Florida Department of Education

Financial and Program Cost Accounting and Reporting for Florida Schools

2023

FLORIDA DEPARTMENT OF EDUCATION

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Expenditures are categorized using the following elements:

Fund (see definition above)	Program
Function	Fiscal Year
Object	Grant
Facility (School)	Project

Function refers to the objective or purpose of an expenditure (or expense for government-wide and proprietary financial statement presentation). Functions are the activities performed to accomplish the objectives of the organization. The activities of school districts are classified into four major functional categories, as follows:

Instruction. Instruction includes activities dealing directly with the teaching of students or the interaction between teachers and students. Instruction is further classified as Basic, Exceptional Student Education, Career Education, Adult General and Other Instruction. Other Instruction includes programs such as recreation, enrichment and prekindergarten instruction.

Student and Instructional Support Services. Student and Instructional Support Services are administrative, technical and logistical support services to facilitate and enhance instruction. Specific activities under this category include Student Support Services,

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Salaries	Materials and Supplies	Energy Services
Employee Benefits	Capital Outlay	
Purchased Services	Other	

Facility refers to the school or office location that is the center for accumulation of costs.

Program refers to activities, operations or organizational units designated to accomplish an objective or purpose. Educational programs are established by law for Florida school districts and are the basis for the program cost accounting and reporting system (see chapter 5).

Fiscal Year denotes the 12-month period to which the annual budget applies. This designation is useful in analyzing costs of programs that extend beyond one fiscal year.

Grant refers to code numbers assigned by FDOE for reporting state and federal grants.

Project refers to a classification that is used to identify expenditures related to a specific activity, such as a construction project or a project funded through grants.

For reporting purposes, grant and project numbers are five character codes that are designated by FDOE. School districts may elect to crosswalk from a local coding structure to the state-designated grant and project numbers.

The primary purpose of this publication is to provide a uniform chart of accounts for governmental fund financial and cost reporting; however, many of the asset, deferred outflow, liability and deferred inflow accounts are only used to satisfy the minimum reporting requirements for financial statement presentation. While the functional elements are used for reporting governmental fund expenditures, these same groupings are used as expenses for government-wide financial statement presentation and for reporting expenses in proprietary funds.

ACCOUNTING STANDARDS

GAAP for governmental entities are established by the Governmental Accounting Standards Board (GASB) and provide the foundation for financial accounting and reporting for school districts.

district school board should be recorded in Account 1220, Due From Other Agencies.

1130 Receivables. Amounts due for goods and services and pension plan contributions.

1131 Accounts Receivable. Amounts due on open account from private persons, firms or corporations for goods and services furnished by the school district. Accounts receivable should be netted against uncollectible amounts.

1132 Pension Contributions Receivable. Pension contributions for district single-employer pension plans reported in private pension trust funds.

1139 Allowance for Uncollectible Accounts Receivable (Credit). An estimate of the uncollectible portion of accounts receivable.

1140 Due From Other Funds. Amounts due for goods or services provided by a particular fund to another fund, or for interfund loans.

1141 Due From Budgetary Funds. Amounts due from one fund to another. Separate accounts should be maintained for each interfund loan.

1142 Due From Internal Funds. Amounts due for advances to internal accounts. Separate accounts should be maintained for each advance.

1150 Inventory. Materials and supplies on hand for future use in operations. Subaccounts within this category may be used to identify different types of inventory, such as purchased and donated foods and materials.

1160 Investments. Securities and nonfinancial assets, held primarily for income or profit, which have present service capacity based solely on their ability to generate cash or to be sold to generate cash. This account does not include assets used in school district operations. Separate accounts for each category of investments may be maintained.

1161 Investments – United States Government Securities. Securities of the United States Government acquired by the district school board as authorized by statute and held for the production of income in the form of interest. schoo/1ere.h1 sents

1315 Land Improvements – Nondepreciable. The cost of permanent improvements to land that are not connected with the original purchase of the land and are not subject to depreciation.

1320 Improvements Other Than Buildings. The cost of nonpermanent improvements, other than buildings, that add value to land. Examples include fences, retaining walls, sidewalks, sewage treatment systems, original or expanded paving projects, fixed playground equipment, flagpoles, gateways and underground storage tanks that are not part of the building service systems.

1329 Accumulated Depreciation – Improvements Other Than Buildings. The accumulation of systematic and rational allocations of the cost of improvements other than buildings over the useful lives of the assets.

1330 Buildings and Fixed Equipment. The cost of permanent structures used to house persons and property owned by a school system. If buildings are purchased or constructed, this account includes the acquisition or construction costs of permanent buildings and fixtures attached to and forming a permanent part of such buildings. This account includes all building improvements, including upgrades made to building wiring for technology.

1339 Accumulated Depreciation – Buildings and Fixed Equipment. The accumulation of systematic and rational allocations of the cost of buildings and fixed equipment over the useful lives of the assets.

1340 Furniture, Fixtures and Equipment. The cost of furniture, fixtures and equipment owned by a school system. This account includes teaching, laboratory, research, diagnostic and testing, and administrative equipment used by or for students.

1349 Accumulated Depreciation – Furniture, Fixtures and EDC 0.0011 Tc 0.2735

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resulting in a net obligation asset for government-wide and proprietary fund financial statement presentation.

