

Effective through
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CHART OF ACCOUNTS

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New
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This Chart of Accounts prescribed for school districts provides for the establishment of a complete fund accounting system, including the recording of assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/fund net position, revenues, and expenditures.

The standardized account code structure for use by districts and county school superintendents has been developed to accomplish several key objectives:

- To ensure districts comply with U.S. generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) in its *Codification of Governmental Accounting and Financial Reporting Standards*.
- To establish a uniform, comprehensive, minimum chart of accounts state-wide to improve financial data collection, reporting, transmission, accuracy, and comparability among Arizona districts and nationally. The *Uniform System of Financial Records* (USFR) Chart of Accounts meets the requirements of the U.S. Department of Education's account classifications.
- To reduce the administrative burden on districts in preparing required financial reports.
- To create a logical framework that can be used to determine where monies for education originate and how they are used.
- To provide better information for administrators, parents, board members, legislators, and other interested parties.

ACCOUNT CODE STRUCTURE

The account code structure provides a basis for financial reporting and budgeting and consists of the following required elements:

1. **FUND**—A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are separated to carry on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. District accounting systems must be organized and operated on a fund basis. Individual funds are first classified by category and then by fund type within each category. See §V, Fund Accounting, for information on fund types for financial reporting purposes. There are three fund categories:
 - Governmental Funds**—Funds used to account for most of a district's financial resources based on the purposes for which these resources may or must be used.
 - Fiduciary Funds**—Funds used to account for assets a district holds in a trustee capacity or as an agent for individuals, private organizations, and other governmental entities.
 - Proprietary Funds**—Funds used to account for a district's ongoing activities that are financed and operated in a manner similar to private business enterprises. Proprietary funds are generally self-sustaining with the primary source of revenues being user charges.
2. **BALANCE SHEET CLASSIFICATIONS**—Corresponds to items normally appearing on the balance sheet. The primary account classifications are Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance/Fund Net Position. (III-C)

3. **REVENUES AND OTHER FINANCING SOURCES CLASSIFICATIONS**—Separates revenues by source. The source classifications are Local, Intermediate (County), State, and Federal. Other Financing Sources and Other Items are also coded here. (III-D)

4. **EXPENDITURES AND OTHER FINANCING USES CLASSIFICATIONS:**

Program—A plan of activities and procedures designed to accomplish a predetermined objective or set of objectives. This element provides the framework for classifying expenditures by objective to determine cost. The primary program classifications are Regular Education; Special Education; Special Education Disability ESEA, Title VIII; Pupil Transportation; Programs Requiring Separate Budgets; Other Instructional; Adult/Continuing Education; Community College Education; and Community Services. (III-E-1)

Function—Describes the activity for which a service or material is acquired. The function classifications are Instruction, Support Services, Operation of Noninstructional Services, Facilities Acquisition and Construction, Debt Service, and Other Financing Uses. (III-E-2)

Object—Describes the service or material obtained as the result of a specific expenditure. The object classifications are Personal Services—Salaries, Personal Services—Employee Benefits, Purchased Professional and Technical Services, Purchased Property Services, Other Purchased Services, Supplies, Property, and Debt Service and Miscellaneous. Other Financing Uses and Other Items are also coded here. (III-E-3)

Unit—Separates expenditures by instructional level, such as elementary, high school, and district-wide and individual schools. Districts with some of their schools operating on an alternative calendar must separately budget for such schools within the district. (III-E-4)

Optional Elements—Each required element of the account code contains a specified number of digits in a specific configuration as illustrated on the next page. However, for internal management purposes, districts may assign additional, nonrequired elements, such as course or job classification. If such elements are used, they should be added after the unit code element in the account code.

Course—To accumulate costs of providing instruction in particular courses or subject groups, such as English, math, and science. As an alternative to using a separate optional element for course codes, districts may establish course codes under function **1000—Instruction**.

Job Classification—To further break down expenditures for salaries and benefits by purpose, bargaining unit, or otherwise, such as office/clerical, administrative, professional-education, technical, and laborer.

Besides Course and Job Classification, districts may choose to categorize transactions by time of year, bus route, construction project, or any other method useful to the district.

ACCOUNT CODE FORMAT

The table below illustrates the required account code format. Each required element must contain the specified number of digits and must be in the specified location in the account code structure. Balance sheet and revenues and other financing sources accounts consist of fund and object code elements only. Other elements are generally zero filled. However, a district may choose to use program, function, and unit codes to better track revenues. Expenditures and other financing uses accounts consist of fund, program, function, object, and unit code elements.

Required account code numbers are shown in the Chart of Accounts in bold type. Optional numbers are italicized and not bolded. Districts are required to record transactions to the most detailed bold level for all areas.

BALANCE SHEET:					
<u>Fund</u>	<u>Program</u>	<u>Function</u>	<u>Object</u>	<u>Unit</u>	
XXX	000	0000	0XXX	000	
REVENUES AND OTHER FINANCING SOURCES:					
<u>Fund</u>	<u>Program</u>	<u>Function</u>	<u>Object</u>	<u>Unit</u>	
XXX	000	0000	1XXX	000	Revenue from local sources
XXX	000	0000	2XXX	000	Revenue from intermediate sources
XXX	000	0000	3XXX	000	Revenue from state sources
XXX	000	0000	4XXX	000	Revenue from federal sources
XXX	000	0000	5XXX	000	Other financing sources and other items
EXPENDITURES AND OTHER FINANCING USES:					
<u>Fund</u>	<u>Program</u>	<u>Function</u>	<u>Object</u>	<u>Unit</u>	
XXX	XXX	XXXX	6XXX	XXX	(place optional elements here)

COST ALLOCATION

Expenditures specifically assignable to two or more programs, functions, or units must be allocated among those programs, functions, or units. For example, the salary of a teacher who teaches both regular education and special education must be allocated among programs **100**, **200**, and, if applicable, **300**; the salary of an individual who works in a district warehouse and also drives a school bus must be allocated between functions **2500** and **2700**; and the salary of a maintenance worker who works at two schools must be allocated between the applicable school unit codes.

Districts may use an allocation base to allocate specifically assignable expenditures for which actual cost apportionment is not easily determinable. Commonly used allocation bases include average daily membership, time spent, full-time equivalent teaching staff, number of transactions, floor space occupied, labor hours, meals served, miles driven, and driver hours. The allocation base used can greatly affect the accuracy of cost allocation; therefore, districts should choose an allocation base that will most closely approximate actual costs incurred. Costs requiring allocation that are not allocated when incurred must be allocated by journal entries before the accounting records are closed at fiscal year-end.

Indirect costs such as utilities and building rent are not allocated among the various programs or functions. However, solely for reporting in the district's annual report card in accordance with Arizona Revised Statutes (A.R.S.) §15-746, such costs coded to a districtwide unit code in the district's accounting records must be allocated to the schools at the unit code level by fiscal year-end.

New

Eff. 7/1/15

INDIRECT COST REPORTING

The United States Department of Education (US DOE) allows the Arizona Department of Education (ADE) to establish the indirect cost rates for school districts receiving federal grants through an approved delegation agreement. The revised delegation agreement prepared in December 2014 updated the indirect cost calculation based on guidance received from US DOE. As a result, several changes were made to the Chart of Accounts to increase the required detail for expenditure classification at the function and object code level.

One area of increased reporting detail is for the costs of executive administration and functional area administration (heads of components). Descriptions of executive administration and heads of components adapted from the federal guidelines to more specifically relate to school districts have been included below. These descriptions should be used to determine how to classify the expenditures in the related function codes included throughout the Chart of Accounts. Expenditures associated with executive administration should be classified in function **2320**. Expenditures associated with employees that are considered heads of components, including their office support staff (e.g., administrative assistants, secretaries), should be classified in the required heads of components detailed function codes within the functional area they direct.

Executive Administration—The Superintendent and any administrators with key decision making authority over all or one or more parts of district operations. Costs associated with Executive Administration, including any office support staff (e.g., administrative assistants, secretaries) working directly for these administrators are classified in function **2320—Executive Administration**.

Heads of Components—Administrators that directly report to a member of the district’s executive administration (see definition above). These administrators are generally shown on an organizational chart as one management level below the executive administration. Costs associated with heads of components, including any office support staff (e.g., administrative assistants, secretaries) working directly for these administrators are classified in the heads of components detailed functions provided throughout the chart.

For example, an administrator over business operations, such as a Chief Financial Officer or Associate Superintendent for Business Operations that has the authority to make key decisions for district business operations would be classified in **2320** as an executive administrator. An administrator that directs the business office staff and reports to that executive administrator, such as a business manager, would be classified in **2530** as a head of component rather than **2510—Fiscal Services** to allow for correct treatment of those costs in the indirect cost rate calculation.

GOVERNMENTAL FUNDS

- 001 Maintenance and Operation**—Accounts for all of a district’s financial resources except those required to be accounted for in another fund.
- 010 Classroom Site (Total)**—Classroom Site Funds 011, 012, and 013 account for the portion of state sales tax collections and permanent state school fund earnings districts receive as approved by the voters in 2000 as part of Proposition 301. Classroom Site Fund monies should be allocated to the individual funds using the percentages below. Interest revenue should be allocated to the individual funds based on the cash balance in the respective fund. Expenditures should be recorded directly in the individual funds. The monies in the three funds must be used to supplement, rather than supplant, existing monies and must not be used for administrative purposes.
- 011 Classroom Site (Base Salary)**—Accounts for 20 percent of the Classroom Site Fund monies and any prior years’ unused budget balance and interest earned for the fund. Monies are to be used for teacher base salary increases, employment-related expenses, and registered warrant expenses for the fund. A.R.S. §15-977
- 012 Classroom Site (Performance Pay)**—Accounts for 40 percent of the Classroom Site Fund monies and any prior years’ unused budget balance and interest earned for the fund. Monies are to be used for performance-based teacher compensation increases, employment-related expenses, and registered warrant expenses for the fund. A.R.S. §15-977
- 013 Classroom Site (Other)**—Accounts for 40 percent of the Classroom Site Fund monies and any prior years’ unused budget balance and interest earned for the fund. Monies are to be used for any of the following maintenance and operation purposes: class size reduction, AIMS intervention, dropout prevention, teacher compensation increases, teacher development, teacher liability insurance premiums, and registered warrant expenses for the fund. Expenditures for class size reduction, AIMS intervention, and dropout prevention programs must be appropriate expenditures under function **1000—Instruction**, excluding athletics. A.R.S. §15-977
- 020 Instructional Improvement**—Accounts for monies received from gaming revenue. Up to 50 percent of the monies received may be used for teacher compensation increases and class size reduction as provided in A.R.S. §15-977. The expenditures for class size reduction, if any, must be appropriate expenditures under function **1000—Instruction**, excluding athletics. The remaining monies must be used for the following maintenance and operation purposes: dropout prevention programs and instructional improvement programs, including programs to develop minimum reading skills for students by the end of the third grade. The monies in the fund may not be used to supplant existing state and local monies. A.R.S. §15-979

- 050** **County, City, and Town Grants**—Accounts for monies received from county, city, and town grants.

- 071** **Structured English Immersion**—Accounts for monies received to provide for the incremental cost of instruction to English language learners (ELLs) and must be used to supplement existing programs. In accordance with A.R.S. §15-756.03, monies must not be used to supplant federal, state, or local monies, including desegregation monies, previously used for ELLs, or used to pay for the normal costs of conducting programs for English-proficient students. As defined in A.R.S. §15-756.01, incremental costs are the costs that are associated with a structured English immersion program pursuant to A.R.S. §15-752 or a program pursuant to A.R.S. §15-753 and that are in addition to the normal costs of conducting programs for English-proficient students. Incremental costs do not include costs that replace the same types of services provided to English-proficient students or compensatory instruction. A.R.S. §15-756.04

- 072** **Compensatory Instruction**—Accounts for monies received to be used for compensatory instruction for programs in addition to normal classroom instruction that may include individual or small group instruction, extended day classes, summer school, or intersession school. These programs are limited to improving the English proficiency of current ELLs and students who have been reclassified from ELL to English-proficient within the previous 2 years. Monies must not be used to supplant federal, state, or local monies, including desegregation monies, previously used for ELLs. A.R.S. §15-756.11

- 080** **Student Success**—Accounts for student success monies. A.R.S. §15-917—Repealed by Laws 2015, Ch. 15, §5

- 100-399** **Federal Projects**—A group of funds used to account for revenues and expenditures of federally funded projects. A separate fund should be established for each individual program. If a federal project is not specifically listed or included in a fund range below, an unassigned fund number in the 300-399 range should be assigned for that project.
 - 100-130** **ESEA Title I—Helping Disadvantaged Children Meet High Standards**
 - 140-150** **ESEA Title II—Professional Development and Technology**
 - 160** **ESEA Title IV—21st Century Schools**
 - 170-180** **ESEA Title V—Promote Informed Parent Choice**
 - 190** **ESEA Title III—Limited English & Immigrant Students**
 - 200** **ESEA Title VII—Indian Education**
 - 210** **ESEA Title VI—Flexibility and Accountability**
 - 220** **IDEA Part B**
 - 230** **Johnson-O’Malley**
 - 240** **Workforce Investment Act**
 - 250** **AEA—Adult Education**
 - 260-270** **Vocational Education—Basic Grants**
 - 280** **ESEA Title X—Homeless Education**
 - 290** **Medicaid Reimbursement**

- 349 **National Forest Fees**
- 353 **Taylor Grazing Fees**
- 374 **E-Rate (A.R.S. §15-1261)**
- 378 **Impact Aid [A.R.S. §15-905(R)]**
- 300-399 **Other Federal Projects**

- 400-499 **State Projects**—A group of funds used to account for revenues and expenditures of state-funded projects. If a state project is not specifically listed below, an unassigned fund number in the 465-499 range should be assigned for that project.
 - 400 **Vocational Education**
 - 410 **Early Childhood Block Grant**
 - 420 **Ext. School Yr.—Pupils with Disabilities (A.R.S. §15-881)**
 - 425 **Adult Basic Education (A.R.S. §15-234)**
 - 430 **Chemical Abuse Prevention Programs (A.R.S. §15-712)**
 - 435 **Academic Contests (A.R.S. §15-1241)**
 - 450 **Gifted (A.R.S. §15-779.03)**
 - 460 **Environmental Special Plate (A.R.S. §37-1015)**
 - 484 **Failing Schools Tutoring Grant (A.R.S. §15-241)**
 - 465-499 **Other State Projects**

- 500 **School Plant (Lease Over 1 Year)**—Accounts for monies received from the sale of school property before July 1, 1998, or lease of school property for more than 1 year and used for the payment of outstanding bonded indebtedness, the reduction of district taxes, maintenance and operation, or capital outlay under criteria specified in A.R.S. §15-1102.

