CONTENTS

Refer to related School District FAQs

Topic	Page
INTRODUCTION	III-1
Account Code Structure	III-1
Account Code Format	III-3
Cost Allocation	III-4
Indirect Cost Reporting	III-5
FUNDS	
Governmental Funds	III-6
Other Funds	III-13
BALANCE SHEET	
Assets and Deferred Outflows of Resources	III-15
Liabilities and Deferred Inflows of Resources	III-17
Fund Balance/Fund Net Position	III-20
REVENUES	III-22
OTHER FINANCING SOURCES	III-27
EXPENDITURES AND OTHER FINANCING USES	
Expenditure Programs	III-28
Expenditure Functions	III-32
Expenditure Objects	III-41
Other Financing Use Objects	III-54
Expenditure Units	III-55
AUTHORIZED TRANSFERS	III-56
EXAMPLE JOURNAL ENTRIES	III-59

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, other financing sources, expenditures and other financing uses.

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.

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.

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; Pupil Transportation; Programs Requiring Separate Budgets; Other Instructional; Adult/Continuing Education; Community College Education; and Community Services.

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.

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.

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.

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:

Fund	Program	Function	Object	Unit	
XXX	000	0000	0XXX	000	

REVENUES AND OTHER FINANCING SOURCES:

Fund	Program	Function	Object	Unit	
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:

Fund	Program	Function	Object	Unit	
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 between programs **100** and **200**, 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.

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.

Code	Description
001	**Maintenance and Operation**—Accounts for all of a district's financial resources except those required to be accounted for in another fund. For example, this fund cannot be used for transactions related to capital items as funds in the **600** range are generally used to account for capital transactions.
010	**Classroom Site (Total)** ***(Use detailed codes below)*** 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. 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, assessment intervention programs, dropout prevention, teacher compensation increases, teacher development, teacher liability insurance premiums, and registered warrant expenses for the fund. Expenditures for class size reduction, assessment 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	**English Language Learner (ELL)**—Accounts for monies received to provide for the incremental cost of ELL instruction 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 an alternative English instruction 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

Updated

Code	Description
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
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**
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**

Code	Description
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)**
456	**College Credit Exam Incentives (A.R.S. §15-249.06)**
457	**Results-based Funding (A.R.S. §15-249.08)**
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**—Accounts for monies received from the sale, lease, or condemnation of school property and used as 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). **Districts may establish subfunds 501-504, that roll up to 500 for reporting purposes, to account for monies received that are restricted for different purposes by A.R.S. §15-1102.**
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).
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 (**001**). A.R.S. §15-1143

Code	Description
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. Any balance remaining in this fund after expenditures for the intended purpose have been made, must be used to reduce taxes if not inconsistent with the terms of the gifts, grants, and devises given. 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 (**500**). 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 (**001**) 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. Insurance proceeds are not considered revenues under GAAP, but should be recorded as other financing sources in object code **5300** or as special or extraordinary items in object codes **5700** or **5800**, as applicable. Districts may use such proceeds to pay outstanding bonded indebtedness or to construct, acquire, improve, repair, or furnish school property after notice, or if applied to a project costing more than $250,000 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 (**610**). Monies received from the sale of books and other printed materials should be accounted for in the Auxiliary Operations Fund (**525**).

	Code	Description
	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. Reimburse the School Facilities Board's Building Renewal Grant or Emergency Deficiencies Corrections funds. 2. Pay any outstanding bonded indebtedness of a district that is payable from the levy of taxes on property within a district. 3. Construct, acquire, improve, repair, or furnish school buildings after notice, or if applied to a project costing more than $250,000 after notice and a hearing. 4. Replace or repair school property other than school buildings.
Updated	**570**	**Indirect Costs**—Accounts for monies transferred in to this fund (object code **5200**) from federal project funds or the Food Service Fund (**510**). These transfers are for indirect costs related to federal grants based on an Arizona Department of Education approved indirect cost rate and interest earned on federal grant monies that is not required to be reverted. Federal guidance restricts the use of interest retained by districts to administrative expenditures. Districts that choose to transfer allowable federal program interest to this fund should separately track the use of those monies to document compliance with the federal guidance.
	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. Monies in this fund may be used to reduce local taxes if accumulation in the fund warrants such use. 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)
Updated	**596**	**Career Technical Education**—Accounts for monies received by member districts from Career Technical Education Districts for vocational education programs. A.R.S. §15-393

Code	Description
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). Bond proceeds are recorded as other financing sources in object code 5110 or 5120, as applicable. 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, any balance remaining in this fund, after acquisition and construction is completed, on written request of the governing board, should be used to reduce taxes. 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. Bond proceeds are recorded as other financing sources in object code 5110 or 5120. 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 (**378**). A.R.S. §§15-905(R), 15-2104, 15-2107, and 15-2108
650	**Gifts and Donations—Capital—**Accounts for gifts and donations to be used for capital acquisitions. A.R.S. Any balance remaining in this fund after expenditures for the intended purpose have been made, must be used to reduce taxes if not inconsistent with the terms of the gifts, grants, and devises given. §15-341(A)(14)

Code	Description
660	**Condemnation**—Used for the following purposes. After 10 years, any unused monies must be transferred to the School Plant Fund (**500**). A.R.S. §15-1102(E) and (F) 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: 2. 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 3. To construct, acquire, improve, repair, or furnish school facilities or sites after notice and a hearing. 4. 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 facilities or sites after notice and a hearing.
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 payment amounts transferred to the EWS Fund from the Maintenance and Operation Fund (**001**). 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 *used for student instruction or other academic purposes*, 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 preventive maintenance; or any project in a building, or part of a building, that is being leased to another entity. 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 If there is no outstanding bonded indebtedness, any balance remaining in or accruing to this fund, on written request of the governing board, must be used to reduce taxes. A.R.S. §15-1028
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 (**378**). 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.