1415 Pension Asset. To record the amount of the pension plan's fiduciary net position that exceeds the total pension liability as of the measurement date. Assets associated with different pension plans may be displayed in the aggregate in the financial statements and should be displayed separately from aggregated pension liabilities.

1420 Section 1011.13, F.S., Loan Proceeds. Proceeds, and any interest earnings thereon, placed in an irrevocable escrow account pursuant to s. 1011.13(2), F.S.

1425 Leases Receivable. Deferred inflows of resources for lessors.

1430 Prepaid Insurance Costs. Prepaid insurance costs associated with the issuance of debt, to be recognized as expense in a systematic and rational manner over the duration of the related debt.

1460 Long-Term Investments. Investments that are not reasonably expected to be realized in cash within a year.

1500 Budgetary Debits. A group of general ledger accounts that normally have debit balances and are used to achieve budgetary integration within the accounting system.

1510 Estimated Revenues. The amount of revenues estimated to be realized during a budget period, whether collected in the same or subsequent periods.

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1940 Pension. The collective deferred outflows of resources related to pensions arising from certain changes in the collective net pension liability. These changes include

2150 Construction Contracts Payable-Retained Percentage. Amounts due on construction contracts representing a percentage of the total contract price withheld pending final inspection, the lapse of a specified time, or both.

2160 Due to Other Funds. Amounts owed for goods and services rendered by a particular fund to another fund within the school district. Also include temporary loans of cash between funds allowable under s. 1011.09, F.S., for a period of 13 months or less.

2161 Due to Budgetary Funds. Amounts owed by a particular fund to another fund within the school district (excluding amounts due to school internal funds).

2162 Due to Internal Funds. Amounts owed by a particular fund to school internal funds within the school district. Separate accounts should be maintained for each liability.

2170 Payroll Deductions and Withholdings. Amounts deducted from employees' salaries for withholding taxes and other purposes. A separate liability account may be used for each type of deduction.

2180 Matured Bonds Payable. Unpaid bonds that have reached or passed their maturity date. Account 1114, Cash with Fiscal/Service Agents, should be used to record amounts remitted to the paying agent for payment of this liability.

2190 Matured Interest Payable. Unpaid interest on bonds that have reached or passed their maturity date. Account 1114, Cash with Fiscal/Service Agents, should be used to record amounts remitted to the paying agent for payment of this liability.

2200 Other Current Liabilities. All other current liabilities that are not provided for specifically in preceding subsections.

2210 Accrued Interest Payable. Interest due within one year.

2220 Deposits Payable. Liability for deposits received as a prerequisite to providing services and/or goods.

2230 Due to Other Agencies. Amounts owed by the reporting school district to other governmental units. Separate accounts may be maintained for each liability.

2240 Due to Fiscal Agent. Amounts due to fiscal agents, such as commercial banks, for servicing the school district's matured debt.

2250 Current Notes Payable. Amounts due on short-term debt. GAAP specifically indicate for governmental fund accounting that other financing sources should not be reported in connection with tax anticipation notes and revenue anticipation notes. Instead, the notes should be reported as fund liabilities.

or a reimbursement of a portion of the interest that the school district paid.

2349 Other Lease-Purchase Agreements Payable. Lease-purchase obligations from other tax-exempt programs used to finance the cost of acquisition, construction, installation and equipment of educational facilities.

2350 Estimated Liability for Long-Term Claims. Amounts due for long-term claims that are not otherwise classified, including estimates of insurance claims and judgments.

2360 Net Other Postemployment Benefits Obligation. To account for the actua1rePherwismf0

differences between expected and actual earnings on plan investments. Amounts should be amortized as part of the calculation of pension expense.

2650 OPEB. The collective deferred inflows of resources related to OPEB, including changes in the net OPEB liability that have not been included in OPEB expense.

2700-2800 FUND BALANCES AND NET POSITION

On the balance sheet for governmental funds, assets plus deferred outflows of resources equal liabilities plus deferred inflows of resources, plus fund balance. On the statement of net position for proprietary and fiduciary funds and for government-wide financial statement presentation, assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equal net position.

2710-2750 Fund Balance. The excess of assets plus deferred outflows of resources, over liabilities plus deferred inflows of resources, represents fund balance for governmental funds at the end of the fiscal year. Fund balance is reported in five classifications that comprise a hierarchy primarily based on the relative strength of the constraints that control how specific amounts can be spent.

2710 Nonspendable. Refers to the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash (GASB ¶64). Examples of items that are not in spendable form include inventory, prepaid amounts, long-term amounts of loans and notes receivable, and property acquired for resale. If the use of the proceeds from any of the above examples will be restricted, committed or assigned, then the proceeds should be included in an appropriate fund balance classification other than nonspendable. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact and, therefore, should be classified as nonspendable

2711 Inventory.

2712 Prepaid Amounts. j E M C

2721 Economic Stabilization. The term "stabilization" refers to economic stabilization, revenue stabilization, budgetary stabilization and other similarly intended arrangements, including "rainy-day" funds. The formal action that imposes the parameters for spending should identify and describe the specific circumstances under which a need for stabilization arises in the required note disclosure related to stabilization arrangements.