- 505 **School Plant (Lease 1 Year or Less)**—Accounts for monies received from the lease of school property for 1 year or less and used for the payment of outstanding bonded indebtedness, the reduction of district taxes, maintenance and operation, or capital outlay under criteria specified in A.R.S. §15-1102.

- 506 **School Plant (Sale)**—Accounts for monies received from the sale of school property after June 30, 1998, and used for the payment of outstanding bonded indebtedness, the reduction of district taxes, or capital outlay under criteria specified in A.R.S. §15-1102. However, monies received from the sale of land originally purchased with School Facilities Board monies must be returned to the State in accordance with A.R.S. §15-2041(F).

- 510 **Food Service**—Accounts for the financial operations of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions. A.R.S. §15-1154

- 515 **Civic Center**— The district’s governing board may permit the use of school facilities under its direction for civic activities as defined in A.R.S. §15-1105, such as parent-teacher

- association meetings, public forums, lectures, and clubs. Monies received for use of school facilities and the related expenditures must be accounted for in this fund. In accordance with A.R.S. §15-342(29), if program needs are met, excess monies may be used for maintenance and operation or unrestricted capital outlay purposes. Upon termination of the civic center school program, any unused monies must be transferred to the School Plant Fund (**500** or **505**).
- 520 Community School**—Accounts for revenues and expenditures for purposes of academic and skill development for all citizens in accordance with A.R.S. §15-1141 et seq. In accordance with A.R.S. §15-342(30), if program needs are met, excess monies may be used for maintenance and operation or unrestricted capital outlay purposes. Upon termination of a community school program, any unused monies must be transferred to the Maintenance and Operation Fund. A.R.S. §15-1143
- 525 Auxiliary Operations**—Accounts for revenues and expenditures arising from bookstore operations, athletic operations, and miscellaneous district-related operations. Revenues may include the sale or rental of books, supplies and materials; course fees; fees for optional, noncredit, educational, or recreational activities; deposits for the use of district supplies; athletic gate receipts and concession sales; and other miscellaneous receipts. This fund may also be used to account for revenues and expenditures of monies collected in support of extracurricular activities to be taken as a tax credit by the taxpayer in accordance with A.R.S. §43-1089.01 and spent on the activities for which they are collected. Districts must maintain detailed records to ensure that tax credit monies are used only for allowable expenditures and in support of both the school and purpose designated by the taxpayer.
- 526 Extracurricular Activities Fees Tax Credit**—Accounts for revenues and expenditures of monies collected in support of extracurricular activities to be taken as a tax credit by the taxpayer in accordance with A.R.S. §43-1089.01. Amounts in this fund should be spent on the activities for which they are collected and districts must maintain detailed records to ensure that tax credit monies are used only for allowable expenditures and in support of both the school and purpose designated by the taxpayer. Districts may choose to account for these monies in the Auxiliary Operations Fund rather than this fund.
- 530 Gifts and Donations**—Accounts for the revenues and expenditures of gifts, donations, bequests, and private grants made to a district. A.R.S. §15-341(A)(14)
- 535 Career and Technical Education and Vocational Education Projects**—Accounts for revenues and expenditures relating to the production and subsequent sale of items produced in an instructional program by career and technical education and vocational education pupils. Monies in the fund in excess of \$100,000 at fiscal year-end must be transferred to the School Plant Fund (**506**). A.R.S. §15-1231
- 540 Fingerprint**—Accounts for revenues and expenditures related to fingerprinting employees. A.R.S. §15-512
- 545 School Opening**—Accounts for monies transferred in from the Maintenance and Operation Fund ending cash balance to be used for maintenance and operation purposes incurred in the

- first year of operation of a new school within a district. At the end of 5 years without any activity in the fund, any remaining monies must be transferred to the Maintenance and Operation Fund. A.R.S. §15-943.01
- 550 Insurance Proceeds**—Accounts for the monies received from insurance claims. Districts may use such proceeds to pay outstanding bonded indebtedness or to construct, acquire, improve, repair, or furnish school buildings after notice and a hearing. A.R.S. §15-1103
- 555 Textbooks**—Accounts for monies received from students to replace or repair lost or damaged textbooks, subject matter materials, supplementary books, or instructional computer software in accordance with A.R.S. §15-729. Additionally, monies received from students to replace or repair lost or damaged library books may be accounted for here or in the Unrestricted Capital Outlay Fund. Monies received from the sale of books and other printed materials should be accounted for in the Auxiliary Operations Fund.
- 565 Litigation Recovery**—Accounts for monies received for and derived from the settlement of legal controversies or from the recovery of costs, attorney fees, or damages in litigation by or against a district in accordance with A.R.S. §15-1107. Expenditures from the fund may be made to procure legal services or for the costs of litigation. However, if monies are received specifically for the purpose of replacing or repairing school buildings or other school property, the monies may only be used to:
1. Pay any outstanding bonded indebtedness of a district that is payable from the levy of taxes on property within a district.
 2. Construct, acquire, improve, repair, or furnish school buildings after notice and a hearing.
 3. Replace or repair school property other than school buildings.
- 570 Indirect Costs**—Accounts for monies received from federal projects, including the Food Service Fund, for administrative costs. A district may use this fund only when it has obtained an indirect cost rate approved by the Arizona Department of Education.
- 575 Unemployment Insurance**—Used by districts using the reimbursement method of accounting for unemployment insurance contributions. Deposits to this fund consist of contributions from other funds. Expenditures consist of reimbursement payments to the Department of Economic Security. When the governing board determines that monies accumulated are in excess of insurance needs, the excess must be used to reduce district taxes for the budget year. A.R.S. §15-1104
- 580 Teacherage**—Accounts for the operations of district housing facilities provided for district employees that the governing board determined necessary for district operation. Revenues consist of lease and rental receipts. Disbursements consist of payments for maintenance, operation, and debt service related to teacherages. Also, districts located on Indian and federal lands may purchase houses, including mobile and modular housing, to be used exclusively as teacherages. A.R.S. §§15-342(6) and 15-1106
- 585 Insurance Refund**—Accounts for insurance premium payments that are refunded to a district at the end of a fiscal year. The monies may be used for insurance premium payments;

- placed into a trust to be used for payments of uninsured losses, claims, defense costs, and other related expenses as provided in A.R.S. §15-382; or used for reduction of district taxes in the budget year. A.R.S. §15-386
- 590 Grants and Gifts to Teachers**—Accounts for grants and gifts under \$1,500 received from private sources that are designated for use by a teacher for instructional purposes. A.R.S §15-1224
- 595 Advertisement**—Accounts for monies received from the sale of advertising that may be used for any district purpose. A.R.S. §15-342(27)(c)
- 596 Joint Technical Education**—Accounts for monies received by member districts from Joint Technical Education Districts for vocational education programs. A.R.S. §15-393
- 610 Unrestricted Capital Outlay**—Accounts for transactions relating to the acquisition of items by purchase, lease-purchase, or lease as prescribed by A.R.S. §15-903(C). Revenues include equalization assistance, tuition, property taxes, and interest on investments. Expenditures include:
1. Land, buildings, and improvements to land and buildings, including labor and related employee benefits costs and material costs if the work is performed by district employees
 2. Furniture, furnishings, athletic equipment, and other equipment, including computer software
 3. Pupil and nonpupil transportation vehicles and equipment, including all capital expenditures within a contract if a district contracts for pupil transportation
 4. Textbooks and related printed subject matter materials adopted by the governing board
 5. Instructional aids
 6. Library books
 7. Payment of principal and interest on bonds
 8. District administration emergency needs that are directly related to pupils
- 620 Adjacent Ways**—Accounts for transactions relating to special assessments to finance the improvement of public ways adjacent to school property, in accordance with A.R.S. §15-995.
- 630 Bond Building**—Accounts for proceeds from district bond issues that are used for acquiring or leasing school sites; constructing or renovating school buildings; supplying school buildings with furniture, equipment, and technology; improving school grounds; purchasing pupil transportation vehicles; or paying existing bonded indebtedness in accordance with A.R.S. §15-491(A)(3). Interest earned on investments must be used to reduce outstanding bonded indebtedness, unless a district requests the monies be deposited in the Bond Building Fund (if federal laws or rules require the interest to be used for capital expenditures) or the voters authorized the interest to be credited to the Bond Building Fund in a separate question in a bond election. If there is no outstanding bonded indebtedness, such interest should be transferred to the Maintenance and Operation Fund. A.R.S. §15-1024

- 639 Impact Aid Revenue Bond Building**—Accounts for proceeds from impact aid revenue bond issuances that are used for capital projects authorized in accordance with A.R.S. §15-491. The proceeds may also be used for bond-related expenses and other costs as allowed by A.R.S. §15-2102. Interest earned on investment of these monies must be credited to the Impact Aid Revenue Bond Debt Service Fund. After the acquisition or construction of facilities for which the bonds were issued is completed, and after the payment of other related costs, the remaining balance must be transferred to the Impact Aid Fund. A.R.S. §§15-905(R), 15-2104, 15-2107, and 15-2108
- 640 School Plant—Special Construction**—Accounts for proceeds from the sale of school property to be used for the purchase of school sites or for the construction, improvement, or furnishing of school buildings, as approved by district electors. After 10 years, any unused monies must be transferred to the School Plant Fund (506). A.R.S. §15-1102(F)
- 650 Gifts and Donations—Capital**—Accounts for gifts and donations to be used for capital acquisitions. A.R.S. §15-341(A)(14)
- 660 Condemnation**—Used for the following purposes. A.R.S. §15-1102(G) and (H)
1. Proceeds from sales by condemnation or threat of condemnation may be accounted for in this fund. If accounted for in this fund, these proceeds must be used either:
 - a. For the payment of a district’s outstanding bonded indebtedness that is payable from the levy of taxes upon the property within the district, or
 - b. To construct, acquire, improve, repair, or furnish school buildings or sites after notice and a hearing.
 2. Proceeds from a right-of-way settlement must be accounted for in this fund. These proceeds must be used to construct, acquire, improve, repair, or furnish school buildings or sites after notice and a hearing.
- After 10 years, any unused monies must be transferred to the School Plant Fund (506).
- 665 Energy and Water Savings (EWS)**—Accounts for capital investment monies, energy-related rebate or grant monies, and monies from other funding sources, including clean renewable energy bonds, to fund energy or water saving projects in school facilities in accordance with A.R.S. §15-910.02. This fund also accounts for monthly payment amounts transferred to the EWS Fund from the Maintenance and Operation Fund. Any monies associated with an energy or water savings project remaining in the fund after capital investment monies are repaid in full may also be transferred to the Maintenance and Operation Fund.
- 686 Emergency Deficiencies Correction**—Accounts for monies received from the School Facilities Board to correct emergency deficiencies. A.R.S. §15-2022
- 691 Building Renewal Grant**—Accounts for building renewal grant monies that districts may request from the School Facilities Board. These monies may be used for major renovations and repairs to buildings, upgrading systems and areas that will maintain or extend buildings’

useful lives, and infrastructure costs. These monies may not be used for new construction; remodeling interior space for aesthetic or preferential reasons; exterior beautification; demolition; routine preventative maintenance; or any project in a building, or part of a building, that is being leased to another entity, including a charter school sponsored by a school district pursuant to A.R.S. §15-183. A.R.S. §15-2032

695 New School Facilities—Accounts for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites as prescribed by A.R.S. §15-2041. Any surplus monies received from the School Facilities Board may be used only for capital purposes for the project up to 1 year after completion of the project. Any surplus monies remaining after 1 year must be returned to the School Facilities Board.

699 Federal Impact Aid (Construction)—Accounts for impact aid monies that are received specifically for construction.

700 DEBT SERVICE FUNDS—Account for the accumulation of resources and the payment of principal and interest on bonds. A.R.S. §15-1022

720 Impact Aid Revenue Bond Debt Service—Accounts for impact aid monies received and interest earned that is used for the payment of impact aid revenue bond principal and interest payments. Any surplus monies remaining in the fund must be transferred to the Impact Aid Fund. A.R.S. §§15-905(R), 15-2104, 15-2107, 15-2108, and 15-2109

750 PERMANENT FUNDS—Accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support district programs.

FIDUCIARY FUNDS

800-849 Trust Funds

Pension Trust Funds—Accounts for resources that are required to be held in trust for members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, or other benefit plans. Typically, these funds are used to account for local pension and other employee benefit funds that are provided by a district in lieu of or in addition to any state retirement system.

Monies to fund other postemployment benefits (OPEB) that are deposited in a trust account in accordance with A.R.S. §15-1225 should be included as a Pension Trust Fund (OPEB Trust Fund). The OPEB Trust Fund accounts for monies accumulated to pay for postemployment benefits offered to district employees or their spouses and dependents. This fund may be used for administrative and management costs and payment of benefits. Postemployment benefits do not include benefits provided by the Arizona State Retirement System. If monies to fund other postemployment benefits are not deposited in a trust account, they should be accounted for in an Internal Service Fund.

Investment Trust Funds—Accounts for the external portion (i.e., the portion that does not belong to a district) of investment pools operated by a district.

Private-Purpose Trust Funds—Accounts for other trust arrangements under which the principal and income benefit individuals, private organizations, or other governments.

850-899 Agency Funds

850 Student Activities—Accounts for all monies raised with the approval of the governing board by the effort of students in pursuance of or in connection with all activities of student organizations, clubs, school plays, or other student entertainment other than Auxiliary Operations Fund monies. A.R.S. §15-1121

855 Employee Insurance Program Withholdings—Accounts for monies received from employees, monies contributed by a district, and monies received from former employees, current and former board members, and board members' surviving spouses and dependents, to be used for the payment of insurance premiums. Disbursements may only be made to insurance carriers or to make refunds of insurance premiums to individuals. The governing board must transfer any interest at fiscal year-end to the Maintenance and Operation Fund. A.R.S. §15-1223

865 State Income Tax Withholdings—Accounts for monies withheld from employees for state income tax until remitted to the Arizona Department of Revenue. Disbursements may be made only to the Department of Revenue. The governing board must transfer any interest at fiscal year-end to the Maintenance and Operation Fund. A.R.S. §15-1222

PROPRIETARY FUNDS

900-949 Enterprise Funds—Accounts for activities that provide goods or services to external users for a fee. 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 (thus, not debt that is backed by the full faith and credit of a district); (2) legal requirement to recover costs through fees and charges; (3) policy decision of the governing board or management to recover the costs of providing services through fees or charges.

950-989 Internal Service Funds—Accounts for activities that provide goods or services to other funds, departments, component units, or other governmental entities on a cost-reimbursement basis. The use of an internal service fund is appropriate only for activities in which a district is the predominant participant in the activity. Otherwise, the activity should be reported as an enterprise fund. Examples of internal service funds are activities such as central data processing, central printing and duplicating, and self-insurance.