Updated

Italic font is eff. 8/3/18

Code	Description
FIDUCIARY FUNDS	
Updated **800-849**	**Trust and Custodial Funds***
	Pension (and Other Employee Benefit) Trust Funds—Accounts for resources that are held in a 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 trusts 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 that are held in a trust.
	Private-Purpose Trust Funds—Accounts for other trust arrangements under which the principal and income benefit individuals, private organizations, or other governments.
	Custodial Funds—Accounts for fiduciary activities not held in a trust.

Updated **OTHER FUNDS***	
850-899	
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

* Governmental Accounting Standards Board Statement No. 84 revised the definition of fiduciary funds beginning for the FY 2020 financial statements. As a result, Funds 850-899 are no longer fiduciary funds and should be reported in the District's financial statements with the governmental funds. The Other Funds section above was added to separate these non-fiduciary funds. Districts may continue using funds 850-899 for activity related to the statutorily established bank accounts but should work with their auditors to ensure correct financial statement presentation.

Code	Description
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

Object code	Description
0100	CASH ***(Use detailed codes below)***
0101	**Cash on Hand**—Currency, coins, checks, warrants, postal and express money orders, and bank drafts on hand 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 in a financial institution, including time certificates of deposit. Revolving fund monies should be recorded here.
0103	**Cash on Deposit with County Treasurer**—All funds on deposit with the county treasurer who, by statute, is the designated custodian of district cash and bank deposits.
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 ***(Use detailed codes below)***
0121	**Personal Property Taxes Receivable—Current Year**—The uncollected portion of the tax levy for personal property that has become due, including interest or penalties that may be accrued.
0122	**Personal Property Taxes Receivable—Back (prior years)**—The uncollected portion of the tax levy for personal property that was due, including interest or penalties that may be accrued.
0123	**Real Property Taxes Receivable—Current Year**—The uncollected portion of the tax levy for real property that has become due, including interest or penalties that may be accrued.
0124	**Real Property Taxes Receivable—Back (prior years)**—The uncollected portion of the tax levy for real property that was due, including interest or penalties that may be accrued.
0130	OTHER RECEIVABLES ***(Use detailed codes below)***
0131	**Revenue in Lieu of Taxes Receivable**—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.
0135	**Refundable Deposits Receivable**—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.

Object code	Description
0140	DUE FROM OTHER FUNDS AND GOVERNMENTAL ENTITIES ***(Use detailed codes below)*** **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	**Due from Other Funds**
0142	**Due from Other Districts**
0143	**Due from County**
0144	**Due from State**
0145	**Due from 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 ***(Use detailed codes below)***
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.**

Object code	Description
0190	CAPITAL ASSETS ***(Use detailed codes below)*** **For discussion of capital assets, see Property Control—§VI-E. These codes should be used in fiduciary and proprietary funds only.**
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

Object code	Description
0200	NONPAYROLL PAYABLES ***(Use detailed codes below)***
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.

Object code	Description
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 ***(Use detailed codes below)***
0211	**Due to Other Funds**
0212	**Due to Other Districts**
0213	**Due to County**
0214	**Due to State**
0215	**Due to Federal**
0216	**Due to Student Groups**
0217	**Due to Others**
0220	ACCRUED PAYROLL AND RELATED BENEFITS ***(Use detailed codes below)*** **Salary and fringe benefit costs incurred but not yet paid during the current accounting period.**
0221	**Salaries and Wages—**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.
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 ***(Use detailed codes below)***
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.

Object code	Description
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) ***(Use detailed codes below)*** **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 from employees' salaries for long-term disability benefits for employees who participate in the Arizona State Retirement System.
0247	**Voluntary Deductions**—Amounts deducted from employees' salaries for voluntary deductions, such as annuities and dependent health insurance premiums.
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 ***(Use detailed codes below)***
0261	**Capital Leases**—Amounts due on capital lease agreements.
0262	**Construction**—Amounts due on construction contracts.
0270	BONDS PAYABLE ***(Use detailed codes below)***
0271	**Current**—Liabilities for redemption of bonds that are payable within 1 year.
0272	**Long-Term**—Liabilities 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 ***(Use detailed codes below)***
0291	**UNAVAILABLE REVENUES**—Revenues that are measurable but not available, such as property taxes. **This code should be used in governmental funds only.**

Object code	Description
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.**

FUND BALANCE/FUND NET POSITION

Object code	Description
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**).
0313	*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**).
0314	*Other Nonspendable Fund Balance*
0320	*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: 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.
0330	*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.

Object code	Description
0340	*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, includes all spendable amounts that are not restricted or committed, if that amount is positive. See discussion of the General Fund on page **V-B-1**.
0350	*UNASSIGNED FUND BALANCE*—For the general fund, 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. See discussion of the General Fund on page **V-B-1**.
0400	**PROPRIETARY FUND NET POSITION**
0410	*NET INVESTMENT IN CAPITAL ASSETS*—Capital assets less accumulated depreciation and debt directly related to capital assets.
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.

Object code	Description
1000	REVENUE FROM LOCAL SOURCES ***(Use detailed codes below)***
1100	Taxes Levied/Assessed on Behalf of a District ***(Use detailed codes below)***
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 not properly coded in object 1280.
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 ***(Use detailed codes below)*** **The portion of tuition representing transportation fees should be coded in the 1400 revenue object code range**.
1310	Tuition from Individuals ***(Use detailed codes below)***
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)
1360	**Tuition from Other Government Sources Outside Arizona**
1400	Transportation Fees ***(Use detailed codes below)***
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)**

Object code	Description
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.
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 ***(Use detailed codes below)***
1750	**Revenue from Enterprise Activities**—Revenue from school-sponsored activities including athletics, bookstore sales, and concerts, and vending machines and concessions not related to the regular food service program. Also include athletic and miscellaneous fees not properly coded to object 1790.
1790	**Extracurricular Activities Fees Tax Credit**—Revenue (donations and fees) collected in support of extracurricular activities or character education to be taken as a tax credit by the taxpayer in accordance with A.R.S. §43-1089.01.

