 271Xs Vehicle Operation &amp; Purchasing; 272X Monitoring Services; 279X Other Transportation Services; 5000 Debt Services</li> <li>• Both object codes 431 &amp; 432 will appear.</li> </ul>
432	Technology Related Repairs & Maintenance	
510	Student Transportation Services	<b>Added to:</b> <ul style="list-style-type: none"> <li>• 01-2-01150 LEP</li> <li>• 01-2-01160 Poverty</li> <li>• 01-2-01300 Summer School</li> <li>• 01-2-0279X Other Student Transportation</li> <li>• 01-2-06200 Title I, Part A Improving Basic Programs</li> <li>• 01-2-06969 Title IV, Part A Student Support &amp; Academic Enrichment (SSAE)</li> <li>• 01-2-06991 McKinney Vento/Homeless</li> <li>• 01-2-06996 ESSER I</li> <li>• 01-2-06402 IDEA Part B (611) Base Allocation Transportation</li> <li>• 01-2-06403 IDEA Part B (611) Base Allocation – School Age</li> <li>• 01-2-06404 IDEA Part B (611) Base Allocation – Birth through Age Four</li> <li>• 01-2-06406 IDEA Preschool (619) Base Allocation</li> <li>• 01-2-06407 IDEA Preschool (619) Base Allocation Transportation</li> <li>• 01-2-06408 IDEA Part B (611) Base &amp; Enrollment Poverty Allocation Birth Through Age Twenty-one</li> <li>• 01-2-06409 IDEA Enrollment/Poverty (619)</li> <li>• 01-2-06410 IDEA Enrollment/Poverty (611)</li> <li>• 01-2-06411 IDEA Part B Early Intervening Services</li> <li>• 01-2-06412 IDEA Part B Proportionate Share</li> <li>• 01-2-06414 IDEA Part C</li> <li>• 01-2-06415 IDEA Special Projects</li> <li>• 01-2-06416 IDEA Part C Planning Region Team (PRT)</li> <li>• 01-2-06417 IDEA Part B Transition Projects</li> </ul>

520	Insurance (Other than Employee Benefits)	<b>Added to:</b> • 01-2-01100 Regular Instruction
621	Utility Energy Services	<b>Impacts all funds</b> • Added to all functions except 5000 Debt Services
626	Fuel	<b>Impacts all funds</b> • Added to all functions except 5000 Debt Services
<b>03 EMPLOYEE BENEFIT FUND:</b>		
237	Increased Retirement Contributions	Added to 03-2-02900
238	Voluntary Termination Agreements	
239	Early Retirement Contributions	
<b>05 ACTIVITIES FUND</b>		
520	Insurance (Other than Employee Benefits)	Added to 05-2-02900
<b>10 COOPERATIVE FUND</b>		
110	Non-Instructional Salaries	Added to all Functions
2620	Maintenance of Building	Added to Coop Fund
<b>CODE ADJUSTMENT AFFECTING ALL FUNDS:</b>		
431	Non-Technology Related Repairs & Maintenance	<b>Impacts all funds –</b> Both object codes 431 & 432 will appear in all functions EXCEPT 5000 Debt Services.
432	Technology Related Repairs & Maintenance	
<b>CODING INTERFUND LOANS</b>		
<b>Revenue – See page 26 for additional explanation</b>		
0X-1-09001-000	Interfund Loan from General Fund. Only used between Taxing Funds. Not included in the Total Revenue account XX-1-10000-000	
0X-1-09002-000	Interfund Loan from Bond Fund. Only used between Taxing Funds. Not included in the Total Revenue account XX-1-10000-000	
0X-1-09003-000	Interfund Loan from Special Building Fund. Only used between Taxing Funds. Not included in the Total Revenue account XX-1-10000-000	
0X-1-09004-000	Interfund Loan from Qualified Capital Purpose Undertaking Fund. Only used between Taxing Funds. Not included in the Total Revenue Account XX-1-10000-000	
0X-1-09005-000	Interfund Loan from General Fund to School Nutrition Fund. Only used between General and Nutrition Funds. Not included in the Total Revenue Account 01-1-10000-000.	
<b>Disbursement -- See page 45 for additional explanation</b>		
0X-2-09001-000	Repayment of Interfund Loan from General Fund. Only used between Taxing Funds. Not included in Total Disbursement account XX-2-20500-000.	
0X-2-09002-000	Repayment of Interfund Loan from Bond Fund. Only used between Taxing Funds. Not included in the Total Disbursement account XX-2-20500-000.	
0X-2-09003-000	Repayment of Interfund Loan from Special Building Fund. Only used between Taxing Funds. Not included in the Total Disbursement account XX-2-20500-000.	
0X-2-09004-000	Repayment of Interfund Loan from Qualified Capital Purpose Fund. Only used between Taxing Funds. Not included in the Total Disbursement account XX-2-20500-000.	
0X-2-09005-000	Repayment of Interfund Loan to General Fund from School Nutrition. Only used for repayment of loan from School Nutrition to General Fund. Not included in XX-2-20500-000.	

## 2020/21 NEW & ELIMINATED CODES

Revenue: 4420	IDEA PART-B ARP – EARLY INTERVENING SERVICES: American Rescue Plan 2021. IDEA Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3. (Code disbursements to Function 6420)
Revenue: 4421	IDEA PART-B (611) ARP – BASE & ENROLLMENT POVERTY ALLOCATION- BIRTH THROUGH AGE TWENTY-ONE: American Rescue Plan 2021. Part B LEA flow-through funds received for special education services to age twenty-one. (Code disbursements to Function 6421)
Revenue: 4422	IDEA PRESCHOOL (619) ARP – BASE/ENROLLMENT POVERTY (619) ALLOCATION: American Rescue Plan 2021. IDEA preschool LEA Flow-through funds received for special education services for children ages 3-5 only (Code disbursements to Function 6422)
Disbursement: 6420	IDEA PART-B ARP – EARLY INTERVENING SERVICES: American Rescue Plan 2021. Disbursements paid by Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3. (Code receipts to 4420)
Disbursement: 6421	IDEA PART-B (611) ARP – BASE & ENROLLMENT POVERTY ALLOCATION- BIRTH THROUGH AGE TWENTY-ONE: American Rescue Plan 2021. Disbursements paid by Part B LEA flow-through funds received for special education services to age twenty-one. (Code receipts to 4421)
Disbursement: 6422	IDEA PRESCHOOL (619) ARP – BASE/ENROLLMENT POVERTY (619) ALLOCATION: American Rescue Plan 2021. Disbursements paid by IDEA preschool LEA Flow-through funds received for special education services for children ages 3-5 only (Code receipts to 4422)
Revenue: 4997	ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER II): Receipts from the 2020-2021 ESSER II Supplemental Subgrant (CRRSA Act, 2021) for costs incurred from March 13, 2020 through September 30, 2023 to address the impact of the COVID-19 Pandemic. Only used in the General Fund, Special Building Fund and the School Nutrition Fund. <i>Please note: This funding is the second round of ESSER Funding</i>
Disbursement: 6997	ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER II): Expenditures supported by the 2020-2021 ESSER II Supplemental Subgrant (CRRSA Act, 2021) for costs incurred from March 13, 2020 through September 30, 2023 to address the impact of the COVID-19 Pandemic. Used only in the General Fund, Special Building Fund and the School Nutrition Fund. <i>Please note: This funding is the second round of ESSER Funding.</i>
Revenue: 4998	ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER III): Receipts from the 2020-2021 ESSER III Supplemental Subgrant (ARP Act, 2021) for costs incurred through September 30, 2024 to address the impact of the COVID-19 Pandemic. Only used in the General Fund, Special Building Fund and the School Nutrition Fund. <i>Please note: This funding is the third round of ESSER Funding.</i>
Disbursement: 6998	ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER III): Expenditures supported by the 2020-2021 ESSER III Supplemental Subgrant (ARP Act, 2021) for costs incurred through September 30, 2024 to address the impact of the COVID-19 Pandemic. Only used in the General Fund, Special Building Fund and the School Nutrition Fund. <i>Please note: This funding is the third round of ESSER Funding.</i>

## CODES ELIMINATED FOR 2020/21

Revenue: 4515	IDEA PART B SUPPLEMENTAL PAYMENTS
Revenue: 4512	IDEA PART B(611) BASE ALLOCATION  <i>REPLACED BY 4518 IDEA PART B (611) &amp; ENROLLMENT POVERTY ALLOCATION</i>
Revenue: 4519	IDEA ENROLLMENT/POVERTY  <i>REPLACED BY 4518 IDEA PART B (611) &amp; ENROLLMENT POVERTY ALLOCATION</i>
Revenue: 4519  Disbursement: 6405	IDEA PART B SUPPLEMENTAL PAYMENTS

# SPECIAL EDUCATION CODING FOR SPEDFRS REIMBURSEMENTS

Accurate coding of **allowable** Special Education related expenditures in the AFR is essential to maximize a district's Special Education reimbursement and meeting requirements of IDEA Maintenance of Effort. Verifying actual special education account coding eliminates the need to amend an AFR. The following information is intended to consolidate resources for Special Education disbursement reporting.

IDEA expenditures should not exceed the IDEA allocation for the same year similar to other federal programs. Expenses exceeding the IDEA allocations are coded to the appropriate 01XXX Instructional Program function. i.e. District's IDEA allocation for IDEA Base & E/P "611" is \$12,000. The district's total expenditures for 06404 and 06410 is \$15,000. \$12,000 is coded between 06404 and 06410. The remaining expenditure (\$3000) is coded to an appropriate age group non-IDEA Special Education account.

One of the common issues that delays Special Education reimbursements is coding disbursements at the wrong age level. It is important to be cognizant of the age levels of the account structure. Accounts below are categorized by age levels.

<b>AGES 0-2 SPED AFR ACCOUNTS</b>		<i>Required to be reported in SPEDFRS - ages 0- 3</i>
01292	Special Education Instructional Programs - Ages 0-2	
02133	Health Services (SPED) – Ages 0-2	
02143	Psychological Services - Ages 0-2	
02153	Speech Pathology and Audiology Services - Ages 0-2	
02163	Occupational Therapy-Related Services - SPED - Ages 0-2	
02173	Physical Therapy-Related Services - SPED - Ages 0-2	
02183	Visually Impaired/Vision Services - SPED - Ages 0-2	
06404	IDEA Part B (611) Base Allocation - Used for Ages 0-2	
06408	IDEA Part B (611) Base/EP Allocation - Used for Ages 0-2	
06410	IDEA Enrollment/Poverty (611) - Used for Ages 0-2	
06421	IDEA PART-B (611) ARP – Enrollment poverty allocation- SPED - Ages 0-2	

<b>AGES 3-5 SPED AFR ACCOUNTS</b>		<i>Required to be reported in SPEDFRS - ages 3- 5</i>
01195	Early Childhood Educational Programs - FLEX FUNDING	
01291	Special Education Instructional Programs - Ages 3-5	
02132	Health Services (SPED) – Ages 3-5	
02142	Psychological Services - Ages 3-5	
02152	Speech Pathology and Audiology Services - Ages 3-5	
02162	Occupational Therapy-Related Services - SPED - Ages 3-5	
02172	Physical Therapy-Related Services – SPED - Ages 3-5	
02182	Visually Impaired/Vision Services - SPED - Ages 3-5	
02713	Vehicle Operation and Purchasing - Below Age Five SPED	
02733	Vehicle Servicing and Maintenance - Below Age Five SPED	
02793	Other Student Transportation Services - Below Age Five SPED	
06404	IDEA Part B (611) Base Allocation - Use for Ages 3-5	
06406	IDEA Part B (611) Base Allocation Ages 3-5 Only	
06407	IDEA Part B (611) Base Allocation Transportation - Ages 3-5 Only	
06408	IDEA Part B (611) Base Allocation/EP - Use for Ages 3-5	
06409	IDEA Enrollment/Poverty (619) - Aged 3-5 Only	
06410	IDEA Enrollment/Poverty (611) - Use for Ages 3-5	
06412	IDEA Part B Proportionate Share- Use for Age 3-5	



06421	IDEA PART-B (611) ARP – Enrollment poverty allocation- - SPED - Ages 3-5
06422	IDEA PRESCHOOL (619) ARP – SPED Ages 3-5 only

<b>SCHOOL-AGE SPED AFR ACCOUNTS</b>	
<i>Account codes reimbursed in SPEDFRS</i>	
01125	Regular Instructional Programs School Age - FLEX FUNDING
01200	Special Education Instructional Programs - School Age
01295	Special Education Instructional Programs - Unified Sports - School Age
02141	Psychological Services - School Age
02151	Speech Pathology and Audiology Services - School Age
02161	Occupational Therapy-Related Services - SPED - School Age
02171	Physical Therapy-Related Services - SPED - School Age
02181	Visually Impaired/Vision Services - SPED School Age
02712	Vehicle Operation and Purchasing - School Age SPED
02722	Monitoring Services - School Age SPED
02732	Vehicle Servicing and Maintenance - School Age SPED
02792	Other Student Transportation Services - School Age SPED
06402	IDEA Part B (611) Base Allocation Use for Ages 5-21
06403	IDEA Part B (611) Base Allocation - Use for Ages 5-21
06404	IDEA Part B (611) Base Allocation - Use for Ages 5-21
06408	IDEA Part B (611) Base Allocation/EP - Use for Ages 5-21
06410	IDEA Enrollment/Poverty (611) - Use for Ages 5-21
06411	IDEA Part B Early Intervening Services - (CEIS) Use for Ages 5-21
06412	IDEA Part B Proportionate Share (Non-Public) - Use for Ages 5-21
06420	IDEA PART-B ARP – Early intervention services – School Age
06421	IDEA PART-B (611) ARP – Enrollment poverty allocation- SPED to School Age to 21

**Maintenance of Effort:**

- MOE requirements specifies that district must spend at least the same amount of “Local” or “State and Local” funds that was spent in the previous year.
- The Special Education Finance webpage has resources to assist districts track SPED expenditures that impact MOE [Special Education Finance – Nebraska Department of Education](#) These links are updated annually.

**Maintenance of Effort  
(M.O.E.) Worksheet  
Instructions & Tracking  
Tool**

2020-2021

[MOE Worksheet Instructions \(2020-2021\)](#)  
[MOE Tracking Tool \(2020-2021\)](#)  
[MOE Targets \(2020-2021\)](#)  
[MOE Exceptions](#)

- ✓ **MOE Worksheet Instructions** – How to track SPED-related expenditures and reimbursements for the school year.
- ✓ **MOE Tracking Tool** – Enter actual and estimated expenditures on monthly basis onto the first tab of this spreadsheet or the second tab on a year-to-date basis.
- ✓ **MOE Targets** – Displays the amount each district must spend in at least one of the four calculation methods in the current year to be in compliance with MOE.
- ✓ **MOE Exceptions** – Detailed Explanation of allowable Federal exceptions for Maintenance of Effort (MOE)

## **CLASSIFICATION OF FUNDS**

A FUND is a sum of money or is the money derived from certain sources and set aside for specific purposes and activities. An ACCOUNT within a fund records the financial transactions that are similar in terms of a given frame of reference, either as a receipt or as a disbursement. The fund accounts collectively constitute a complete record of all transactions encompassed by the fund. In addition, State Statute §79-1089 requires that a public accountant or a certified public accountant annually examine all financial records maintained by school districts.

### **GENERAL FUND**

The General Fund finances all facets of services rendered by the school district. General Fund receipts are classified according to source while its expenditures are classified according to specific functions. The General Fund is maintained by all operating school districts in the state. General Fund expenditures are limited by statute. The tax levy for this fund is restricted. The General Fund cannot be used to purchase buildings or land for the district -- those are functions of the Special Building Fund.

### **DEPRECIATION FUND**

A Depreciation Fund may be established by a school district in order to facilitate the eventual purchase of costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund and the Depreciation Fund will show the revenue as a transfer from the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The purpose of the Depreciation Fund is to spread replacement costs over a period of years in order to avoid a disproportionate tax effort in a single year to meet such an expense. This fund is restricted by statute as part of the Allowable Reserve limitation. The Depreciation Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

### **EMPLOYEE BENEFIT FUND**

An Employee Benefit Fund may be established in order to specifically reserve General Fund money for the benefit of school district employees (unemployment compensation, early retirement, health insurance deductibles, etc.) To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund, and the Employee Benefit Fund will show the revenue as a transfer from the General Fund. A school district may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The cash reserve of this fund is restricted by statute as part of the Allowable Reserve limitation. The Employee Benefit Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

## CONTINGENCY FUND

A Contingency Fund is authorized by statute (§79-1072) and may be established by a school district to fund uninsured losses and legal fees incurred by the school district for defense against public losses. Expenditures from this fund shall not exceed five percent of the total budgeted General Fund expenditures of the school district. To allocate monies from the General Fund, a school district shall show the movement of monies as an expense from the General Fund, and the Contingency Fund shall show the revenue as a transfer from the General Fund.

## ACTIVITIES FUND

The Activities Fund is required to account for the financial operations of quasi-independent student organizations, inter-school athletics, and other self-supporting or partially self-supporting school activities. The inclusion of such accounts in the General Fund would distort the financial position of the basic school operation and would complicate the computation of the net expense incurred in conducting school services. The Activities Fund shall not be used to record general operation revenues or expenditures, nor shall this fund be used as a clearinghouse for the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different purposes.

The financial operations of all school-connected activities are a legal responsibility of the board of education. If deficits in such activities are incurred, they shall be covered by funds transferred from the General Fund. Such revenue shall finance only those projects that qualify for approval under policies established by the school district board of education for such activities.

Districts offering curriculum to build or construct homes or other structures that may be sold to the public should include those revenues and corresponding costs to the Activities Fund.

## SCHOOL NUTRITION FUND

The School Nutrition Fund is required to accommodate the financial activities of all Nutrition Programs operated by the school district. The School Nutrition Fund shall reflect a record of all revenues and expenditures incident to the operation of all Nutrition Programs. If a deficit is incurred in the operation, the deficiency shall be covered by funds transferred from the General Fund.