District Services Funds established in accordance with A.R.S. §15-1108 should be accounted for as Internal Service Funds.

Monies to fund other postemployment benefits (OPEB) that are not deposited in a trust account in accordance with A.R.S. §15-1225 should be accounted for as an Internal Service Fund (OPEB Fund). The OPEB Fund accounts for monies accumulated to pay for postemployment benefits offered to district employees or their spouses and dependents. This fund may be used for administrative and management costs and payment of benefits. At the end of 5 years of no activity in the fund, any remaining monies must be transferred to the Maintenance and Operation Fund. Postemployment benefits do not include benefits provided by the Arizona State Retirement System. A.R.S. §15-1225

955 Intergovernmental Agreements—Used by a fiscal agent to account for monies of an intergovernmental agreement (IGA). Revenues include amounts received from participants. Expenditures include salaries, supplies, etc. (Depending on specific provisions of the agreement, IGAs may also be accounted for in a Trust or Agency Fund.) A.R.S. §15-342(13)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

- 0100** **CASH**—Currency, coins, checks, warrants, postal and express money orders, and bank drafts on hand, in transit, on deposit in a financial institution, or on deposit with an official or agency designated as custodian of cash and bank deposits.
- 0101** **Cash on Hand**—Cash physically located at a district or in the possession of its representative, such as cash from sales of student lunches that has not been deposited in the bank.
- 0102** **Cash in Bank**—All funds on deposit with a bank or savings and loan institution, including time certificates of deposit. Revolving fund monies should be recorded here.
- 0103** **Cash on Deposit with County Treasurer**
- 0105** **Cash with Fiscal Agent**—Deposits with fiscal agents, such as commercial banks, for paying matured bonds and interest.
- 0110** **INVESTMENTS**—U.S. government securities and other investments held for the earning of income in the form of interest or dividends. Investments should be presented at fair value as of the reporting date. Gains and losses from changes in the fair value of investments should be coded to revenue object code **1530**.
- 0111** **Unamortized Premiums**—Used only with short-term money market investments and participating interest-earning investment contracts.
- 0112** **Unamortized Discounts (Credit)**—Used only with short-term money market investments and participating interest-earning investment contracts.
- 0120** **TAXES RECEIVABLE**—The uncollected portion of the tax levy that has become due, including interest or penalties that may be accrued. Separate accounts should be maintained on the basis of tax type (real or personal) and collection status (current or delinquent).
- 0121** **Personal Property Taxes—Current Year**
- 0122** **Personal Property Taxes—Back (prior years)**
- 0123** **Real Property Taxes—Current Year**
- 0124** **Real Property Taxes—Back (prior years)**
- 0130** **OTHER RECEIVABLES**—Amounts due (other than property taxes) from individuals or business entities for goods or services furnished by a district.
- 0131** **Revenue in Lieu of Taxes**—For example, payments from Salt River Project.
- 0132** **Accounts Receivable**—Amounts due on open account from individuals or other entities.
- 0134** **Interest Receivable**—Amount of interest receivable on investments.

CHART OF ACCOUNTS

BALANCE SHEET OBJECT CODES

- 0135 Refundable Deposits**—District monies held by business entities or individuals as security or as a prerequisite to receiving goods or services.
- 0136 Notes Receivable**—Amounts due from a note or mortgage received from the sale of district buildings or property.
- 0140 DUE FROM OTHER FUNDS AND GOVERNMENTAL ENTITIES**—Amounts due from another fund within a district or from another governmental unit. These amounts may represent grants-in-aid, shared taxes, taxes collected for a district by another governmental unit, charges for goods or services rendered, and monies held by other governmental units as security.
- 0141 Other Funds**
- 0142 Other Districts**
- 0143 County**
- 0144 State**
- 0145 Federal**
- 0150 PREPAID ITEMS**—Cash outlays for benefits that have not been received.
- 0151 Insurance*—Amounts paid for insurance coverage not yet received, such as fire insurance and property insurance paid in advance.
- 0160 INVENTORY OF SUPPLIES FOR CONSUMPTION**—Supplies on hand, valued at cost, that will be used for district operations.
- 0161 Supplies*—General supplies used in district operations.
- 0162 Fuel and Oil*—Supplies used for transportation activities.
- 0170 INVENTORY OF SUPPLIES FOR SALE OR RENTAL**—Inventory on hand, valued at cost or market, that will be sold or rented.
- 0171 Bookstore*—Inventory sold or rented by the bookstore.
- 0172 Food and Milk*—Food service inventory, including USDA commodities.
- 0180 OTHER CURRENT ASSETS**
- 0182 Premium and Discount on Issuance of Bonds**—Represents amounts to be amortized as debt premium/discount in connection with the issuance of bonds.
- 0185 DEFERRED OUTFLOW OF RESOURCES**—Represents the consumption of net assets by the district that is applicable to a future reporting period. Only the following items should be included in this code:
1. The difference between the reacquisition price and the net carrying amount of debt for current and advance refundings resulting in defeasance of debt when the reacquisition price exceeds the net carrying amount of the defeased debt.
 2. Employer's share of pension contributions to the Arizona State Retirement System and other deferred outflows related to pensions.
- This code should be used in proprietary funds only.**

Updated
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- 0190** **CAPITAL ASSETS**—District assets such as land and land improvements, buildings and building improvements, and equipment. For discussion of capital asset valuations, see §VI-E. The following criteria must be met for an item to be included in this account.
1. The useful life of the item must equal or exceed 1 year.
 2. The unit cost or value assigned must meet the capitalization thresholds established by a district. Thresholds may not exceed \$5,000 for land, buildings, and related improvements, and equipment.
 3. Improvements do not include repairs or maintenance performed on assets to restore them to operating condition.
 4. If a lease agreement’s terms meet certain criteria as outlined in §VI-E, the lease should be considered in substance a purchase of an asset, and the item being leased should be capitalized.
- 0191** **Land and Land Improvements**—Land owned by a district, including legal fees, razing, filling, excavation, and other associated costs that are incurred to put the land in condition for its intended use. Further, permanent improvements to land, such as grading and fill, should be accounted for in this account. Land and land improvements are considered nonexhaustible assets owing to their significantly long expected useful life and should not be depreciated. Therefore, these assets will not result in a depreciation expense.
- 0192** **Site Improvements**—Account that reflects the value of nonpermanent improvements to building sites, other than buildings, that add value to land. Examples of such improvements are fences, retaining walls, sidewalks, pavements, gutters, tunnels, and bridges. Because these improvements decrease in their value/usefulness over time, it is appropriate to depreciate these assets. Therefore, all capitalized site improvements should be depreciated over their expected useful life.
- 0193** **Accumulated Depreciation on Site Improvements**—Accumulated amounts for the depreciation of site improvements.
- 0194** **Buildings and Building Improvements**—Account that reflects the acquisition value of permanent and relocatable structures used to house persons and property owned by a district. This account includes the value of all permanent buildings and the 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.
- 0195** **Accumulated Depreciation on Buildings and Building Improvements**—Accumulated amounts for the depreciation of buildings and building improvements.
- 0196** **Equipment**—Account that reflects the value of machinery, vehicles, computers, software, furniture, and other equipment, including specialized electronic and athletic equipment.

- 0197** **Accumulated Depreciation on Equipment**—Accumulated amounts for the depreciation of equipment.
- 0198** **Construction in Progress**—Account that reflects the value of construction undertaken but not yet completed. When completed, the cost must be transferred to the appropriate asset account.

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

- 0200** **NONPAYROLL PAYABLES**—Amounts owed for goods or services received and monies borrowed; also, refundable deposits held by a district.
 - 0201** **Accounts Payable**—Amounts owed on open accounts for goods or services received, such as maintenance agreements, professional services, rentals, and operating leases.
 - 0202** **Refundable Deposits**—Liability for amounts received as a prerequisite to providing goods or services, such as deposits made by students on textbooks and lab deposits.
 - 0203** **Bank Revolving Line of Credit Payable**—Liability for monies borrowed through a revolving line of credit as authorized by A.R.S. §11-604.01.
 - 0205** **Tax Anticipation Notes Payable**—Amounts owed on tax anticipation notes issued by a district pursuant to A.R.S. §35-465.01.
- 0210** **DUE TO OTHER FUNDS, GOVERNMENTAL ENTITIES, STUDENT GROUPS, AND OTHERS**—Amounts due to another fund, another governmental unit, student group within a district, or another entity.
 - 0211** **Other Funds**
 - 0212** **Other Districts**
 - 0213** **County**
 - 0214** **State**
 - 0215** **Federal**
 - 0216** **Student Groups**
 - 0217** **Others**
- 0220** **ACCRUED PAYROLL AND RELATED BENEFITS**—Salary and fringe benefit costs incurred but not yet paid during the current accounting period.
 - 0221** **Salaries and Wages (Gross)**—Gross amount of salaries and wages earned by employees but not due until a later date.
 - 0222** **Social Security—OASDI (Employer’s Portion)**—Amount of matching social security taxes incurred as a result of salaries and wages earned by employees.
 - 0223** **Medicare—Hospital Insurance (Employer’s Portion)**—Amount of matching Medicare taxes incurred as a result of salaries and wages earned by employees.

CHART OF ACCOUNTS

BALANCE SHEET OBJECT CODES

- 0224** **State Retirement System Contributions (Employer's Portion)**—Amount of matching state retirement contributions incurred as a result of salaries and wages earned by employees. Include both state retirement and related long-term disability contributions.
- 0225** **Employee Insurance**—Amount incurred for premiums on insurance for employees (health and accident, medical, life, etc.) provided by a district.
- 0226** **Unemployment Insurance**—Amount incurred for unemployment insurance taxes.
- 0227** **Workers' Compensation**—Amount incurred for workers' compensation premiums.
- 0228** **Self-Insurance Employee Claims Payable**—Amount owed to employees for insurance claims from the Self-Insurance Fund.
- 0229** **Compensated Absences**—Liability for accrued vacation and sick leave benefits.
- 0230** **OTHER ACCRUED ITEMS**—Costs incurred but not yet paid during the current accounting period.
- 0231** **Interest Payable (Other than Bond Interest)**—Interest costs incurred but not yet paid during the current accounting period, including interest on tax anticipation notes.
- 0232** **Bond Interest Payable**—The current portion of the liability for interest on bonds issued. Includes interest expense incurred but not yet paid.
- 0233** **Self-Insurance Claims Payable**—Amounts owed from an Internal Service Fund (Self-Insurance) for claims and judgments payable to other than employees.
- 0240** **PAYROLL DEDUCTIONS AND WITHHOLDINGS (EMPLOYEES)**—Amounts deducted from employees' salaries that have not yet been paid to the respective agencies.
- 0241** **Federal Income Taxes**
- 0242** **State Income Taxes**
- 0243** **Social Security—OASDI**
- 0244** **Medicare—Hospital Insurance**
- 0245** **State Retirement Contributions**—Amounts deducted from employees' salaries for state retirement contributions. The portion representing long-term disability contributions should be recorded under balance sheet object code 0246.
- 0246** **Long-Term Disability**—Amounts deducted for long-term disability benefits from the salaries of employees who participate in the Arizona State Retirement System.
- 0247** **Voluntary Deductions**—Amounts of voluntary deductions, such as annuities and dependent health insurance premiums that have not yet been paid.

CHART OF ACCOUNTS

BALANCE SHEET OBJECT CODES

- 0248** **Court-Ordered Assignments**—Amounts garnished from the salaries or wages of employees for child support or spousal maintenance pursuant to a court-ordered assignment of earnings. A.R.S. §§25-504 and 25-505.01
- 0250** **UNEARNED REVENUES**—Revenues collected before they are earned, such as grants.
- 0260** **CONTRACTS PAYABLE**—Amounts due on written contracts for assets received by a district.
- 0261** **Capital Leases**—Amounts due on capital lease agreements.
- 0262** **Construction**—Amounts due on construction contracts.
- 0270** **BONDS PAYABLE**—Liability for outstanding bonds.
- 0271** **Current**—Amounts for redemption of bonds that are payable within 1 year.
- 0272** **Long-Term**—Amounts for redemption of bonds that are not payable within 1 year.
- 0280** **ARBITRAGE REBATE**—Liabilities arising from arbitrage rebates to the Internal Revenue Service from bond financing.
- 0290** **DEFERRED INFLOWS OF RESOURCES**
- 0291** **UNAVAILABLE REVENUES**—Revenues that are measurable but not available, such as property taxes. **This code should be used in governmental funds only.**
- 0292** **DEFERRED REVENUE ON REFUNDING**—Represents the difference between the reacquisition price and the net carrying amount of debt for current and advance refundings resulting in defeasance of debt when the reacquisition price is less than the net carrying amount of the defeased debt. **This code should be used in proprietary funds only.**
- 0293** **PENSION RELATED DEFERRED INFLOWS OF RESOURCES**—Represents the acquisition of pension related net assets that is applicable to a future reporting period. **This code should be used in proprietary funds only.**

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FUND BALANCE/FUND NET POSITION

- 0300** **GOVERNMENTAL FUND BALANCE**
- 0310* **NONSPENDABLE FUND BALANCE**—Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. This would include items not expected to be converted to cash including inventories and prepaid amounts. It may also include the long-term amount of notes receivable and the principal of a permanent fund.
- 0311* **Prepaid Items**—An amount equal to the balance in the Prepaid Items asset account (**0150**).
- 0312* **Inventory of Supplies for Consumption**—An amount equal to the balance in the Inventory of Supplies for Consumption asset account (**0160**).

	<i>0313</i>	Inventory of Supplies for Sale or Rental —An amount equal to the balance in the Inventory of Supplies for Sale or Rental asset account (0170).
	<i>0314</i>	Other Nonspendable Fund Balance
<i>0320</i>		RESTRICTED FUND BALANCE —Amounts that are restricted to specific purposes. Fund balance should be reported as restricted when constraints placed on the use of resources are either: <ol style="list-style-type: none"> Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or Imposed by law through constitutional provisions or enabling legislation.
<i>0330</i>		COMMITTED FUND BALANCE —Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the governing board. These amounts cannot be used for any other purpose unless the governing board removes or changes the specific purpose by taking the same kind of formal action previously used to commit these amounts. Adoption of the annual budget does not constitute a commitment as appropriations lapse at year-end without governing board action. This code should also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
<i>0340</i>		ASSIGNED FUND BALANCE —Amounts that are constrained by a district's intent to be used for specific purposes, but are neither restricted nor committed. The intent should be expressed by the governing board or a body (i.e., budget or finance committee) or official to which the governing board has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balance in governmental funds, other than the general fund ¹ , includes all spendable amounts that are not restricted or committed, if that amount is positive.
<i>0350</i>		UNASSIGNED FUND BALANCE —For the general fund ¹ , spendable amounts that are not restricted, committed, or assigned. The general fund is the only fund that may report a positive unassigned fund balance amount. For governmental funds other than the general fund, negative fund balances are reported here if restricted, committed, or assigned amounts exceed total spendable fund balance.
0400		PROPRIETARY FUND NET POSITION
	<i>0410</i>	NET INVESTMENT IN CAPITAL ASSETS —Capital assets less accumulated depreciation and debt directly related to capital assets.