2722 Federal Required Carryover Programs. The segregated portion of fund balance representing the unexpended balances of federal program funds carried forward to the subsequent fiscal year to be expended for the specific purpose of the program.

2723 State Required Carryover Programs. The segregated portion of fund balance representing the unexpended balances of categorical program funds and earmarked funds carried forward to the subsequent fiscal year pursuant to rule 6A-1.0141, Florida Administrative Code.

2724 Local Sales Tax and Other Tax Levy. The segregated portion of fund balance representing the unexpended balances of funds raised through local sales tax or other tax levy to be expended in accordance with the purposes for which they were raised. For example, pursuant to ss. 1011.71(2), (3) and (4), F.S., levied tax may only be expended for specific purposes, and pursuant to s. 212.055(2) and (6), F.S., local sales tax is levied by authorization from the district school board or through an intergovernmental agreement for capital improvement.

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2732 Contractual Agreements. Contractual obligations, to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

2739 Other Commitments. The school district is encouraged to identify the purpose for which fund balance is being committed on the face of the financial statements.

2740 Assigned. The portion of fund balance that is intended to be used for specific purposes, but is neither restricted nor committed. Assigned amounts include those amounts that have been set aside for a specific purpose by an authorized government body or official, but for which the constraint imposed does not satisfy the criteria to classify the amount as restricted or committed (GASB 54, ¶13). The authority for assigning fund balance need not be the highest decision-making level

3241 Language Instruction – Title III. Amounts received from language instruction grants for limited English proficient and immigrant students.

3242 Twenty-First Century Schools – Title IV. Amounts received from grants for safe and drug-free schools, communities and community learning centers.

3255 National Forest Funds. Revenue received from the sale of timber and forest products from a national forest within the boundaries of the county.

3260 National School Lunch Act. Funds, grants-in-aid and other assistance for providing an adequate supply of foods and facilities for the establishment, maintenance, operation and expansion of nonprofit school lunch programs.

3261 School Lunch Reimbursement. Federal reimbursement distributed by the

3344 District Discretionary Lottery Funds. Funding allocated from the Educational Enhancement Trust Fund pursuant to appropriation by the legislature.

3350-3372 State Categorical Programs.

3355 Class Size Reduction Operating Funds. Revenue received in accordance with s. 1011.685, F.S., to be used to reduce class size as required in s. 1003.03, F.S.

3361 Florida School Recognition Funds. Funding for the Florida School Recognition Program awarded to schools that sustain high performance or demonstrate substantial improvement in student performance, pursuant to s. 1008.36, F.S.

3371 Voluntary Prekindergarten Program (VPK). Revenue received for the VPK Program, as provided in s. 1002.53, F.S.

3372 Preschool Projects. Programs and activities designed to provide funding and services in local communities to children, from birth to five years of age, and their families.

3431 Interest on Investments. Interest earnings on investments in United States Treasury bills, notes, bonds, savings accounts, time certificates of deposit, mortgages or other interest-bearing obligations.

3432 Gain on Sale of Investments. The gain realized from the sale of investments (i.e., the excess of sales proceeds over cost or other basis at the date of sale).

3433 Net Increase (Decrease) in the Fair Value of Investments. Recognition of the change in fair value of investments.

3440 Gifts, Grants and Bequests. Amounts received from a philanthropic foundation, private individual or organization or county commission for which no repayment or special service to contributor is expected.

3445 Interest Income – Leases.

3450 Food Service. Revenues received from the sale of meals and other related food service activities, including receipts from other agencies or projects for meals provided under contract to various groups or agencies. The following accounts are provided to further classify the various types of receipts such as breakfast, lunch and milk, as required by approved forms.

3451 Student Lunches.

3452 Student Breakfasts.

3453 Adult Breakfasts/Lunches.

3454 Student and Adult à la Carte Fees.

3455 Student Snacks.

3456 Other Food Sales.

3460 Student Fees. Student fees that are authorized by statute and established by the district school board.

3461 Adult General Education Course Fees. Block tuition collected from adult students for enrollment in adult general education courses, as authorized by s. 1009.22(3), F.S. All funds received from the block tuition shall be used only for adult general education programs.

3462 Postsecondary Career Certificate and Applied Technology Diploma Course Fees. Tuition collected from adult students enrolled in adult postsecondary career and technical education courses, as authorized by proviso in the General Appropriations Act and s. 1009.22, F.S.

3463 Continuing Workforce Education Course Fees. Fees charged pursuant to s. 1009.22(3), F.S., as determined by the district school board. Expenditures for the continuing workforce education program must be fully supported by

3722 Bond Anticipation Loans.

3724 Lease Agreements and SBITAs.

3730 Sale of Capital Assets. Proceeds from sale of capital assets of a school district.

3731 Sale of Land. Proceeds from sale of real property (unimproved).

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3790 Premium on Long-Term Debt. The amount of premium received in connection with the issuance of long-term debt. After conversion of the premium for government-wide financial statement presentation, the unamortized premium is included in the carrying amount of the liability. The amortization of the premium increases interest revenues.

3791 Premium on Sale of Bonds.

3792 Premium on Refunding Bonds.

3793 Premium on Lease-Purchase Agreements

3794 Premium on Refunding Lease-Purchase Agreements.

Chapter 4

Fund Structure and Expenditure Accounts

This chapter presents fund and expenditure account numbers and related definitions.