Object code	Description
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 ***(Use detailed codes below)***
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 (GPLET)—**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 Career 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. Do not code other financing sources, such as transfers, here. See page III-27 for those codes. 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.

Object code	Description
2000	REVENUE FROM COUNTY SOURCES ***(Use detailed codes below)***
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 ***(Use detailed codes below)***
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, 15-825.01, and 15-825.02
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.

Object code	Description
4000	REVENUE FROM FEDERAL SOURCES ***(Use detailed codes below)***
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.

For codes related to bond proceeds, transfers-in, other capital or debt proceeds, and special or extraordinary items, see page III-27.

Object Code	Description
5000	OTHER FINANCING SOURCES AND OTHER ITEMS ***(Use detailed codes below)***
5100	Issuance of Bonds ***(Use detailed codes below)***
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. See list of **authorized transfers**.
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. The disposal of an asset that is either unusual in nature or infrequent in occurrence should be coded to 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 of mineral rights, or significant forgiveness of debt by a financial institution.
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.

Code	Description	
100	**REGULAR EDUCATION**—Activities that provide students in kindergarten 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 for gifted, remedial, English immersion, vocational and technical, and career education programs. CTED program expenditures should be coded in the appropriate code in the program 300 range. Prekindergarten programs not serving those with disability classifications should be coded to program code 900. ***(See additional bold codes below)***	
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 (Do not include CTED costs here.)**	
280	*Career Education*	
300	**CAREER TECHNICAL EDUCATION (CTED)** ***(See additional bold codes below)***	
301	**Accounting**	CIP # **52.0300.00**
302	**Agribusiness Systems**	CIP # **01.0100.90**
303	**Air Transportation**	CIP # **49.0100.00**
304	**Aircraft Mechanics**	CIP # **47.0600.50**
305	**Animal Systems**	CIP # **01.0100.40**
306	**Animation**	CIP # **10.0200.60**
307	**Architectural Drafting**	CIP # **15.1300.20**
309	**Automation and Robotics**	CIP # **48.0500.20**

Updated

Program 300 should be used to code expenditures made for multiple CTED programs that are not directly assignable to Programs 301-399.

Use detailed Programs 300-399 in all funds, not just Fund 596.

Use detailed Programs 300-399 in all funds, not just Fund 596.

Code	Description	
310	**Automotive Collision Repair**	CIP # **47.0600.30**
311	**Automotive Technologies**	CIP # **47.0600.20**
312	**Bioscience**	CIP # **41.0100.00**
313	**Business Management**	CIP # **52.0200.00**
314	**Business Operations**	CIP # **52.0400.00**
315	**Cabinetmaking**	CIP # **46.0400.40**
316	**Carpentry**	CIP # **46.0400.30**
317	**Computer Maintenance**	CIP # **15.1200.20**
318	**Construction Technologies**	CIP # **46.0400.20**
319	**Cosmetology and Related Services**	CIP # **12.0400.00**
320	**Culinary Arts**	CIP # **12.0500.00**
321	**Dental Assisting**	CIP # **51.0600.00**
322	**Diesel Engine Repair**	CIP # **47.0600.40**
323	**Digital Photography**	CIP # **10.0200.50**
324	**Digital Printing**	CIP # **10.0200.20**
325	**Early Childhood Education**	CIP # **13.1210.00**
326	**Education Professions**	CIP # **13.1200.00**
327	**Electronic Technologies**	CIP # **15.0300.00**
328	**Electronics Drafting**	CIP # **15.1300.30**
329	**Emergency Medical Services**	CIP # **51.0900.30**
330	**Engineering**	CIP # **15.0000.00**
332	**Unassigned - do not use**	
333	**Fashion Design and Merchandising**	CIP # **52.1900.20**
334	**Film and TV Production**	CIP # **10.0200.90**
335	**Finance**	CIP # **52.0800.00**
336	**Fire Service**	CIP # **43.0200.00**
337	**Graphic Design**	CIP # **10.0200.30**
338	**Medical Records Technologies**	CIP # **51.0707.00**
339	**Heating, Ventilation and Air Conditioning**	CIP # **47.0200.00**
340	**Heavy Equipment Operations**	CIP # **49.0200.00**
341	**Unassigned - do not use**	
342	**Hospitality Management**	CIP # **52.0900.00**
343	**Industrial Electrician**	CIP # **46.0300.30**
344	**Interior Design and Merchandising**	CIP # **52.1900.30**
345	**Digital Communication**	CIP # **10.0200.40**
346	**Laboratory Assisting**	CIP # **51.0800.30**
347	**Law and Public Safety**	CIP # **43.0100.00**
348	**Mechanical Drafting**	CIP # **15.1300.40**
349	**Medical Assisting Services**	CIP # **51.0800.60**
350	**Unassigned - do not use**	