¹ See discussion of the General Fund on page V-B-1.

CHART OF ACCOUNTS

BALANCE SHEET OBJECT CODES

- 0420* **RESTRICTED NET POSITION**—Restricted assets and deferred outflows of resources less liabilities and deferred inflows of resources related to those assets. Net position should be reported as restricted when constraints placed on the use of net position are either:
- a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - b. Imposed by law through constitutional provisions or enabling legislation.
- 0430* **UNRESTRICTED NET POSITION**—The net amount of assets and deferred outflows of resources and liabilities and deferred inflows of resources not coded to 0410 or 0420.
- 0500** **TRUST FUND NET POSITION**—The net position of trust funds that are “held in trust” for the appropriate party.

**CHART OF ACCOUNTS REVENUES AND OTHER FINANCING SOURCES
OBJECT CODES**

1000 REVENUE FROM LOCAL SOURCES

1100 Taxes Levied/Assessed on Behalf of a District—Compulsory charges levied by the county on behalf of a district to finance services performed for the common benefit.

1110 Property Taxes—Taxes levied by the county on the assessed value of real and personal property located within a district. Separate accounts may be maintained for real property and for personal property. Penalties and interest on property taxes should be included in revenue object code 1140.

1111 Personal

1115 Real

1140 Penalties and Interest on Taxes—Revenue from penalties for the payment of taxes after the due date, and the interest charged on delinquent taxes from the due date to actual payment. A separate account for penalties and interest on each type of tax may be maintained.

1200 Revenue from Local Governmental Units Other Than Districts—Revenue from the appropriations of another local governmental unit.

1280 Revenue in Lieu of Taxes—Payments made out of general revenues by a local governmental unit to a district in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation on the same basis as privately owned property. Such revenue would include payments made for privately owned property that is not subject to taxation on the same basis as other privately owned property because of action by the local governmental unit. Payments received from the Salt River Project are an example of revenue in lieu of taxes.

1300 Tuition—Revenue from individuals, welfare agencies, private sources, other districts, and government sources for education provided by a district, including special education. The portion of tuition representing transportation fees should be coded to revenue object code **1400**.

1310 Tuition from Individuals

1311 Tuition from Individuals Excluding Summer School

1312 Tuition from Individuals for Summer School

1320 Tuition from Other Arizona Districts

1330 Tuition from Out-of-State Districts

1340 Tuition from Other Private Sources (Other than Individuals)

1350 Tuition from Other Government Sources Within Arizona (such as the Arizona State Schools for the Deaf and the Blind)

CHART OF ACCOUNTS**REVENUES AND OTHER FINANCING SOURCES
OBJECT CODES**

- 1360 Tuition from Other Government Sources Outside Arizona**
- 1400 Transportation Fees**—Revenue from individuals, welfare agencies, private sources, other districts, and government sources for transporting students to and from school and school activities.
 - 1410 Transportation Fees from Individuals**
 - 1420 Transportation Fees from Other Arizona Districts**
 - 1430 Transportation Fees from Out-of-State Districts**
 - 1440 Transportation Fees from Other Private Sources (Other than Individuals)**
 - 1450 Transportation Fees from Other Government Sources Within Arizona**
 - 1460 Transportation Fees from Other Government Sources Outside Arizona**
- 1500 Investment Income**—Revenue from short-term and long-term investments.
 - 1510 Interest on Investments*—Interest revenue on temporary or permanent investments in United States treasury and agency obligations, commercial paper, savings accounts, time certificates of deposit, or other interest-bearing investments.
 - 1530 Net Increase/(Decrease) in the Fair Value of Investments*—Gains/losses recognized from the sale of investments or changes in the fair value of investments.
 - 1540 Investment Income from Real Property*—Revenue for rental and use charges on real property held for investment purposes.
- 1600 Food Service**—Revenue from sales of food to students and adults.
 - 1610 Daily Sales—Reimbursable Programs*—Revenue from students for the sale of breakfasts, lunches, and milk that are considered reimbursable by the United States Department of Agriculture. Federal reimbursements should be coded to revenue object code **4500**.
 - 1611 Daily Sales—School Lunch Program*—Revenue from students for the sale of reimbursable lunches as part of the National School Lunch Program.
 - 1612 Daily Sales—School Breakfast Program*—Revenue from students for the sale of reimbursable breakfasts as part of the School Breakfast Program.
 - 1613 Daily Sales—Special Milk Program*—Revenue from students for the sale of reimbursable milk as part of the Special Milk Program.

CHART OF ACCOUNTS

REVENUES AND OTHER FINANCING SOURCES OBJECT CODES

- 1614* **Daily Sales—After School Care Snack (ASCS) Program**—Revenue from students for the sale of reimbursable snacks as part of the ASCS program.
- 1620* **Daily Sales—Nonreimbursable Programs**—Revenue from sales to adults, a la carte sales, and sales to students for nonreimbursable breakfasts, lunches, and milk.
- 1630* **Special Functions**—Revenue from students, adults, or organizations for the sale of food products and services at special functions. Some examples would include potlucks, PTA/PTO-sponsored functions, and athletic banquets.
- 1640* **Daily Sales—Summer Food Program**—Revenue from students for the sale of reimbursable items as part of summer programs.
- 1700** **District Activities**—Revenue from school-sponsored activities, including bookstore sales, miscellaneous fees, concerts, and athletic events.
- 1750** **Revenue from Enterprise Activities**—Revenue from vending machines, school stores, soft drink machines, etc., not related to the regular food service program.
- 1790** **Extracurricular Activities Fees Tax Credit**—Revenue collected in support of extracurricular activities to be taken as a tax credit by the taxpayer in accordance with A.R.S. §43-1089.01.
- 1800** **Revenue from Community Services Activities**—Revenue from community services activities operated by a district. For example, revenue received from operation of a swimming pool or civic center as a community service would be recorded here. Revenues from the long-term rental of district property, typically involving a formal lease agreement, should be coded to revenue object code 1910. Multiple accounts may be established within the 1800 range to differentiate various activities.
- 1900** **Other Revenue from Local Sources**—Other revenue from local sources not coded elsewhere in the revenue object code 1000 range.
- 1910** **Rentals**—Revenue from the rental of either real or personal property owned by a district. Revenues from the short-term rental of district property, such as daily use fees, should be coded to revenue object code 1800. Rental of property held for investment purposes should be coded to revenue object code **1540**.
- 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. Revenue received as donations in support of extracurricular activities to be taken as a tax credit by the

donor in accordance with A.R.S. §43-1089.01 should be coded to revenue object code **1790**.

- 1930** **Gain or Loss on Sale of Capital Assets**—Amount received from the sale of capital assets in excess of the assets' book value. **This code should be used with proprietary and fiduciary funds only.** For governmental funds, other financing sources object code **5300** should be used.
- 1940** **Government Property Lease Excise Tax**—Revenue received from annual excise taxes levied by cities, towns, counties, and county improvement districts on lessees of government property in accordance with A.R.S. §42-6201 et seq. These revenues must be recorded in the Maintenance and Operation Fund.
- 1950** **Miscellaneous Revenues from Other Districts**—Revenue from services provided to other districts other than for tuition and transportation services. These services could include data processing, purchasing, maintenance, cleaning, and consulting. Revenues received by member districts from Joint Technical Education Districts should also be recorded here.
- 1960** **Miscellaneous Revenues from Other Local Governmental Units**—Revenue from services provided to other local governmental units. These services could include data processing, purchasing, maintenance, cleaning, cash management, and consulting.
- 1970** **Revenues from Other Departments in a District**—Revenues from services provided to other funds such as printing, data processing, or contributions made by a district or district employees for self-insurance. **This code should be used in proprietary funds only.** Revenue from private individuals, businesses, and associations for services provided should be coded to revenue object code 1990.
- 1980** **Refund of Prior Year's Expenditures**—Expenditures that occurred last year that are refunded this year, including voided stale-dated warrants where another warrant is not issued. If both expenditure and refund occurred in current year, reduce this year's expenditures, as prescribed by GAAP.
- 1990** **Miscellaneous**—Revenue from local sources not provided for elsewhere.
- Fingerprinting Fees—Fees collected from paid employees for fingerprinting costs.
- Unemployment Insurance Fund Receipts—Payments from payroll source funds to the Unemployment Insurance Fund.
- Advertising Fees—Fees collected from the sale of advertising.

2000 REVENUE FROM INTERMEDIATE SOURCES

- 2100 Unrestricted**—Revenue from the county that can be used for any legal purpose without restriction.
- 2110 County School Fund**—Revenue received that represents apportionments from the County School Fund, such as Taylor Grazing. A.R.S. §15-1000
- 2120 County Equalization Assistance**—Revenue received from the county under the provisions of A.R.S. §15-971(C).
- 2200 Restricted**—Revenue from the county that must be used for a categorical or specific purpose.
- 2210 Special County School Reserve Fund**—Revenue received from the Special County School Reserve Fund that must be spent in accordance with A.R.S. §15-1002.
- 2900 Revenue for/on Behalf of a District**—Commitments or payments made by the county for the benefit of a district, or contributions of equipment or supplies. Separate accounts may be maintained to identify the specific nature of the revenue item.

3000 REVENUE FROM STATE SOURCES

- 3100 Unrestricted**—Revenue from state funds that can be used for any legal purpose without restriction.
- 3110 State Equalization Assistance**—Revenue received from the State under the provisions of A.R.S. §15-971(D).
- 3120 Additional State Aid**—Revenue received from the State under the provisions of A.R.S. §15-972.
- 3130 Certificates of Educational Convenience**—Revenue received from the State pursuant to certificates of educational convenience for pupils who are precluded by distance or lack of adequate transportation facilities from attending a school in the district or county of the pupil's residence, or pupils who reside in unorganized territories; state rehabilitation or corrective institutions; foster homes, child care agencies, or institutions licensed and supervised by the Department of Economic Security or the Department of Health Services; residential facilities operated or supported by the Department of Economic Security or the Department of Health Services; or residences supervised by the Department of Juvenile Corrections pursuant to the Interstate Compact on Juveniles. A.R.S. §15-825
- 3140 Institutional Vouchers**—Revenue received from the State pursuant to institutional vouchers for special education students who reside in

the Arizona State School for the Deaf and the Blind; Arizona Training Program Facilities, as provided in A.R.S. §36-551; or the Arizona State Hospital. A.R.S. §15-1204

3150 State Impact Assistance—Revenue received from the State for pupils whose parents or legal guardians are employed by and live at the State Hospital, the Arizona State School for the Deaf and the Blind, Intellectual Disability Centers, Port of Entry Inspection Stations, and institutions and facilities maintained by the Department of Corrections. A.R.S. §15-976

3200 Restricted—Revenue from state funds that must be used for a categorical or specific purpose, such as Classroom Site, Instructional Improvement, and School Facilities Board monies.

3900 Revenue for/on Behalf of a District—Commitments or payments made by the State for the benefit of a district, or contributions of equipment or supplies. Separate accounts may be maintained to identify the specific nature of the revenue item.

4000 REVENUE FROM FEDERAL SOURCES

4100 Unrestricted Revenue Received Directly from the Federal Government—Revenues received directly from the federal government that can be used for any legal purpose without restriction.

4200 Unrestricted Revenue Received from the Federal Government through the State—Revenues received from the federal government through the State that can be used for any legal purpose without restriction, such as Medicaid Reimbursement.

4300 Restricted Revenue Received Directly from the Federal Government—Revenue received directly from the federal government that must be used for a categorical or specific purpose. If such money is not completely used, it usually is returned to the governmental unit, such as ESEA Title VII—Indian Education, Federal Impact Aid (Construction).

4500 Restricted Revenue Received from the Federal Government through the State—Revenues received from the federal government through the State that must be used for a categorical or specific purpose, including federal food service reimbursements.

4700 Revenue Received from the Federal Government through Other Intermediate Agencies—Revenues received from the federal government through other intermediate agencies, such as counties with National Forest Fees or Indian tribes with Johnson-O'Malley assistance.

4800 Revenue in Lieu of Taxes—Commitments or payments made out of general revenues by the federal government in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation by a district on the same

basis as privately owned property or other tax base. Such revenue would include payment made for privately owned property that is not subject to taxation on the same basis as other privately owned property due to action by the federal government, such as impact aid.

4900 Revenue for/on Behalf of a District—Commitments or payments made by the federal government for the benefit of a district, or contributions of equipment or supplies. Such revenues include E-rate monies paid directly to vendors by the Schools and Libraries Division of the Universal Service Administrative Company (USAC) and food donated by the federal government. Separate accounts may be maintained to identify the specific nature of the revenue item.

5000 OTHER FINANCING SOURCES AND OTHER ITEMS

5100 Issuance of Bonds—Proceeds from the issuance of bonds.

5110 Bond Principal—Face amount of bonds sold. (Bond Issuance costs are not netted here, but should be coded to expenditure object code **6300**.)

5120 Premium or Discount on the Issuance of Bonds—Portion of the sale price of bonds in excess of or below their par value.

5200 Fund Transfers-In—Used to classify operating transfers from other funds of a district. Multiple accounts may be established within the 5200 range to identify transfers from specific funds. Other Financing Uses object code **6910—Indirect Cost Transfers-Out** or **6930—Fund Transfers-Out** should be used to record the corresponding transfer-out as applicable. A list of authorized transfers is provided in **§III-F**.

5300 Proceeds From the Disposal of Real or Personal Property—Proceeds from the disposal of district property or compensation for the loss of real or personal property. This account 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 coded to other financing sources and other items object code 5700. Any gain or loss on the disposal of property for proprietary or fiduciary funds should be coded to revenue object code **1930**.

5400 Capital Contributions—Capital assets acquired as the result of a donation or bequest of an individual, estate, other government, a corporation, or an affiliate organization.

5500 Capital Lease Proceeds—The amount of the capital lease financed.

5600 Other Long-Term Debt Proceeds—Proceeds from other long-term debt instruments not captured in the preceding codes, such as tax anticipation notes.

5700 Special Items—Transactions or events within a district administration's control 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

Updated

of mineral rights, or significant forgiveness of debt by a financial institution. Special items may also include events that are not within a district's control. In the governmental funds, these items should be separately captioned or disclosed.