NOTE: Function and object code field sizes are four and three characters, respectively. Unless specifically listed, the Florida Department of Education (FDOE) does not require direct coding of the third and fourth characters of function codes or the third character of object codes.

FUNDS

A fund is a fiscal and accounting entity with a self-balancing set of accounts. It records changes in cash and other financial resources, together with all related liabilities and residual equities or balances. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations [National a8Tw -21,,lspec 0.0011 Tc3lNu387a0c4rnal Stat

00X Permanent Funds. Permanent funds should be used

4XX Special Revenue Funds. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Special revenue funds should not be used to account for resources held in trust for individuals, private organizations or other governments. Florida school districts should disclose in the notes to the financial statements the purpose of each major special revenue fund, identifying which revenue and other resources are reported in each of those funds. Florida school districts should report federal categorical aid and food services as special revenue funds.

410 Food Services

420 Other Federal Programs. To report federal categorical aid revenues and corresponding state matching revenues.

441 CARES Act Elementary and Secondary School Emergency Relief (ESSER). Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on elementary and secondary schools.

442 Other CARES Act Relief (Including Governor's Emergency Education Relief Fund (GEER)). Federal CARES Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on K-12 education, workforce education and voluntary prekindergarten education.

443 CRRSA Act ESSER (ESSER II). Federal Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on elementary and secondary schools.

444 Other CRRSA Act Relief (Including GEER II). Federal CRRSA Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on K-12 education, workforce education and voluntary prekindergarten education.

445 ARP Act ESSER. Federal American Rescue Plan (ARP) Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on elementary and secondary schools.

446 Other ARP Act Relief. Federal ARP Act funding provided through the state as emergency relief to school districts to address the impact of COVID-19 on K-12 education, workforce education and voluntary prekindergarten education.

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and procedures regarding administrative involvement or direct financial involvement over such funds.

7XX Internal Service Funds. Funds established to account for any activity within the school district that provides goods or services to other funds, departments or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis. Use of an internal service fund is appropriate only when the school district is the predominant participant in the activity.

711-715 Self-Insurance.

731 Consortium Programs.

791 Other Internal Service.

8XX Fiduciary Funds. Funds used to report resources held by the school district in a trustee or custodial capacity for others that, therefore, cannot be used to support the school district's own programs.

840-849 Investment Trust Funds.

850-859 Private-Purpose Trust Funds.

870-879 Pension (and Other Employee Benefit) Trust Funds.

891 School Internal Funds.

892-899 Custodial Funds.

9XX Enterprise Funds. Funds used to account for any activity for which a fee is charged to external users for goods or services. Enterprise funds are required to be used to account for any activity whose principal revenue sources meet any of the following criteria: 1) debt backed solely by revenues from fees and charges (not debt that is backed by the full faith and credit of the school district); 2) legal requirement to recover costs through fees and charges; or 3) policy decision of the governing board of management to recover the costs of providing services through fees or charges. Enterprise funds may be used for the school store operation, the athletic stadium and the community swimming pool. All public entity risk pools (Self-Insurance – Consortiums) are required to be accounted for as enterprise funds.

911-914 Self-Insurance – Consortium.

915 ARRA – Consortium.

921-922 Other Enterprise Programs.

170 Board Members and Attorneys. Persons who serve as district school board members and individuals who are attorneys for the district school board.

200 Employee Benefits. Amounts paid by the school system on behalf of employees. These amounts are not included in gross salaries. Such payments are fringe benefits and, while not paid directly to employees, are part of the cost of employing staff. Benefits should be identified with the function in which the salaries are recorded. In the special case of workers' compensation, a functional prorated amount based on an approximate premium cost is required.

210 Retirement. Employer's share of any state or local defined benefit plan arising from certain changes in the collective net pension liability, including benefits for employees assigned to federal programs. Also includes costs incurred, proportionate share of expenses and amortization of deferred items related to the administration of the plans.

211 Pension Benefits. Expenditure or expense related to retirement payments. The pension expense reflects changes in the net pension liability independent of the actuarially determined pension contribution for funding purposes. The pension expenditure is the employer contribution made during the period, plus any increase in the amount reported as fund liability or employer contributions made during the period, less any decrease in the amount reported as a fund liability.

212 Other Postemployment Benefits. Expenditure or expense not provided through a pension plan related to postretirement healthcare benefits and postretirement benefits other than retirement income, such as disability benefits and life insurance. The Other Postemployment Benefits (OPEB) expense includes all contractually required payments related to the period, adjusted for the net OPEB obligation. Depending on the type of OPEB plan, the OPEB expenditure is the agreed-upon contribution related to the period or the sum of accrual amounts paid adjusted for changes in the liability reported at the end of the previous year, if any.

220 Federal Insurance Contributions Act (FICA). Contributions of the employer's share of Social Security and Medicare for school district personnel (including hourly personnel).

230 Group Insurance. Expenditures to provide group insurance coverage (including life, health and accident insurance) for school personnel.