Federal regulations allow for loans to the Nutrition Fund from the General Fund but must be recorded as a loan when funds are initially loaned to the School Nutrition Fund. These loans must be repaid to the General Fund from the School Nutrition fund without interest. ***Transfers from General Fund to the School Nutrition Fund are allowed but those funds cannot be transferred back to the General Fund.***

## BOND FUND

The Bond Fund shall be used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs (i.e., trustee fees). If the fund balance is not sufficient to meet interest or bond retirement payments from the Bond Fund, the General Fund shall be used for these payments. Revenue from a levy to retire bonds in any school district is retained in a separate fund by the county treasurer, the financial institution serving as a fiscal agent, or the school district. Funds shall be disbursed upon appropriate demand. All records of the transactions in this area shall be maintained in this fund. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project.

The tax levy for this fund is restricted for expenditures other than principal and interest on bonds. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project.

## **SPECIAL BUILDING FUND**

A Special Building Fund shall be established when a school board decides to acquire or improve sites and/or to erect, alter or improve buildings. The sale of bonds, the sale of property, or tax receipts will be the primary sources of revenue for the Special Building Fund. Regardless of the source of money to be used for building construction and related costs, all income for the purposes of this fund shall be accountable through this fund. General Fund expenditures for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund project is active at the same time, separate accounts for each project may be established within the single Special Building Fund. Teacherage-related transactions are included in the Special Building Fund.

The tax levy for this fund is restricted to 14¢ with local board approval or 17.5¢ following a vote of the people for a term not to exceed ten years (§79-1098 R.R.S.).

## **QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND**

A Qualified Capital Purpose Undertaking Fund may be established for the removal of environmental hazards, the reduction or elimination of accessibility barriers in school district buildings, the repayment of a qualified zone academy bond issued for a qualified capital purpose, modifications for life safety code violations, life safety hazards, and mold abatement and prevention projects for existing facilities only. General Fund expenditures for the purpose of this fund are not allowable. Qualified Zone Academy Bonds, Qualified School Construction Bonds, and Build America Bonds are included in the Qualified Capital Purpose Undertaking Fund if issued prior to April 19, 2016.

Effective April 19, 2016, the tax levy for this fund is restricted to 3¢. The tax levy for Qualified Capital Purpose Undertaking projects in place prior to April 19, 2016, remains at 5.2¢. The levy may exceed the 3¢ levy limit if valuation has decreased from the last year bonds were issued, and the bond principal and interest obligation cannot be met.

Tax levies for the removal of environmental hazards, the reduction or elimination of accessibility barriers in school district buildings, the repayment of a qualified zone academy bond issued for a qualified capital purpose, modifications for life safety code violations, and mold abatement and prevention projects cannot exceed *ten years* for each project. Tax levies for each qualified capital purpose for which the Qualified Zone Academy Bond (QZAB) is issued according to (§79-10,110 R.R.S.) cannot exceed *fifteen* years.

## **COOPERATIVE FUND**

The Cooperative Fund may be used by the school district acting as the fiscal agent for any cooperative activity between one or more public agencies. All school districts, including the school district acting as the fiscal agent, shall show the payment for services to the cooperative in their General Fund.

## **STUDENT FEE FUND**

The Student Fee Fund is a separate school district fund not funded by tax revenue into which all money collected from students pursuant to the Public Elementary and Secondary Student Fee Authorization Act must be deposited. Included are fees for Extracurricular Activities, Postsecondary Education and Summer/Night School. Expenditures from this fund must be for the purposes for which the fees were collected.

# CODING FOR CLASSIFYING RECEIPTS AND DISBURSEMENTS OF ALL FUNDS

Refer to the Chart of Accounts for Receipts and the Chart of Accounts for Disbursements for specific divisions and sub-divisions of receipts and disbursements within the school district's funds. Both charts show four-digit numbers.

A coding structure is recommended which distinguishes receipts from expenditures and identifies the source of funds or the functions and objects of expenditures.

The coding structure for all funds can be reflected in the following breakdown:

<b>XX</b>	-	<b>X</b>	-	<b>XXXXX</b>	-	<b>XXX</b>
<b>Fund</b>		<b>Receipt (1) /Expenditure (2)</b>		<b>Function</b>		<b>Object</b>

For all General Fund expenditures, the first three digits in the coding structure will be 01 - 2 to reflect the General Fund and that the transaction is an expenditure. The remaining portion of the coding structure will identify the Function and Object of the expenditure.

**EXAMPLE #1:**

The **expenditure** of \$400 for Regular Instruction teaching supplies could be coded as follows:

01 - 2 - 01100 - 610                      \$400

In this example, the first two digits (01) indicate the General Fund, the third digit (2) identifies the transaction as an expenditure, the next four digits (1100) identify the function as Regular Instruction and the next three digits (610) identify the object as supplies.

***Expenditures are also identified by school level for purposes of allocating costs per ESSA requirements.***

For all General Fund receipts, the first three digits in the coding structure will be 01 - 1 to reflect General Fund and that the transaction is a receipt. The remaining digits are to be used to identify the source of the receipt according to the Chart of Accounts.

**EXAMPLE #2:**

The **receipt** of a State Aid payment in the amount of \$1000 would be coded as follows:

01 - 1 - 03110 - 000                      \$1000

In this example, the first two digits (01) indicate the General Fund, the third digit (1) identifies the transaction as a receipt, and the next four digits (3110) identify the type and source of the receipt (State Aid). The last three digits of a receipt are always "000", since receipts are not broken down to the object level.

**TABLE 1****DIMENSIONS FOR FUND DISBURSEMENTS**

<b>FUND</b>	<b>RECEIPT / EXPENDITURE</b>	<b>FUNCTION</b>	<b>OBJECT</b>
01 - General	1 - Receipt	1000 – Instruction	100 – Salaries
02 - Depreciation	2 - Expenditure	2000 – Support Services	200 – Benefits
03 – Employee Benefit		3000 – Operation of Non-Instructional Programs	300 – Purchased Professional and Technical Services
04 - Contingency		3400/3500 Private and State Categorical Programs	400 – Purchased Property Services
05 - Activities		4000 – Facilities Acquisition & Construction	500 – Other Purchased Services
06 – School Nutrition		5000 – Debt Services	600 – Supplies
07 - Bond		6000 – Federal Programs	700 - Property
08 – Special Building		8000 – Transfers	800 – Debt Services & Miscellaneous
09 – Qualified Capital Purpose Undertaking Fund		9000 – Non-Program Expenditure	900 – Other Items
10 - Cooperative			
12 – Student Fee			

## TABLE 2

### EXAMPLES OF GRADE, SCHOOL LEVEL, AND COURSE CODING

#### EXAMPLES OF GRADE LEVELS:

##### 99 -- 12 GRADE LEVEL

99 – Pre-Kindergarten  
00 – Kindergarten  
01 – First Grade  
02 – Second Grade  
03 – Third Grade  
04 – Fourth Grade  
05 – Fifth Grade  
06 – Sixth Grade  
07 – Seventh Grade  
08 – Eight Grade  
09 – Ninth Grade  
10 – Tenth Grade  
11 – Eleventh Grade  
12 – Twelfth Grade

##### 10 – 19 ENGLISH COURSES

10 – English – Basic  
11 – Speech  
12 – Dramatics  
13 – Debate  
14 – Journalism  
15 – Reading  
16 – Spelling  
17 – Literature  
18 – Composition  
19 -- Other

##### Please note:

**This example of course coding for English instructional courses can be utilized by school districts when coding disbursement for various courses. Each school will need to develop course codes best suited to its own course offerings.**

#### EXAMPLES OF SCHOOL LEVELS:

-000 District  
-001 Elementary #1  
(Grades PreK – 5)  
-002 Elementary #2  
(Grades PreK – 5)  
-003 Elementary #3  
(Grades PreK – 5)  
-004 Middle School #1  
(Grades 6 – 8)  
-005 Middle School #2  
(Grades 6-8)  
-007 High School  
(Grades 9 - 12)

# PROGRAM RECEIPT CODING

## 1000 LOCAL RECEIPTS

### TAXES

- 1100 TAXES LEVIED/ASSESED BY SCHOOL DISTRICT/ESU:** Compulsory charges levied by the school district or ESU to finance services performed for the common benefit. Revenue derived from the tax levy and all other local taxes which accrue to the school district or ESU, including any school revenue originating from local taxation, housing authority, or TIF related revenue.
- 1115 CARLINE TAXES:** Personal property taxes assessed on private rail cars that are collected by the state and distributed to political subdivisions based on railroad taxes levied.
- 1120 PUBLIC POWER DISTRICT SALES TAX:** The school district's share of the 5% tax on the gross revenue of Public Power Districts derived from the retail sales of electricity in cities and villages.
- 1125 MOTOR VEHICLE TAXES:** Revenue derived from motor vehicle taxes collected by the county and distributed based on the relation of the school district's levy to the total levy in the county.
- 1140 PENALTIES & INTEREST ON TAXES (LEVIED/ACCESSED BY SCHOOL DISTRICTS/ESU):** Revenue from penalties for the payment of taxes after the due date and the interest charged on delinquent taxes from the due date of actual payment. A separate account for penalties and interest on each type of tax may be maintained.
- 1190 OTHER TAXES (LEVIED/ACCESSED BY SCHOOL DISTRICTS):** Other forms of taxes the school district levies/assesses, such as licenses and permits. Separate accounts may be maintained for each specific type of tax.

### TUITION

- 1311 TUITION FROM INDIVIDUALS REGULAR EDUCATION (EXCLUDING SUMMER SCHOOL):** Tuition received from non-resident patrons for school privileges extended to their children. Includes tuition received from Driver's Education.
- 1312 TUITION FROM INDIVIDUALS FOR SUMMER SCHOOL:** Tuition received from patrons for school privileges extended to their children for Summer School.
- 1313 TUITION FROM INDIVIDUALS (SPECIAL EDUCATION):** Tuition received from patrons for providing Special Education programs.
- 1315 TUITION FROM EDUCATIONAL ENTITIES (DISTANCE EDUCATION):** Tuition received from educational entities for providing distance education. Educational entity means a school district, a private, denominational, or parochial school, an educational service unit, a community college, a state college, the University of Nebraska, or a nonprofit private postsecondary educational institution.
- 1321 TUITION FROM OTHER SCHOOL DISTRICTS WITHIN THE STATE – REGULAR EDUCATION:** Tuition received from other school districts, usually under contract.



## PROGRAM RECEIPT CODING

- 1322 **TUITION FROM OTHER GOVERNMENT SOURCES EXCLUDING SCHOOL DISTRICTS WITHIN THE STATE**
- 1323 **TUITION FROM OTHER SCHOOL DISTRICTS WITHIN THE STATE – SPECIAL EDUCATION:** Tuition received from other school districts for providing Special Education programs for school age children.
- 1331 **TUITION FROM OTHER SCHOOL DISTRICTS OUTSIDE THE STATE:** Tuition received from other school districts outside the state, usually under contract.
- 1335 **TUITION FROM OTHER SCHOOL DISTRICTS (PRE-SCHOOL SPECIAL EDUCATION):** Tuition received from other school districts for providing Special Education programs for children ages Birth to Age 5.
- 1340 **TUITION FROM OTHER PRIVATE SOURCES (OTHER THAN INDIVIDUALS)**
- 1360 **ADULT EDUCATION TUITION & FEES:** Tuition and fees received from all sources for providing instruction to adults, including, but not limited to, GED classes.
- 1370 **PRESCHOOL TUITION & FEES:** Tuition and fees received from all sources for providing instruction to pre-kindergarten children.

### TRANSPORTATION

- 1410 **TRANSPORTATION FEES FROM INDIVIDUALS (REGULAR EDUCATION):** Transportation paid by patrons for transportation service given to their regular education children.
- 1411 **TRANSPORTATION FEES FROM INDIVIDUALS (EARLY CHILDHOOD):** Transportation paid by parents for transporting their children receiving instruction through the district's Early Childhood Program.
- 1420 **TRANSPORTATION FEES FROM OTHER GOVERNMENT SOURCES WITHIN THE STATE**
- 1421 **TRANSPORTATION FEES FROM OTHER SCHOOL DISTRICTS WITHIN THE STATE:** Transportation paid by other school districts for transporting regular education students.
- 1423 **TRANSPORTATION FEES FROM OTHER SCHOOL DISTRICTS WITHIN THE STATE (SPECIAL EDUCATION):** Transportation paid by other school districts for transporting special education students.
- 1431 **TRANSPORTATION FEES FROM OTHER SCHOOL DISTRICTS OUTSIDE THE STATE:** Transportation paid by other school districts outside the state for transporting regular education students.
- 1440 **TRANSPORTATION FEES FROM OTHER PRIVATE SOURCES (OTHER THAN INDIVIDUALS):** Transportation paid by other private sources for transporting regular education students.

# PROGRAM RECEIPT CODING

## INVESTMENTS

- 1510 **INTEREST ON INVESTMENTS:** All interest revenue on investments in U.S. Treasury and agency obligations, commercial paper, savings accounts, time certificates of deposit, mortgages, or other interest-bearing instruments. This would also include interest on demand deposits.
- 1520 **DIVIDENDS ON INVESTMENTS:** Revenue from dividends on stocks held for investment.
- 1540 **INVESTMENT INCOME FROM REAL PROPERTY:** Revenue for rental, use charges, and other income on real property held for investment purposes. Teacherage rental is reported in the Special Building Fund.

## FOOD SERVICES – *1611 thru 1650 to be used with Nutrition Fund only*

- 1611 **DAILY SALES – SCHOOL LUNCH PROGRAM:** Revenue from students for the sale of reimbursable lunches as part of the National School Lunch Program. Used in School Nutrition Fund only.
- 1612 **DAILY SALES - SCHOOL BREAKFAST PROGRAM:** Revenue from students for the sale of reimbursable breakfasts as part of the School Breakfast Program. Used in School Nutrition Fund only.
- 1613 **DAILY SALES – SPECIAL MILK PROGRAM:** Revenue from students for the sale of reimbursable milk as part of the Special Milk Program. Used in School Nutrition Fund only.
- 1614 **DAILY SALES – AFTER-SCHOOL PROGRAM:** Revenue from students from the sale of reimbursable costs from after-school programs. Used in School Nutrition Fund only.
- 1620 **DAILY SALES – NON-REIMBURSABLE PROGRAMS:** Revenue from students or adults for the sale of non-reimbursable breakfasts, lunches, and milk. This category includes all sales to adults, the sale of extra lunches to students, and a la carte sales. Used in School Nutrition Fund only.
- 1630 **SPECIAL FUNCTIONS:** Revenue from students, adults, or organizations for the sale of food products and services considered special functions. Some examples are potlucks, Parent- Teacher Association (PTA)/Parent-Teacher Organization (PTO)-sponsored functions, and student banquets.
- 1650 **DAILY SALES – SUMMER FOOD PROGRAMS:** Revenue from students from the sale of reimbursable costs from summer programs. Used in School Nutrition Fund only.

## DISTRICT ACTIVITIES

- 1710 **ADMISSIONS:** Revenue from patrons of a school-sponsored activity such as a concert or a football game. Used in Activity Fund Only.
- 1720 **BOOKSTORE SALES:** Revenue from sales by students or student-sponsored bookstores. Used in Activity Fund Only.

## PROGRAM RECEIPT CODING

- 1730 STUDENT ORGANIZATION MEMBERSHIP DUES & FEES:** Revenue from students for memberships in school clubs or organizations. Used in Activity Fund Only.
- 1740 FEES:** Revenue from students for fees such as locker fees, towel fees, and equipment fees. Tuition fees are recorded under the appropriate account in the 1300 series. Transportation fees are recorded under the appropriate account in the 1400 series. Textbook fees are recorded in the 1940 series.
- 1741 EXTRACURRICULAR ACTIVITY FEES:** Fees collected from or on behalf of students for student activities or organizations that are supervised or administered by the school district that do not count toward graduation or advancement between grades, and in which participation is not otherwise required. This function should only be used in the Activity and Student Fee Funds.
- 1742 POSTSECONDARY EDUCATION FEES:** Fees collected from or on behalf of students to cover tuition and other fees associated with obtaining credit from a postsecondary educational institution. Used in the Student Fee Fund only.
- 1743 SUMMER OR NIGHT SCHOOL FEES:** Fees collected from or on behalf of students to allow students to attend school district courses offered during summer session or after the regular school day. Used in the Student Fee Fund only.
- 1750 REVENUE FROM ENTERPRISE ACTIVITIES:** Revenue (gross) from vending machines, school stores, soft drink machines, and so on, not related to the regular food service program. These revenues are normally associated with activities at the campus level that generate incremental local revenues for campus use but may include revenue that benefits the general operations of the district. Used in Activity Fund only.
- 1790 OTHER ACTIVITY INCOME:** Other revenue from school or district activities. Used in Activity Fund only.
- 1800 REVENUE FROM COMMUNITY SERVICES ACTIVITIES:** Revenue from community services activities operated by a school district. For example, daycare, before & after school programs, busing for preschoolers, community rec, civic activities & public libraries, revenue received from operation of a skating facility by a school district as a community service would be recorded here. Multiple accounts may be established within the 1800 series to differentiate various activities.

### OTHER LOCAL RECEIPTS

- 1910 RENTALS OF SCHOOL EQUIPMENT, PROPERTY, & FACILITIES:** Revenue from the rental of either real or personal property owned by the school district. Rental of property held for income purposes is not included here but is recorded under account 1540. Teacherage rent coded here but only in Special Building Fund.
- 1911 LOCAL LICENSE FEES:** License fees for the retail sale of tobacco, beer, liquor, etc. paid to the city or village clerk. The fees received are deposited to the school fund of the school district lying wholly or partially within the corporate limits of such city or village. (Record county license money under account code 2110.)

