

EVERYTHING YOU NEED TO KNOW ABOUT CODING

**Steve Hamel, OPI
MASBO New Clerk's Workshop
November 2013**



Montana
Office of Public Instruction
Denise Juneau, State Superintendent

opi.mt.gov

Coding Agenda

1. Overview
2. Expenditures
3. Revenue
4. Special situations
5. Paying Bills



Why?

1. Consistency – code consistently for budgeting purposes. This also applies to revenue codes
2. Data for legislature & federal government
3. Federal Program eligibility



Why ?

Coding affects

- Special Ed Reversion
- Maintenance of Effort (MOE)
- Legal Compliance with state and federal requirements.

Example = One-Time-Only payments.



School Accounting Manual

- **Use Online Version**

<http://www.opi.mt.gov/pdf/schoolfinance/SAM.pdf>

- **Discard old paper copies!**

- **Quick review**



www.opi.mt.gov

Current Events

- ▶ SUPERINTENDENT'S OFFICE
- ▼ HOT TOPICS
- [Revised Chapter 55 Standards of Accreditation Posted](#)
- ▶ UPCOMING EVENTS
- ▶ LIVE VIDEO
- MONTANA COMMON CORE STANDARDS
- TECH READINESS TOOL
- GRADUATION MATTERS

New Student Advisory Board Holds First Meeting



School Finance

On October 11 and 12, I met with the 2012–2013 Student Advisory Board in Billings at the Yellowstone Art Museum to hear students' advice on how best to overcome the obstacles they face in their efforts to graduate from high school with the skills they need to be prepared for college and careers. The 32 students from 27 schools were nominated by local school and community members and selected to reflect the diverse voices and experiences of Montana students.

Accounting

- Welcome ...
- About School Finance
- Accounting**
- Auditing
- Budgets
- County
- Elections
- Student Count for ANB
- Entitlement Payments
- Forms and Publications
- Impact Aid
- Indirect Costs
- Pupil Transportation

School Finance

Accounting

ACCOUNTING

- Accounting Information
- Spreadsheets
- GASB34

For Assistance with Accounting contact, 444.0783

Trustees Financial Summary

[TFS Reports](#)

School Accounting Manual

[School Accounting Manual](#)

[Individual Sections of the School Accounting Manual](#)

[Chart of Accounts](#) **NEW**

Accounting Guidance

[Accounting Guidance for the Multidistrict Cooperative Incentive Payments](#)

[Accounting Guidance for the Graduation Matters Montana Grant](#)

[Multidistrict Agreements FAQ](#)

[Guidance for 2009 ARRA](#)

[Guidance for 2007 Legislative Funding Components](#)

[Accounting for E-Rate Payments](#)

[Coding Payments Between Districts & Coops](#)

[Remittance Advice for Payments Between Districts & Coops](#)

Account Structures

- Expenditure:

XXX-XX-XXX-XXXX-XXX-XXX

(commonly XXX-XXX-XXXX-XXX)

(Fund 15 XXX-XXX-XXXX-XXX-**XXX**)

- Revenue: XXX-XX-XXXX-XXX

(commonly XXX-XXXX)

(Fund 15 XXX-XXXX-**XXX**)



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Account Structures

- **Expenditure:**

XXX-XX-XXX-XXXX-XXX-XXX

(commonly XXX-XXX-XXXX-XXX)

(Fund 15 XXX-XXX-XXXX-XXX)

- Revenue:

XXX-XX-XXXX-XXX

(commonly XXX-XXXX)

(Fund 15 XXX-XXXX-XXX)



Expenditure Accounts

XXX-XX-XXX-XXXX-XXX-XXX

XXX

District/Fund

XX

Operational Unit

XXX

Program

XXXX

Function

XXX

Object Code

XXX

Project Reporter Code



District/Fund

XXX-XX-XXX-XXXX-XXX-XXX

- First Digit:
 - **1XX** - Elementary District
 - **2XX** - High School District (Includes K-12)
 - **3XX** - Special Education Cooperative
- Last Two Digits Identify Fund



Budgeted Funds

Characteristics:

- Possibly financed in part by local property tax levy
- Expenditures limited by budget--not cash balance

• Budgeted Funds:

- General (01)
- Transportation (10)
- Bus Depreciation (11)
- Tuition (13)
- Retirement (14)
- Adult Ed (17)
- Non-Operating (19)
- Technology (28)
- Flexibility (29)
- Debt Service (50)
- Building Reserve (61)



Non-Budgeted Funds

Characteristics:

- Financed entirely by non-levy revenues
- Expenditures limited by cash balance

- Non-Budgeted Fund examples:
 - School Foods (12)
 - Misc. Programs (15)
 - Comp. Absences (21)
 - Impact Aid (26)
 - Building (50)
 - Student Activities (84)



Determining Proper Fund

- Law – look it up!
- Chart of Accounts Matrices
- Trustee Discretion
 - Consistency with fund purpose
 - Budgeting considerations
- Allocating Between Elem and High School Districts, ARM 10.10.303
 - Consistency
 - Basis for allocation