240 Workers' Compensation. Expenditures to provide workers' compensation coverage.

250 Unemployment Compensation. Expenditures for the school district's share of unemployment compensation claims arising from former employees. If claims of any year are material, the cost on .186 Td [(pluA008 as dio]TJ EMCTJ wc)5.9nc employwc

Services, and Function 7600, Food Services, should be charged to those functions. Routine maintenance of audiovisual equipment should be charged to Function 6200, Instructional Media Services. All other equipment repairs may be charged to Function 8100, Maintenance of Plant.

359 Technology-Related Repairs and Maintenance. Expenditures for technology-related repairs and maintenance.

360 Rentals. Expenditures for leasing or renting land, buildings, films and equipment for both temporary and long-range use of the district school board. This object should be used for transportation by chartered buses or other vehicles not owned and operated by the school district. Reimbursements among funds for field trips with school district personnel should be coded to the appropriate object, including salaries, benefits and fuel. This object code includes annual fees charged for support and maintenance of software, annual software licenses or subscription, annual access fees for electronic devices and fees for broadcast rights. See Object 690, Computer Software, for software licensure arrangements. Payments on short-term leases are recorded in this account. Payments on other leases are not recorded in this account, but are recorded as a reduction of principal and the recognition of expenditures.

369 Technology-Related Rentals. Expenditures for computer and related equipment rentals, licenses and fees for Internet research subscriptions.

370 Communications. Expenditures to provide telephone service, cellular phone service and postage for the district school system. Telephone service should be charged to Function 7900, Operation of Plant. Other communication costs should be identified with the appropriate functions.

379 Telephone and Other Data Communication Services. Expenditures for data communication services, including telephone service.

380 Public Utility Services Other than Energy Services. Expenditures for services usually provided by public utilities, except energy services (see Object 400, Energy Services). Examples include water, sewage and garbage collection.

390 Other Purchased Services. Expenditures for all other purchased services not included above, such as printing, binding, reproduction, pest control and other nonprofessional purchased services. For information on reporting for grants, please see FDOE's Project Application and Amendment Procedures for Federal and State Programs (Green Book).

391 Subawards Under Subagreements – First $25,000. For subagreements reported under Other Purchased Services, record the first $25,000 of each subaward.

392 Subawards Under Subagreements – In Excess of $25,000. For subagreements reported under Other Purchased Services, record all subawards in excess of $25,000, regardless of the period covered by the grant or subcontract.

510 Supplies. Expenditures for supplies for the operation of a school system, including freight. Examples include expenditures for instructional, custodial and maintenance supplies.

519 Technology-Related Supplies. Expenditures for supplies used for technology-related purposes, such as hard drives and other supply items not reported in Subobjects 644, Noncapitalized Computer Hardware; 649, Technology-Related Noncapitalized Fixtures and Equipment; or 692, Noncapitalized Software.

520 Textbooks. Expenditures for textbooks furn

books, even though such reference books may be used in the classroom. Costs of freight for school library books are included.

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650 Motor Vehicles. Expenditures for all types of motor vehicles. Buses are motor vehicles regularly used for the transportation of public school students to and from school or to and from school activities (see s. 1006.25, F.S.). Other motor vehicles include driver's education vehicles, vehicles used for the maintenance or operation of educational plant and equipment, security vehicles and vehicles used for storing and distributing materials and equipment. Expenditures for riding mowers and golf carts are reported in Subobject 640, Furniture, Fixtures and Equipment.

651 Buses. Buses purchased with Local Capital Improvement revenue should be recorded in the capital projects fund. All other bus purchases should be recorded in the general fund.

652 Other Motor Vehicles.

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660 Land. Expenditures for the purchase of land and any ancillary charges to prepare the lanL.8[f

the payment of dues and fees, payments of local capital improvement funds to charter schools and payments of charter school capital outlay state funding.

710 Redemption of Principal. Expenditures from current funds for the retirement of obligations.

720 Interest. Expenditures from current funds for interest on liabilities and obligations. Also included is the amortization of the net carrying amount of debt refunding.

730 Dues and Fees. Expenditures for dues and fees include dues paid to professional organizations, as determined by district school board policies and procedures. Fees include tuition for employee training activities, dual enrollment fees, registration fees for district-sponsored student activities and administration fees paid to other organizations. Also included are fees relative to the issuance or service of debt, amortization of prepaid insurance costs associated with the issuance of debt, loan origination fees and initial direct costs of operating leases. Commissions paid for of irec 16.

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920 Transfers to Debt Service Funds. Amounts disbursed to debt service funds with no return or requirement for repayment.

930 Transfers to Capital Projects Funds. Amounts disbursed to capital projects funds with no return or ror ror ror r(r)0./ds w Capital Project4 Funds

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FUNCTIONS

Function classifications indicate the overall purpose or objective of an expenditure. Functions are group-related activities aimed at accomplishing a major service or regulatory responsibility. Expenditures should be reported in the function that reflects the cost incidence.

The activities of a local school system are classified into five broad areas: Instruction, Instructional Support, General Support, Community Services and Nonprogram Charges (Debt Service and Transfers). Unless specifically listed, FDOE does not require direct coding of the third and fourth charact(e)c4 (at accomplishing a-fa

6110 Attendance and Social Work. Pertains to promoting and improving attendance of students. It includes early identification of patterns of nonattendance, promotion of positive student and parent attitudes toward attendance, analysis of reasons for nonattendance and enforcement of compulsory attendance.