## PROGRAM RECEIPT CODING

- 1920 CONTRIBUTIONS AND DONATIONS FROM PRIVATE SOURCES** Revenue associated with contributions and donations made by private organizations. These organizations include, but are not limited to, educational foundations, PTA/PTO organizations, campus booster clubs, and private individuals. This code should be used to record on-behalf payments made by private organizations to school district personnel (e.g., stipends paid to teachers or other school district staff).
- 1921 POLICE COURT FINES:** Fines assessed for violations of city or village ordinances. Although there is still a distinction between city and county ordinances, the Municipal and Police Courts have been merged with the County Courts. (Record county fine money under account code 2110.)
- 1925 CATEGORICAL GRANTS FROM CORPORATIONS & OTHER PRIVATE SOURCES:** Categorical grants received from corporations, foundations, and other non-governmental sources. (Matching disbursement code is 3400.)
- 1941 TEXTBOOK SALES:** Revenue from the sale of textbooks.
- 1942 TEXTBOOK RENTALS:** Revenue from the rental of textbooks, and fees and fines associated with textbooks.
- 1951 MISCELLANEOUS REVENUE FROM OTHER SCHOOL DISTRICTS WITHIN THE STATE**
- 1952 MISCELLANEOUS REVENUE FROM OTHER SCHOOL DISTRICTS OUTSIDE THE STATE**
- 1955 POSTSECONDARY RECEIPTS:** Receipts from postsecondary institutions for staff reimbursement, equipment, facilities, services, etc.
- 1960 MISCELLANEOUS REVENUES FROM OTHER LOCAL GOVERNMENT UNITS:** Revenue from services provided to other local governmental units, including the state. These services could include nonstudent transportation, data processing, purchasing, maintenance, cleaning, cash management, and consulting.
- 1965 DISTANCE EDUCATION & TELECOMMUNICATIONS SERVICE RECEIPTS:** Receipts received from school districts. E-rate receipts should be coded to function code 4105.
- 1980 REFUND OF PRIOR YEAR'S EXPENDITURES:** Expenditures that occurred in prior year that are refunded this year. If the refund and the expenditure occurred in the current year, reduce this year's expenditures, as prescribed by Generally Accepted Accounting Principles (GAAP). Expenditures should not, however, be reduced below zero.
- 1990 MISCELLANEOUS LOCAL RECEIPTS:** Revenue from local sources not provided for elsewhere, including services provided to individuals. Other examples could include food rebates, coupon refunding, and sales of materials.
- 1995 PRESIDENTIAL DECLARED DISASTER AID:** Receipts from local sources due to a Presidential declared disaster.

# PROGRAM RECEIPT CODING

## INTERMEDIATE SOURCES

- 2110 **COUNTY FINES & LICENSES:** Fines assessed in County Court and fees from licenses issued by the county. Funds are placed in the county school fund for distribution to all school districts of the county based on the annual census of school-age children.
- 2130 **OTHER COUNTY RECEIPTS:** Receipts from county sources not otherwise classified.
- 2210 **ESU RECEIPTS:** Payments received from an Educational Service Unit for equipment, facilities, services, etc. (Do not record grant funds which flowed through the ESU to the school district; those should be recorded under the appropriate State or Federal Receipt function.)

## STATE SOURCES

- 3110 **STATE AID:** Funds collected by the state and distributed to local school districts under the provisions of the Tax Equity and Educational Opportunities Support Act (TEEOSA).
- 3120 **SPECIAL EDUCATION (SCHOOL AGE):** State reimbursement to school districts based on the actual cost associated with the education of special education students.
- 3125 **SPECIAL EDUCATION TRANSPORTATION (SCHOOL AGE):** State reimbursement to school districts based on the actual costs associated with the transportation of special education students.
- 3130 **HOMESTEAD EXEMPTION:** Funds appropriated by the state and distributed to county treasurers in-lieu-of property taxes and in turn allocated to school districts.
- 3131 **PROPERTY TAX CREDIT:** Funds appropriated by the state and distributed by the county treasurer as a result of the Property Tax Credit Act.
- 3132 **PERSONAL PROPERTY TAX CREDIT:** Fund appropriated by the state and distributed to county treasurers as a result of the Personal Property Tax Relief Act.
- 3133 **NAMEPLATE CAPACITY TAX:** Funds appropriated by the state and distributed by the county treasurer for personal property directly used in wind energy generation.
- 3134 **PERSONAL PROPERTY TAX CREDIT - RAILROAD TAXES/PUBLIC SERVICE ENTITIES:** Funds appropriated by the State & distributed by the County Treasurer to School Districts.
- 3150 **STATE REIMBURSEMENT (of Nutrition Programs):** State reimbursement to school districts for services offered to children who qualify for free or reduced meal programs. This function should be used in accounting for the School Nutrition Fund.
- 3155 **TEXTBOOK LOAN:** Appropriations by the Legislature to pay for textbooks that are loaned to students attending non-public schools.

## PROGRAM RECEIPT CODING

- 3160 PAYMENTS RECEIVED FOR WARDS OF THE STATE OR COURT (Regular Education):** Payments to school districts for educating regular education wards of the court living in a group home, residential treatment centers, or psychiatric hospitals, that have been placed in a school district other than the school district in which he or she resided at the time he or she became a ward of the court.
- 3161 PAYMENTS RECEIVED FOR WARDS OF THE STATE OR COURT (SPED):** Payments to school districts for educating special education wards of the court living in a group home, residential treatment centers, or psychiatric hospitals, that have been placed in a school district other than the school district in which he or she resided at the time he or she became a ward of the court.
- 3165 FLEX FUNDING: 0-5 SUPPORT SERVICES (STATE):** Payments to school districts from the state for educating at-risk children through age five. (Disbursement coding for this receipt is 1195.)
- 3166 FLEX FUNDING: SCHOOL AGE SUPPORT SERVICES (STATE):** Payments to school districts from the state for educating at-risk school age children. (Disbursement coding for this receipt is 1125.)
- 3175 ADULT BASIC EDUCATION:** Funds appropriated by the state to pay for volunteer coordination and High School Equivalency Assistance Act activities at school districts.
- 3180 PRO-RATE MOTOR VEHICLE:** Payments made by the owners of a fleet of apportionable vehicles in-lieu-of registration. This money is distributed to county treasurers for redistribution to political subdivisions based on the relation of the subdivision's levy(ies) to the total levy in the county.
- 3400 STATE APPORTIONMENT:** Money apportioned as each school district's share of the state's Temporary School Fund. This money is distributed based on the annual census of school-age children.

### STATE CATEGORICAL PROGRAMS:

- 3512 DISTANCE EDUCATION INCENTIVE PAYMENTS**
- 3535 PAYMENT FOR HIGH ABILITY LEARNERS:** Payments to school districts received for Learners of High Ability.
- 3540 STATE EARLY CHILDHOOD**
- 3541 EARLY CHILDHOOD ENDOWMENT GRANTS:** Sixpence, below Age 3
- 3551 CAREER EDUCATION**
- 3570 TEACHER EVALUATION DEVELOPMENT GRANT**
- 3575 NEBRASKA INNOVATION GRANT PROGRAM**
- 3590 EXTENDED LEARNING OPPORTUNITY GRANTS**

## PROGRAM RECEIPT CODING

- 3599 OTHER STATE CATEGORICAL PROGRAMS:** Receipts from programs funded through state categorical funds not otherwise identified.
- 3990 OTHER STATE RECEIPTS** - Any receipt from a state appropriation not included in any other category. *(Include Games & Parks In-Lieu-of Tax.)*
- 3995 PRESIDENTIAL DECLARED DISASTER RECEIPTS:** Receipts from state sources due to a Presidential declared disaster.
- 4000 FEDERAL RECEIPTS** Many school districts participate in categorical programs that are funded in part or totally through the receipt of federal funds. Most such programs are administered directly through the Department of Education and require an application and some form of expenditure report. A separate and specific function number identifies those federal programs that are administered directly through the Department of Education.
- 4105 UNIVERSAL SERVICES FUND (E-RATE):** Receipts from the federal Universal Service Fund pursuant to Section 254 of the Telecommunications Act of 1996, 46 U.S.C. 254 as such Section existed on January 1, 2006.
- 4210 FEDERAL NUTRITION PROGRAMS:** Federal reimbursement to school districts for services offered to children who qualify for free or reduced meal programs. Used in the School Nutrition Fund.
- 4211 CHILD & ADULT CARE FOOD PROGRAM** Used in the School Nutrition Fund.
- 4212 TITLE I, PART A: SUPPORT FOR IMPROVEMENT:** Revenues that will be used to support initiatives for Title I schools that have been identified as needs improvement in one of the following categories: Comprehensive Support and Improvement (CSI) and/or Target Support and Improvement (TSI).
- 4305 TITLE 8 (IMPACT AID):** Funds received from the federal government when school district boundaries include federal land such as military installations or Indian reservations.
- 4306 JOHNSON O'MALLEY:** Funds received from the federal government for supplemental programs to meet the special educational-related needs of eligible Indian students.
- 4307 NATIVE AMERICAN EDUCATION**
- 4309 HEAD START**
- 4310 REAP:** Small Rural Schools Achievement Grants from U.S. Dept. of Education.
- 4416 IDEA PART C, PLANNING REGION TEAM (PRT):** IDEA funds received for Planning Region Team Project activities. (IDEA Part C, Planning Region Team project receipts must be recorded here; disbursements for IDEA Part C, Planning Region Team projects must also be coded in 6416)
- 4417 IDEA PART B, TRANSITION PROJECTS:** IDEA funds received for special education discretionary transition projects. (IDEA Part B transition project receipts must be recorded here; disbursements for IDEA special projects must also be coded in 6417)

## PROGRAM RECEIPT CODING

- 4418 **IDEA PART B, PEaK PROJECTS:** IDEA funds received for special education discretionary transition projects. (IDEA Part B transition project receipts must be recorded here; disbursements for IDEA special projects must also be coded in 6417)
- 4420 **IDEA PART-B ARP – EARLY INTERVENING SERVICES:** American Rescue Plan 2021. IDEA Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3. (Code disbursements to Function 6420)
- 4421 **IDEA PART-B (611) ARP – BASE & ENROLLMENT POVERTY ALLOCATION- BIRTH THROUGH AGE TWENTY-ONE:** American Rescue Plan 2021. Part B LEA flow-through funds received for special education services to age twenty-one. (Code disbursements to Function 6421)
- 4422 **IDEA PRESCHOOL (619) ARP – BASE/ENROLLMENT POVERTY (619) ALLOCATION:** American Rescue Plan 2021. IDEA preschool LEA Flow-through funds received for special education services for children ages 3-5 only (Code disbursements to Function 6422)
- 4505 **TITLE I, PART A: ESSA IMPROVING BASIC PROGRAMS OPERATED BY LOCAL STATE AGENCIES**
- 4506 **TITLE I, PART A: ACCOUNTABILITY ESSA IMPROVING BASIC PROGRAMS ACCOUNTABILITY:** Funds provided to Local Education Agencies (LEAs) to carry out school improvement and corrective action responsibilities.
- 4507 **TITLE I, PART 1003(G) SCHOOL IMPROVEMENTS (SIG):** Funds provided to Local Education Agencies (LEAs) to carry out school improvement and “Turnaround” activities outlined under Section 1003(G).
- 4508 **TITLE I, PART D, SUBPART 2 PREVENTION & INTERVENTION PROGRAMS FOR CHILDREN & YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT-RISK:** Funding provided for the Title I programs in local, county-operated correctional agencies.
- 4509 **TITLE II, PART A ESSA SUPPORTING EFFECTIVE INSTRUCTION:** Principal, Teacher and Other School Leaders Training, Class Size Reduction.
- 4510 **TITLE IV, PART A ESSA STUDENT SUPPORT & ACADEMIC ENRICHMENT GRANTS**
- 4511 **TITLE V, PART B SUBPART 2 ESSA:** Rural Low Income School Grants - Federal funds that flow through NDE.
- 4516 **IDEA PRESCHOOL (619) BASE/IDEA ENROLLMENT POVERTY (619) ALLOCATION:** IDEA preschool LEA Flow-through funds received for special education services for children ages 3-5 only. [IDEA Preschool (619) Base and IDEA Enrollment/Poverty (619) disbursements must be recorded in any of the following functions: 6406, 6407, and 6409]
- 4518 **IDEA PART B (611) BASE & ENROLLMENT POVERTY ALLOCATION:** Part B LEA flow-through funds received for special education services to age twenty-one. (IDEA Base & Enrollment Poverty disbursement must be recorded in any of following functions: 6402, 6403, 6404, 6408, 6410)



## PROGRAM RECEIPT CODING

- 4520 IDEA PART B EARLY INTERVENING SERVICES:** Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3.
- 4521 IDEA PART B PROPORTIONATE SHARE:** Part B LEA flow-through funds received for special education services of parentally placed nonpublic children with disabilities ages three to twenty-one.
- 4522 IDEA PART C:** Part C funds received for special education services for infants and toddlers below age three.
- 4523 IDEA SPECIAL PROJECTS:** IDEA funds received for special education discretionary projects for children through age twenty-one. Example Special Projects include collaborative projects, transition projects, and SPED student-to-work situations. (IDEA special project receipts must be recorded here; disbursements for IDEA special projects must also be coded in 6415.)
- 4524 OTHER FEDERAL NON-CATEGORICAL RECEIPTS:** All non-categorical funds received from federal sources not otherwise classified.
- 4525 FEDERAL VOCATIONAL & APPLIED TECHNOLOGY EDUCATION (CARL PERKINS):** Federal assistance to eligible recipients for improving educational programs and services leading to academic and occupational skill competencies needed to work in a technologically advanced society. (Includes Perkins Basic and Perkins Revision/Innovation Competitive Grant.)
- 4526 TITLE I, PART C ESSA EDUCATION OF MIGRATORY CHILDREN**
- 4527 TITLE III, PART A ESSA ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, & ACADEMIC ACHIEVEMENT**
- 4528 TITLE III ESSA IMMIGRANT**
- 4529 ADULT BASIC EDUCATION**
- 4530 OTHER FEDERAL CATEGORICAL RECEIPTS:** Receipts from all other federal categorical sources not otherwise classified. (PBiS receipts, GEER)
- 4531 TITLE IV, PART B ESSA 21<sup>ST</sup> CENTURY COMMUNITY LEARNING CENTERS**
- 4705 FLOOD CONTROL:** Funds received from the federal government and distributed through the county for lands within the school district set aside for flood control purposes.
- 4706 GRAZING**
- 4707 FOREST RESERVE:** Funds received from the federal government and distributed through the county for lands within the school district set aside as national forests.
- 4708 MEDICAID IN PUBLIC SCHOOLS (MIPS):** Payments from Health and Human Services for reimbursable special education services provided to verified special education and Medicaid-eligible children. Expense to the proper SPED disbursement codes that were utilized with these funds.

## PROGRAM RECEIPT CODING

- 4709 MEDICAID ADMINISTRATIVE ACTIVITIES (MAAPS):** Payments from Health and Human Services for administrative outreach and case management activities. Include receipts from Nebraska Education-Based Medicaid Administrative Claiming Consortiums.
- 4969 TITLE IV, PART A:** Student Support and Academic Enrichment (SSAE) Grant
- 4991 MCKINNEY-VENTO HOMELESS**
- 4995 PRESIDENTIAL DECLARED DISASTER AID:** Receipts from federal sources due to a Presidential declared disaster. (FEMA)
- 4996 ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER - CARES):** Receipts from federal sources due to the COVID-19 Pandemic during **2019/20**. *Only used in the General Fund and the School Nutrition Fund. First Round of ESSER Funding.*
- 4997 ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER II - CRRSA):** Receipts from the 2020-2021 ESSER II Supplemental Subgrant (CRRSA Act, 2021) for costs incurred from March 13,2020 through September 30, 2023 to address the impact of the COVID-19 Pandemic. *Only used in the General Fund, Special Building Fund, and the School Nutrition Fund. Second round of ESSER Funding.*
- 4998 ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER III - ARP):** Receipts from the 2020-2021 ESSER III Supplemental Subgrant (ARP Act, 2021) for costs incurred through September 30, 2024 to address the impact of the COVID-19 Pandemic. *Only used in the General Fund, Special Building Fund and the School Nutrition Fund. Third round of ESSER Funding.*

### NON-REVENUE RECEIPTS

- 5100 ISSUANCE OF BONDS:** Used to record the face amount of the bonds that are issued. Short-term debt proceeds should not be classified as revenue. When a school district issues short- term debt (debt with a duration of less than 12 months) that is to be repaid from governmental funds, a liability (notes payable) should be recorded in the balance sheet of the fund responsible for repayment of the debt.
- 5101 ISSUANCE OF BONDS (RE-FUNDING ONLY)**
- 5102 QUALIFIED ZONE ACADEMY BONDS:** Bond issuances approved in accordance with Rule 87 (92NAC87) Regulations Governing Qualified Zone Academy Bonds Allocation.
- 5103 QUALIFIED SCHOOL CONSTRUCTION BONDS:** Bond issuances approved in accordance with Rule 87 (92NAC87) Regulations Governing Qualified Zone Academy Bonds Allocation.
- 5120 PREMIUM ON THE ISSUANCE OF BONDS:** Proceeds from that portion of the sale price of bonds in excess of or below their par value. (Discounts on bonds are now coded to expenditure object 925 Discount on the Issuance of Bonds.)
- 5150 TAX ANTICIPATION NOTES:** Monies borrowed which will be repaid from future tax receipts.
- 5200 FUND TRANSFERS IN:** Used to classify operating transfers from other funds of the district. (Not available in the Special Building Fund or Qualified Capital Purpose Undertaking Fund.)

## PROGRAM RECEIPT CODING

- 5300 PROCEEDS FROM THE DISPOSAL OF REAL OR PERSONAL PROPERTY:** Proceeds from the disposal of school property or compensation for the loss of real or personal property. Account 5300 should be used only for proceeds from the disposal of assets that do not have significant value. The reporting of major asset sales should be recorded as special items using account 6300.
- 5301 INSURANCE ADJUSTMENTS:** Funds received as settlements to insurance claims
- 5320 SALE OF PROPERTY:** Sale of school property
- 5400 LOAN PROCEEDS:** Proceeds from loans greater than 12 months.
- 5500 CAPITAL LEASE PROCEEDS:** Proceeds from capital leases.
- 5600 OTHER LONG-TERM DEBT PROCEEDS:** Proceeds from other long-term debt instruments not captured in the preceding codes (e.g., certificates of obligation).
- 5610 CASH BALANCE FROM MERGED/DISSOLVED SCHOOL DISTRICTS:** Cash transferred from other school districts that are merging with or dissolving into the school district.
- 5690 OTHER NON-REVENUE RECEIPTS:** All other non-revenue receipt items not otherwise classified, including refunds of overpayments (cash only). Whenever possible, refunds should be abated against outstanding bills or claims.
- 6100 CAPITAL CONTRIBUTIONS:** Capital assets acquired as the result of a donation or bequest of an individual, estate, other government, corporation, or affiliate organization.
- 6300 SPECIAL ITEMS:** Used to classify special items in accordance with GASB Statement 34. Included are significant transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. For some districts, these include the sale of certain general governmental capital assets; sale or lease of mineral rights, including oil and gas; sale of infrastructure assets; or significant forgiveness of debt by a financial institution. Special items may also include events that are not within the control of the district. In the governmental funds, these items should be separately captioned or disclosed.
- 6400 EXTRAORDINARY ITEMS:** Used to classify items in accordance with GASB Statement 34. Included are transactions or events that are outside the control of the school district administration and are both unusual in nature and infrequent in occurrence. For some districts, these include insurance proceeds to cover significant costs related to a natural disaster such as a fire, flood, tornado, hurricane, or hailstorm; insurance proceeds to cover costs related to an environmental disaster; or a large bequest to a small government by a private citizen.