Code	Description	
351	**Mental and Social Health Technician**	CIP # **51.1500.00**
352	**Music and Audio Production**	CIP # **10.0200.00**
353	**Network Security**	CIP # **15.1200.30**
354	**Nursing Services**	CIP # **51.3900.00**
355	**Pharmacy Support Services**	CIP # **51.0800.20**
356	**Plant Systems**	CIP # **01.0100.30**
357	**Precision Machining**	CIP # **48.0500.30**
358	**Marketing**	CIP # **52.1800.20**
359	**Electrical and Power Transmission Installation**	CIP # **46.0300.20**
360	**Unassigned - do not use**	
361	**Software and App Design**	CIP # **15.1200.40**
362	**Sports Medicine and Rehabilitation**	CIP # **51.0800.50**
363	**Unassigned - do not use**	
364	**Stagecraft**	CIP # **50.0500.20**
365	**Therapeutic Massage**	CIP # **51.3500.00**
366	**Veterinary Assisting**	CIP # **51.0808.00**
367	**Web Page Development**	CIP # **15.1200.50**
368	**Welding Technologies**	CIP # **48.0508.00**
369	**Unassigned - do not use**	
370	**Entertainment Marketing**	CIP # **52.1800.40**
371	**Entrepreneurship**	CIP # **52.1800.50**
372	**Unassigned - do not use**	
373	**Home Health Aide**	CIP # **51.2602.00**
374	**Power, Structural and Technical Systems**	CIP # **01.0100.60**
375	**Unassigned - do not use**	
376	**AgriScience**	CIP # **01.0000.00**
380-399	**Local Occupational Need Programs**—Activities related to ADE approved CTED programs not included in the statewide approved programs (program codes 301-379). Each CTED should assign a specific program code in this range for each approved local CTED program to identify costs by CIP #. The same program number should be used by the CTED and its members.	
400	**PUPIL TRANSPORTATION**—Expenditures for transporting students to and from school and school activities (e.g., field trips, competitions, conferences, athletics, etc.). ***(See additional bold codes below)***	
410	*Pupil Transportation Regular Education*	
420	*Pupil Transportation Special Education*	
430	**English Language Learners Incremental Costs**	
435	**English Language Learners Compensatory**	
450	**CTED Central**	
460	**CTED Satellite**	
470	**Vocational and Technical Education (Do not include CTED costs here.)**	

500	PROGRAMS REQUIRING SEPARATE BUDGETS ***(Use detailed codes below)***
510	Desegregation ***(Use detailed codes below)*** **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	**Desegregation Regular Education**
512	**Desegregation Special Education**
513	**Desegregation Pupil Transportation**
514	**Desegregation English Language Learners Incremental Costs**
515	**Desegregation English Language Learners Compensatory Instruction**
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 instructional purposes intended to improve reading proficiency for pupils in kindergarten and grades one, two, and three with particular emphasis on pupils in kindergarten and grades one and two. A.R.S. §15-211
600	OTHER INSTRUCTIONAL PROGRAMS ***(Use detailed codes below)***
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.
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, prekindergarten programs that are not appropriately coded to program code 200, and community welfare activities provided by a district for the community as a whole or some segment of the community.

Function code	Description	Program guidance
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. Include salaries and benefits of certified teachers and technology used by students in the classroom or that has a student instruction focus. As an alternative to using a separate optional element in the account string for course codes, districts may establish course codes under this function. ***(See additional bold code below)***	
Updated **1900**	**Other Instructional Staff—**Include salaries and benefits of noncertified, instructional personnel (e.g., aides, noncertified athletic coaches, tutors, etc.).	
2000	SUPPORT SERVICES ***(Use detailed codes below)***	
2100	**Support Services—Students—**Activities designed to assess and improve the students' well-being and to supplement the teaching process. ***(See additional bold code 2170 below)***	
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.	
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 **200**

Function code	Description	Program guidance
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 **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-5**. **Used in the indirect cost calculation.**	
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. ***(See additional bold code 2240 below)***	
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**.	

Function code	Description	Program guidance
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**.)	
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-5**. **Used in the indirect cost calculation.**	
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. ***(See additional bold codes below)***	
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 should be coded to function **2340**.	
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. **Used in the indirect cost calculation.**	

Function code	Description	Program guidance
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.	
2340	**Election Services—**Activities related to district elections including elections of governing board members and bond and override elections. **Used in the indirect cost calculation.**	
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. **Used in the indirect cost calculation.**	
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 page **III-5**. **Used in the indirect cost calculation.**	
2400	**Support Services—School Administration—**Activities concerned with overall administrative responsibility for a school. ***(See additional bold code below)***	
2410	**Office of the Principal**—Activities concerned with directing and managing the operation of a 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. This function should be used to report all heads of components within Support Services—School Administration for the indirect cost calculation. See description of heads of components on page **III-5**.	
2490	*Other Support Services—School Administration*—Other school administration services. This function includes graduation expenses and department chairs.	
2500	**Central Services**—Activities that support other administrative and instructional functions, including fiscal services, human resources, planning, and administrative information technology. ***(See additional bold codes below)***	
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.	
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-5**. **Used in the indirect cost calculation.**	

Function code	Description	Program guidance
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.	
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. **Used in the indirect cost calculation.**	
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, email, the Internet, websites, 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**. **Used in the indirect cost calculation.**	
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.	

Function code	Description	Program guidance
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. ***(See additional bold code 2680 below)***	
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.	
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.	

Function code	Description	Program guidance
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-5**. **Used in the indirect cost calculation.**	
2690	*Other Operation and Maintenance of Plant*—Operation and maintenance of plant services that are not coded elsewhere in the function 2600 range.	
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. ***(See additional bold code below)***	Only **400** **513**
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.	Only **400** **513**
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.	Only **400** **513**
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	Only **400** **513**
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-5**. **Used in the indirect cost calculation.**	Only **400** **513**
2790	*Other Student Transportation*—Student transportation services that are not coded elsewhere in the function 2700 range.	Only **400** **513**
2900	**Other Support Services**—All other support services not coded elsewhere in the function 2000 range and not properly coded to function 2910.	
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-5**. **Used in the indirect cost calculation.**	

Updated

Function code	Description	Program guidance
3000	OPERATION OF NONINSTRUCTIONAL SERVICES ***(Use detailed codes below)***	
3100	**Food Service Operations**—Activities concerned with providing food to students and staff in a school or district not properly coded to function 3110. This function includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.	
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-5**. **Used in the indirect cost calculation.**	
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 not properly coded to function 3210. Food service operations should be coded to function 3100.	
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-5**. **Used in the indirect cost calculation.**	
Updated **3300**	**Community Services Operations—**Activities concerned with providing community services to students, staff, or other community participants not properly coded to function 3310. 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. Activities related to counseling students and parents as described in function **2120** should be coded there.	Only **900**
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-5**. **Used in the indirect cost calculation.**	Only **900**
3400	**Bookstore Operations—**Activities concerned with bookstore operations not properly coded to function 3410.	
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-5**. **Used in the indirect cost calculation.**	
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. ***(See additional bold code below)***	
4100	*Land Acquisition*—Activities concerned with initially acquiring and improving land.	