6120 Guidance Services. Pertains to helping students assess and understand their abilities, aptitudes, interests, environmental factors and educational needs; develop their understanding of educational and career opportunities; and optimize educational and career opportunities through the formulation of realistic goals. It includes counseling students and parents, evaluating the abilities of students, helping students make their own educational and career plans and choices, assisting students in making personal and social adjustments, and working with other staff members to plan and conduct guidance services.

6130 Health Services. Pertains to physical and mental health services that are not direct instruction. This function includes activities such as providing students with appropriate medical, school clinic, dental, psychiatric, nursing and vision services, as well as physical therapy-related services. This function also includes activities that identify, assess and treat students with speech, hearing and language impairments, as well as other conditions requiring the services of a speech or an occupational therapist.

6140 Psychological Services. This area includes the professional services of a psychologist for student test analysis and mental diagnosis. This function pertains to supplementing the school system's reservoir of information identifying the individuality, capacities, achievements, interests and needs of each student; studying individual students who are experiencing acute problems of educational development in order to furnish diagnostic information; and suggesting programs to address the psychological aspects of these problems.

6150 Parental Involvement. This function primarily relates to federal projects that

of all affairs of the school system. This includes all personnel and materials in the office of the superintendent. Federal indirect cost expenditures and activities of the offices of the deputy superintendent and associate or assistant superintendents should be charged here.

7300 School Administration (Office of the Principal). Activities concerned with directing and managing the operation of a particular school. This function includes the activities performed by the principal, assistant principal and other assistants in the general supervision of all operations of the school, evaluations of staff members of the school, assignment of duties to staff members, supervision and maintenance of the records of the school, and coordination of school instructional activities with the instructional activities of the school system. It includes clerical staff for these activities and bookkeeping associated with processing time reports for Title I personnel working additional hours in Title I, Part A, School Improvement Grant programs.

7400 Facilities Acquisition and Construction. Activities concerned with the acquisition of land and buildings, remodeling buildings, construction of buildings and additions, initial installation or extension of service systems and other built-in equipment, and improvements to sites. This function is not limited to purchases made with capital funds and includes payments of local capital improvement funds and capital outlay sales tax funds to charter schools.

7410 Facilities Acquisition and Construction – Current Expenditures.

7420 Facilities Acquisition and Construction – Capital Outlay.

7430 Charter School Local Capital Improvement.

7440 Charter School Capital Outlay Sales Tax.

7500 Fiscal Services. Activities concerned with the fiscal operation of the school system. This function includes budgeting, receiving and disbursing cash, financial accounting, payroll, inventory conto6g1 -1.15Tj EMb 0.3hoMb 0.3h.153 Td [(payroll, in c06 -2.3(dif3l3l3l3

include the systematic study of the various aspects of education. Development services include the deliberate, evolving process of improving educational programs. Evaluation services involve judging an outcome based on established goals and include expenditures for administering state and district assessments.

7720 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 mail, various news media, email, internet and personal contact.

7730 Personnel Services. Activities concerned with maintaining efficient personnel for the school district, including such activities as supervision, recruitment and placement, staff transfers, maintenance of personnel information, health services and position control. Health services are medical services provided for school district employees, including physical examinations and emergency care. In-service training, including seminars, conferences, continuing professional education, tuition reimbursement and other activities related to the ongoing growth and development of noninstructional personnel must be recorded as a cost of this function.

7740 Statistical Services. Activities concerned with manipulating, relating and describing statistical information.

7760 Internal Services. Activities concerned with purchasing, receiving, storing and distributing supplies, furniture and equipment; duplicating and printing for the district school board; and mail room and courier services.

7790 Other Central Services.

7800 Student Transportation Services. Activities associated with the transportation of students to and from school activities, either between home and school, from school to school, or on trips for curricular or co-curricular activities. Expenditures for the administration of student transportation services are recorded under these accounts, together with other student transportation service expenditures. Transportation expenditures not related to student transportation services should be reported in the function related to the purpose of the expenditure.

7900 Operation of Plant. Activities concerned with keeping the physical plant open and ready for use. Major components of this function are utilities, including telephone service, custodial costs, building rental and insurance costs associated with school buildings. This function includes cleaning, disinfecting, moving furniture, routine maintenance of grounds and heating, ventilation and air conditioning systems, providing school crossing guards, security and other such activities that are performed on a daily, weekly, monthly or seasonal basis. All expenditures related to activities associated with school resource officers should be reported in this function. Operation of plant does not encompass repairs and replacements of facilities and equipment. Tasks of custodians should be charged to this function, unless they can be coded appropriately to another function.

9900 Proprietary and Fiduciary Expenses. To record the operating and nonoperating expenses of the enterprise and internal service proprietary funds and investment trust, private-purpose trust, pension trust and custodial fiduciary funds.

FACILITY

Florida law requires financial reporting on a school basis. According to s. 1003.01(2), F.S., a school is defined as, ". . . an organization of students for instructional purposes on an elementary, middle or junior high school, secondary or high school, or other public school level authorized under rules of the State Board of Education." In many instances, "facility" is synonymous with "school." Accounting for the financial transactions of a school district will require the identification of a number of facilities or cost centers that are not schools; however, the operating costs associated with such centers will be attributed to schools on program cost reports. The four-digit numbers

Chapter 5

Program Cost Accounting and Reporting

Section 1010.20, Florida Statutes (F.S.), requires program cost accounting and reporting on a school-by-school basis.