# PROGRAM RECEIPT CODING

## NON-PROGRAM RECEIPTS

- 9000 NON-PROGRAM RECEIPTS:** The receipts resulting from temporary intra-agency transactions such as cashing Certificates of Deposit. (See Non-Program Expenditures for offsetting entries). **Note: If Non-Program Receipts exceed Non-Program Expenditures, the difference should be recorded as a receipt (5690) to the school district. If the Non-Program Expenditures exceed the Non-Program Receipts, the difference should be recorded as an expenditure (in a related function) to the school district.**
- 9001 INTERFUND LOAN FROM GENERAL FUND:** Not included in the Total Revenue account XX-1-10000-000. Used only for loans from General Fund to the Special Building Fund, Bond Fund, and QCPU Fund.
- 9002 INTERFUND LOAN FROM BOND FUND:** Not included in the Total Revenue account XX-1-10000-000. Only used for loans from Bond Fund to the General Fund, Special Building Fund and QCPU Fund.
- 9003 INTERFUND LOAN FROM SPECIAL BUILDING FUND:** Not included in the Total Revenue account XX-1-10000-000. Only used for loans from Special Building Fund to General Fund, Bond Fund and QCPU Fund.
- 9004 INTERFUND LOAN FROM QCPUF FUND:** Not included in the Total Revenue Account XX-1-10000-000. Only used for loans from QCPU Fund to the General, Bond, or Special Building Fund.
- 9005 INTERFUND LOAN FROM GENERAL FUND TO SCHOOL NUTRITION FUND:** Not included in the Total Revenue Account 01-1-10000-000. Only used between School Nutrition Fund and the General Fund.

## PROGRAM DISBURSEMENT CODING

According to *Financial Reporting for Local & State School Systems* from the U.S. Department of Education, the function describes the activity for which a service or material object is acquired. The functions of a school district are classified into five broad areas: instruction, support services, operation of non-instructional services, facilities acquisition and construction, and debt service. Functions are further classified into sub-functions. Each classification is presented by a code number followed by a description.

### FUNCTIONS

**1000 SERIES - INSTRUCTION:** Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium—such as television, radio, computer, the Internet, multimedia, telephone, and correspondence—that is delivered inside or outside the classroom or in other teacher-student settings. Included here are the activities of aides or classroom assistants of any type (graders, teaching machines, etc.) who assist in the instructional process. If proration of expenditures is not possible for department chairpersons who also teach, include department chairpersons who also teach in instruction. ESU: Quiz Bowl, Expulsion Programs, & Drivers' Ed Program. Expenditures for full-time department chairpersons should be reported in function 2490 Other Support Services – School Administration. (Used with all programs 100–900.)

**1100 REGULAR INSTRUCTION:** Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving curricular activities. It may also be provided through some other approved medium—such as television, radio, computer, the Internet, multimedia, telephone, and correspondence—that is delivered inside or outside the classroom or in other teacher-student settings. Included here are the activities of aides or classroom assistants of any type (graders, teaching machines, etc.) who assist in the instructional process. If proration of expenditures is not possible for department chairpersons who also teach, include department chairpersons who also teach in instruction. Expenditures for full-time department chairpersons should be reported in function 2490 Other Support Services – School Administration.

**1115 CAREER ACADEMY PROGRAMS (Rule 47):** Expenditures for a Career Academy Program which have been approved and/or received continued approval by the Commissioner of Education pursuant to §79-777 and NDE Rule 47. A Career Academy Program is a sequence of credit-bearing academic and career technical education courses reflecting a state-approved Program of Study selected by a district in response to local, regional, or state employment needs and demand for expertise.

**1125 REGULAR INSTRUCTIONAL PROGRAMS SCHOOL AGE (FLEX-SPENDING):** Expenditures for preventative services for *school age* children who are not identified or verified as having a disability but who demonstrate a need for specially designed assistance to benefit from the school's general education curriculum including educational services provided pursuant to §79-1142.

**1150 LIMITED ENGLISH PROFICIENCY PROGRAMS:** Expenditures for a Limited English Proficiency Program should specifically address issues related to the education of students with limited English proficiency that do not replace expenditures that would have occurred if the students involved in the program did not have limited English proficiency, and that are not paid for with federal funds. **Do not include the expenditure of federal funds in this category.**

## PROGRAM DISBURSEMENT CODING

- 1160 POVERTY PROGRAMS:** Expenditures for a Poverty Program should include expenditures that specifically address issues related to the education of students living in poverty that do not replace expenditures that would have occurred if the students involved in the program did not live in poverty and that are not paid for with federal funds. **Do not include the expenditure of federal funds in this category.**
- 1190 EARLY CHILDHOOD EDUCATIONAL PROGRAMS:** Qualified Early Childhood Educational programs that are approved by the Nebraska Department of Education. Do not include the expenditure of state or federal grant funds or Special Education funds in this category. Expenditure of state grant funds for Early Childhood Educational Programs should be coded as 3540; expenditures for Special Education Early Childhood Programs should be coded as 1290. *(Not included in per pupil costs.)*
- 1195 REGULAR INSTRUCTIONAL PROGRAMS BELOW AGE FIVE (FLEX-SPENDING):** Expenditures for preventative services for children ages birth to five who are not identified or verified as having a disability but who demonstrate a need for specially designed assistance to benefit from the school's general education curriculum including educational services provided pursuant to §79-1142. *(Not included in per pupil costs.)*
- 1200 SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS – SCHOOL AGE:** Those Special Education programs funded through State and Local Sources only. Transition Programs – Ages: High School – 21. Do not include transportation costs for Special Education purposes under this function. (Transportation costs for Special Education purposes should be reported under Disbursement Function Codes 2712, 2713, or 2715.) (Code IDEA School Age disbursements as to the appropriate Function 06XXX.)
- 1291 SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS – DISTRICT USE: AGES 3-5 ESU USE: BELOW AGE 5 PROGRAMS:** Special Education programs for early childhood children ages 3-5 funded through local sources only. (Code IDEA below Age Five disbursements to the appropriate Function 064xx.) *(Not included in per pupil costs)*
- 1292 SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS – AGES 0-2:** Special Education programs for early childhood children ages 0-2 funded through local sources only. (Code IDEA below Age Five disbursements to the appropriate Function 064xx.) *(Not included in per pupil costs)*
- 1295 SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS – UNIFIED SPORTS:** Expenditures for special education students to participate in NSAA sanctioned “Unified Sports” that are in excess of those costs that would be incurred if the student was not in special education. Accommodation expenditures required for a special education student to participate in “Unified Sports” will be identified in the special education student’s IEP.
- 1300 SUMMER SCHOOL:** Costs of summer school or year-round schools, inter-term, elementary and secondary day school programs, including Driver Education.
- 1400 ADULT EDUCATION:** Expenditures for part-time continuation and other organized public educational programs that provide opportunity for adults to further their education regardless of their previous educational attainment. Alternative schools for school-age children should be recorded under the All Instruction (1000) functions. *(Not included in Per Pupil Costs)*

## PROGRAM DISBURSEMENT CODING

**2100 SERIES - SUPPORT SERVICES – STUDENTS:** Activities designed to assess and improve the well-being of students and to supplement the teaching process.

- 2110 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. Registration activities for adult education programs are included here. Some examples of other services to be reported within this function code are supervision services, attendance services, and student accounting services. Student Information System expenditures should be coded here. Social Workers providing SPED-related services are coded to the appropriate age level SPED function codes – 1200, 1291, 1292 -- with object code 340 Other Professional Services.
- 2120 GUIDANCE 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. Guidance services may include supervision services, counseling services, appraisal services, student record services, and placement services.
- 2130 HEALTH SERVICES:** Physical health services that are not direct instruction. Included are activities that provide students with appropriate medical, dental, and nursing services. Does not include mental health services. *Services for regular education students are coded here.*
- 2131 HEALTH SERVICES: SPED SCHOOL AGE**
- 2132 HEALTH SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*
- 2133 HEALTH SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2140 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 evaluation; and planning and managing a program of psychological services, including psychological counseling for students, staff, and parents. This function includes the supervision of psychological services, related testing and counseling services, and psychotherapy services. Includes mental health services. *Services for regular education students are coded here.*
- 2141 PSYCHOLOGICAL SERVICES: SPED SCHOOL AGE**
- 2142 PSYCHOLOGICAL SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*
- 2143 PSYCHOLOGICAL SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2150 SPEECH PATHOLOGY & AUDIOLOGY SERVICES:** Activities that identify, assess, and treat children with speech, hearing, and language impairments. *Services for regular education students are coded here.*
- 2151 SPEECH PATHOLOGY & AUDIOLOGY SERVICES: SPED SCHOOL AGE**
- 2152 SPEECH PATHOLOGY & AUDIOLOGY SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*

## PROGRAM DISBURSEMENT CODING

- 2153 **SPEECH PATHOLOGY & AUDIOLOGY SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2160 **OCCUPATIONAL THERAPY – RELATED SERVICES:** Activities that assess, diagnose, or treat students for all conditions requiring the services of an occupational therapist. *Services for regular education students are coded here.*
- 2161 **OCCUPATIONAL THERAPY – RELATED SERVICES: SPED SCHOOL AGE**
- 2162 **OCCUPATIONAL THERAPY – RELATED SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*
- 2163 **OCCUPATIONAL THERAPY – RELATED SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2170 **PHYSICAL THERAPY – RELATED SERVICES:** Activities that assess, diagnose, or treat students for all conditions requiring the services of a physical therapist. *Services for regular education students are coded here.*
- 2171 **PHYSICAL THERAPY – RELATED SERVICES: SPED SCHOOL AGE**
- 2172 **PHYSICAL THERAPY – RELATED SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*
- 2173 **PHYSICAL THERAPY – RELATED SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2180 **VISUALLY IMPAIRED – RELATED SERVICES:** Activities that assess, diagnose, or treat students for all conditions requiring the services. *Services for regular education students are coded here.*
- 2181 **VISUALLY IMPAIRED – RELATED SERVICES: SPED SCHOOL AGE**
- 2182 **VISUALLY IMPAIRED – RELATED SERVICES: SPED AGES 3-5** *(Not included in per pupil costs)*
- 2183 **VISUALLY IMPAIRED – RELATED SERVICES: SPED AGES 0-2** *(Not included in per pupil costs)*
- 2190 **SUPPORT SERVICES – OTHER:** Other **NON-SPED** related support services to students not classified elsewhere in the 2100 series.
- 2191 **POSTSECONDARY EDUCATION:** Expenses on behalf of students associated with obtaining credit from a postsecondary educational institution. This function should only be used in accounting for the Student Fee Fund.



## PROGRAM DISBURSEMENT CODING

- 2200 SERIES - SUPPORT SERVICES – INSTRUCTION:** Activities associated with assisting the staff with the content and process of providing learning experiences for students.
- 2210 IMPROVEMENT 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, child development and understanding, and staff training.
- 2211 SCHOOL IMPROVEMENT:** Activities that support school improvement efforts. Includes costs for local school improvement committees or visiting teams and may include other costs for developing and implementing a school improvement plan such as data analysis, professional development, consulting fees and other related costs.
- 2212 INSTRUCTION AND CURRICULUM DEVELOPMENT:** Activities that aid teachers in developing the curriculum, preparing and using special curriculum materials, and understanding and appreciating the various techniques that stimulate and motivate students.
- 2213 INSTRUCTIONAL STAFF TRAINING:** Activities associated with the professional development and training of instructional personnel. These include such activities as in-service training (including mentor teachers), workshops, conferences, demonstrations, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of instructional personnel. Training that supports the use of technology for instruction should be included in this code (states may establish a sub-object code for specific tracking of technology-related training costs). The incremental costs associated with providing substitute teachers in the classroom (while regular teachers attend training) should be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors. It should be noted that the salary of a teacher who is attending training would still be reported in function 1000.
- 2214 IMPLEMENTATION OF STANDARDS:** Activities may include the alignment of local curriculum with state or local standards for reading, writing, mathematics, science, social studies/history and, if appropriate, any other content areas. May also include costs for professional development, consulting fees, substitute teacher salaries, stipends and other expenses related to the development and implementation of academic content standards.
- 2219 OTHER IMPROVEMENT OF INSTRUCTION SERVICES:** Activities for improving instruction other than those classified above.
- 2220 LIBRARY/MEDIA SERVICES:** Activities concerned with directing, managing, and supervising educational media services (e.g., supervisory personnel) as well as such activities as selecting, acquiring, preparing, cataloging, and circulating books and other printed materials; planning for the use of the library by students, teachers, and other members of the instructional staff; and guiding individuals in their use of library books, reference guides and materials, catalog materials, special collections, and other materials, whether maintained separately or as a part of an instructional materials center. These activities include developing and acquiring library materials and operating library facilities. Textbooks are not charged to this function, but rather to the instruction function.
- 2223 AUDIO/VISUAL SERVICES:** Activities such as selecting, securing, preparing, repairing, and making audio-visual equipment available to members of the instructional staff.

## PROGRAM DISBURSEMENT CODING

- 2224 EDUCATIONAL TELEVISION SERVICES:** Activities concerned with presenting educational programs by way of television, including distance learning.
- 2230 INSTRUCTION-RELATED TECHNOLOGY:** This function category encompasses all technology activities and services for the purpose of supporting instruction. These activities include expenditures for internal technology support as well as support provided by external vendors using operating funds. These activities include costs associated with the administration and supervision of technology personnel, systems planning and analysis, systems application development, systems operations, network support services, hardware maintenance and support services, and other technology-related costs that relate to the support of instructional activities. Specifically, costs associated with the operation and support of computer learning labs, media center computer labs, instructional technology centers, instructional networks, and similar operations should be captured in this code. Technology that is used by students in the classroom or that has a student instruction focus should be coded to function 1000. It should be noted that E-Rate is not specifically addressed with the accounting codes for technology, as GASB has not issued applicable accounting and financial reporting guidance.
- \* Student Computer Centers: Activities concerned with supporting and maintaining computer centers (outside the classroom) that are established to support the instructional environment. These centers may be located in the library or in other locations but are not primarily dedicated to student-teacher learning. Computer centers that are primarily dedicated to instruction should be coded to instruction.
  - \* Technology Service Supervision and Administration: Activities concerned with directing, managing, and supervising data-processing services.
  - \* Systems Analysis and Planning: Activities concerned with searching for and evaluating alternatives for achieving defined objectives, based on judgment and, wherever possible, on quantitative methods. Where applicable, these activities pertain to the development of data-processing procedures or application to electronic data- processing equipment.
  - \* Systems Application Development: Activities concerned with the preparation of a logical sequence of operations to be performed, either manually or electronically, in solving problems or processing data. These activities also involve preparing coded instructions and data for such sequences.
  - \* Systems Operations: Activities concerned with scheduling, maintaining, and producing data. These activities include operating business machines, data preparation devices, and data-processing machines.
  - \* Network Support: Services that support the networks used for instruction-related activities.
  - \* Hardware Maintenance and Support.
  - \* Professional Development for Instruction-Focused Technology Personnel: Costs that are incurred when staff acquire knowledge and skills to support instructional technologies. Technology training for instructional staff should be reported in function 2213 Instructional Staff Training.
- 2240 ACADEMIC STUDENT ASSESSMENT:** Expenditures for academic assessments of students that are not initiated by the teacher, but by the school district or state education agency.
- 2290 SUPPORT SERVICES – OTHER:** Services supporting the instructional staff not properly classified elsewhere in the 2200 series. School consulting/evaluation and instruction coaches are coded here. Include expenditures for Retirement Incentive Plans (§79-855) and Staff Development Assistance (§79-856) when a district reorganizes or dissolves.

## PROGRAM DISBURSEMENT CODING

**2300 SERIES - SUPPORT SERVICES - GENERAL ADMINISTRATION:** Activities concerned with establishing and administering policy involved with operating the school district.

- 2310 BOARD OF EDUCATION OR ESU BOARD OF CONTROL:** Activities of the board that has been created according to state law and vested with responsibilities for educational activities in a given administrative unit. Some examples of services to be included here are board secretary and clerk services if they primarily provide services to the board.
- \* Supervision of Board of Education Services: Activities concerned with directing and managing the general operation of the board of education. These include the activities of the members of the board of education, but do not include any special activities defined in the other areas of responsibility described below. They also include any activities of the district performed in support of school district meetings
  - \* Board Secretary/Clerk Services: The activities required to perform the duties of the secretary or clerk of the board of education. (Contract Service Related.)
  - \* Board Treasurer Services: The activities required to perform the duties of the treasurer of the board of education. (Contract Service Related.)
  - \* Election Services: Services rendered in connection with any school system election, including elections of officers and bond elections.
  - \* Tax Assessment and Collection Services: Services rendered in connection with tax assessment and collection.
  - \* Staff Relations and Negotiations: Activities concerned with staff relations system wide and the responsibilities for contractual negotiations with both instructional and non-instructional personnel.
  - \* Other Board of Education Services: Board of education services that cannot be classified under the preceding areas of responsibility.
- 2320 EXECUTIVE ADMINISTRATION:** Activities associated with the overall general administration or executive responsibility of the entire school district (used with all programs 100–900). Some typical services included in this function code are as follows:
- \* Office of the Superintendent: Activities performed by the superintendent and such assistants as deputy, associate, and assistant superintendents in generally directing and managing all affairs of the school district. These include all personnel and materials in the office of the chief executive officer. Activities of the offices of the deputy superintendents should be charged here, unless the activities can be better coded to another function.
  - \* Community Relations: Activities and programs developed and operated system wide for bettering school-community relations.
  - \* State and Federal Relations: Activities associated with developing and maintaining good relationships with state and federal officials. Activities associated with grant procurement are also included.
  - \* Other Executive Administration: Other general administrative services that cannot be recorded under the preceding categories.
- 2330 DISTRICT LEGAL SERVICES:** Activities performed by “in-house” legal staff employed by the district and legal services contracted by the district. Also includes any judgments and related expenses.
- 2410 OFFICE OF THE PRINCIPAL:** Activities concerned with directing and managing the operation of a particular school. They include the activities performed by the principal, assistant principals, and other assistants while they supervise all operations of the school, evaluate the staff members of the school, assign duties to staff members, supervise and maintain the records of the school, and coordinate school instructional activities with those of the school district. These activities also include the work of clerical staff in support of teaching and administrative duties at the school building level.