Function code	Description	Program guidance
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.	
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, reconstruction, remodeling, and with initially installing or extending service systems and other built-in equipment.	
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-5**. **Used in the indirect cost calculation.**	
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 obligations that are repayable within 1 year, such as tax anticipation notes and lines of credit, 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.	

Object code	Description	Function guidance
6100	PERSONAL SERVICES—SALARIES ***(Use detailed codes below)***	
6110	**Certified Salaries—**Amounts earned by permanent or temporary 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 permanent or temporary 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.	Eff. 7/1/19 Salaries and benefits for Other Instructional Staff (e.g., classroom aides) should be coded to function code 1900
6200	PERSONAL SERVICES—EMPLOYEE BENEFITS ***(Use detailed codes below)***	
6210	**Employee Insurance—**Amounts paid for the employer's share of any insurance plans, such as life, health, dental, and accident insurance.	
6220	**Social Security Taxes—**Amounts paid for the employer's share of 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—**Amounts paid for the employer's share of 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	
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**.	

Object code	Description	Function guidance
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.	
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 use in the indirect cost calculation.**	
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. ***(See additional bold code below)***	
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 **2300** **2400** **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 **1000** **2100** **2200**

Object code	Description	Function guidance
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.	
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.	
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 **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.	Only **2213** **2230** **2570**
6400	PURCHASED PROPERTY SERVICES ***(Use detailed codes below)*** **Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.**	
6410	**Utility Services**—Expenditures for utility services supplied by public or private organizations other than water/sewage (6411), telecommunication (**6531**) and energy services (**6620** range).	
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 snow removal, custodial, and lawn care services not provided by district employees. Disposal services should be coded to object code 6421.	Only **2600**
6421	**Disposal Services**—Expenditures for garbage pickup and handling not provided by district employees.	Only **2600**
6430	**Repairs and Maintenance Services**—Expenditures for repairs and maintenance services not provided directly by district employees. These services cannot be paid for from the **UCO** Fund.	
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**.	Only **2600** **2700** Updated
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.	Only **2230** **2580**

Object code	Description	Function guidance
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.	Only **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.	
6450	**Construction Services**—Includes amounts paid to contractors for constructing, renovating, and remodeling buildings. This code should also be used to account for amounts paid to contractors for making permanent improvements to land, such as grading, fill, and environmental remediation, and nonpermanent site improvements such as fencing, walkways, and roads. Additional examples of construction projects: ▪ Construction of buildings ▪ Asbestos removal ▪ Recarpeting ▪ Removal of a capital asset ▪ Repaving a parking lot ▪ Reroofing an entire building Construction services must be paid for from the **UCO** Fund or another allowable fund, but not from the **M&O** Fund.	Only **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 **6531** or **6532**.	Usually **2600**
6500	OTHER PURCHASED SERVICES ***(Use detailed codes below)*** **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 ***(Use detailed codes below)***	
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.	Only **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.	Only **2700**

Object code	Description	Function guidance
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**.	Only **2700**
6520	Insurance (Other than Employee Benefits) ***(Use detailed codes below)***	
6521	**Current Year Insurance**—Expenditures for insurance coverage, including property, liability, and fidelity, for the current fiscal year. Insurance for group health should be coded to expenditure object code **6210**.	Only **2310** **2610** **2700** Updated
6522	**Prepaid Insurance**—Expenditures in the current year for insurance coverage, including property, liability, and fidelity, to be provided in subsequent fiscal years. Insurance for group health should be coded to expenditure object code **6210**. For financial statement reporting purposes, prepaid insurance should be coded to balance sheet object code **0151**.	Only **2310** **2610** **2700** Updated
6530	Communications ***(Use detailed codes below)***	
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 **2610** If supporting instruction: **1000** **2230**
Bolded **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.	Only **2500** If related to elections: **2340** Updated
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 **2300** **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 **2540**
6560	Tuition ***(Use detailed codes below)***	
6561	**Tuition to Other Arizona Districts**—Tuition paid to other districts within the State that educate students residing within a district's boundaries. A.R.S. §§15-824 and 15-825	Only **1000**

Object code	Description	Function guidance
6562	**Tuition to Out-of-State Districts—**Tuition paid to districts outside the state that educate students residing within a district's boundaries. A.R.S. §15-825	Only **1000**
6563	**Tuition to Private Schools—**Tuition paid to private schools that educate students with disabilities residing within a district's boundaries. A.R.S. §15-765	Only **1000**
6564	**Tuition to Educational Service Agencies/Cooperatives/IGAs—**Tuition paid to a county or county educational service agency, 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 codes (e.g., shared services of an accountant should be coded to expenditure object code **6330**). A.R.S. §15-764	Only **1000**
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(M)	Only **1000**
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. A.R.S. §15-765	Only **1000**
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.	Only **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 in the applicable expenditure object code in the **6100**s. 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**.	
6590	**Miscellaneous Purchased Services—**Purchased services other than those coded elsewhere in the expenditure object code 6500 range. Any payments made to other districts except for tuition and transportation should be coded to 6591 or 6592. ***(See additional detailed codes below)***	