Cost reporting has two central elements:

- Identification of direct program costs and aggregation of these costs by program; and
- Attribution of indirect costs to programs on an appropriate basis.

Program costing is not accomplished solely by the-to-day transactions as recorded on the school district's accounting records. In fact, such a transaction-based system is difficult and expensive to manage because many transactions involve more than one program, and the attribution of indirect costs would have to

Cost reporting elements include direct and indirect costs. Direct costs are classified into major objects. Indirect costs are classified as school-level or district-level. Rule 6A-1.014, Florida Administrative Code (F.A.C.), distinguishes costs as school-level or district-level. The distinction is made with regard to the nature of the cost, rather than the cost center to which the expenditure is charged.

The expenditure objects, as defined in chapter 4, used for direct costs are:

Salaries (Object 100)
Employee Benefits (Object 200)
Purchased Services (Object 300, Purchased Services; and Object 400, Energy Services, excluding charter school distributions) Note: Energy services referred to here are limited to energy (direct) that is used in the classroom to facilitate instruction, not general utilities.
Materials and Supplies (Object 500)
Other (Object 700)
Capital Outlay (Object 600, except Subobject 630, Buildings and Fixed Equipment; Subobject 660, Land; Subobject 670, Improvements Other Than Buildings; and Subobject 680, Remodeling and Renovations)

Direct costs of programs are those costs identified with Function 5000, Instruction, except costs under Function 5500, Prekindergarten, and Function 5900, Other Instruction, and charter school distributions. Fund 490 costs are to be reported along with Function 5900, Other Instruction, as annual financial report reconciliation items.

Direct salaries and benefits are the largest cost elements to be considered in program cost reporting. If a teacher serves more than one program, the total salary must be divided accurately among programs. This requires examining the teacher's schedule relative to the time devoted to teaching each program. The time structure of a teacher's schedule may vary from the traditional five or six periods of a secondary school to the daylong schedule of an elementary school teacher. The computer software provided by the Florida Department of Education (FDOE) for program cost reporting examines a teacher's schedule from student database records and equates reported class periods with time modules. Whether determined manually or through computer programming, the following procedures are followed:

- Determine the number of class periods or instructional modules for each instructor.
- Divide the instructor's salary by the number of class periods or modules.
- Calculate the salary for each program as the product of the number of time modules in each of the designated programs and the time module salary.
- In addition, if there are students from two grade groups (for example, grades 4-8 and 9-12) or two programs withbys are th.388 -1.093 T3,6unts fr0.0004 progd chartif 0 TcaTc 0 l.71$/Ep /TTperio2.8 (ts/gna

Food Services and Student Transportation Services (allocated to schools, not to programs).

Staff
Student Support Services, Instructional Media Services, Instruction and Curriculum Development Services, Instructional Staff Training Services, Instruction-Related Technology, Board, General Administration, School Administration, Fiscal Services, Central Services and Administrative Technology Services.

Instructional Time/Space
Operation of Plant, Maintenance of Plant and Facilities Acquisition and Construction.

SOURCES OF ATTRIBUTION FACTORS

Annual FTE student data by school and by program will be taken from the FTE student data submitted to FDOE.

The staff figures are based on the FTE teachers by program. "Full-time" is defined as a teacher serving a regular teaching contract for the school year. School courses and summer courses must be equated to the regular term. The Florida Inventory of School Houses (FISH) reports all spaces for each school. Time usage of space must be established with reference to the class schedule. School districts may use space models in which a typical program space is used for each teacher identified with the program.

ATTRIBUTION TABLES

The attribution factors (FTE students, staff and space) for all programs constitute the overall attribution table for indirect costs. These factors provide for the attribution of indirect costs for both school-level and district-level expenditures. One attribution table is not adequate for accurate distribution of all expenditures. For example, a school district's general fund is used for all schools and all programs, while expenditures benefiting only certain programs (Exceptional Education) should be restricted to specified schools and programs. Thus, school/program tables are used to attribute indirect costs and to prorate certain residual direct costs. All costs must be associated with a school/program table. Each school district designates additional school/program tables needed to accurately attribute costs to its programs. Fund 490 costs are not to be allocated to Fund 4 attribution tables.

At a minimum, school districts are required to have the following attribution tables for programs served:

General Fund

General Fund Expenditures All general fund expenditures except those specified to other tables. This table includes all schools and programs.

The logic of the Program Cost Reporting System is consistent with the requirements found in this chapter.

Chapter 7

Fiduciary Funds

Fiduciary fund activities are reported in the fiduciary fund financial statements of the basic financial statements (Governmental Accounting Standards Board (GASB) 34). Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities to the beneficiaries of a fiduciary activity (Section 1300, paragraph .102, of the Codification of Governmental Accounting and Financial Reporting Standards).

GASB 84 identifies fiduciary funds as pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds.

Pension (and Other Employee Benefit) Trust Funds are used to report fiduciary activities for pension plans (GASB 67, ¶3) and OPEB plans (GASB 74, ¶3) that are administered through trusts that meet certain criteria; and other employee benefit plans, for which resources are in a trust that meets certain criteria and for which contributions and earnings on contributions are irrevocable (GASB 84, ¶15).