## PROGRAM DISBURSEMENT CODING

**2490 SCHOOL ADMINISTRATION – OTHER:** Other school administration services. This function includes graduation expenditures and expenses and full-time department chairpersons.

**2500 SERIES - CENTRAL SERVICES:** Activities that support other administrative and instructional functions, including fiscal services, human resources, planning, and administrative information technology.

**2510 FISCAL SERVICES:** Activities concerned with the fiscal operations of the school district. This function includes budgeting, receiving and disbursing, financial and property accounting, payroll, inventory control, internal/external auditing, and investments and funds management. Fiscal services are inclusive of supervision of fiscal services, budgeting services, and payroll, internal and external audits, and general accounting functions. Board secretary, clerk, and board treasurer services should be reported in 2510 if the positions serve the district and do not provide services directly to board members. Otherwise, function 2310 would be used.

**2520 PURCHASING & WAREHOUSING SERVICES:** Activities concerned with purchasing, receiving, storing, and distributing supplies, furniture, equipment, and materials used in schools or school system operations.

**2530 PRINTING, PUBLISHING, & DUPLICATING SERVICES:** The activities of printing and publishing administrative publications such as annual reports, school directories, and manuals. Activities here also include centralized services for duplicating school materials and instruments such as school bulletins, newsletters, copier leases and notices. (Duplicating services directly related to instruction should be reported in Function Codes 1000s.)

**2540 PLANNING, RESEARCH, DEVELOPMENT, & EVALUATION SERVICES:** Activities associated with conducting and managing system wide programs of planning, research, development, and evaluation for a school system.

- \* Planning services include activities concerned with selecting or identifying the overall, long-range goals and priorities of the organization or program. They also involve formulating various courses of action needed to achieve these goals by identifying needs and the 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.
- \* Evaluation services include activities concerned with ascertaining or judging the value or amount of an action or an outcome. This is done through careful appraisal of previously specified data in light of the particular situation and previously established goals.

**2560 PUBLIC INFORMATION SERVICES:** Activities concerned with writing, editing, and other preparation necessary to disseminate educational and administrative information to students, staff, managers, and the general public through direct mailing, the various news media, e- mail, the Internet and websites, and personal contact. The information services function code includes related supervision and internal and public information services. Technology that supports this code is included in function 2580.

## PROGRAM DISBURSEMENT CODING

**2570 PERSONNEL SERVICES:** Activities concerned with maintaining efficient personnel for the school system. This code includes such activities as recruitment and placement, non-instructional staff training, staff transfers, in-service training, health services, and staff accounting.

- \* Supervision of Personnel Services: The activities of directing, managing, and supervising staff services.
- \* Recruitment and Placement: Activities concerned with employing and assigning personnel for the school district.
- \* Personnel Information: Services rendered in connection with the systematic recording and summarizing of information relating to staff members employed by the school district.
- \* Non-instructional Personnel Training: Activities associated with the professional development and training of non-instructional personnel. These include such activities as in-service training, seminars and conferences, continuing professional education, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of non-instructional personnel. The incremental costs associated with providing temporary employees to perform job duties while regular employees attend training should be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors. It should be noted that the salary of a non-instructional personnel who is attending training would still be reported in their appropriate function code.
- \* Health Services: Activities concerned with medical, dental, and nursing services provided for school district employees. Included are physical examinations, referrals, and emergency care outside of employee's health insurance.
- \* Other Personnel Services: Personnel services that cannot be classified under the preceding functions.

**2580 ADMINISTRATIVE TECHNOLOGY SERVICES:** Activities concerned with supporting the school district's information technology systems, including supporting administrative networks, maintaining administrative information systems, and processing data for administrative and managerial purposes. These activities include expenditures for internal technology support as well as support provided by external vendors using operating funds. These activities include costs associated with the administration and supervision of technology personnel, systems planning and analysis, systems application development, systems operations, network support services, hardware maintenance and support services, and other technology-related administrative costs.

- \* Technology Service Supervision and Administration: Activities concerned with directing, managing, and supervising data-processing services.
- \* Systems Planning and Analysis: Activities concerned with searching for and evaluating alternatives for achieving defined objectives, based on judgment and, wherever possible, on quantitative methods. Where applicable, these activities pertain to the development of data-processing procedures or application to electronic data-processing equipment.
- \* Systems Application Development: Activities concerned with the preparation of a logical sequence of operations to be performed, either manually or electronically, in solving problems or processing data. These activities also involve preparing coded instructions and data for such sequences.
- \* Systems Operations: Activities concerned with scheduling, maintaining, and producing data. These activities include operating business machines, data preparation devices, and data-processing machines.
- \* Network Support Services
- \* Hardware Maintenance and Support Services
- \* Professional Development Costs for Administrative Technology Personnel
- \* Other Technology Services: Activities concerned with data processing not described above.

## PROGRAM DISBURSEMENT CODING

**2590 CENTRAL SERVICES – OTHER:** Other support services to business not classified elsewhere in the 2500 series.

**2600 SERIES - OPERATION & MAINTENANCE OF PLANT:** Activities concerned with keeping the physical plant open, comfortable, and safe for use and with keeping the grounds, buildings, and equipment in effective working condition and state of repair. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. In-service training related to operations and maintenance, including safety and security, should be reported in function 2570 Personnel Services.

**2610 OPERATION OF BUILDINGS:** Activities concerned with keeping the physical plant clean and ready for daily use. They include operating lighting and heating, ventilating, and air conditioning (HVAC) systems and doing minor repairs. Also included are the costs of building rental, and property insurance.

**2620 MAINTENANCE OF BUILDINGS:** Activities associated with keeping buildings at an acceptable level of efficiency through repairs and preventative maintenance. Custodial salaries are coded here.

**2630 CARE & UPKEEP OF GROUNDS:** Activities involved in maintaining and improving the land (but not the buildings). These include snow removal, landscaping, and grounds maintenance.

**2640 CARE & UPKEEP OF EQUIPMENT:** Activities involved in maintaining equipment owned or used by the school district. They include such activities as servicing and repairing furniture, machines, and movable equipment.

**2650 VEHICLE OPERATION, MAINTENANCE, & PURCHASING (OTHER THAN STUDENT TRANSPORTATION VEHICLES):** Activities involved in maintaining general-purpose vehicles such as trucks, tractors, graders, and staff vehicles. These include such activities as repairing vehicles; replacing vehicle parts; and cleaning, painting, greasing, fueling, and inspecting vehicles for safety (i.e., preventive maintenance). Expenditures for driver's education programs should be coded to function 1000 Instruction.

**2660 SECURITY:** Activities concerned with maintaining a secure environment for students and staff, whether they are in transit to or from school, on a campus or in an administrative facility, or participating in school-sponsored events. These include costs associated with security plan development and implementation, installation of security monitoring devices (e.g., cameras, metal detectors), security personnel (e.g., campus police, security guards), purchase of security vehicles and communication equipment, and related costs.

**2670 SAFETY:** Activities concerned with maintaining a safe environment for students and staff, whether they are in transit to or from school, on a campus or in an administrative facility, or participating in school-sponsored events. These include costs associated with installing and monitoring school fire alarm systems and providing school crossing guards, as well as other costs incurred in an effort to ensure the basic safety of students and staff.

**2680 OPERATION & MAINTENANCE OF PLANT – OTHER:** Operation and maintenance of plant services that cannot be classified elsewhere in the 2600 series.

## PROGRAM DISBURSEMENT CODING

- 2700 SERIES - STUDENT TRANSPORTATION:** Activities concerned with conveying students to and from school, as provided by state and federal law. These include trips between home and school and trips to school activities. The Transportation Director should be coded here. Expenditures for driver's education programs should be coded to 1000 Instruction.
- 2710 VEHICLE OPERATION & PURCHASING – REGULAR EDUCATION:** Activities involved in operating vehicles for student transportation, from the time the vehicles leave the point of storage until they return to the point of storage. These include fueling, insurance, driving buses, or other student transportation vehicles. Includes costs related to hiring (background checks) and training drivers.
- 2711 VEHICLE OPERATION & PURCHASING – ENROLLMENT OPTION IN THE LEARNING COMMUNITY:** Conveyance of pupils to and from schools within a Learning Community, as provided by statute. Included are such activities as contracting, payments to parents, purchasing vehicles, leasing vehicles, and all costs associated with operating the vehicle. Includes costs related to hiring (background checks) and training drivers.
- 2712 VEHICLE OPERATION & PURCHASING – SCHOOL AGE SPED:** Activities concerned with the conveyance of special education school age (K-12) children to and from school, as provided by statute and funded by state and local funds. Included are such activities as payment to parents, leasing, and appropriate costs associated with operating the vehicles. (Special Education transportation costs for children through age four should be recorded under the appropriate 02713, 02723, 02733, 06402, 06407 and/or 06410 functions.) Includes costs related to hiring (background checks) and training drivers.
- 2713 VEHICLE OPERATION & PURCHASING – AGES 3-5 SPED:** Activities concerned with the conveyance of Special Education children ages 3-5 funded with local sources. *(Not included in per pupil costs.)* Includes costs related to hiring (background checks) and training drivers.
- 2714 VEHICLE OPERATION & PURCHASING – LEARNING COMMUNITY COORDINATING COUNCIL:** Transportation for parents of elementary students who qualify for free or reduced-price lunches to school functions of such students in elementary schools. [§79-2115(d)] Includes costs related to hiring (background checks) and training drivers.
- 2715 VEHICLE OPERATION & PURCHASING – AGES 0-2 SPED:** Activities concerned with the conveyance of Special Education children ages 0-2 funded with local sources. *(Not included in per pupil costs.)* Includes costs related to hiring (background checks) and training drivers.
- 2720 MONITORING SERVICES – REGULAR EDUCATION:** Activities concerned with supervising students in the process of being transported between home and school and between school and school activities. Such supervision can occur while students are in transit and while they are being loaded and unloaded, and it includes directing traffic at the loading stations.
- 2721 MONITORING SERVICES – ENROLLMENT OPTION IN LEARNING COMMUNITY**
- 2722 MONITORING SERVICES – SCHOOL AGE SPED**
- 2723 MONITORING SERVICES – AGES 3-5 SPED** *(Not included in per pupil costs.)*
- 2724 MONITORING SERVICES – LEARNING COMMUNITY COORDINATING COUNCIL**

## PROGRAM DISBURSEMENT CODING

- 2725 **MONITORING SERVICES – AGES 0-2 SPED** *(Not included in per pupil costs.)*
- 2730 **VEHICLE SERVICING & MAINTENANCE – REGULAR EDUCATION:** Activities involved in maintaining student transportation vehicles. These include repairing vehicle parts; replacing vehicle parts; and cleaning, painting, and inspecting vehicles for safety.
- 2731 **VEHICLE SERVICING & MAINTENANCE – ENROLLMENT OPTION IN LEARNING COMMUNITY**
- 2732 **VEHICLE SERVICING & MAINTENANCE – SCHOOL AGE SPED**
- 2733 **VEHICLE SERVICING & MAINTENANCE – AGES 3-5 SPED** *(Not included in per pupil costs.)*
- 2734 **VEHICLE SERVICING & MAINTENANCE – LEARNING COMMUNITY COORDINATING COUNCIL**
- 2735 **VEHICLE SERVICING & MAINTENANCE – AGES 0-2 SPED** *(Not included in per pupil costs.)*
- 2790 **OTHER STUDENT TRANSPORTATION SERVICES – REGULAR EDUCATION:** Payments for contracted transportation services and other student transportation services that cannot be classified elsewhere in the 2700 series.
- 2791 **OTHER STUDENT TRANSPORTATION SERVICES – ENROLLMENT OPTION IN LEARNING COMMUNITY**
- 2792 **OTHER STUDENT TRANSPORTATION SERVICES – SCHOOL AGE SPED**
- 2793 **OTHER STUDENT TRANSPORTATION SERVICES – AGES 3-5 SPED** *(Not included in per pupil costs.)*
- 2794 **OTHER STUDENT TRANSPORTATION SERVICES – LEARNING COMMUNITY COORDINATING COUNCIL**
- 2795 **OTHER STUDENT TRANSPORTATION SERVICES – AGES 0-2 SPED** *(Not included in per pupil costs.)*
- 2900 **OTHER SUPPORT SERVICES:** All other support services not classified elsewhere in the 2000 series.

**3000 SERIES - OPERATION OF NON-INSTRUCTIONAL SERVICES:** Activities concerned with providing non-instructional services to students, staff, or the community.

- 3100 **FOOD SERVICES OPERATIONS:** Activities concerned with providing food to students and staff in a school or school district. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery. Used only in School Nutrition Fund.



## PROGRAM DISBURSEMENT CODING

**3200 ENTERPRISE OPERATIONS:** Activities that are financed and operated in a manner similar to private business enterprises, where the stated intent is to finance or recover the costs primarily through user charges. The school district bookstore, for example, could be charged to this code. Instruction should not be charged here, but rather to function 1000. Food services are not be charged here, but rather to function 3100. *(Used only in the Activity Fund.)*

**3300 COMMUNITY SERVICES OPERATIONS:** Activities concerned with providing services to the community. Examples of this function would be daycare, before & after school programs, busing for preschoolers, community rec, civic activities & public libraries, offering parental training or operating a community swimming pool, a recreation program for the elderly, or a childcare center for working parents. Counseling for the parents of students, where the objective is to improve the education and well-being of the student, should be reported in function 2120 Guidance Services. *(Not included in Per Pupil Costs)*

### **3400/3500 SERIES – PRIVATE & STATE CATEGORICAL PROGRAMS** *(Not included in Per Pupil Costs)*

**3400 CATEGORICAL GRANTS FROM CORPORATIONS & OTHER PRIVATE INTERESTS:** Expenditures financed by categorical grants received from corporations, foundations, and other non-governmental sources. *(Matching receipt code is 1925.)*

**3512 DISTANCE EDUCATION INCENTIVE PAYMENTS**

**3535 HIGH ABILITY LEARNERS**

**3540 STATE EARLY CHILDHOOD:** Grants and continuation grants applied for and awarded to districts for 3–5-year-old children.

**3541 EARLY CHILDHOOD ENDOWMENT GRANTS:** District only.

**3551 CAREER EDUCATION**

**3570 TEACHER EVALUATION DEVELOPMENT GRANTS** Also Educator Effectiveness Grants

**3575 NEBRASKA INNOVATION GRANT PROGRAM**

**3590 EXTENDED LEARNING OPPORTUNITY GRANTS**

**3599 OTHER STATE CATEGORICAL PROGRAMS:** Expenditures resulting from programs funded through state categorical funds. Expenditures related to individual grants should be further coded in order to separate them from expenditures for other categorical grants. The receipts for the particular grant should be coded under a matching receipt function to facilitate a comparison of receipts and expenditures for each grant received. *Previously Function Code 3500.*

**4000 SERIES - FACILITIES ACQUISITIONS & CONSTRUCTION:** Activities concerned with 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.

**4100 LAND ACQUISITION:** Activities concerned with initially acquiring and improving land. (Used in Special Building only.)