Operational Unit

XXX-XX-XXX-XXXX-XXX-XXX

- Optional
- Track Costs By:
 - Building
 - Budget Area
- No Code Restrictions



Program Code

XXX-XX-XXX-XXXX-XXX-XXX

- 1XX** Regular Programs
- 2XX** Special Programs
- 3XX** State Grants
- 4XX** Federal Grants
- 5XX** Non-Public School Programs
- 6XX** Adult Education Programs
- 7XX** Extracurricular Programs
- 8XX** Community Services Programs
- 9XX** Enterprise Programs
- 999** Undistributed



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Function Code

XXX-XX-XXX-XXXX-XXX-XXX

1XXX	Instruction
2XXX	Support Services
3XXX	Non-Educational
4XXX	Facilities Acquisitions
5XXX	Debt Service
6XXX	Other Financing Uses
9999	Undistributed



Object Code

XXX-XX-XXX-XXXX-XXX-XXX

- 1XX** Personal Services - Salaries
- 2XX** Personal Services - Employee Benefits
- 3XX** Purchased Professional and Technical Services
- 4XX** Purchased Property Services
- 5XX** Other Purchased Services
- 6XX** Supplies and Materials
- 7XX** Property and Equipment Acquisition
- 8XX** Other Expenditures
- 9XX** Other Uses of Funds



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3. **Revenue**
4. Special situations
5. Paying bills



Account Structures

- Expenditure:

XXX-XX-XXX-XXXX-XXX-XXX

(commonly XXX-XXX-XXXX-XXX)

(Fund 15 XXX-XXX-XXXX-XXX-XXX)

- Revenue:

XXX-XX-XXXX-XXX

(commonly XXX-XXXX)

(Fund 15 XXX-XXXX-XXX)



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Revenue Accounts

XXX-XXXX-XXX

XXX

District/Fund

XXXX

Revenue Source

XXX

Project Reporter Code



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Revenue Source

XXX-XXXX-XXX

- **1XXX** Local Sources
- **2XXX** County Sources
- **3XXX** State Sources
- **4XXX** Federal Sources
- **5XXX** Other Financing Sources
- **6XXX** Beginning Fund Balance Adjustments



Project Reporter Code

XXX-XX-XXX-XXXX-XXX-XXX

XXX-XXXX-XXX

- Required in Fund 15
- Optional elsewhere
- Codes
 - ✓ Assigned at district discretion
 - ✓ 910 - 999 reserved by OPI



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Pay Special Attention To:

- **Fixed Assets:** XXX-XXX-XXXX-7XX
 - “Capitalization policy”
 - Determined by board of trustees
 - \$5,000 federal threshold (recommended)
 - Useful life of more than one year
 - Examples: school buses, buildings, etc.



Pay Special Attention To:

- **Fixed Assets: XXX-XXX-XXXX-7XX**

Must track for Trustees Financial
Summary Schedule of Changes in Fixed
Assets

- Acquisition cost per category
- Additions and removals
- Depreciation
 - accumulated
 - Current year by function (XXX-XXX-XXXX-
750)



SCHOOL DISTRICT
SCHEDULE OF CHANGES IN FIXED ASSETS, DEPRECIATION AND NET FIXED ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2XXX

	Beginning Balance	Additions	Removals	Ending Balance
GOVERNMENTAL ACTIVITIES: *				
Land				
Land Improvements				
Buildings				
Machinery & equipment				
Construction in progress				
Totals at historical cost				
Less accumulated depreciation for:				
Land improvements				
Buildings				
Machinery & equipment				
Total accumulated depreciation				
Governmental activities, capital assets, net				
BUSINESS-TYPE ACTIVITIES: **				
Land				
Land Improvements				
Buildings				
Machinery & equipment				
Construction in progress				
Totals at historical cost				
Less accumulated depreciation for:				
Land improvements				
Buildings				
Machinery & equipment				
Total accumulated depreciation				
Business-type activities, capital assets, net				

Depreciation by Function for FY20XX	Governmental Activities	Business-type Activities
Instruction (1XXX)		
Support Services (22XX)		
General administration (23XX)		
School administration (24XX)		
Financial administration (25XX)		
Operations and maintenance (26XX)		
Transportation (27XX)		
Food Service (31XX)		
Extracurricular (34XX, 35XX)		
Unallocated		
Total depreciation for FY20XX		

* **Governmental activities** are usually reported in the general, special revenue, debt service, capital projects, permanent, and internal service funds. These funds are generally financed through taxes, intergovernmental revenues and other non-exchange revenues.

** **Business-type activities** are usually reported in the enterprise funds. These funds are financed in whole or in part by fees charged to external parties for goods and services.