5800 **Extraordinary Items**—Transactions or events that are outside a district administration's control 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 caused by fire, flood, tornado, hurricane, or hail storm; insurance proceeds to cover costs related to an environmental disaster; or a large bequest to a small district by a private citizen.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
PROGRAM CODES**

100 REGULAR EDUCATION—Activities that provide students in prekindergarten through grade 12 with learning experiences to prepare them for further education or training and for responsibilities as citizens, family members, and workers. Regular programs should be distinguished from special education programs that focus on adapting curriculum or instruction to accommodate a specific disability, from vocational/technical programs that focus on career skills, and from alternative education programs that focus on the educational needs of students at risk of failing or dropping out of school because of academic, behavioral, or situational factors. Expenditures not specifically assignable to other programs should be coded here, such as district office and food service expenditures.

200 SPECIAL EDUCATION—Special Programs include activities for elementary and secondary students (prekindergarten through grade 12) receiving services outside the realm of “regular programs” in accordance with disability classifications defined in A.R.S. §15-761, and programs for gifted, remedial, English immersion, vocational and technical, and career education.

- 201 **Autism**
- 202 **Emotional Disability**
- 203 **Hearing Impairment**
- 204 **Other Health Impairments**
- 205 **Specific Learning Disability**
- 206 **Mild, Moderate, or Severe Intellectual Disability**
- 207 **Multiple Disabilities**
- 208 **Multiple Disabilities with Severe Sensory Impairment**
- 209 **Orthopedic Impairment**
- 210 **Developmental Delay**
- 211 **Preschool Severe Delay**
- 213 **Speech/Language Impairment**
- 214 **Traumatic Brain Injury**
- 215 **Visual Impairment**
- 240 **Gifted Education**
- 250 **Remedial Education**
- 260 **English Language Learners Incremental Costs (A.R.S. §15-756 et seq)**
- 265 **English Language Learners Compensatory Instruction (A.R.S. §15-756 et seq)**
- 270 **Vocational and Technical Education**
- 280 **Career Education**

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
PROGRAM CODES**

- 300 SPECIAL EDUCATION DISABILITY ESEA, TITLE VIII**
 - 301 Autism*
 - 302 Emotional Disability*
 - 303 Hearing Impairment*
 - 304 Other Health Impairments*
 - 305 Specific Learning Disability*
 - 306 Mild, Moderate, or Severe Intellectual Disability*
 - 307 Multiple Disabilities*
 - 308 Multiple Disabilities with Severe Sensory Impairment*
 - 309 Orthopedic Impairment*
 - 310 Developmental Delay*
 - 311 Preschool Severe Delay*
 - 313 Speech/Language Impairment*
 - 314 Traumatic Brain Injury*
 - 315 Visual Impairment*

- 400 PUPIL TRANSPORTATION—Accounts for expenditures relating to transporting students to and from school and school activities, including school athletics.**
 - 410 Regular Education*
 - 420 Special Education*
 - 430 English Language Learners Incremental Costs**
 - 435 English Language Learners Compensatory**
 - 470 Instruction Vocational and Technical Education**

- 500 PROGRAMS REQUIRING SEPARATE BUDGETS—Account for expenditures of monies required by statute to be accounted for separately.**
 - 510 Desegregation—Accounts for expenditures incurred solely as a result of compliance with a court order of desegregation or administrative agreement with the U.S. Department of Education Office for Civil Rights as provided in A.R.S. §15-910.**
 - 511 Regular Education**
 - 512 Special Education**
 - 513 Pupil Transportation**
 - 514 English Language Learners Incremental Costs**
 - 515 English Language Learners Compensatory Instruction**
 - 520 Special K-3 Program Override—Accounts for expenditures from a budget override authorized by A.R.S. §15-482, prior to November 24, 2009, to be used**

CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES PROGRAM CODES

to improve the academic skills of low-achieving students in grades kindergarten through third and to prepare third-grade students for fourth-grade work.

- 530** **Dropout Prevention Programs**—Accounts for expenditures for dropout prevention programs approved by the State Board of Education.
- 540** **Joint Career and Technical Education and Vocational Education Center**—Accounts for vocational expenditures that are specifically exempt in whole or in part from the revenue control limit for a period of not more than 3 years, beginning the first year that the career and technical education and vocational education center is operating and serving students as provided in A.R.S. §15-910.01.
- 550** **K-3 Reading Program**—Accounts for expenditures from the amount generated by the K-3 Reading support level weight to be used only on reading programs for pupils in Kindergarten and grades one, two, and three with particular emphasis on pupils in Kindergarten and grades one and two. Laws 2012, Ch. 300, §2 and 6
- 600** **OTHER INSTRUCTIONAL PROGRAMS**—Activities that add to a student’s educational experience. These activities typically include events and activities that take place outside the traditional classroom. Some examples of such activities are athletics, band, choir, and debate.
- 610** **School-Sponsored Cocurricular Activities**—School-sponsored activities, under the guidance and supervision of district staff, designed to provide students such experiences as motivation, enjoyment, and improvement of skills. Cocurricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech, and debate. Athletics should be coded to program 620.
- 620** **School-Sponsored Athletics**—School-sponsored activities, under the guidance and supervision of district staff, that provide opportunities for students to pursue various aspects of physical education. Athletics normally involve competition between schools and frequently involve offsetting gate receipts or fees.
- 630** **Other**—Activities that provide students with learning experiences not included in the other program 600 codes.
- 700** **ADULT/CONTINUING EDUCATION PROGRAMS**—Activities that develop knowledge and skills to meet immediate and long-range educational objectives of adults who, having completed or interrupted formal schooling, have accepted adult roles and responsibilities. Programs include activities to foster the development of fundamental tools of learning, prepare students for a postsecondary career, prepare students for postsecondary education programs, upgrade occupational competence, prepare students for a new or different career, develop skills and appreciation for special interests, or enrich the aesthetic qualities of life. Adult basic education programs are included in this category.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
PROGRAM CODES**

800 **COMMUNITY COLLEGE EDUCATION PROGRAMS**—Activities for students attending an institution of higher education that usually offers the first 2 years of college instruction. If a district has the responsibility of providing this program, all costs of the program should be coded here.

900 **COMMUNITY SERVICES PROGRAMS**—Activities that are not directly related to the provision of educational services in a district. These include services such as community recreation programs, civic activities, public libraries, programs of custody and care of children, and community welfare activities provided by a district for the community as a whole or some segment of the community.

CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES FUNCTION CODES

1000 **INSTRUCTION**—Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving cocurricular activities and school-sponsored athletics. It may also be provided through some other approved medium, such as television, radio, computer, 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 (clerks, graders, teaching machines, etc.) that assist in the instructional process and technology used by students in the classroom or that has a student instruction focus. If proration of expenditures is not possible for department chairpersons who also teach, include department chairpersons who also teach in instruction. Otherwise, department chairperson expenditures should be coded to function **2490**. As an alternative to using a separate optional element for course codes, districts may establish course codes under this function.

2000 **SUPPORT SERVICES**—Support services provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services, and enterprise programs, rather than as entities within themselves.

2100 **Support Services—Students**—Activities designed to assess and improve the students' well-being 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, school, and community. This function includes attendance services, social work services, student accounting services, and student attendance software. Registration activities for adult education programs are also included here.

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. This function also includes supervision, appraisal, record maintenance, and placement services.

2130 **Health Services**—Health services that are not direct instruction. Included are activities that provide students with appropriate medical, dental, and nursing services.

New
 Eff. 7/1/15

- 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 students’ special needs 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 also includes the supervision of psychological services and psychotherapy services.
- 2150 **Speech Pathology and Audiology Services**—Activities that identify, assess, and treat children with speech, hearing, and language impairments.
Usually used with program 200.
- 2160 **Occupational/Physical Therapy—Related Services**—Activities that assess, diagnose, or treat students for all conditions requiring the services of an occupational or physical therapist.
Usually used with program 200.
- 2170 **Heads of Components Support Services—Students**— Activities associated with the overall administration of Student Support Services below the executive level. See description of heads of components on page **III-A-5**. *Added for indirect cost reporting.*
- 2190 **Other Support Services—Students**—Other support services to students not coded elsewhere in the function 2100 range. Students’ food and hotel costs associated with student travel should be coded here.
- 2200 **Support Services—Instruction**—Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students. This function also includes curriculum directors, special education directors, or others who supervise staff performing these functions.
- 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, developing instruction techniques, child development and understanding, and staff training.
- 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. Technology training for instructional staff should also be coded here. 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 coded here regardless of whether training services are provided internally or purchased from vendors.
- 2220 **Library/Media Services**—Activities concerned with directing, managing, and supervising educational media services, as well as activities such 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 should be coded to function **1000**.
- 2230 **Instruction—Related Technology**—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 such as virus and filtration software that relate to the support of instructional activities. Activities concerned with supporting and maintaining computer centers (outside the classroom) that are established to support the instructional environment should also be coded here. 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 and

technology used by students in the classroom or that have a student instruction focus should be coded to function **1000**.) Professional development costs for instruction-focused technology personnel should also be coded here. (Technology training for instructional staff should be coded to function **2213**.)

New
Eff. 7/1/15

2240 **Heads of Components Support Services—Instruction—** Activities associated with the overall administration of Instructional Support Services below the executive level. See description of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

2260 **Academic Student Assessment—**Services rendered for the academic assessment of the student.

2290 **Other Support Services—Instruction—**Other support to the instructional staff not coded elsewhere in the function 2200 range.

2300 **Support Services—General Administration—**Activities associated with establishing and administering policy for operation of a district.

Updated
Eff. 7/1/15

2310 **Governing Board—**Activities of the elected body that has been created according to state law and vested with responsibilities for educational activities in a given administrative unit. This function includes board secretary/clerk services, board treasurer services, staff relations and negotiations services, legal services, and external audit services. Election services are no longer included here, but are now required to be classified in function **2340** for indirect cost reporting purposes.

**Updated
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Eff. 7/1/15

2320 **Executive Administration—** Activities associated with overall general administration or executive responsibility for the school district. This function includes the office of the superintendent and related office support staff (e.g., administrative assistant, secretary), community relations, and state and federal relations services. Activities of administrators with key decision making authority and their related office support staff are also included here regardless of the specific job title used. Such administrators are often referred to as associate, assistant, or deputy superintendents, but may not be limited to such designations. Activities of directing operations below the level of such administrators may be coded to another support services function if they fit within that function.

2330 **Lobbying—**Activities related to the attempt to influence the passage or defeat of any legislation by communicating with any member or employee of the Legislature.

CHART OF ACCOUNTS

EXPENDITURES AND OTHER FINANCING USES FUNCTION CODES

New
Eff. 7/1/15



2400

2340 Election Services—Activities related to district elections including elections of governing board members and bond and override elections. *Added for indirect cost reporting.*

2350 Retiree Health—Payments made to provide retiree health benefits. If a retired employee returns to district employment only classify health related costs in the detailed function below if the costs result from an agreement made when the employee retired. Classify health related costs for employees in the same function as their other compensation and benefits.

2351 Executive Administration and Heads of Components—Retiree health payments for retired executive administrators or heads of components. See description of executive administration and heads of components on pages [III-A-4](#) and [5](#). *Added for indirect cost reporting.*

2400 Support Services—School Administration—Activities concerned with overall administrative responsibility for a school.

**Updated
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Eff. 7/1/15

2410 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 principals, and other assistants while supervising all school operations, evaluating staff members, assigning duties to staff members, maintaining the school records, and coordinating school instructional activities with those of a district. For indirect cost reporting this function should be used to report all heads of components within Support Services—School Administration. See description of heads of components on page [III-A-5](#).

2490 Other Support Services—School Administration—Other school administration services. This function includes graduation expenses and department chairpersons.

2500 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 a district. This function includes budgeting, receiving and disbursing monies, financial and property accounting, payroll, inventory control, internal auditing, and investments and funds management, as well as supervision of fiscal services.

2520 Purchasing, Warehousing, and Distributing Services—Activities concerned with purchasing, receiving, storing, and

distributing supplies, furniture, equipment, and materials used in schools or school system operations.

New
Eff. 7/1/15

2530 **Heads of Components Support Services—Central**—Activities associated with the overall administration of Central Support Services below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

2540 **Printing, Publishing, and Duplicating Services**—The activities of printing and publishing administrative publications such as annual reports, school directories, and manuals. Activities also include centralized services for duplicating school materials and instruments such as school bulletins, newsletters, and notices.

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Eff. 7/1/15

2550 **Planning, Research, Development, and Evaluation Services**—Activities associated with conducting and managing system-wide programs of planning, research, development, and evaluation for a school system.

Planning Services—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. This is done by identifying needs and the relative costs and benefits of each course of action.

Research Services—Activities concerned with the systematic study and investigation of the various aspects of education, undertaken to establish facts and principles.

Development Services—Activities in the deliberate evolving process of improving educational programs.

Evaluation Services—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 the goals previously established.

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Eff. 7/1/15

2560 **Public Information Services**—Activities concerned with writing, editing, and otherwise preparing educational and administrative information for dissemination to students, staff, managers, and the general public through direct mailing, the various news media, e-mail, the Internet, Web sites, and personal contact. The information services function code includes related supervision and internal and public information services. Technology that supports this code should be coded to function **2580**.

- 2570 **Personnel Services**—Activities concerned with maintaining personnel for the school system. It includes such activities as recruitment and placement, noninstructional personnel training, staff transfers, health services, and staff accounting.
- Noninstructional Personnel Training—Activities associated with the professional development and training of noninstructional 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 noninstructional 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 coded here regardless of whether training services are provided internally or purchased from vendors.
- 2580 **Administrative Technology Services**—Activities concerned with supporting a 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 such as virus and filtration software.
- 2590 **Other Central Services**—Other central support services not coded elsewhere in the function 2500 range.
- 2600 **Operation and Maintenance of Plant**—Activities concerned with keeping the physical plant open, comfortable, and safe for use, and 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.
- 2610 **Operation of Buildings**—Activities concerned with keeping the physical plant clean and ready for daily use. They include operating lighting and 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 preventive maintenance.

CHART OF ACCOUNTS

EXPENDITURES AND OTHER FINANCING USES FUNCTION CODES

- 2630 **Care and Upkeep of Grounds**—Activities involved in maintaining the land and improvements (but not the buildings). These include snow removal, landscaping, and grounds maintenance.
- 2640 **Care and Upkeep of Equipment**—Activities involved in maintaining equipment owned or used by a district. They include such activities as servicing and repairing furniture, machines, and movable equipment.
- 2650 **Vehicle Operation and Maintenance (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).
- 2660 **Security**—Activities concerned with maintaining a secure environment for students and staff, whether they are in transit to or from school, at a campus or administrative facility, or participating in school-sponsored events. These include costs associated with security plan development and implementation; installation of security monitoring devices, such as cameras and metal detectors; security personnel, such as campus police and 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, at a campus or 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 **Heads of Components Operation and Maintenance of Plant**—Activities associated with the overall administration of Plant Operations and Maintenance below the executive level. See description of heads of components on page [III-A-5](#). *Added for indirect cost reporting.*
- 2690 **Other Operation and Maintenance of Plant**—Operation and maintenance of plant services that are not coded elsewhere in the function 2600 range.