## PROGRAM DISBURSEMENT CODING

- 4200 LAND IMPROVEMENT:** Activities concerned with making permanent improvements to land, such as grading, fill, and environmental remediation. (Used in Special Building only.)
- 4300 ARCHITECTURE & ENGINEERING:** The activities of architects and engineers related to acquiring and improving sites and improving buildings. Charges are made to this function only for those preliminary activities that may or may not result in additions to the school district's property. Otherwise, charge these services to function 4100, 4200, 4500, or 4600, as appropriate.
- 4400 EDUCATIONAL SPECIFICATIONS DEVELOPMENT:** Activities concerned with preparing and interpreting descriptions of specific space requirements to be accommodated in a building. These specifications are interpreted to the architects and engineers in the early stages of blueprint development.
- 4500 BUILDING ACQUISITION & CONSTRUCTION:** Activities concerned with buying or constructing buildings. Builders Risk Insurance could be coded here. (Used in Special Building only and Qualified Capital Purpose Undertaking Fund.)
- 4600 SITE IMPROVEMENTS:** Activities concerned with making nonpermanent improvements or enhancements to building sites. These improvements include fencing, walkways, tunnels, and temporary landscaping.
- 4700 BUILDING IMPROVEMENTS:** Activities concerned with building additions, reconstruction, and remodeling, as well as with installing or extending service systems and other built-in equipment.
- 4900 OTHER FACILITIES ACQUISITION & CONSTRUCTION:** Facilities acquisition and construction activities that cannot be classified above.
- 5000 SERIES - DEBT SERVICE:** Activities related to servicing the long-term debt of the school district, including payments of both principal and interest. Interest on short-term notes or loans (repayable within 1 year of receiving the obligation) is charged to function 2510. *(Not included in Per Pupil Costs)*
- 5000 DEBT SERVICE:** Used to record bond interest payments, retirement of bonded debt (including current and advance refunds), capital lease payments, and other long-term notes.
- 5100 IDEA MAINTENANCE OF EFFORT NON-COMPLIANCE RECOVERY:** Repayment resulting from non-compliance with IDEA Maintenance of Effort requirements. Repayment, with non-federal funds, is equal to the amount by which the LEA failed to maintain its level of SPED expenditures in a specific school fiscal year. Used only in the General Fund.
- 6000 SERIES - FEDERAL PROGRAMS:** Many school districts participate in categorical programs that are funded in part or totally through the receipt of federal funds. Most such programs are administered directly through the Department of Education and require an application and some form of expenditure report. A separate and specific function number identifies those federal programs that are administered directly through the Department of Education. Please note that the code numbers of the expenditures portion of the Annual Financial Report for the following categorical programs should correspond with the 4XXX function numbers under receipts. This will provide the school district an instant comparison of receipts and expenditures within specific programs. *(Beginning 2018/19, Per Pupil Costs include federal program disbursements per ESSA requirements.)*
- 6200 TITLE I, PART A ESEA/ESSA IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES**

## PROGRAM DISBURSEMENT CODING

- 6210 **TITLE I ACCOUNTABILITY ESEA/ESSA IMPROVING BASIC PROGRAMS**  
**ACCOUNTABILITY:** Funds provided to Local Education Agencies (LEAs) to carry out school improvement and corrective action responsibilities.
- 6212 **TITLE I, PART A SUPPORT FOR IMPROVEMENT:** Expenditures will be used to support initiatives for Title I schools that have been identified as needs improvement in one of the following categories: Comprehensive Support and Improvement (CSI) and/or Target Support and Improvement (TSI).
- 6215 **TITLE I PART 1003(G) SCHOOL IMPROVEMENT GRANTS (SIG):** Expenditures financed through funds provided to Local Education Agencies (LEAs) to carry out school improvement and “Turnaround” activities outlined under Section 1003(G).
- 6230 **TITLE I, PART D, SUBPART 2 PREVENTION & INTERVENTION PROGRAMS FOR CHILDREN & YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT-RISK:** Expenditures financed through funds provided for the Title I programs in local, county-operated correctional agencies.
- 6310 **TITLE II, PART A ESEA/ESSA SUPPORTING EFFECTIVE INSTRUCTION:** Principal & Teacher Training, Recruiting/Class Size Reduction
- 6315 **TITLE II, PART B:** Math & Science Partnerships
- 6330 **TITLE V, PART B SUBPART 2 ESSA:** Rural Low Income Schools Grants (*Federal funds that flow through NDE*)
- 6402 **IDEA PART B (611) BASE ALLOCATION TRANSPORTATION:** Expenditures financed through IDEA Part B (611) Base Allocation funds received for special education transportation.
- 6403 **IDEA PART B (611) BASE ALLOCATION – SCHOOL AGE:** Expenditures of Part B (611) Base LEA flow-through funds for special education services which are allowable and reimbursable special education expenditures for school age children.
- 6404 **IDEA PART B (611) BASE ALLOCATION - BIRTH THROUGH AGE FOUR:** Part B (611) Base LEA flow-through funds expended for special education services.
- 6406 **IDEA PRESCHOOL (619) BASE ALLOCATION:** Expenditures related to special education services for children ages three to five.
- 6407 **IDEA PRESCHOOL (619) BASE ALLOCATION TRANSPORTATION:** Expenditures financed through IDEA Part B Base Allocation funds received for special education transportation for children ages three to five.
- 6408 **IDEA PART B (611) BASE & ENROLLMENT POVERTY ALLOCATION BIRTH THROUGH AGE TWENTY-ONE:** Part B LEA flow-through funds expended for special education services.
- 6409 **IDEA ENROLLMENT/POVERTY (619):** Expenditures funded through Part B LEA flow-through for special education services for children ages three to five.

## PROGRAM DISBURSEMENT CODING

- 6410 IDEA ENROLLMENT/POVERTY (611):** Expenditures funded through Part B LEA flow-through for special education services for children to age twenty-one.
- 6411 IDEA PART B EARLY INTERVENING SERVICES:** Expenditures funded through Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3.
- 6412 IDEA PART B PROPORTIONATE SHARE:** Expenditures funded through Part B LEA flow-through funds for special education services of parentally placed non-public school children with disabilities ages three to twenty-one.
- 6414 IDEA PART C:** Expenditures funded through Part C funds for special education services for infants and toddlers below age three
- 6415 IDEA SPECIAL PROJECTS:** Expenditures financed through IDEA funds received for special education discretionary projects for children through age twenty-one.
- 6416 IDEA PART C PLANNING REGION TEAM (PRT):** Expenditures financed through IDEA Part C special education funds to support the activities of the Early Childhood Planning Region Team Projects.
- 6417 IDEA PART B TRANSITION PROJECTS:** Expenditures financed through IDEA funds for special education discretionary transition projects.
- 6418 IDEA PART B PEaK PROJECTS:** Expenditures financed through IDEA special education discretionary funds to support districts in the implementation and evaluation of Targeted Improvement Plans (TIPS) through “PEaK” (Promoting Engagement and Knowledge) projects.
- 6420 IDEA PART-B ARP – EARLY INTERVENING SERVICES:** American Rescue Plan 2021. Disbursements paid by Part B LEA flow-through funds received for coordinated early intervening services for students in kindergarten through grade 12, with particular emphasis on students in kindergarten through grade 3. (Code receipts to 4420)
- 6421 IDEA PART-B (611) ARP – BASE & ENROLLMENT POVERTY ALLOCATION- BIRTH THROUGH AGE TWENTY-ONE:** American Rescue Plan 2021. Disbursements paid by Part B LEA flow-through funds received for special education services to age twenty-one. (Code receipts to 4421)
- 6422 IDEA PRESCHOOL (619) ARP – BASE/ENROLLMENT POVERTY (619) ALLOCATION:** American Rescue Plan 2021. Disbursements paid by IDEA preschool LEA Flow-through funds received for special education services for children ages 3-5 only (Code receipts to 4422)
- 6690 OTHER FEDERAL NON-CATEGORICAL EXPENDITURES:** Expenditures made for all other non-categorical funds received from federal sources not otherwise classified.
- 6700 FEDERAL VOCATIONAL & APPLIED TECHNOLOGY EDUCATION (CARL PERKINS):** Expenditures for improving educational programs and services leading to academic and occupational skill competencies needed to work in a technologically advanced society funded through federal Carl Perkins grants (includes Perkins Basic and Perkins Revision/Innovative Competitive Grants).

## PROGRAM DISBURSEMENT CODING

- 6800 **FEDERAL NUTRITION PROGRAMS:** Expenditures funded through Federal nutrition programs for services offered to children who qualify for free or reduced lunch programs.
- 6910 **NATIVE AMERICAN EDUCATION**
- 6915 **TITLE I, PART C ESEA/ESSA EDUCATION OF MIGRATORY CHILDREN**
- 6925 **TITLE III, PART A ESEA/ESSA ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, & ACADEMIC ACHIEVEMENT:**
- 6926 **TITLE III ESEA/ESSA IMMIGRANT EDUCATION**
- 6940 **HEAD START**
- 6945 **CHILD & ADULT CARE FOOD PROGRAM**
- 6968 **TITLE IV, PART B ESEA/ESSA 21<sup>ST</sup> CENTURY COMMUNITY LEARNING CENTERS**
- 6969 **TITLE IV, PART A ESEA/ESSA STUDENT SUPPORT & ACADEMIC ENRICHMENT (SSAE) GRANT**
- 6980 **ADULT BASIC EDUCATION**
- 6990 **OTHER FEDERAL CATEGORICAL PROGRAMS:** Expenditures from all other federal categorical sources not otherwise classified. (PBiS, GEER)
- 6991 **MCKINNEY-VENTO HOMELESS**
- 6992 **REAP:** Small Rural Schools Achievement grants directly from the U.S. Dept. of Education.
- 6996 **ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER I):** Expenditures resulting from the impact of the COVID-19 Pandemic during 2019/20. Used only in the General Fund and the School Nutrition Fund. ***First round of ESSER funding.***
- 6997 **ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER II):** Expenditures supported by the 2020-2021 ESSER II Supplemental Subgrant (CRRSA Act, 2021) for costs incurred from March 13, 2020 through September 30, 2023 to address the impact of the COVID-19 Pandemic. Used only in the General Fund, Special Building Fund, and the School Nutrition Fund. ***Second round of ESSER Funding.***
- 6998 **ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER III):** Expenditures supported by the 2020-2021 ESSER III Supplemental Subgrant (ARP Act, 2021) for costs incurred through September 30, 2024 to address the impact of the COVID-19 Pandemic. Only used in the General Fund, Special Building Fund, and the School Nutrition Fund. ***Third round of ESSER Funding.***

## PROGRAM DISBURSEMENT CODING

**8000 SERIES- TRANSFERS (OUTGOING):** Inter-fund transfers from the General Fund to the School Nutrition, Activities or Bond Fund or from other funds to the General Fund. Inter-fund transfers from the Special Building Fund and Qualified Capital Purpose Undertaking Fund *only* occurs when those funds are “closed out” and the remaining balance is transferred into the General Fund. (*General Fund transfers to Bond Fund are not included in Per Pupil Costs*)

**9000 SERIES - NON-PROGRAM EXPENDITURES:** A temporary intra-agency transaction that should not be reflected as a school district expenditure. An example of such a transaction is purchasing Certificates of Deposit. At the end of the fiscal period, this account should equal the Non-Program Receipts Account. **Note: If Non-Program Receipts exceed Non-Program Expenditures, the difference should be recorded as a receipt (5690) to the school district. If the Non-Program Expenditures exceed the Non-Program Receipts, the difference should be recorded as an expenditure (in a related function) to the school district.**

**9000 NON-PROGRAM EXPENDITURES:** A temporary intra-agency transaction that should not be reflected as a school district expenditure. An example of such a transaction is purchasing Certificates of Deposit. At the end of the fiscal period, this account should equal the Non-Program Receipts Account.

**9001 REPAYMENT OF INTERFUND LOAN FROM GENERAL FUND:** Use Object Code 001 with this function. *Not included in Total Disbursements XX-2-20500-000.* Only used for loans from General Fund to Bond Fund, Special Building Fund and QCPU Fund.

**9002 REPAYMENT OF INTERFUND LOAN FROM BOND FUND:** Use Object Code 001 with this function. *Not included in Total Disbursements XX-2-20500-000.* Only used for loans from Bond Fund to General Fund, Special Building Fund and QCPU Fund.

**9003 REPAYMENT OF INTERFUND LOAN FROM SPECIAL BUILDING FUND:** Use Object Code 001 with this function. *Not included in Total Disbursements XX-2-20500-000.* Only used for loans from Special Building Fund to General Fund, Bond Fund and QCPU Fund.

**9004 REPAYMENT OF INTERFUND LOAN FROM QCPUF FUND:** Use Object Code 001 with this function. *Not included in Total Disbursements XX-2-20500-000.* Only used for loans from QCPU Fund to General Fund, Bond Fund and Special Building Fund.

**9005 REPAYMENT OF INTERFUND LOAN TO GENERAL FUND FROM SCHOOL NUTRITION:** Use Object Code 001 with this function. *Not included in Total Disbursements XX-2-20500-000.* Only used for repayment of loans from School Nutrition Fund to General Fund.

# DISBURSEMENT OBJECT CODING

## DEFINITIONS OF DISTRICT PERSONNEL:

- XX0 NON-INSTRUCTIONAL STAFF:** Full-time, part-time, and pro-rated portions of the costs for work performed by *non-certificated* professional and support staff of the district. This would not include those that direct or oversee a department – see XX6. Examples of staff included in this object code series:
- Clerical Staff
  - Kitchen Staff
  - School Nurses
  - Transportation Staff
  - Custodial Staff
  - Accounting Staff
- XX1 TEACHERS/PROFESSIONAL STAFF:** Full-time, part-time, and pro-rated portions of the costs for work performed by *certificated* employees of the district who are considered to be in positions of a permanent nature and in support positions of a professional nature. Examples of staff included in this object code series:
- Teachers
  - Principals
  - Associate/Deputy Superintendents
  - SPED Director
  - Certificated Coaches
  - Certificated Activity Sponsors
- XX2 INSTRUCTIONAL AIDES/ASSISTANTS:** Full-time, part-time, and pro-rated portions of the costs for work performed by non-certificated classroom assistants. Examples of staff included in this object code series:
- Paraprofessionals
  - Non-Certificated Coaches
  - Non-Certificated Activity Sponsors
- XX3 SUBSTITUTE TEACHERS:** Full-time, part-time, and pro-rated portions of the costs for work performed by employees who are hired to serve as a substitute teacher.
- XX4 TECHNICAL STAFF:** Full-time, part-time, and pro-rated portions of the costs for work performed by non-certificated staff who are hired to provide technical support for all educational programs and district operations. Examples of staff to be included in this object code series:
- Programmers
  - Network Support
  - Data Analysts
- XX5 SUPERINTENDENT:** Full-time, part-time, and pro-rated portions of the costs for work performed by the superintendent of the district. This object code series only appears in Function Code 2320 Executive Administration.
- XX6 PROFESSIONAL NON-CERTIFICATED DIRECTORS:** Work performed by non-certificated employees of the district who are considered to be in professional positions **that direct or oversee a department in positions of support for operations of the district.** *These individuals may hold a professional degree, license or certificate in their area of expertise.* An individual holding a teaching certificate would be classified in this category if his or her job responsibilities include directing a department and do not include classroom instruction. ***Salary and benefits should be coded in XX6 series for Directors of Fiscal Services (Function 2510), Personnel Services (Function 2570) and District Legal Service (Function 2330).*** Professional non-certificated staff in non-director roles are coded in the XX0 series.

Examples of staff to be included in this object code series:

- Business Manager
- Director of School Nurses
- Technology Director
- Head Legal Counsel
- Head School Dietician
- Network Administrator
- Chief Financial Officer
- Director of Human Resources

## DISBURSEMENT OBJECT CODING

The following classifications are used to describe the service or commodity obtained as the result of a specific expenditure. Each classification is presented by a code number followed by a description. The nine major object categories are further subdivided. A three-digit number is used which makes it possible to search out detailed information. Following object coding defines the major categories and sub-categories.

*School districts may further sub-divide the sub-categories for their purposes but must conform to the coding structure found in the NDE Master list when be reported to NDE.*

### INTERFUND LOANS:

**001 INTERFUND LOANS:** Used only with Disbursement Function Code 900X in taxing funds and **are not** included in Total Disbursements of that fund. (Interfund Loans from General Fund 9001, from the Bond Fund 9002, from the Special Building Fund 9003, and from the Qualified Capital Undertaking Fund 9004.) Also includes interfund loans between General Fund and the School Nutrition Fund (from School Nutrition Fund 9005).

**SALARIES:** Amounts paid to both permanent and temporary employees, including personnel substituting for those in permanent positions. This includes gross salary for personal services rendered while on the payroll of the school district.

**REGULAR EMPLOYEES:** Full-time, part-time, and prorated portions of the costs for work performed by permanent employees of the school district/ESU.

- 105 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 110 NON-INSTRUCTIONAL
- 111 TEACHERS/PROFESSIONAL STAFF
- 112 INSTRUCTIONAL AIDES & ASSISTANTS
- 113 SUBSTITUTE TEACHERS
- 114 TECHNICAL STAFF
- 116 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**TEMPORARY EMPLOYEES:** Full-time, part-time, and prorated portions of the costs for work performed by employees who are hired on a temporary or substitute basis. Employee benefits are not usually offered. i.e., Community Coaches.

- 120 NON-INSTRUCTIONAL
- 121 TEACHERS/PROFESSIONAL STAFF
- 122 INSTRUCTIONAL AIDES & ASSISTANTS
- 123 SUBSTITUTE TEACHERS
- 124 TECHNICAL STAFF
- 126 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**OVERTIME EMPLOYEES:** Amounts paid to employees in either temporary or permanent positions for work performed in addition to the normal work period for which the employee is compensated under regular salaries and temporary salaries above. The terms of such payment for overtime are a matter of state and local regulation and interpretation.

- 130 NON-INSTRUCTIONAL
- 131 TEACHERS/PROFESSIONAL STAFF
- 132 INSTRUCTIONAL AIDES & ASSISTANTS
- 133 SUBSTITUTE TEACHERS
- 134 TECHNICAL STAFF
- 136 PROFESSIONAL NON-CERTIFICATED DIRECTORS



## DISBURSEMENT OBJECT CODING

**SABBATICAL LEAVE:** Amounts paid to employees on sabbatical leave.

141 TEACHERS/PROFESSIONAL STAFF

**ADDITIONAL COMPENSATION:** Such as bonuses, stipends, incentives, non-index wages, coaches, and activity sponsors.

150 NON-INSTRUCTIONAL

151 TEACHERS/PROFESSIONAL STAFF

152 INSTRUCTIONAL AIDES & ASSISTANTS

153 SUBSTITUTE TEACHERS

154 TECHNICAL STAFF

155 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)

156 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**EMPLOYEE BENEFITS:** Amounts paid on behalf of employees (amounts not included in gross salary, but in addition to that amount). Such payments are fringe benefit payments and, although not paid directly to employees, nevertheless are part of the cost of personal services.

**GROUP INSURANCE:** Employer's share of any insurance plan.

210 NON-INSTRUCTIONAL

211 TEACHERS/PROFESSIONAL STAFF

212 INSTRUCTIONAL AIDES & ASSISTANTS

213 SUBSTITUTE TEACHERS

214 TECHNICAL STAFF

215 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)

216 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**SOCIAL SECURITY CONTRIBUTIONS:** Employer's share of Social Security and Medicare (FICA) paid.

220 NON-INSTRUCTIONAL

221 TEACHERS/PROFESSIONAL STAFF

222 INSTRUCTIONAL AIDES & ASSISTANTS

223 SUBSTITUTE TEACHERS

224 TECHNICAL STAFF

225 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)

226 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**RETIREMENT CONTRIBUTIONS:** Employer's share of any state or local employee retirement system paid, including the amount paid for employees assigned to federal programs.

230 NON-INSTRUCTIONAL

231 TEACHERS/PROFESSIONAL STAFF

232 INSTRUCTIONAL AIDES & ASSISTANTS

233 SUBSTITUTE TEACHERS

234 TECHNICAL STAFF

235 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)

236 PROFESSIONAL NON-CERTIFICATED DIRECTORS

## DISBURSEMENT OBJECT CODING

- 237 INCREASED RETIREMENT CONTRIBUTION:** Expenditures by school districts to contribute to the School Employee's Retirement Fund to the extent that such expenditures exceed the employer contributions at the statutory rate of 7.35% (or 7.37% for Class V schools) as permitted in §79-1028.01. *(Please note: Object Code 237 has been added to federal program function codes.)*
- 238 VOLUNTARY TERMINATION AGREEMENTS:** Expenditures resulting from agreements for expenditures paid to certificated employees in exchange for voluntary terminations as permitted in §79-1028.0. The total amount utilized by the district as a Voluntary Termination expenditure exclusion must be recorded. Retirement costs cannot be paid with federal program funds.
- 239 EARLY RETIREMENT CONTRIBUTIONS:** Expenditures for early retirement or termination of district. Does not include expenditures resulting from district reorganizations. Include payouts for terminal leave costs (retirements, severance pay, unused sick and vacation leave). *Report Retirement Incentive Plan costs resulting from district reorganizations in Function 2290 Support Services – Instruction, Object code 287. [§79-855].* Retirement costs cannot be paid with federal program funds.