Object code	Description	Function guidance
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* payments between districts can be eliminated when consolidating reports from multiple districts at state and federal levels.	
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* payments between districts can be eliminated when consolidating reports at the federal level.	
6600	SUPPLIES ***(Use detailed codes below)*** **Items that are consumed, 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 appropriately classified in another 6600 code listed below) for the operation of a district, including: ▪ **Construction materials**—Supplies such as concrete, lumber, nails, electrical switches/outlets, wire, insulation, and roofing materials used by a district employee during original construction or renovation of a building or land improvement. Construction materials cannot be paid for from the **M&O** Fund. Amounts paid to contractors for construction or renovation projects are recorded in object code **6450**. ▪ **Other general supplies**—Supplies used in the operation of a district, such as consumable teaching or office supplies and supplies used in repair and maintenance projects. These supplies cannot be paid for from the **UCO** Fund. If an item qualifies as an instructional aid it should be recorded in object code **6643**.	
6611	*District Supplies*	
6612	*Supplies for Sale or Rental*	
6620	Energy ***(Use detailed codes below)***	
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 **2610** **3100** Used in vehicles: **2650** **2710**

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

Bolded

Object code	Description	Function guidance
6640	Books, Periodicals, and Instructional Aids ***(Use detailed codes below)***	
6641	**Library Books**—Expenditures for purchases of library books and related items available for general use by students, including resource materials maintained in a library or classroom, such as videos, software, newspapers, magazines, books, and other media used in the library/media center. Also recorded here are binding or other repair costs for library books. Library books must be paid for from the **UCO** Fund or another allowable fund, but not from the **M&O** Fund. A.R.S. §15-903.C	Usually **2200**
6642	**Textbooks**—Expenditures for printed or nonprinted instructional materials or educational systems for each course of study adopted by the governing board in accordance with A.R.S. §§15-721 and 15-722. Such materials may include books, workbooks, computer software, videos, and other media for instructional purposes. Also recorded here are the cost of textbooks that are purchased to be resold or rented and binding or other repair costs for textbooks. Textbooks must be paid for from the **UCO** Fund or another allowable fund, but not from the **M&O** Fund. A.R.S. §15-903.C	Usually **1000**
6643	**Instructional Aids**— Expenditures for materials used by students that supplement a district's adopted, educational program. Paper used in the mass production of educational materials, such as workbooks, is included here. However, paper used in the day-to-day production of handouts or lesson materials and general supplies of a consumable nature (e.g., lasting less than 1 year), such as pens, pencils, crayons, and clay, should be reported as general supplies in object code **6610**. Additionally, expenditures for items appropriately coded as equipment in the **6730** object code range should not be reported here. Instructional aids must be paid for from the **UCO** Fund or another allowable fund, but not from the **M&O** Fund. A.R.S. §15-903.C The following examples are provided to ensure consistent treatment by all districts, but other items may also be considered instructional aids based on the description above. If an item listed below is adopted by the Governing Board as part of the basic instructional program, it should be coded to object code 6642. ▪ Auto parts for shop class ▪ Bats and rackets ▪ Calculators for students ▪ Drama scripts/plays ▪ Electronic book readers ▪ Electronic media (books, videos, etc.) ▪ Globes and maps ▪ Instructional games and apps ▪ Math manipulatives ▪ Musical instruments (likely to be replaced rather than repaired) ▪ Sheet music ▪ Software (Instructional) ▪ Books ▪ Workbooks	Usually **1000**
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.	Usually **2590**
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, flash or jump drives, parallel cables, and monitor stands.	Usually **1000** **2230** **2580**

Object code	Description	Function guidance
6700	PROPERTY ***(Use detailed codes below)***	
6710	**Land and Existing Land Improvements**—Expenditures for the purchase of land and the existing land improvements thereon. Include the present value amount of land capital leases in the year of acquisition. Periodic lease 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 to a code under 6730, as appropriate. Land and existing land improvements costs cannot be paid for from the **M&O** Fund.	Only **4100** **4200** **4600**
6720	**Buildings—**Expenditures for acquiring existing buildings. Also, include the present value amount of building capital leases in the year of acquisition. Periodic lease 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 as salaries, benefits, and materials in the applicable object codes in the **6100**s, **6200**s, **6610**, and 6730s. Building rent should be coded to expenditure object code **6440**. Building costs cannot be paid for from the **M&O** Fund.	Only **4500** **4700** Updated
6730	Equipment ***(Use detailed codes below)***	
6731-6739	Expenditures for initial, additional, and replacement equipment in the categories below. Also, include the present value amount of capital leases of equipment in the year of acquisition. Periodic lease payments should be coded to expenditure object codes **6832** and **6842**. **Equipment should be classified in the applicable detailed object codes below and cannot be paid for from the M&O Fund.**	

Cost Less than $5,000*	Cost $5,000 or More*	Equipment Categories
6731 and/or 6732	**6733**	**Furniture and Equipment** (see examples on page III-51)
6734 and/or 6735	**6736**	**Vehicles** (Buses, cars, trucks, vans, etc.)
6737 and/or 6738	**6739**	**Technology-Related Hardware and Software** (see examples on page III-51)

* *Arizona school districts do not use a dollar threshold for determining whether an item is equipment or a supply. The detailed equipment classifications above allow correct coding of equipment in accordance with Arizona requirements and separate identification of lower cost items for federal grant reporting, including indirect cost reporting.*

An item should be coded as equipment if it is included in the examples below **or** if it meets **all** three equipment criteria below the tables. Items listed as equipment examples below should **not** be evaluated using the equipment criteria. The examples are provided to ensure consistent treatment by all districts. Also, the examples include certain items that are exceptions to the equipment criteria, such as component parts.