New
Eff. 7/1/15

2700 Student Transportation—Activities concerned with conveying students to and from school, as provided by state and federal law. This includes trips between home and school, and trips to school activities.

Used only with program 400.

2710 Vehicle Operation—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 driving buses or other student transportation vehicles.

2720 Monitoring Services—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.

2730 Vehicle Servicing and Maintenance—Activities involved in maintaining student transportation vehicles. It includes repairing and replacing vehicle parts, and cleaning, painting, fueling, and inspecting vehicles for safety.

New
Eff. 7/1/15

2740 Heads of Components Student Transportation—Activities associated with the overall administration of Student Transportation below the executive level. See description of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

2790 Other Student Transportation—Student transportation services that are not coded elsewhere in the function 2700 range.

2900 Other Support Services—All other support services not coded elsewhere in the function 2000 range.

New
Eff. 7/1/15

2910 Heads of Components Support Services—Other—Activities associated with the overall administration of Other Support Services below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting*

3000 OPERATION OF NONINSTRUCTIONAL SERVICES—Activities concerned with providing noninstructional services to students, staff, or the community.

3100 Food Service Operations—Activities concerned with providing food to students and staff in a school or district. This function includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

New
Eff. 7/1/15

3110 Heads of Components Food Service Operations—Activities associated with the overall administration of Food Service

Operations below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

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. Food service operations should be coded to function 3100.

New
Eff. 7/1/15

3210 Heads of Components Enterprise Operations—Activities associated with the overall administration of Enterprise Operations below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

3300 Community Services Operations—Activities concerned with providing community services to students, staff, or other community participants. Examples of this function would be offering parental training or operating a community swimming pool, a recreation program for the elderly, or a childcare center for working parents.

Used only with program 900.

New
Eff. 7/1/15

3310 Heads of Components Community Services Operations—Activities associated with the overall administration of Community Services Operations below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

3400 Bookstore Operations—Activities concerned with bookstore operations.

New
Eff. 7/1/15

3410 Heads of Components Bookstore Operations Activities associated with the overall administration of Bookstore Operations below the executive level. See definition of heads of components on page **III-A-5**. *Added for indirect cost reporting.*

4000 FACILITIES ACQUISITION AND 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.

4200 Land Improvement—Activities concerned with making permanent improvements to land, such as grading, fill, and environmental remediation.

4300 Architecture and 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 a district’s property. Otherwise, code these services to function 4100, 4200, 4500, 4600, or 4700, as appropriate.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
FUNCTION CODES**

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 by the architects and engineers in the early stages of blueprint development.

4500 **Building Acquisition and Construction**—Activities concerned with buying or constructing buildings.

4600 **Site Improvement**—Activities concerned with making nonpermanent improvements or enhancements to building sites. These improvements include fencing, walkways, tunnels, landscaping, and playground and shade structures.

4700 **Building Improvement**—Activities concerned with building additions and with initially installing or extending service systems and other built-in equipment.

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4800 **Heads of Components Facilities Acquisition and Construction**—Activities associated with the overall administration of Facilities Acquisition and Construction below the executive level. See description of heads of components on page [III-A-5](#). *Added for indirect cost reporting.*

4900 **Other Facilities Acquisition and Construction**—Facilities acquisition and construction activities that are not coded elsewhere in the function 4000 range.

5000 DEBT SERVICE—Activities related to servicing long-term debt including payments of both principal and interest. This function should be used to account for bond interest payments, retirement of bonded debt including current and advance refundings, capital lease payments, and other long-term notes. Interest on short-term notes or loans repayable within 1 year of receiving the obligation should be coded to function [2510](#).

6000 OTHER FINANCING USES—A number of outlays are not properly classified as expenditures, but still require budgetary or accounting control. These include certain transfers of monies from one fund to another, indirect costs, and payments to bond escrow agents.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

6100 PERSONAL SERVICES—SALARIES—Amounts paid to both permanent and temporary district employees, including personnel substituting for those in permanent positions. This includes gross salary for personal services rendered while on a district’s payroll.

Used with functions 1000-4000.

6110 Certified Salaries—Amounts earned by employees certified by the Arizona Department of Education. **(Although expenditure object codes 6111 through 6114 are optional, districts must maintain adequate records to be able to report these categories on the annual financial report.)**

6111 Administrators

6112 Teachers

6113 Substitute Teachers

6114 Other

6150 Classified Salaries—Amounts earned by employees not certified by the Arizona Department of Education. Examples are business managers, clerks, secretaries, custodians, social workers, nurses, bus drivers, food service workers, and crossing guards.

6200 PERSONAL SERVICES—EMPLOYEE BENEFITS—Amounts paid by a district on behalf of employees; these amounts are not included in the gross salary, but are in addition to that amount. Such payments are fringe benefit payments, whether paid directly to the employee or not, and are part of the cost of personal services.

Used with functions 1000-4000.

6210 Employee Insurance—Amounts for the employer’s share of any insurance plans, such as life, health, dental, and accident insurance.

6220 Social Security Taxes—Employer’s share of amounts paid for social security. **(Although expenditure object codes 6221 and 6222 are optional, districts must maintain adequate records to separately identify Social Security and Medicare.)**

6221 Social Security—OASDI

6222 Medicare—Hospital Insurance

6230 State Retirement System Contributions—Employer’s share of amounts paid for retirement and long-term disability contributions to the Arizona State Retirement System. **(Although expenditure object codes 6231, 6232, and 6235 are optional, districts must maintain adequate records to separately identify State Retirement, Long-Term Disability, and the Alternative Contribution Rate amounts.)**

6231 State Retirement

6232 Long-Term Disability

6235 Alternative Contribution Rate A.R.S. §38-766.02

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

6240 Tuition Reimbursement—Amounts reimbursed to any employee qualifying for tuition reimbursement on the basis of district policy.

6250 Unemployment Insurance—Amounts paid to provide unemployment insurance for its employees. These charges may be distributed to functions in accordance with the salary budget or may be coded to function **2310**.

6260 Workers’ Compensation—Amounts paid to provide workers’ compensation insurance for its employees. These charges may be distributed to functions in accordance with the salary budget or may be coded to function **2310**.

6270 Health Benefits—Amounts paid to provide health benefits, other than insurance, for its current or former employees.

New
Eff. 7/1/15

6280 Unused Leave and Severance Payments—Amounts paid for unused leave and severance pay when employees separate from employment. **(Although expenditure object codes 6281 through 6283 are optional, districts must maintain adequate records to be able to report these categories for indirect cost reporting.)**

6281 Unused Leave Payments—Amounts paid for unused leave when an employee retires or separates from district employment.

6282 Normal Severance Payments—Amounts paid other than leave payments, if any, when an employee retires or separates from district employment. Do not include amounts for abnormal or mass severance payments here as those are classified in 6283 below.

6283 Abnormal or Mass Severance Payments—Amounts paid as separation incentives when offered to all employees or all employees in an employee group or class. Include payments such as lump sum payments that may be linked to years of service, increased pension benefits, and payments of unused leave beyond normal amounts.

6290 Other Employee Benefits—Employee benefits other than those coded elsewhere in the expenditure object code 6200 range, including fringe benefits such as taxable meal reimbursements, automobile allowances, housing or related supplements, moving expenses, and paid parking. Districts may establish separate codes for various accrued amounts.

6300 PURCHASED PROFESSIONAL AND 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 a district. This code also includes conference registration fees.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

- 6310 **Official/Administrative Services**—Services in support of a district’s various policy-making and managerial activities. Include management-consulting activities oriented to general governance or business and financial management of a district, school management support activities, and election services.
Usually used with functions 2300, 2400, and 2500.
- 6320 **Professional—Educational Services**—Services supporting the instructional program and its administration. Include curriculum improvement services, assessment, counseling and guidance services, library and media support, and contracted instructional services.
Usually used with functions 1000, 2100, and 2200.
- 6330 **Other Professional Services**—Professional services other than educational services that support the operation of a district. Include medical doctors, lawyers, architects, auditors (for federal programs only), accountants, therapists, audiologists, dietitians, editors, negotiations specialists, systems analysts, and planners.
Usually used with function codes in the 2000 range.
- 6340 **Technical Services**—Services that are not regarded as professional, but require basic scientific knowledge, manual skills, or both. Include data processing and coding services, data entry, formatting, and processing services other than programming; purchasing and warehousing services; and graphic arts.
Usually used with function codes in the 2000 range.
- 6350 **Audit Services**—Audit services associated with financial and compliance audits of a district. Do not include amounts related to audits of federal programs. Federal program audit costs should be coded to expenditure object code **6330**.
Usually used with function 2310.
- 6360 **Employee Training and Professional Development Services**—Services supporting the professional development of district personnel, including instructional, administrative, and service employees. Included are course registration fees that are not tuition reimbursement; charges from vendors to conduct training courses, at either 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.
Used with functions 2213, 2230, and 2570.
- 6400 **PURCHASED PROPERTY SERVICES**—Services purchased to operate, repair, maintain, and rent property owned or used by a district. These services are performed by persons other than district employees. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

- 6410 Utility Services**—Expenditures for utility services other than energy services supplied by public or private organizations. Telecommunication services should be coded to expenditure object code **6531**.
- 6411 Water/Sewage**—Expenditures for water/sewage utility services from a private or public utility company.
- 6420 Cleaning Services**—Services purchased to clean buildings and grounds, including disposal, snow removal, custodial, and lawn care services (apart from services provided by district employees).
Used with function 2600.
- 6421 Disposal Services**—Expenditures for garbage pickup and handling not provided by district employees.
- 6430 Repairs and Maintenance Services**—Expenditures for repairs and maintenance services not provided directly by district employees.
- 6431 Nontechnology-Related Repairs and Maintenance*—Contracts and agreements covering the upkeep of buildings and nontechnology equipment. Costs for renovating and remodeling should be coded to expenditure object code **6450**.
Used with function 2600.
- 6432 Technology-Related Repairs and Maintenance*—Expenditures for repairs and maintenance services for technology equipment that are not directly provided by district employees. This includes ongoing service agreements for technology hardware.
Used with function 2230 and 2580.
- 6440 Rentals**—Costs for renting or leasing land, buildings, and equipment. Operating leases should be coded here. Capital leases should be coded to expenditure object codes **6832** and **6842**.
- 6441 Rental of Land and Buildings*—Expenditures for leasing or renting land and buildings for both temporary and long-term use.
Used with function 2610.
- 6442 Rental of Equipment*—Expenditures for leasing or renting machinery, vehicles, furniture, fixtures, and other equipment for both temporary and long-term use. This includes bus and other vehicle rental when operated by district personnel. Expenditures for the rental of vehicles for employee travel should be coded to expenditure object code **6580**.
- 6443 Rental of Computers and Related Equipment*—Expenditures for leasing or renting computers and related equipment for both temporary and long-term use.

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

- 6450 Construction Services**—Includes amounts paid to contractors for constructing, renovating, and remodeling buildings. This account should also be used to account for the costs of making permanent improvements to land, such as grading, fill, and environmental remediation, and nonpermanent site improvements such as fencing, walkways, and roads.
Used only with function 4000.
- 6490 Other Purchased Property Services**—Purchased property services that are not coded elsewhere in the expenditure object code 6400 range. Communication services should be coded to expenditure object code **6530**.
Usually used with function 2600.
- 6500 OTHER PURCHASED SERVICES**—Amounts paid for services rendered by organizations or personnel not employed by a district, but not included in expenditure object code **6300** or **6400**. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
- 6510 Student Transportation Services**—Expenditures for transporting students to and from school and other activities.

 - 6511 Student Transportation Purchased From Other Arizona Districts**—Amounts paid to other Arizona districts for transporting children to and from school and school-related events.
Used only with function 2700.
 - 6512 Student Transportation Purchased From Out-of-State Districts**—Payments to districts outside Arizona for transporting children to and from school and school-related events.
Used only with function 2700.
 - 6519 Student Transportation Purchased From Other Sources**—Payments to persons or agencies other than districts for transporting children to and from school and school-related events. These include payments to individuals who transport themselves or their own children or for reimbursement of transportation expenditure/expenses on public carriers. Expenditures for the rental of buses that are operated by district personnel should be coded to expenditure object code **6442**.
Used only with function 2700.
- 6520 Insurance (Other than Employee Benefits)**—Expenditures for all types of insurance coverage, including property, liability, and fidelity. Insurance for group health should be coded to expenditure object code **6200**.

 - 6521 Current Year Insurance**—Expenditures for insurance coverage for the current fiscal year.
Used with function 2310 or 2610.

- 6522** **Prepaid Insurance**—Expenditures in the current year for insurance coverage to be provided in subsequent fiscal years. For financial statement reporting purposes, prepaid insurance should be coded to balance sheet object code **0151**.
Used with function 2310 or 2610.
- 6530** **Communications**—Services provided by persons or businesses to assist in transmitting and receiving messages or information.
- 6531** **Telecommunications**—Expenditures for telephone and voice communication services, and voicemail; data communication services to establish or maintain computer-based communications, networking, and Internet services; video communications services to establish or maintain one-way or two-way video communications via satellite, cable, or other devices billed by a service provider.
Usually used with function 2610. Used with function 1000 or 2230 if supporting instruction.
- 6532 **Other Communications Services**—Costs of services provided by persons or businesses that assist in transmitting and receiving messages, such as postal communication services to establish or maintain postage machine rentals, postage, express delivery services, or couriers.
Used with function 2500.
- 6540** **Advertising**—Expenditures for announcements in professional publications, newspapers, broadcasts over radio and television, or on the Internet. 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 should be coded to expenditure object code **6330**.
Usually used with function 2300 or 2500.
- 6550** **Printing and Binding**—Expenditures for job printing and binding, usually according to a district’s specifications. This includes designing and printing forms and posters as well as printing and binding district publications. Preprinted standard forms should be coded to expenditure object code **6610**.
Usually used with function 2540.
- 6560** **Tuition**—Expenditures to reimburse other educational institutions that educate students residing within a district’s boundaries. Tuition is payable when: (1) a student is permitted to attend school in another district located either within or outside the State by a certificate of educational convenience issued by the County School Superintendent, (2) a student attends high school in another district because there is no high school or appropriate high school program in

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

the area served by the common district of residence, or (3) a district contracts with a public or private agency for the education of children with disabilities. A.R.S. §§15-764, 15-824, and 15-825. The following separate accounts must be used.

Used only with function 1000.