**TUITION REIMBURSEMENT:** Amounts reimbursed by the school district to any employee qualifying for tuition reimbursement on the basis of policy.

- 251 TEACHERS/PROFESSIONAL STAFF
- 252 INSTRUCTIONAL AIDES & ASSISTANTS
- 255 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 256 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**UNEMPLOYMENT COMPENSATION:** Amounts paid to provide unemployment compensation for its employees. These charges should be distributed to the appropriate functions in accordance with the salary expenditures.

- 260 NON-INSTRUCTIONAL
- 261 TEACHERS/PROFESSIONAL STAFF
- 262 INSTRUCTIONAL AIDES & ASSISTANTS
- 263 SUBSTITUTE TEACHERS
- 264 TECHNICAL STAFF
- 265 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 266 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**WORKERS' COMPENSATION:** Amounts paid to provide workers' compensation insurance for its employees. These charges should be distributed to the appropriate functions in accordance with the salary budget.

- 270 NON-INSTRUCTIONAL
- 271 TEACHERS/PROFESSIONAL STAFF
- 272 INSTRUCTIONAL AIDES & ASSISTANTS
- 273 SUBSTITUTE TEACHERS
- 274 TECHNICAL STAFF
- 275 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 276 PROFESSIONAL NON-CERTIFICATED DIRECTORS

## DISBURSEMENT OBJECT CODING

**HEALTH BENEFITS:** Amounts paid to provide health benefits for its current employees or retired employees for whom benefits are paid. These charges should be distributed to the appropriate functions in accordance with the related salary expenditures. *Do not include health/dental premiums paid for employees here, use the 21X Group Insurance series for premiums paid.* Examples: Employer contribution to Health Savings Account (HSA), in-lieu of insurance payments, Employee Deductible Reimbursement paid by employer, employee discounted health club memberships. *Employee Flex deductions should not show as an expense/revenue to the district but should go through a clearing account and appear in the district balance sheet.*

- 280 NON-INSTRUCTIONAL
- 281 TEACHERS/PROFESSIONAL STAFF
- 282 INSTRUCTIONAL AIDES & ASSISTANTS
- 283 SUBSTITUTE TEACHERS
- 284 TECHNICAL STAFF
- 285 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 286 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**287 RETIREMENT INCENTIVE PLAN:** Expenditures for payments to employees leaving the school district **when two or more school districts reorganize or unify** as specifically permitted in §79-855 of Nebraska State Statute. (Record only in 2290 Support Services – Instruction)

**288 STAFF DEVELOPMENT ASSISTANCE:** Expenditures for payments to employees or the appropriate educational institution **when two or more school districts reorganize or unify** as specifically permitted in §79-856 of Nebraska State Statute. (Record only in 2290 Support Services – Instruction)

**OTHER EMPLOYEE BENEFITS:** Employee benefits other than those classified above, including fringe benefits such as automobile allowances, tax sheltered annuities, housing or related supplements, moving expenses, cell phone allowance and paid parking. These charges should be distributed to the appropriate functions in accordance with the related salary expenditures.

- 290 NON-INSTRUCTIONAL
- 291 TEACHERS/PROFESSIONAL STAFF
- 292 INSTRUCTIONAL AIDES & ASSISTANTS
- 293 SUBSTITUTE TEACHERS
- 294 TECHNICAL STAFF
- 295 SUPERINTENDENT/ESU ADMINISTRATOR (Only in Function 2320)
- 296 PROFESSIONAL NON-CERTIFICATED DIRECTORS

**PURCHASED PROFESSIONAL & TECHNICAL SERVICES:** Services that by their nature can be performed only by persons or firms with specialized skills and knowledge. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, and accountants. It is recommended that a separate account be established for each type of service provided to the school district. Services purchased from another school district or from other government sources should be coded to one of the object codes from 511/512, 561 and 590/592.

**310 OFFICIAL/ADMINISTRATIVE SERVICES:** Services in support of the various policymaking and managerial activities of the school district. Included are management consulting activities oriented to general governance or business and financial management of the school district; school management support activities; and election services and tax assessing and collecting services. (Used with functions 2300, 2400, and 2500.)

## DISBURSEMENT OBJECT CODING

- 314 LOBBYIST FEES/EXPENSES:** Services performed by a registered lobbyist acting on behalf of a school district. This would include any amounts paid by the district for lobbyist fees and expenses reported to the Clerk of the Legislature pursuant to state statute. (Used only in Function Codes 2320 Executive Administration and 2330 District Legal Services).
- 315 ACCOUNTING/AUDITING SERVICES:** Services performed by those in the accounting profession in budget preparation, school district accounting and auditing services. (Used only in Function Code 2510 and Nutrition Fund Function Code 3100)
- 317 CONTRACTED LEGAL SERVICES:** Services that by their nature can be performed only by attorneys. (Used only in Function Code 2330 District Legal Services.)
- 320 PROFESSIONAL EDUCATIONAL SERVICES:** Services supporting the instructional program and its administration. Included are curriculum improvement services, assessment, counseling and guidance services, library and media support, and instructional services from non-ESU entities. Contracted instructional-related services paid for with Federal Grant funds are coded in 395/396.
- 330 EMPLOYEE TRAINING & DEVELOPMENTAL SERVICES:** Services supporting the professional and technical development of school district personnel, including instructional, administrative, and service employees. Included are conference, workshop and course registration fees (that are not tuition reimbursement), charges from external vendors to conduct training courses (at either school district facilities or off-site), and other expenditures associated with training or professional development by third-party vendors. All expenditures should be captured in this account, regardless of the type or intent of the training course or professional development activity. Training for instructional staff should be coded to function 2213. Training for non-instructional staff should be coded to the function 2570.
- 332 MILEAGE PAID TO PARENTS:** Mileage paid to parents for transporting pupils to school. Payments to parents of children enrolled in early childhood programs code in Disbursement Function Code 1190 and payments to parents of Regular Education K-12 students code in Disbursement Function Code 2710. Payments to parents of K-12 Special Education students code in Disbursement Function Codes 2712, 2713 and 2715.
- 333 MILEAGE PAID TO STAFF:** Reimbursement of mileage associated with staff travel for the school district.
- 334 MILEAGE PAID – OTHER:** Reimbursement of mileage that is not associated with parents or staff. Include contract mileage here.
- 340 OTHER PROFESSIONAL SERVICES:** Professional services other than educational services that support the operation of the school district. Included, for example, are medical doctors, lawyers, architects, bankers, dieticians, editors, negotiations specialists, paying agents, systems analysts, third-party therapists, and planners. (Usually used with function 2000 but could also be used with functions 1000–4000.)
- 350 TECHNICAL SERVICES:** Services to the school district that are not regarded as professional, but that require basic scientific knowledge, manual skills, or both. Included, for example, are purchasing and warehousing services, and graphic arts. (Usually used with function 2000.)

## DISBURSEMENT OBJECT CODING

- 351 DATA-PROCESSING & CODING SERVICES:** Data entry, formatting, and processing services other than programming. (Usually used with functions 2110, 2230, 2240, 2410, 2510, and 2580.)
- 352 OTHER TECHNICAL SERVICES:** Technical services other than data-processing and related services. (e.g., payments to officials and referees) (Usually used with functions 1000–4000.)
- 382 DISTANCE EDUCATION & TELECOMMUNICATIONS:** Expenditures for distance education services only. Include costs for telecommunications services, access to data transmission networks that transmit data to and from the school district, renting related equipment, and the transmission of data. *Includes expenditures for telephone and cell phone service, including line charges for Internet usage. Do not include expenditures for firewalls, access points or physical property such as routers, etc. Now included in Federal Programs disbursements.*
- 395 SUBAWARDS/SUBCONTRACTS: \$25,000 OR LESS:** Amount paid for a contract to an entity to perform programmatic work/carry out part or all of the work according to federal program grant awards. Report contract payments *up to \$25,000* in Object Code 395. Remaining amount that exceeds \$25,000 is coded as object code 396. (i.e., Contract paid out by district a private company to complete programmatic work for a Title I Grant is \$30,000. \$25,000 is coded to object code 395 and \$5,000 is coded to object code 396.) ***The entire contract amount for professional services should be coded to 395.***
- 396 SUBAWARDS/SUBCONTRACTS: \$25,001 or more:** Amount paid for a contract to an entity that *exceeds \$25,000* to perform programmatic work/carry out part or all of the work according to federal program grant awards. Report the contract payments that *exceed \$25,000* as object code 396. (i.e., Contract paid out by district to a private company to complete programmatic work for a Title I Grant is \$30,000. \$25,000 is coded to object code 395 and \$5,000 is coded to object code 396.) ***Professional service contracts should be coded to object code 395.***
- PURCHASED PROPERTY SERVICES: Services purchased to operate, repair, maintain, and rent property owned or used by the school district. These services are performed by persons other than school district employees. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.**
- 410 UTILITY SERVICES:** Expenditures for utility services other than energy services supplied by public or private organizations. Water and sewerage are included here. Telephone and internet services are not included here but are classified under object code 382. (Used only in Function Codes 2600s.)
- 420 CLEANING SERVICES:** Services purchased to clean buildings (apart from services provided by school district employees), including, but not limited to, disposal services, snow plowing, custodial services, and lawn care services. (Used with Function Codes 2600s.)
- 431 NON-TECHNOLOGY RELATED REPAIRS & MAINTENANCE:** Contracts and agreements covering the upkeep of buildings and non-technology equipment. Costs for renovating and remodeling are not included here but are classified under object 450.
- 432 TECHNOLOGY RELATED REPAIRS & MAINTENANCE:** Expenditures for repairs and maintenance services for technology equipment that are not directly provided by school district personnel. This includes ongoing service agreements for technology hardware (e.g., personal computers and servers).
- 440 RENTALS – OTHER:** Costs for renting that is not covered by object codes 441, 442, or 443.

## DISBURSEMENT OBJECT CODING

- 441 RENTALS OF LAND & BUILDINGS:** Expenditures for leasing or renting land and buildings for both temporary and long-range use by the school district. (Used with Function Code 2610.)
- 442 RENTALS OF EQUIPMENT & VEHICLES:** Expenditures for leasing or renting equipment or vehicles for both temporary and long-range use by the school district. This includes bus and other vehicle rental when operated by a local school district and similar rental agreements. Include rental vehicles for driver's education programs here. This should be coded to the function where the equipment or vehicle is used. This code excludes costs associated with the rental of computers or other technology-related equipment - these costs should be coded to expenditure object 443 as described below.
- 443 RENTALS OF COMPUTERS & RELATED EQUIPMENT:** Expenditures for leasing or renting computers and related equipment for both temporary and long-range use. This should be coded to the function where the equipment is used.
- 450 CONSTRUCTION SERVICES:** Includes amounts for constructing, renovating, and remodeling buildings or infrastructure assets paid to contractors. This code should also be used to account for the costs of nonpermanent site improvements, such as fencing, walkways, and roads, that are related to buildings and building sites. (Used only with Function Codes 2600s, 4000s and 2900 in the Depreciation Fund.)
- 490 OTHER PURCHASED PROPERTY SERVICES:** Purchased property services that are not classified above. Communication services are not included here but should be included in object 530.

**OTHER PURCHASED SERVICES:** Amounts paid for services rendered by organizations or personnel not on the payroll of the school district (separate from professional and technical services or property services). Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

- 510 STUDENT TRANSPORTATION SERVICES:** Expenditures for transporting children to and from school and other activities. Contracted transportation expenditures should be recorded here
- 511 STUDENT TRANSPORTATION PURCHASED FROM ANOTHER DISTRICT WITHIN THE STATE:** Amounts paid to other school districts within the state for transporting children to and from school and school-related events. Expenditures for the rental of buses that are operated by personnel on the school district payroll are not recorded here, but rather under object 442. (Used only in Function Codes 271X, 6996, 6997 and 6698)
- 512 STUDENT TRANSPORTATION PURCHASED FROM ANOTHER DISTRICT OUTSIDE THE STATE:** Payments to other school districts outside the state for transporting children to and from school and school-related events. (Used only in Function Codes 271X, 6996, 6997 and 6698)
- 519 STUDENT TRANSPORTATION PURCHASED FROM OTHER SOURCES:** Payments to persons or agencies other than school districts for transporting children to and from school and school-related events. Include payments as reimbursement for student transportation on public carriers. Payments for staff and other persons not enrolled as students should be recorded under object 580.

## DISBURSEMENT OBJECT CODING

- 520 INSURANCE (OTHER THAN EMPLOYEE BENEFITS):** Expenditures for all types of insurance coverage, including insurance for students, property, liability, and fidelity. Insurance for group health is not charged here but is recorded under object code 21X.
- 521 FIDELITY BOND PREMIUMS:** Expenditures for bonds guaranteeing the school district against losses resulting from actions of the treasurer, employees, or other persons of the district. Used in Function Code 02310 only.
- 530 COMMUNICATIONS:** Services provided by persons or businesses to assist in transmitting and receiving messages or information not including telecommunications. This category includes postal communications services to establish or maintain postage machine rentals, postage, express delivery services, and couriers. Includes licenses and fees for services such as subscriptions to Zoom and research materials over the Internet (such as downloads). Expenditures for software should be coded to object 650 if the software was not capitalized or object 735 if the software is eligible for capitalization as determined by appendix E. (Usually used with Function Codes 1000, 2230, 2320, 2410, or 2580.) Expenditures for Distance Education are coded as object code 382.
- 531 POSTAGE:** Includes postage machine rental and postage.
- 540 ADVERTISING:** Expenditures for announcements in professional publications, newspapers, or broadcasts over radio and television. These expenditures include advertising for such purposes as personnel recruitment, legal ads, new and used equipment, and sale of property. Costs for professional advertising or public relations services are not recorded here but are charged to object 340.
- 550 PRINTING & BINDING:** Expenditures for job printing and binding, usually according to specifications of the school district. This includes designing and printing forms and posters, as well as printing and binding school district publications. Preprinted standard forms are not charged here but are recorded under object 610. (Usually used with function 2530 but may be assigned to other functions. Printing and duplication of materials for classroom use should be coded here and to function 1XXXs.)
- 561 TUITION TO OTHER DISTRICTS WITHIN THE STATE:** Tuition paid to other school districts within the state. Include tuition expenditures made to education service agencies.
- 565 TUITION TO POSTSECONDARY SCHOOLS:** Tuition paid to postsecondary schools within the state and outside the state.
- 569 TUITION – OTHER:** Includes tuition paid to the other organizations (excluding school districts) as reimbursement for providing specialized instructional services to students residing within the boundaries of the paying school district.
- 570 FOOD SERVICE MANAGEMENT:** Expenditures for the operation of a local food service facility by other than employees of the school district. Included are contracted services, such as food preparation, associated with the food service operation. Direct expenditures by the school district for food, supplies, labor, and equipment would be charged to the appropriate object codes. (Used only in School Nutrition Fund with Function Code 3100.)

## DISBURSEMENT OBJECT CODING

- 580 TRAVEL:** Expenditures for transportation, meals, hotel, and other expenditure/expenses associated with staff and/or student travel for the school district. Payments for per diem in lieu of reimbursements for subsistence (room and board) also are charged here. Mileage reimbursement to staff is coded in 333.
- 590 INTERAGENCY PURCHASED SERVICES:** Any inter-district payments other than tuition or transportation should be classified here. This code identifies other payments for services made between a school district and other governmental entities. (Used primarily with function 2000. Payments made for instructional staff from another district or agency should be coded here and to function 1000.) (Payments made for instructional staff from another district or agency should be coded here and to function 1000).
- 591 SERVICES PURCHASED FROM ANOTHER DISTRICT OR ESU WITHIN THE STATE:** Payments to another school district or ESU within the state for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing, and guidance.
- 592 SERVICES PURCHASED FROM ANOTHER DISTRICT OR ESU OUTSIDE THE STATE:** Payments to another school district or ESU outside the state for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing, and guidance.

**SUPPLIES:** Amounts paid that fall below capitalization thresholds (<\$5,000) for items that are consumed, are worn out, or have deteriorated through use or items that lose their identity through fabrication or incorporation into different or more complex units or substances. Refer to appendix E for the criteria for distinguishing between a supply item and an equipment item.

- 610 GENERAL SUPPLIES:** Expenditures for all supplies (other than those listed below) that fall below capitalization thresholds (<\$5,000) for the operation of a school district, including freight and cartage. A more thorough classification of supply expenditures is achieved by identifying the object with the function—for example, audiovisual supplies or classroom teaching supplies. Food used in instructional programs should be coded here.
- 621 UTILITY ENERGY SERVICES:** Expenditures to provide energy for school facilities. Includes natural gas, electricity, bottle gas, oil, coal and other energy. (Used with Disbursement Functions 1XXXs, 26XXs, and 3100.)
- 626 FUELS:** Expenditures for fuel for vehicles, engines or motors (gasoline, diesel, etc.) purchased in bulk or periodically from a service station. (Used with Disbursement Functions 1XXXs, 26XXs, and 271X.)
- 630 FOOD:** Expenditures for food used in the school food service program. Food used in instructional programs is charged under object code 610 Supplies. (Used only School Nutrition Fund Disbursement Function Codes 2190 and 3100.) “Snacks” used in classrooms should be coded as Object Code 610 General Supplies.
- 640 BOOKS & PERIODICALS:** Expenditures for books, textbooks, and periodicals prescribed and available for general use, including reference books. This category includes the cost of workbooks, textbook binding or repairs, and textbooks that are purchased to be resold or rented. Also recorded here are the costs of binding or other repairs to school library books. The Government Finance Officers Association (GFOA) recommends that software be counted as a capital expense, and object 735, Technology Software, has been established for these expenditures. (Used primarily with functions 1000 and 2200. Books and periodicals for non-instructional staff should be coded to function 2590.)