Pay Special Attention To:

- **Incoming Refunds**

Current year:

- Credit expenditure, NOT revenue
- Restores spending authority (budget)

Prior year:

- Material: 6100 Prior Period Adjustment
- Immaterial: 1900 Other Revenue (BAD)
- Don't know if it is material?
 - Ask your auditor
 - 6100 PPA is most conservative



Pay Special Attention To:

Prior Period Expenditure Adjustments

Expenditure applicable to the prior year:

XXX-999-9999-892 Prior Period Expenditure Adjustments must be within the budget of the fund, per ARM 10.10.305.



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Pay Special Attention To:

Prior Period Revenue Adjustments **XXX-6100** (see SAM 5-0270.20)

- To record the receipt of a material amount of revenue applicable to the prior year
- To record the adjustment for revenue recorded in the prior year which was not applicable to that year



Pay Special Attention To:

- **Coding Corrections**
 - Recoding ***IS NOT*** the same as Transfers!
 - Recode to correct:
 - Errors
 - Overdrafts
 - Example: General Fund to subsidize School Foods Fund
 - Correction between funds? Notify County Treasurer to move cash!



Pay Special Attention To:

- **General Fund 1900 Revenue (X01-1900)**
 - Affects ensuing year budget
 - Use sparingly? Nay, Nay, avoid if at all possible.



Pay Special Attention To:

- **Special Ed Expenditures – Program 280**
 - Great Balancing Act
 - Minimum Expenditures Required (General Fund) – See **Preliminary Budget Data Sheet**
 - Expenditures must be maintained (IDEA Grant)



Gee Steve

- How do I find the Preliminary Budget Data sheet?



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- Pupil Transportation
- QZAB Bonds
- School Finance Links
- School Finance Newsletters

BUDGETING

News Budgets and Data Sheets Budgeting Spreadsheets/Worksheets MAEFAIRS

Budget News
For Assistance with Budgeting contact [Dennis Clague](#), 406.444.1960 or [Kathleen Wanner](#) 444.9852

- [Application for Additional ANB](#)
- [SB 329 Codification Correction](#)
- [2008 Personal Property and Mobile Home Tax Bills Letter](#)
- [2013-14 General Fund Budget and Voting Limits](#)
- [Budget Amendment Packet](#)
- [Understanding Montana School Finance](#)
- [Budgeting Timelines](#) **NEW**

Click this tab

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BUDGETING

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Look in here

/ School Finance / PreliminaryBudgetDataSheets / FY 2013 /

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niels.pdf	88.1 KB	2012-1
wson.pdf	127.0 KB	2012-1
er Lodge.pdf	93.3 KB	2012-1
on.pdf	93.5 KB	2012-1
gus.pdf	175.0 KB	2012-1
thead.pdf	237.0 KB	2012-1
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cier.pdf	120.5 KB	2012-1
den Valley.pdf	93.6 KB	2012-1
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pdf	154.3 KB	2012-1
erson.pdf	134.5 KB	2012-1
ith Basin.pdf		2012-1
re.pdf		2012-1

56 Files - 0

Find your county
(you may have to page through)

Search:



Special Education Allowable Cost Payments
Special Education Allowable Cost Payments

* a.	Instructional Block Grant Entitlement [IBG rate X ANB]	.....	1,804.92
* b.	Related Services Block Grant Entitlement [RSBG rate X ANB]	.....	N/A
c.	Reimbursement for Disproportionate Costs	.....	0.00
* d.	Total Special Education Allowable Cost Payment (District) [8a + 8b + 8c]	.....	1,804.92

Prorated Cooperative Cost Payments (Members of Cooperatives Only)

* e.	Related Services Block Grant Entitlement (Paid Directly to Coop)	601.56
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Required Local Match

* f(i).	District's Required Match for IBG [8a X 0.33]	595.62
f(ii).	District's Required Match for RSBG [8b X 0.33]	N/A
* f(iii).	District's RSBG Match to be Paid by District to Cooperative [8e X 0.33]	.....	198.51
* f(iv).	Total Required Local Match To Avoid Reversions [8f(i) + 8f(ii) + 8f(iii)]	.....	794.13

Minimum Special Education Budget To Avoid Reversions

* g.	Minimum Special Education Budget to Avoid Reversions [8a + 8b + 8f(iv)]	2,599.05
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There is the amount you have to spend to avoid a "reversion"

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Paying Bills

- District must receive goods/services prior to paying for them
- Board must approve all warrants prior to release
- Required signatures on warrants:
 - Board chair
 - Clerk



Pay Special Attention To:

- **Federal Programs**

Revenue and expenditure program codes match!

Examples:

1. Title I Part A

- Revenue Source: 4200
- Expenditure Program: 420



Paying Bills

- Retain documentation for audit trail (retain for 8 years)
 - Pay from invoices only—not statements
 - Retain packing slips to support invoices
 - Auditor specific information in file
 - Coding
 - Warrant number
 - PO
 - Copy of warrant





“I’ve been working on ways to wring more work out of you, and I think you’ll be excited to hear what I’ve come up with.”

Contact Information

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School Finance Division

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