- 6561 Tuition to Other Arizona Districts**—Tuition paid to other districts within the State.
- 6562 Tuition to Out-of-State Districts**—Tuition paid to districts outside the State.
- 6563 Tuition to Private Schools**—Tuition paid to private schools.
- 6564 Tuition to Educational Service Agencies/Cooperatives/IGAs**—Tuition paid to a county or fiscal agent of an entity formed by two or more districts for the purpose of educating students, such as county service programs (including payments to the Small District Service Program Fund pursuant to A.R.S. §15-365). Other types of payments made to fiscal agents under an intergovernmental agreement should be recorded in applicable accounts. For example, shared services of an accountant should be coded to expenditure object code **6330**.
- 6565 Tuition Out Debt Service**—The amount a district may budget for the bond issues portion of tuition charged for students attending school in another district. The amount a common school district, not within a high school district (Type 03), may budget is limited. A.R.S. §15-910(L)
- 6569 Tuition—Other**—Tuition paid to the State and other governmental organizations, such as the Arizona School for the Deaf and Blind, as reimbursement for providing specialized instructional services to students residing within the boundaries of the paying district.
- 6570 Food Service Management**—Expenditures for the operation of a local food service facility by other than district personnel. Included are contracted services, such as food preparation, associated with the food service operation. Direct expenditures by a district for food, supplies, labor, and equipment should be coded to the appropriate object codes.
Used only with function 3100.
- 6580 Travel**—Expenditures for district personnel, as well as federally funded advisory committee members and nonemployees traveling for an official district purpose. Included are transportation (e.g., public transportation fares, private vehicle reimbursement at the designated rate per mile, or vehicle rentals), meals with an overnight stay or substantial rest period, lodging, and other expenses. Payments

of set amounts on a monthly or other periodic basis, regardless of actual travel time, are not considered travel expenses but should be treated as employee compensation, expenditure object code **6100**. Student travel should be coded to expenditure object code **6890**. Conference registration fees are not travel costs and should be coded to expenditure object code **6300**.

Used with functions 1000-4000.

Updated
Eff. 7/1/15



6590 **Miscellaneous Purchased Services**—Purchased services other than those coded elsewhere in the expenditure object code 6500 range. Any interdistrict payments other than tuition and transportation should be coded here.

6591 **Services Purchased from Other Arizona Districts**—Payments to another district within Arizona for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing, and guidance. If a question arises as to whether to code such payments to the expenditure object code **6300** range or to this code, 6591 should be used so that *all* interdistrict payments can be eliminated when consolidating reports from multiple districts at state and federal levels.

Usually used with function codes in the 2000 range.

6592 **Services Purchased from Out-of-State Districts**—Payments to another district outside Arizona for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing, and guidance. If a question arises as to whether to code such payments to the expenditure object code 6300 range or to this code, 6592 should be used so that *all* interdistrict payments can be eliminated when consolidating reports at the federal level.

Usually used with function codes in the 2000 range.

6600 **SUPPLIES**—Amounts paid for items that are consumed, are worn out, or deteriorate through use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

6610 **General Supplies**—Expenditures for all supplies (other than those listed below) for the operation of a district, including freight and tax.

Used with functions 1000-4000.

6611 **District Supplies**

6612 **Supplies for Sale or Rental**

6620 **Energy**—Expenditures for energy, including gas, oil, coal, fuel, and services received from public or private utility companies.

6621 **Natural Gas**—Expenditures for gas utility services from a private or public utility company or natural gas for vehicles purchased in

bulk or periodically from a service station.

Usually used with functions 2610 and 3100 for buildings. Usually used with functions 2650 and 2710 for vehicles.

- 6622** **Electricity**—Expenditures for electric utility services from a private or public utility company.
Usually used with functions 2610 and 3100.
- 6623** **Bottled Gas**—Expenditures for bottled gas, such as propane received in tanks, for use in buildings or for fueling vehicles.
Usually used with functions 2610 and 3100 for buildings. Usually used with functions 2650 and 2710 for vehicles.
- 6624** **Oil**—Expenditures for bulk oil normally used for heating.
Usually used with function 2610.
- 6625** **Coal**—Expenditures for raw coal normally used for heating.
Usually used with function 2610.
- 6626** **Unleaded Fuel**—Expenditures for unleaded fuel purchased in bulk or periodically from a service station.
Usually used with functions 2650 and 2710.
- 6627** **Diesel Fuel**—Expenditures for diesel fuel purchased in bulk or periodically from a fuel service station.
Usually used with functions 2650 and 2710.
- 6629 **Other**—Expenditures for energy that cannot be coded in one of the preceding categories.
- 6630** **Food**—Expenditures for food used in a district’s food service program. Food used in instructional programs should be coded to expenditure object code **6610**.
Used only with function 3100.
- 6631** **USDA Commodities (Excluding Freight)**—The fair market value of commodities donated by the U.S. Department of Agriculture. Processing charges should be coded to expenditure object code 6633 and storage costs should be coded to expenditure object code 6634.
- 6632** **USDA Commodities (Freight Only)**—Expenditures for freight charges for USDA commodities.
- 6633** **Other Food**—Expenditures for food except USDA commodities; however, any processing charges for USDA commodities should be coded here.
- 6634** **Storage Costs for USDA Commodities**—Expenditures for the storage costs related to USDA commodities.

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OBJECT CODES**

6640 Books, Periodicals, and Instructional Aids—Expenditures for books, textbooks, and periodicals prescribed and available for general use, including reference books. This category includes the cost of workbooks and textbooks that are purchased to be resold or rented. Also recorded here are binding or other repair costs to textbooks and school library books.

Used with functions 1000-4000.

6641 Library Books—Expenditures for regular purchases of library books and related items available for general use by students, including reference books, films, cassette tapes, periodicals, and computer databases used in the library/media center.

6642 Textbooks—Expenditures for textbooks (printed instructional materials or digital content, or both, and related printed or nonprinted instructional material) or educational systems for each course of study, including books, kits, videocassettes, films, instructional computer software or workbooks that function as part of the basic program. These items must be adopted by the governing board in accordance with A.R.S. §§15-721 and 15-722. Teaching supplies normally consumed, such as paper, pencils, scissors, crayons, and tape should be coded to expenditure object code **6610**.

6643 Instructional Aids—Expenditures for materials, such as instructional computer software, workbooks, films, kits, and magazines, that supplement a district adopted program.

6644 Other Books, Periodicals, and Media—Expenditures for books, periodicals, and other media such as DVDs purchased for nonstudent users or for noncredit enrichment programs.

6650 Supplies—Technology-Related—Technology-related supplies that are typically used in conjunction with technology-related hardware or software. Some examples are writable CDs/DVDs, parallel cables, and monitor stands.

Usually used with functions 1000, 2230, and 2580.

6700 PROPERTY—Expenditures for acquiring capital assets, including land or existing buildings, and equipment.

6710 Land and Existing Land Improvements—Expenditures for the purchase of land and the existing land improvements thereon. Include the present value amount of capital leases of land in the year of acquisition. Periodic payments should be coded to expenditure object codes **6832** and **6842**. Also included are special assessments against a district for capital improvements such as streets, curbs, and drains. Expenditures for improving sites and adjacent ways after

acquisition should generally be coded to expenditure object codes **6300**, **6450**, or 6730s, as appropriate.

*Used only with functions **4100**, **4200**, and **4600**.*

6720 Buildings—Expenditures for acquiring existing buildings. Also, include the present value amount of capital leases in the year of acquisition. Periodic payments should be coded to expenditure object codes **6832** and **6842**. Expenditures for the contracted construction of buildings, for major permanent structural alterations, and for the initial or additional installation of heating and ventilating systems, fire protection systems, and other service systems in existing buildings should be coded to expenditure object code **6450**. Buildings built and alterations performed by district employees should be coded to expenditure object codes **6100**, **6200**, **6610**, and 6730s, as appropriate.

*Used only with function **4500**.*

6730 Equipment—Expenditures for initial, additional, and replacement equipment, such as machinery, furniture and fixtures, vehicles, and technology. Also, include the present value amount of capital leases of equipment in the year of acquisition. Periodic payments should be coded to expenditure object codes **6832** and **6842**.

Bolded
Eff. 7/1/15



6731-33 Furniture and Equipment—Expenditures for furniture, furnishings, athletic equipment and other equipment. (Exclude pupil and nonpupil transportation vehicles and equipment.) *Detailed code added for indirect cost reporting, other codes in this range may be used for items costing less than \$5,000.*

6733 Furniture and Equipment—\$5,000 or More

*Used with functions **1000-4000**.*

6734-36 Vehicles—Expenditures for pupil and nonpupil transportation vehicles. *Detailed code added for indirect cost reporting, other codes in this range may be used for items costing less than \$5,000.*

6736 Vehicles—\$5,000 or More

*Used with functions **1000-4000**.*

6737-39 Technology-Related Hardware and Software—Expenditures for technology-related equipment and noninstructional software. These costs include those associated with the purchase of network equipment, servers, PCs, printers, noninstructional software, other peripherals, and devices. *Detailed code added for indirect cost reporting, other codes in this range may be used for items costing less than \$5,000.*

6739 Technology-Related Hardware and Software—\$5,000 or More

*Used with functions **1000-4000**.*

**CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES
OBJECT CODES**

- 6740 Depreciation**—The portion of the cost of a capital asset that is charged as an expense during a particular period. In accounting for depreciation, the cost of a capital asset, less any salvage value, is apportioned over the estimated useful life of such an asset, and each period is charged with a portion of such cost. Through this process, the cost of the asset is ultimately charged off as an expense. **This code should be used in proprietary funds only.**
Used with functions 1000-4000.
- 6750 Capital Asset Impairments**—Used to record impairment losses on capital assets. An asset is considered impaired when there is a significant, unexpected decline in the amount of service. **This code should be used in proprietary funds only.** If the loss meets the criteria as a special or extraordinary item, then other financing uses and other items object code **6950** or **6960** should be used.
Used with functions 1000-4000.
- 6800 DEBT SERVICE AND MISCELLANEOUS**—Amounts paid for principal and interest as well as all other expenditures not otherwise coded to expenditure object codes **6100** through **6700**.
- 6810 Dues and Fees**—Expenditures or assessments for membership in professional or other organizations or payments to a paying agent for services rendered, such as bank fees.
Used with function 1000 and function codes in the 2000 range.
- 6820 Judgments Against a District**—Expenditures from current funds for all judgments against a 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 a district resulting from failure to pay bills or debt service are recorded under the appropriate expenditure object codes as though the bills or debt service had been paid when due.
Used only with function 2310.
- 6830 Redemption of Principal**—Outlays from current funds to retire long-term debt.
- 6831 Bonds**—Expenditures to retire bonds.
- 6832 Other**—Expenditures to retire loans and capital leases. Operating leases should be coded to expenditure object code **6440**.
Used only with function 5000.
- 6840 Interest**—Expenditures for interest on long-term debt.
- 6841 Bonds**—Expenditures for interest on bonds.
- 6842 Other**—Expenditures for interest on loans and capital leases. Operating leases should be coded to expenditure object code **6440**.
Used only with function 5000.

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OBJECT CODES**

6850 Interest on Short-Term Debt—Expenditures for interest on tax anticipation notes, registered warrants, revolving lines of credit, and account balances not paid in full within 30 days.

Used only with function 2510.

6860 Bond Issuance and Other Debt-Related Costs—Expenses in connection with bond and other debt issuance costs, including lease-purchase debt issuance costs. Included are amortized deferred revenues and deferred charges on refunding in connection with the defeasance of debt. **This code should be used in proprietary and fiduciary funds only.**

Used only with function 5000.

New
Eff. 7/1/15

6870 Pass-through Payments—Payments to another entity for monies received by the district on their behalf or as required by legal agreement. Such payments are paid to the other entity without directly controlling how the monies are spent by that entity. Include lump sum payments from a district to a charter school, Joint Technical Education District payments made to member districts, and any other similar payments that are not considered sub-awards as described in 6880 below.

Added for indirect cost reporting.

New
Eff. 7/1/15

6880 Sub-awards—Sub-awards are awards provided by a district to a subrecipient to carry out part of the services for which the award was received by the district. Sub-awards do not include payments to a contractor or payments to an individual that is a beneficiary of the program paid for by the award. A sub-award may be provided through any form of legal agreement or contract. **(For indirect cost reporting, districts must maintain adequate records to be able to report the portion of each individual sub-award exceeding \$25,000.)**

6890 Miscellaneous Expenditures—Amounts paid for goods or services not properly coded to any other expenditure object code. Students’ food and hotel costs associated with student travel, as well as student entrance fees paid by a district should be coded here.

Used with functions 1000-4000.

6900 OTHER FINANCING USES AND OTHER ITEMS—This range of codes is used to classify transactions that are not properly recorded as expenditures but require budgetary or accounting control. These include indirect costs, fund transfers-out, and payments to escrow agents for defeasance of debt, losses on investment, losses on capital assets, and special and extraordinary items.

Updated

6910 Indirect Costs Transfers-Out—An amount approved as a percentage of the total project budget, to be used to pay overhead costs that cannot be easily identified with a specific project. Indirect costs are calculated on total actual expenditures less capital expenditures, multiplied by the approved indirect cost rate. This object code should be used when monies are transferred to the Indirect Costs Fund from a Federal Projects Fund. Other Financing Sources

object code **5200** should be used to record the transferred monies received in the Indirect Costs Fund. This object code should be included as a fund transfers-out for financial reporting purposes.

Used with function 6000.

Updated

6930 Fund Transfers-Out—Used to classify operating transfers from one fund to another. Other Financing Sources object code **5200** should be used to record the corresponding transfer-in amount. A list of authorized transfers is provided in **§III-F**.

Used with function 6000.

6940 Payment to Escrow Agent for Defeasance of Debt—Amounts paid to an escrow agent from advance refunding bond proceeds that are to be placed in an irrevocable trust.

6950 Special Items—Transactions or events within the control of district administration that are either unusual in nature or infrequent in occurrence. For some districts, this may include termination benefits resulting from workforce reductions or costs in connection with an early retirement program offered to all employees represented in one or more classes of employees. Special items also include events that are not within the control of a district. In the governmental funds, these items should be separately captioned or disclosed.

6960 Extraordinary Items—Transactions or events that are **both** unusual in nature and infrequent in occurrence. For some districts, this includes significant costs related to a natural disaster caused by fire, flood, tornado, hurricane, or hail storm, or costs related to an environmental disaster.

CHART OF ACCOUNTS EXPENDITURES AND OTHER FINANCING USES UNIT CODES

This account code element identifies expenditures by instructional level and school. The first digit of the three-digit unit code identifies the instructional level, and the second and third digits identify the individual school. This element is also useful for districts that have established site-based management procedures by providing each school with a budget allotment. In addition, districts with some schools operating on an alternative calendar must separately budget for such schools in accordance with A.R.S. §15-855. This element should be used for that purpose.