Furniture and Equipment Examples (Object Codes 6731-33)		
Athletic Equipment ▪ Blocking sleds ▪ Chalk line dispensers ▪ Fitness machines ▪ Goal posts (Movable) ▪ Helmets/Pads ▪ Hurdles ▪ Mats ▪ Nets (Tennis/Volleyball) ▪ Tackling dummies ▪ Weights	**Furniture/Furnishings** ▪ Bookcases ▪ Chairs ▪ Desks ▪ Filing cabinets ▪ Large area rugs ▪ Tables	**Other Equipment*** ▪ Appliances (Kitchen) ▪ Auto diagnostic machines ▪ Bar code scanners ▪ Battery chargers ▪ Cameras (photo and video) ▪ Cash registers ▪ Copiers (off network) ▪ DVD/Blu-Ray players ▪ Floor jacks ▪ Key cutters ▪ Kilns ▪ Laminators ▪ Leaf blowers ▪ Microwaves ▪ Musical instruments ▪ Paint sprayers ▪ Power tools ▪ Satellite dishes ▪ Sewing machines ▪ SPED assistance equipment ▪ Telephones ▪ TVs ▪ Two-way radios ▪ Vacuums ▪ Washers/Dryers ▪ Welders
Fixtures ▪ Bleachers (Indoor) ▪ Ceiling fans ▪ Chalk/white boards ▪ Drinking fountains ▪ Hot water heaters ▪ HVAC units ▪ Light fixtures ▪ Sinks ▪ Toilets ▪ Wall mirrors	**Component Parts** ▪ A/C compressors ▪ Automotive engines ▪ Automotive transmissions	

* Items may be coded to Technology-Related Hardware and Software if connected to the computer network.

Technology-Related Hardware and Software Examples (Object Codes 6737-39)		
▪ Computers (tablets, laptops, etc.) ▪ Computer monitors ▪ Copiers (on network)	▪ Network equipment ▪ Projectors ▪ Printers	▪ Scanners ▪ Smart Boards ▪ Software (Non-instructional)

If an item is **not** included in the examples above, it should be coded as equipment if it meets **all** of the following:

EQUIPMENT CRITERIA

1. Typically has a useful life of at least one year.
2. Typically repaired rather than replaced when worn or damaged.
3. An independent unit that retains its original shape, appearance, and character with use and does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.

Object code	Description	Function guidance
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.**	
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. 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. **This code should be used in proprietary funds only.**	
6800	DEBT SERVICE AND MISCELLANEOUS ***(Use detailed codes below)***	
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.	
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.	Only **2310**
6830	Redemption of Principal ***(Use detailed codes below)***	
6831	**Bonds**—Principal payments on bonds in the current year.	Only **5000**
6832	**Other**—Principal payments on long-term obligations, other than bonds, such as capital leases. Operating leases should be coded to expenditure object code **6440**.	Only **5000**
6840	Interest on Long-Term Debt ***(Use detailed codes below)***	
6841	**Bonds—**Interest payments on bonds.	Only **5000**
6842	**Other**—Interest payments on long-term obligations, other than bonds, such as capital leases. Operating leases should be coded to expenditure object code **6440**.	Only **5000**
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.	Only **2510**
Updated **6860**	**Bond Issuance and Other Debt-Related Costs—**Expenses in connection with bond and other debt issuance costs, including lease-purchase debt issuance costs. Also include issuance costs related to issuing refunding bonds when the bond issuance costs are paid from cash on hand. If issuance costs related to refunding bonds are paid from refunding bond proceeds, use Other Financing Use object code **6940**.	Only **5000**

Object code	Description	Function guidance
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 Career Technical Education District payments made to member districts and any other similar payments that are not considered sub-awards as described in 6880 below. **Used in the indirect cost calculation.**	
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. **Districts must maintain adequate records to be able to report the portion of each individual sub-award exceeding $25,000 for the indirect cost calculation.**	
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. The refund of prior year's revenues should also be reported here.	

For codes related to transfers-out, payments to escrow agent for defeasance of debt, and special and extraordinary items, see page III-54.

Object code	Description	Function guidance
6900	OTHER FINANCING USES AND OTHER ITEMS ***(Use detailed codes below)***	
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 Project Fund or the Food Service 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.	Only **6000**
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. See list of **authorized transfers**.	Only **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.	Only **6000** Updated
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.	Only **6000** Updated
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.	Only **6000** Updated

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.

Code	Description
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.
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 or allowed by a federal grant. The following list of authorized transfers does not include any transfers that may be appropriate to allow school districts to reduce taxes as described in statute. See fund descriptions for when various funds can be used to reduce taxes according to statute. Fund transfers-in should be coded under other financing sources object code **5200**. Fund transfers-out should be coded under other financing uses object code **6930**, or other financing uses object code **6910** when transferring to the Indirect Cost Fund. For each operating fund transfer-in, there should be a corresponding fund transfer-out.

Adjustments due to errors or reclassifications of revenues or expenditures from one fund to another should not be recorded as fund transfers but should be made by a journal entry involving the correct detailed account codes to correct the error or reclassify the transaction.

From	To	Description	A.R.S. § reference
Bond Building (630)	**Debt Service (700)**	Balance upon completion of the construction or acquisition for which the bonds were issued if a district has outstanding indebtedness.	15-1024(B)
Career and Technical Education and Vocational Education Projects (535)	**School Plant (500)**	Monies in excess of $100,000 at fiscal year-end.	15-1231(C)
Civic Center (515)	**School Plant (500)**	Balance upon termination of the civic center school program.	15-1105(F)
Community School (520)	**M&O (001)**	Balance upon termination of a community school program.	15-1143
Condemnation (660)	**School Plant (500)**	Unused monies remaining after 10 years.	15-1102(E)
Employee Insurance Program Withholdings (855)	**M&O (001)**	Interest at fiscal year-end.	15-1223(B)
Energy and Water Savings (665)	**M&O (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.	15-910.02(J)