## DISBURSEMENT OBJECT CODING

- 641 E-Books/Digital Instructional Materials:** digital/online textbooks, ebooks (instructional only, not library ebooks) digital workbooks, digital video, audio and all other digital materials used for instruction.
- 642 AUDIO-VISUAL MATERIALS:** Include only expenditures for audio-visual materials but not equipment. (Equipment should be recorded under Object 731 if costs are \$5000 or more.)
- 643 WEB/CLOUD BASE SOFTWARE:** Subscription-based software that resides external to school servers and is accessed via internet connectivity (e.g., SIS, LMS, Assessment software, Learning applications).
- 650 SUPPLIES – TECHNOLOGY RELATED:** Technology-related supplies include supplies that are typically used in conjunction with technology-related hardware or software. Some examples are CDs, flash or jump drives, parallel cables, subscriptions to online newspapers, and monitor stands. E-readers, including Kindles, iPads, and PC's that fall below capitalization thresholds (<\$5,000) should be reported here as well. Software costs below the capitalization threshold should be reported here. Licenses and fees for services such as subscriptions to research materials over the Internet should be reported under 530 Communications. (Used primarily with functions 1XXXs, 2230, and 2580, but may also be used with 2620, 2650, and 2730.)
- 695 INDIRECT COSTS:** Amounts paid for non-restricted indirect costs in the School Nutrition Fund (excluding food and capital outlay costs), transferred to and expensed through the General Fund. Only available in the School Nutrition Fund.

**PROPERTY:** Expenditures for acquiring capital assets, including land, existing buildings, existing infrastructure assets, and equipment that equals or exceeds the capitalization threshold (\$5,000). Additional guidance regarding the classification of property expenditures is provided in exhibit E-1 (in appendix E) and in chapter 5 (under the capital assets and capitalization threshold sections).

- 710 LAND & LAND IMPROVEMENTS:** Expenditures for the purchase of land and the improvements thereon. Purchases of air and mineral rights, for example, are included here. Also included are special assessments against the school district for capital improvements, such as streets, curbs, and drains. Not included here, but generally charged to objects 450 or 340 as appropriate, are expenditures for improving sites and adjacent ways *after acquisition* by the school district. (Used only in the Special Building Fund with primarily functions 4100, 4200, and 4600.)
- 720 BUILDINGS:** Expenditures for acquiring existing buildings and construction of buildings, major permanent structural alterations, renovations, fire protection systems, and other service systems, except payments to public school housing authorities or similar agencies. (Expenditures for installment or lease payments, except interest, that have a terminal date and result in the acquisition of buildings should be assigned to codes 831 and 832.) Purchasing buildings is only done through the Special Building Fund. Expenditures for the contracted construction, alteration, and renovations of buildings are recorded under object 450. Buildings built and alterations and renovations performed by the school district's own staff are charged to objects 100, 200, 610, and 7XX, as appropriate. Building rent is reported in object 441. (Used with functions 4500 and 4700.)
- 731 MACHINERY:** Expenditures for equipment usually composed of a complex combination of parts (excluding vehicles). Examples are lathes, drill presses, kitchen equipment/appliances, mowers, tractors, and printing presses. (Usually used with functions 1000, 2600, and 3100.)

## DISBURSEMENT OBJECT CODING

- 732 VEHICLES:** Expenditures for equipment used to transport persons or objects. Examples are automobiles, trucks, school buses, and vans. (Usually used with functions 2650 and 271Xs. Vehicles for driver's education should be coded to Function Code 1100.)
- 733 FURNITURE & FIXTURES:** Expenditures for equipment used for sitting, as a support for writing and work activities, and as storage space for material items. (Used with all functions, except 5000.)
- 734 TECHNOLOGY RELATED HARDWARE:** Expenditures for technology-related equipment and technology infrastructure. These costs include those associated with the purchase of network equipment, servers, PCs, printers, other peripherals, and devices. Technology-related items that do not exceed the organization's capitalization threshold or NDE's recommended capitalization threshold of \$5,000 should be coded to object code 650, Supplies—Technology Related. (Used with all functions, but primarily with 1000s, 2230, and 2580.)
- 735 TECHNOLOGY SOFTWARE:** Expenditures for purchased software used for educational or administrative purposes that equals or exceeds the capitalization threshold (\$5,000). Expenditures for software that meet the standards for classification as a supply should be coded to object code 650, Supplies—Technology Related. (Used with all functions, but primarily with 1000s, 2230, and 2580.)
- 739 OTHER EQUIPMENT:** Expenditures for all other equipment not classified elsewhere in the 73X object series.
- 805 REPAYMENT OF TAXES PAID:** Repayment of property taxes received in error from county treasurers. (Used only in Function Code 5000 in taxing funds.)
- 807 REPAYMENT OF TAXES PAID FOR REVALUED PROPERTY:** Repayment of property taxes received in prior years due to the revaluation of taxable property. (Used only in Function Code 5000 in taxing funds.)
- 810 DUES & FEES:** Expenditures or assessments for membership in professional or other organizations, as well as student fees (such as entry fees to contests). Tuition expenditures should be reported in objects 560 through 569.
- 820 JUDGEMENTS AGAINST THE DISTRICT:** Expenditures from current funds for all judgments (except as indicated below) against the school district that are not covered by liability insurance but are of a type that might have been covered by insurance. Only amounts paid as the result of court decisions are recorded here. Judgments against the school district resulting from failure to pay bills or debt service are considered non-court judgments and should be recorded under the appropriate expenditure accounts as though the bills or debt service had been paid when due. (Used only with function 2310.)
- 830 OTHER DEBT RELATED EXPENDITURES:** Expenditures not covered in 800 series object codes.
- 831 REDEMPTION OF PRINCIPAL:** Expenditures to retire bonds (including current and advance refunds) and long-term loans, including lease-purchase arrangements. (Used only with function 5000.)
- 832 INTEREST ON LONG-TERM DEBT:** Expenditures for interest on bonds or notes, including lease-purchase arrangements. (Used only with Function Code 5000.)

## DISBURSEMENT OBJECT CODING

- 833 BOND ISSUANCE & OTHER DEBT-RELATED COSTS:** Expenses in connection with bond and other debt issuance costs, including lease-purchase debt issuance costs. (Used only with Function Code 5000.)
- 835 INTEREST ON SHORT-TERM DEBT:** Expenditures for interest on short-term debt or anticipation notes. (Used only with function 2510 Fiscal Services.)
- 890 MISCELLANEOUS EXPENDITURES:** Amounts paid for goods or services not properly classified in one of the objects included above. Include music licenses. The refund of prior year's revenues should be reported here.
- 900 OTHER ITEMS:** Used to classify transactions that are not properly recorded as expenditures/expenses but require control and reporting by the school district. (Purchase of Certificate of Deposit [CDS].) (Only appears in Function Code 9000.)
- 911 FUND TRANSFER TO GENERAL FUND:** Monies from other school funds transferred to the General Fund. The School Nutrition Fund cannot transfer funds into the General Fund. See Object Code 912 below.
- 912 FUND TRANSFER TO SCHOOL NUTRITION FUND.** General Fund monies needed to maintain or support the School Nutrition Program. General Funds transferred into the School Nutrition Fund cannot be transferred back to the General Fund. If the district is providing support to the School Nutrition Fund with the provision these funds will be repaid to the General Fund, this transaction must be initially coded out as an interfund loan 01-2-09005-001 and coded in as 06-1-09005-000
- 913 FUND TRANSFER TO ACTIVITIES FUND:** General Fund monies needed to supplement school activities.
- 914 FUND TRANSFER TO BOND FUND:** General Fund monies needed to cover principal and interest payments from the Bond Fund when the Bond Fund assets are insufficient to make the payment.
- 920 PAYMENTS TO ESCROW AGENTS FOR DEFEASANCE OF DEBT:** (Used only with function 5000.)
- 925 DISCOUNT ON THE ISSUANCE OF BONDS:** Proceeds from that portion of the sale of bonds.
- 931 REALIZED LOSSES ON INVESTMENTS:** Losses recognized from the sale of investments. Losses represent the excess of the cost or any other basis at the date of sale over sales value. For financial reporting purposes, the net of all realized and unrealized investment gains and losses should be reported as a single line in the financial statements; however, this account and the following account may be used for internal tracking purposes. (Used only with function 2510.)

## DISBURSEMENT OBJECT CODING

- 950 SPECIAL ITEMS:** Used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. Some capital asset impairments, as defined by GASB Statement 42, may be reported as special items. In the governmental funds, these items should be separately captioned or disclosed. Music License fees should be coded here. For some districts, this includes significant costs related to a natural disaster such as a fire, flood, tornado, hurricane, or hailstorm or costs related to an environmental disaster.
- 955 PRESIDENTIAL DECLARED DISASTER:** Expenditures that include significant costs related to a natural disaster such as a fire, flood, tornado, hurricane, or hailstorm or costs related to a disaster that have been declared a Presidential Declared Disaster. Any expenditure for a natural disaster not declared by the President should be coded to 950 Special Items.

## Appendix E: Distinguishing Equipment from Supply

*Excerpt from Financial Accounting for Local and State School Systems: 2014 Edition - March 2015*

This appendix discusses the importance of distinguishing between supplies and equipment and suggests criteria for making that decision.

### Reasons for Distinguishing Between Supplies and Equipment

Education agencies have found it useful to distinguish between supplies and equipment for the following reasons:

- The distinction may assist in deciding how to control or keep track of an item. For example, some funding programs require that all equipment items be inventoried annually. At the same time, many school districts will inventory certain items regardless of whether the items are equipment or whether they are required by law to do so.
- The distinction may bear on insurance decisions. Supplies and movable equipment are usually insured as part of the contents of buildings, whereas built-in equipment is usually insured as part of the structure.
- The distinction is important in identifying the funds with which to purchase a given item. For example, some funds, such as bond funds, typically cannot be used to purchase supplies, while other funds might exclude the purchase of equipment.
- The distinction can affect calculations of cost of operations and cost per student. Although most school districts include expenditures for supplies when calculating current operating costs, many school districts treat equipment differently. Some include all expenditures for replacement equipment in the current operating cost total, excluding the cost of new and additional equipment. Others prorate the cost of all equipment over several years. In both cases, the incorrect classification of supplies or equipment items can affect the resulting cost calculations.
- The distinction can affect the amount of state or federal aid allocated to a school district. Several funding sources use per student costs as part of their funding formula (see the preceding paragraph). Most funding programs limit the ways in which their funds may be spent, sometimes excluding either supplies or equipment from the list of eligible purchases.

A school district can take either of the following two basic approaches to distinguish between supplies and equipment:

- Adopt a predetermined list of items, classifying each entry as either a supply or an equipment item.
- Adopt a set of criteria to use in making its own classification of supply and equipment items.

Each approach is discussed in the following text.

### The Disadvantages of a Supply/Equipment List

State departments of education and school districts maintain detailed lists of material items used in school district operations, identifying each entry as either a supply or an equipment item. These lists are helpful in many situations, but they have at least the following four limitations in financial reporting:

- Various state and federal aid programs offer supply/equipment categorizations that conflict with one another.

## Appendix E: Distinguishing Equipment from Supply

- Technological and philosophical changes in education continue at an ever-increasing pace. It is impractical to list and classify the thousands of materials and devices used in school districts today, particularly in the vocational education curricula. Therefore, without periodic updates, supply/equipment lists quickly become obsolete.
- Classifications of certain items change because of changes in price or technology. For example, most school districts classified handheld mini calculators as equipment several years ago when they cost over \$100. Now that the price of these items has dropped to the \$5 to \$25 range, some school districts are changing the classification of these items to supplies.
- Users tend to treat the lists as comprehensive and up-to-date, even when warned otherwise.

For these reasons, developing a universally applicable and easily updatable supply/equipment list is impractical. Instead of presenting a list that might raise as many issues as it would propose to resolve, this guide suggests that the distinction between supplies and equipment can better be made through consistent, statewide application of uniform criteria.

### Criteria for Distinguishing Between Supply and Equipment Items

Documentation containing lists of items identified as supplies or equipment can never be comprehensive or exhaustive and quickly becomes outdated. To resolve the need to differentiate between supplies and equipment without exhaustive lists, the National Center for Education Statistics (NCES) has proposed a set of criteria for distinguishing equipment from supply items, listed in priority order. (See exhibit E-1.) At the first “no,” the item is declared to be a supply, not equipment.

#### Equipment Items

An equipment item is any instrument, machine, apparatus, or set of articles that meets all of the following criteria and has an original individual cost of at least \$5,000. The Government Finance Officers Association (GFOA) has recommended a capitalization threshold of no less than \$5,000.

- It retains its original shape, appearance, and character with use.
- It does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.
- It is nonexpendable; that is, if the item is damaged or some of its parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit.
- Under normal conditions of use, including reasonable care and maintenance, it can be expected to serve its principal purpose for at least 1 year.

#### Supply Items

An item should be classified as a supply if it does not meet all of the stated equipment criteria.

### Distinguishing Between Built-In and Movable Equipment

Should a school district find it useful to classify certain equipment into built-in and movable categories, the following criteria should be used, unless the school district is otherwise bound by federal, state, or local law.

A *built-in* equipment item meets these criteria:

- It is an integral part of a building; that is, it is permanently fastened to the building, functions as a part of the building, and causes appreciable damage to the building if it is removed.

## Appendix E: Distinguishing Equipment from Supply

- It is permanently attached to a site and functions as part of the site (except buildings or other structures).

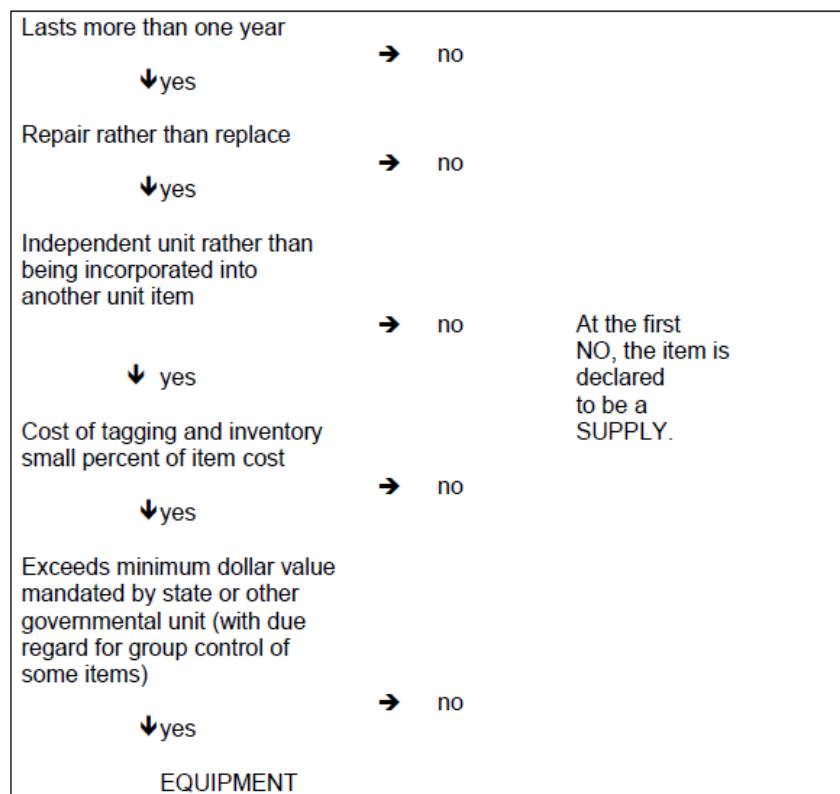
Built-in equipment may be incorporated into a building at the time the building is erected or at a later date. Built-in equipment is sometimes referred to as fixed equipment.

*Movable* equipment consists of items that meet these criteria:

- They are transportable from one location to another without appreciable damage or change to the location from which they are removed or to the location where they are installed.
- They do not function as integral parts of the building or site and are not permanently fastened or attached to the building or site.

A piece of equipment that is simply bolted or screwed to the floor, such as a heavy lathe or desk, and that can be moved as a unit once these fasteners have been removed is movable equipment. The term *movable* refers to the permanency of installation and not to size or weight.

**Exhibit E-1. Criteria for distinguishing equipment from supply items**



This diagram was conceived by James Bliss, Ph.D., Assistant Superintendent for Business Services, Grandview Consolidated School District, Grandview, Missouri; and Stuart Graf, CPA, of the American Institute for Certified Public Accountants (AICPA).

## Appendix E: Distinguishing Equipment from Supply

### Selecting the Level of Control for Supplies and Equipment

School district managers carry great responsibilities for stewardship of the funds and property of the school district. They are responsible for tracking and periodically reporting on the condition of these financial and physical resources. A major decision in devising methods for carrying out these responsibilities is selecting the level of control to be applied to various kinds of supplies and equipment.

The level of control applied to any supply or equipment item can be thought of as the amount of time and effort spent in keeping track of the item and the amount of information kept about the condition and whereabouts of the item. The level of control applied to a supply or equipment item usually falls into one of three following broad categories:

- **Little or no control after purchase.** Items in this category are of such little value that the costs of implementing procedures to safeguard them, monitor their use, or track their location and condition are not justifiable. Such items include staplers and wastebaskets.
- **Group control.** Items in this category are of little individual value but taken as a group are valuable enough to justify the cost of providing some type of control over their safety, use, location, and condition. Such items include chairs and school desks.
- **Individual control.** Items in this category are of sufficient value to justify applying control measures to each individual item. Such items usually include all relatively expensive pieces of equipment, although the minimum value of such equipment may vary with the school district.

Selecting the level of control to apply to an item is a straightforward process. Often, certain kinds of control are required by law or standard practice. For example, a federal funding program might require that all items purchased from these funds be inventoried and reported on periodically. Similarly, some funding programs require that all items of a certain minimum value be inventoried and reported on periodically. The school district may decide on its own to inventory certain kinds of items, regardless of the funding source, simply because these items or the inventory information are valuable to the school district. The level of control can range from an annual inventory to daily check-out from and return to a central storage room or station. When applied to a given item, the level should be based on the relative importance of the item to the overall operation of the school district and is usually in direct proportion to the item's purchase, replacement, or repair cost.

It is important to note that deciding how to control an item is relevant not only to equipment but also to certain stocks of supplies. For example, any large stock of supplies—such as instruction supplies, food, or custodial supplies—should be periodically counted and checked for damage, deterioration, and pilferage. Thus, the level-of-control issue applies to all tangible goods of any significant value to the school district.