- 100 Elementary**—A school organized as an elementary school with a grade level of kindergarten through grade 8. Expenditures for preschool programs for children with disabilities are coded here.
- 200 High School**—A school accredited as a high school with a maximum grade level span of 9 through 12.
- 300 Charter Elementary School**—A public elementary school sponsored by a district governing board, established in accordance with A.R.S. §15-181 et seq.
- 400 Charter High School**—A public high school sponsored by a district governing board, established in accordance with A.R.S. §15-181 et seq.
- 500 District-wide**—Assigned to any expenditure that applies to an entire district and is not clearly assignable to an instructional level. When reporting information for the district’s annual report card in accordance with Arizona Revised Statutes (A.R.S.) §15-746, expenditures coded to this unit code in the district’s accounting records must be allocated to the schools. (Districts that have more than 99 district-wide units may also assign numbers higher than 599.)

Arizona Online Instruction (AOI) schools should use a unit code within the 100-range for elementary program expenditures, and within the 200-range for high school program expenditures. If an AOI school contains both elementary and high school grade levels, a code within the 100-range should be used for kindergarten through grade 8, and a code within the 200-range should be used for grades 9 through 12. If an expenditure applies to both elementary and high school grade levels, the cost should be allocated between the AOI school’s elementary and high school unit codes.

Transfers of monies between funds should be made only when specifically authorized by statute. The following is a list of authorized transfers. Additionally, any cash balance remaining in discontinued non-restricted funds may be transferred to the Maintenance and Operation (M&O) Fund or Unrestricted Capital Outlay (UCO) Fund to reduce district taxes. Adjustments due to errors or reclassifications should not be reported as fund transfers. Fund transfers-in should be coded under other financing sources and other items object code **5200**. Fund transfers-out should be coded under other financing uses and other items object code **6930**, or other financing uses and other items object code **6910** when transferring to the Indirect Cost Fund. For each operating fund transfer-in, there should be a corresponding fund transfer-out.

Adjacent Ways (620) to Maintenance and Operation (001) or Unrestricted Capital Outlay (610)—If budgeted expenditures are less than the cash balance remaining in the Adjacent Ways Fund, the portion of the cash balance not being used to make expenditures in the budget year must be transferred to the M&O or UCO Funds to reduce taxes. A.R.S. §15-906(B)

Bond Building (630) to Debt Service (700)—Balance upon completion of the construction or acquisition for which the bonds were issued if a district has outstanding indebtedness. A.R.S. §15-1024(B)

Bond Building (630) to Maintenance and Operation (001)—Balance upon completion of the construction or acquisition for which the bonds were issued if a district has no outstanding indebtedness. A.R.S. §15-1024(B)

Career and Technical Education and Vocational Education Projects (535) to School Plant (506)—Monies in excess of \$100,000 at fiscal year-end. A.R.S. §15-1231(C)

Civic Center (515) to School Plant (500 or 505)—Balance upon termination of the civic center school program. A.R.S. §15-1105(F)

Community School (520) to Maintenance and Operation (001)—Balance upon termination of a community school program. A.R.S. §15-1143

Condemnation (660) to Debt Service (700)—Proceeds from sales by condemnation or threat of condemnation may be used for the payment of any outstanding bonded indebtedness. A.R.S. §15-1102(G)

Condemnation (660) to School Plant (506)—Unused monies remaining after 10 years. A.R.S. §15-1102(G)

Debt Service (700) to Maintenance and Operation (001)—Balance after payment of all outstanding bonded indebtedness must be transferred to the M&O Fund. A.R.S. §15-1028(A)

Employee Insurance Program Withholdings (855) to Maintenance and Operation (001)—Interest at fiscal year-end must be transferred to the M&O Fund. A.R.S. §15-1223(B)

Energy and Water Savings (665) to Maintenance and Operation (001)—Monies associated with an energy or water savings project remaining after the capital investment monies of the qualified provider or utility, energy or water services company, plus a reasonable carrying charge, are repaid in full may be transferred to the M&O Fund. A.R.S. §15-910.02(J)

Federal Projects (100-399) and Food Service (510) to Indirect Costs (570)—For payment of administrative costs incurred in connection with federal programs. The amount transferred may not

exceed the amount calculated with the indirect cost rate established by the Arizona Department of Education for a district.

Gifts and Donations (530) and Gifts and Donations—Capital (650) to Maintenance and Operation (001) or Unrestricted Capital Outlay (610)—If not inconsistent with the terms of the gifts, grants, and devises, balances remaining after expenditures for the intended purpose of the monies must be transferred to the M&O or UCO Funds and used to reduce district taxes for the budget year. (Not applicable to accommodation schools.) A.R.S. §15-341(A)(14)

Impact Aid (378) to Maintenance and Operation (001)—Districts may transfer federal impact aid monies to the M&O Fund to provide cash for the difference between the Transportation Revenue Control Limit and Transportation Support Level or to reduce or eliminate taxes.

Impact Aid (378) to Teacherage (580)—Districts may transfer federal impact aid monies to the Teacherage Fund for the maintenance and renovation of teacher housing. Laws 2004, Ch. 209

Impact Aid Revenue Bond Building (639) to Impact Aid (378)—Balance remaining after the acquisition or construction of facilities and payment of other related costs. A.R.S. §§15-905(R) and 15-2107(C)

Impact Aid Revenue Bond Debt Service (720) to Impact Aid (378)—Surplus monies remaining after all impact aid revenue bonds are paid. A.R.S. §§15-905(R) and 15-2107(B)

Insurance Proceeds (550) to Debt Service (700)—For payment of outstanding bonded indebtedness that is payable from the levy of taxes upon property within a district. A.R.S. §15-1103(B)

Insurance Proceeds (550) to Unrestricted Capital Outlay (610)—If a district chooses to make this transfer, the monies must be used to construct, acquire, improve, repair, or furnish school buildings after notice and a hearing. A.R.S. §15-1103(C)

Insurance Refund (585) to Maintenance and Operation (001) or Unrestricted Capital Outlay (610)—For the reduction of district taxes for the budget year. A.R.S. §15-386(B)

Insurance Refund (585) to Self-Insurance (950-989)—For payment of uninsured losses, claims, defense costs, and other costs related to self-insurance. A.R.S. §15-386(B)

Litigation Recovery (565) to Debt Service (700)—For payment of outstanding bonded indebtedness that is payable from the levy of taxes upon property within a district. A.R.S. §15-1107(B)

Maintenance and Operation (001) to Energy and Water Savings (665)—Districts must transfer, on a monthly basis, the monthly payment amounts for repayment of the capital investment of the qualified provider or utility, energy or water services company based on the established repayment schedule. A.R.S. §15-910.02(H)

Maintenance and Operation (001) to School Opening (545)—Districts may transfer a portion of the M&O Fund ending cash balance to the School Opening Fund. The maximum amount that may be transferred is the lesser of the ending cash balance in the M&O Fund or the eligible budget balance carryforward. A.R.S. §15-943.01(C) and (D)

Maintenance and Operation (001) to Unrestricted Capital Outlay (610)—Districts that have been approved by the voters to fund a capital outlay override from revenues other than a tax levy in accordance

with A.R.S. §15-481(M) may transfer from the M&O Fund to the UCO Fund the voter-approved amount of cash from the prior year's ending cash balance.

Maintenance and Operation (001) to Unrestricted Capital Outlay (610)—If budgeted expenditures are less than the cash balance remaining in the M&O Fund, the portion of the cash balance not being used to make expenditures in the budget year should be transferred to another levy fund to reduce taxes, if cash balances are insufficient to cover budgeted expenditures in the other levy fund. A.R.S. §15-906(B)

Other Postemployment Benefits (9XX) to Maintenance and Operation (001)—Monies remaining at the end of 5 years of no activity in the OPEB Internal Service Fund must be transferred to the M&O Fund. This transfer does not apply to the OPEB Trust Fund (8XX). A.R.S. §15-1225(B)

School Opening (545) to Maintenance and Operation (001)—Balance remaining after 5 years of no activity in the School Opening Fund. A.R.S. §15-943.01(C)

School Plant (500, 505, or 506) to Maintenance and Operation (001), Unrestricted Capital Outlay (610), or Debt Service (700)—For the reduction of district taxes or the payment of bonded indebtedness. A.R.S. §15-1102(A)

School Plant—Special Construction (640) to School Plant (506)—Unused monies remaining after 10 years. A.R.S. §15-1102(F)

State Income Tax Withholdings (865) to Maintenance and Operation (001)—Interest at fiscal year-end must be transferred to the M&O Fund. A.R.S. §15-1222(A)

Teacherage (580) to Maintenance and Operation (001) or Unrestricted Capital Outlay (610)—Reduces the local tax levy if accumulation in the Teacherage Fund warrants such use. A.R.S. §15-1106(A)(4)

Unemployment Insurance (575) to Maintenance and Operation (001) or Unrestricted Capital Outlay (610)—When the governing board determines that monies accumulated are in excess of insurance needs, the excess must be used to reduce district taxes for the budget year. A.R.S. §15-1104

Unrestricted Capital Outlay (610) to Maintenance and Operation (001)—If budgeted expenditures are less than the cash balance remaining in the UCO Fund, the portion of the cash balance not being used to make expenditures in the budget year should be transferred to another levy fund to reduce taxes, if cash balances are insufficient to cover budgeted expenditures in the other levy fund. A.R.S. §15-906(B)

CHART OF ACCOUNTS

EXAMPLE ENTRIES

The following journal entries are examples of double-entry account coding for various transactions. The examples do not include the unit code element; however, districts must use the unit code to identify expenditures by instructional level and individual school.

	Account Codes	Description	DR	CR
1.	001 000 0000 0103	Cash on Deposit with County Treasurer	\$90,000	
	610 000 0000 0103	Cash on Deposit with County Treasurer	35,000	
	001 000 0000 3110	State Equalization Assistance		\$90,000
	610 000 0000 3110	State Equalization Assistance		35,000
	(To record receipt of state equalization assistance by the Maintenance and Operation and Unrestricted Capital Outlay Funds.)			
2.	001 100 1000 6110	Certified Salaries	\$ 600	
	001 200 1000 6110	Certified Salaries	600	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 1,200
	(To record the biweekly salary of a teacher who teaches regular and special education classes. Note that appropriate benefit codes would also be used.)			
3.	610 100 2500 6739	Tech-Related Hardware & Software—\$5,000 or More	\$ 6,500	
	610 000 0000 0103	Cash on Deposit with County Treasurer		\$ 6,500
	(To record the renewal of the license for accounting software used by the business office. Note that because the purchase is not assignable to a particular program code, it is coded to program code 100—Regular Education.)			
4.	001 400 2700 6511	Student Transportation Purchased from Other Arizona Districts	\$ 1,000	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 1,000
	(To record the payment made to another district for transporting the paying district's students.)			
5.	610 400 2700 6736	Vehicles—\$5,000 or More	\$40,000	
	610 000 0000 0103	Cash on Deposit with County Treasurer		\$40,000
	(To record the purchase of a van to be used to transport disabled students. Additionally, program code 420—Pupil Transportation—Special Education, could be used to better track special education expenditures.)			
6.	525 620 1000 6643	Instructional Aids	\$ 1,000	
	525 000 0000 0102	Cash in Bank		\$ 1,000
	(To record the purchase of baseballs to be used as athletic instructional aids. Note that a district could also use Fund 610—Unrestricted Capital Outlay.)			
7.	550 100 6000 6930	Fund Transfers-Out	\$ 5,000	
	550 000 0000 0103	Cash on Deposit with County Treasurer		\$ 5,000
	610 000 0000 0103	Cash on Deposit with County Treasurer	5,000	
	610 000 0000 5200	Fund Transfers-In		5,000
	(To record the transfer of cash from the Insurance Proceeds Fund to the Unrestricted Capital Outlay Fund. Transfers-In must equal Transfers-Out.)			

CHART OF ACCOUNTS

EXAMPLE ENTRIES

	Account Codes	Description	DR	CR
8.	610 100 1000 6643	Instructional Aids	\$ 2,000	
	610 000 0000 0103	Cash on Deposit with County Treasurer		\$ 2,000
	(To record the payment for computer software used to teach students.)			
9.	001 100 2600 6430	Repairs and Maintenance Services	\$ 2,500	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 2,500
	(To record the payment for a maintenance agreement for district copiers.)			
10.	001 200 2200 6580	Travel	\$ 250	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 250
	(To record the payment to reimburse the Special Education Director for cost incurred within approved rates for travel to a meeting in another city.)			
11.	001 100 2500 6580	Travel	\$ 800	
	001 100 2500 6300	Purchased Prof. and Tech. Services	200	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 1,000
	(To record the payment for the Transportation Director to attend a training workshop out of town.)			
12.	001 100 2200 6300	Purchased Prof. and Tech. Services	\$ 5,000	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 5,000
	(To record the payment made to a vendor for teacher training.)			
13.	525 620 1000 6300	Purchased Prof. and Tech. Services	\$ 60	
	525 000 0000 0103	Cash on Deposit with County Treasurer		\$ 60
	(To record the payment to a referee who is not a district employee for officiating a basketball game.)			
14.	610 100 1000 6643	Instructional Aids	\$ 9,000	
	610 000 0000 0103	Cash on Deposit with County Treasurer		\$ 9,000
	(To record the payment for workbooks at the beginning of the school year to be used in the classroom.)			
15.	001 100 2600 6430	Repairs and Maintenance Services	\$ 5,000	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 5,000
	(To record the payment for doors a district replaced at its high school.)			
16.	001 100 2600 6150	Classified Salaries	\$ 2,000	
	001 100 2600 6610	General Supplies	\$ 3,000	
	001 000 0000 0103	Cash on Deposit with County Treasurer		\$ 5,000
	(To record the payment for doors replaced by district employees at its high school. Note that appropriate benefit codes should also be used.)			

CHART OF ACCOUNTS**EXAMPLE ENTRIES**

Account Codes	Description	DR	CR
17. 610 100 4000 6450	Construction Services	\$ 6,000	
610 000 0000 0103	Cash on Deposit with County Treasurer		\$ 6,000
	(To record the payment for replacing carpeting in classrooms due to flood damage.)		
18. 610 100 2600 6733	Furniture and Equipment—\$5,000 or More	\$12,000	
610 000 0000 0103	Cash on Deposit with County Treasurer		\$12,000
	(To record the payment for a district to replace an air conditioning unit.)		
19. 610 100 5000 6832	Redemption of Principal—Other	\$26,000	
610 100 5000 6842	Interest—Other	\$ 1,500	
610 000 0000 0103	Cash on Deposit with County Treasurer		\$27,500
	(To record the payment of principal and interest on the lease-purchase of copiers.)		
20. 610 100 2200 6440	Rentals	\$20,000	
610 000 0000 0103	Cash on Deposit with County Treasurer		\$20,000
	(To record the payment on the operating lease of copiers for the school libraries.)		