Investment Trust Funds are used to report fiduciary activities for the external portion of investment pools and individual investment accounts that are held in a trust that meets certain criteria (GASB 84, ¶16).

Private-Purpose Trust Funds are used to report all fiduciary activities that are not required to be reported in pension (and other employee benefit) trusts or investment trusts and are held in a trust that meets certain criteria (GASB 84, ¶17).

Custodial Funds are used to report fiduciary activities that are not required to be reported in one of the trust funds identified above (GASB 84, ¶17). See chapter 8 for policies and practices related to school internal funds. Following implementation of GASB 84, Fiduciary Activities, if the government controls the assets and has administrative involvement or direct financial involvement with the assets, the activity would be reported in a miscellaneous special revenue fund, which is subject to cost financial reporting and internal control requirements as part of governmental funds.

c. All collections received by any club or school organization must be deposited in the school internal fund.

d. All disbursements by any club or school organization must be made by an internal fund check or from an approved petty cash fund. Disbursements shall be approved by the appropriate club or organization officer (when the club or organization has officers), members or designee.

e. A financial report shall be filed with the principal's office at the close of each fundraising activity. To accommodate collection of data for the report, a separate account for the activity may be established. The organization sponsor shall participate, along with the finance clerk, in the designation of transactions to be recorded in each of the organization's accounts.

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4.3 FUNDRAISING

School principals are to be made aware of, approve and oversee all fundraising activities and actions conducted on a school campus and approve all fundraising activities in the name of the school. Any fundraising activity conducted on school property is a school-connected activity.

a. Each fundraising activity shall be planned to finance a specified objective.

b. Each fundraising activity shall have the approval of the organization sponsor and the principal.

c. The district superintendent acts as the cust

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SECTION IV

CHART OF ACCOUNTS
SCHOOL INTERNAL FUNDS

Fund Group	Funds 8XX, Fiduciary Funds	
Balance Sheet Accounts	As provided in chapter 2	
Revenue Accounts	Accounts 34XX for local sources of revenue	
Student Activity/Project	10000	Athletics
	20000	Music
	30000	Classes
	40000	Clubs
	50000	Departments
	60000	Trust
	70000	General
Expenditure Accounts		
Function	Function 9900, Proprietary and Fiduciary Expenses	
Object	As provided in chapter 4	
Student Activity/Project	10000	Athletics
	20000	Music
	30000	Classes
	40000	Clubs
	50000	Departments
	60000	Trust
	70000	General

Fiscal Period. Any period at the end of which a school determines its financial condition and the results of its operations and closes its books.

Fiscal Year. As it pertains to internal funds, July 1 through June 30.

General Ledger. A book, file or other device in which accounts are kept to the degree of detail necessary to summarize the financial transactions of the school. General ledger accounts may be kept for any group of receipts or expenditures over which an administrative officer wishes to maintain fiscal control.

Gift. Something of value received for which no repayment or special service to the contributor is expected.

APPENDIX A

SUPPLIES AND EQUIPMENT CRITERIA

An ever-present challenge in financial accounting is that of distinguishing between supplies and equipment. This section provides criteria for classifying an item as either a supply or piece of equipment. Equipment built in or fixed to the building or grounds is considered a part of the building or land improvement and should be charged to those respective accounts.

CRITERIA FOR SUPPLY ITEMS

A supply item is any article or material that meets any one or more of the following conditions:

1. It is consumed in use;
2. It loses its original shape or appearance with use;
3. It is expendable. That is, if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to replace it with an entirely new unit than repair it;
4. It is an inexpensive item, having characteristics of equipment but with a small unit cost that makes it inadvisable to capitalize the item; and/or
5. It loses its identity through incorporation into a different or more complex unit or substance.

CRITERIA FOR EQUIPMENT ITEMS

An equipment item is a material unit that meets all of the following conditions:

1. It retains its original shape and appearance with use;
2. It is nonexpendable. That is, it is usually more feasible to repair it rather than replace it with an entirely new unit;
3. It represents an investment of money that makes it feasible and advisable to capitalize the item; and
4. It does not lose its identity through incorporation into a different or more complex unit or substance.

APPENDIX B

OPTIONAL OBJECT CODES

The optional third-digit object account shown below is compatible with the current automated state database. School districts may elect to use this third digit in order to provide information requested in the automated state database system.

SALARIES (100)

1. Regular Pay
2. Overtime Pay
3. Supplements
4. Terminal Pay (payment for unused annual leave)
5. Sick Leave Buyback (payment for unused sick leave)
6. Sabbatical Leave
7. Merit Pay
8. (Not assigned)
9. Other (e.g., uniform allowance)

BENEFITS (210 Retirement)

3. Teachers' Retirement System
4. Defined Benefit Plan
5. Defined Contribution Plan
9. Other

BENEFITS (230 Group Insurance)

1. Health and Hospitalizations
2. Life Insurance
3. Commercial or Merit and Insurance Annuity Plan
4. Cafeteria Plan
9. Other

LIBRARY BOOKS (Object 610 Only)

1. New Libraries
2. Existing Libraries