From	To	Description	A.R.S. § reference
Federal Projects (100-399) or **Food Service (510)** Updated	**Indirect Costs (570)**	The amount transferred may not exceed the sum of the amount calculated with the district's indirect cost rate established by the Arizona Department of Education plus any interest on federal program monies the district is not required to revert and chooses to transfer to the Indirect Cost Fund. Federal guidance restricts the use of interest retained by districts to administrative expenditures. Districts that choose to transfer allowable federal program interest to the Indirect Costs Fund should separately track the use of those monies to document compliance with the federal guidance.	
Impact Aid (378)	**M&O (001)**	Federal impact aid monies to provide cash for the difference between the Transportation Revenue Control Limit and Transportation Support Level or to reduce or eliminate taxes.	15-905(R)
Impact Aid (378)	**Teacherage (580)**	Federal impact aid monies for the maintenance and renovation of teacher housing.	15-905(R) Laws 2004, Ch. 209
Impact Aid Revenue Bond Building (639)	**Impact Aid (378)**	Balance remaining after the acquisition or construction of facilities and payment of other related costs.	15-905(R) 15-2107(C)
Impact Aid Revenue Bond Debt Service (720)	**Impact Aid (378)**	Surplus monies remaining after all impact aid revenue bonds are paid.	15-905(R) 15-2107(B)
Insurance Refund (585)	**Self-Insurance (950-989)**	For payment of uninsured losses, claims, defense costs, and other costs related to self-insurance.	15-386(B)
M&O (001) Updated	**Energy and Water Savings (665)**	Districts must transfer 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.	15-910.02(H)

From	To	Description	A.R.S. § reference
M&O (001)	**School Opening (545)**	Districts may transfer a portion of the ending cash balance. 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.	15-943.01(C) and (D)
M&O (001)	**UCO (610)**	Districts that have been approved by the voters to fund a capital outlay override from revenues other than a tax levy may transfer the voter-approved amount of cash from the prior year's ending cash balance.	15-481(M)
Other Postemployment Benefits (9XX)	**M&O (001)**	Monies remaining at the end of 5 years of no activity in the OPEB Internal Service Fund. This transfer does not apply to the OPEB Trust Fund (**8XX**).	15-1225(B)
School Opening (545)	**M&O (001)**	Balance remaining after 5 years of no activity in the School Opening Fund.	15-943.01(C)
State Income Tax Withholdings (865)	**M&O (001)**	Interest at fiscal year-end.	15-1222(A)

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. **As applicable, the determining factor used to code an expenditure as construction services, a capital supply, or equipment item or as a noncapital item is indicated after the description of the entry.**

	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.) **Determining factor: Non-instructional software is listed as an example of technology-related hardware and software under object codes 6737-39 and the cost is $5,000 or more.**			
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.) **Determining factors: Vans are listed with vehicles in object codes 6734-36 and the cost is $5,000 or more.**			
6.	610 620 1000 6643	Instructional Aids	$1,000	
	610 000 0000 0102	Cash in Bank		$1,000
	(To record the purchase of baseball bats to be used in physical education class.) **Determining factor: Bats are listed as an example of an instructional aid under object code 6643.**			

	Account Codes	Description	DR	CR
New 7.	665 100 6000 6930	Fund Transfers-Out	$5,000	
	665 000 0000 0103	Cash on Deposit with County Treasurer		$5,000
	001 000 0000 0103	Cash on Deposit with County Treasurer	5,000	
	001 000 0000 5200	Fund Transfers-In		5,000

(To record the transfer of cash from the Energy and Water Savings Fund to the Maintenance and Operation Fund. Note that Transfers-In must equal Transfers-Out.)

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 instructional computer software.) **Determining factor: Instructional software is listed as an example of an instructional aid under object code 6643.**

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 0102	Cash in Bank		$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 to be used in the classroom.) **Determining factor: Workbooks are listed as an example of an instructional aid under object code 6643.**

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 to a vendor for replacing doors on a building.) **Determining factor: Replacing doors on a building is not listed as an example of a construction project under object code 6450 and it does not constitute remodeling or renovation of a building.**

	Account Codes	Description	DR	CR
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 payments for doors replaced by district employees. Note that appropriate benefit codes should also be used.) **Determining factor: Doors are not included in the equipment examples under the 6730 object code range. Additionally, they do not meet all three equipment criteria.**

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.) **Determining factor: Recarpeting is listed as an example of a construction project under object code 6450.**

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 an air conditioning unit.) **Determining factor: HVAC units are listed as an example of a fixture within furniture and equipment object codes 6731-33 and the cost is $5,000 or more.**

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.)

21.	610 100 4000 6450	Construction Services	$30,000	
	610 000 0000 0103	Cash on Deposit with County Treasurer		$30,000

(To record the payment to a vendor for repaving a parking lot.) **Determining factor: Repaving a parking lot is listed as an example of a construction service under object code 6450. Note that patching or resealing a parking lot is considered a repair/routine preventive maintenance* under object code 6430 and should not be paid from the Unrestricted Capital Outlay Fund.**

22.	001 100 2620 6430	Repair and Maintenance Services	$7,000	
	001 000 0000 0103	Cash on Deposit with County Treasurer		$7,000

(To record the payment to a vendor for repainting a classroom.) **Determining factor: Repainting is not listed as an example of a construction project under object code 6450 and it does not constitute remodeling or renovation of a building. Note that exterior painting projects that extend the life of a building, not done for aesthetic purposes or as routine preventive maintenance* should be coded to 6450 and should not be paid from the Maintenance and Operation Fund.**

*A.R.S. §15-2032 defines routine preventive maintenance as services that are performed on a regular schedule at intervals ranging from four times a year to once every three years, or on the schedule of services recommended by the manufacturer of the specific building system or equipment, that are intended to extend the useful life of a building system and reduce the need for major repairs.