

FY 2025/2026 Accounting Handbook Coding Updates

June 2026

Discontinued & Removed Fund Codes:

- 2216 – **Special Revenue Fund – State Grant – Adult Ed – HiSet; use with Revenue code 3290.**
- 2217 – **Special Revenue Fund – State Grant – Adult Education Integrated Education and Training Pilot.**
- 2218 – **Special Revenue Fund – State Grant – Adult Education Admin. Use with Revenue Code 3223**
- 2219 – **Special Revenue Fund – State Grant- Adult Education Workforce Innovation Grant- Healthcare Training - Use with Revenue Code 3225**
- 2238 – **Special Revenue Fund – State Grant – Momentum K-3 Literacy Pilot. Use with revenue code 3208.**
- 2244 – **Special Revenue Fund – State Grant- MLTI 2.0.** Computer Science Grants to SAUs from account 010-05A-7169-32; Use with revenue code 3282. Expired 6/30/24 Discontinue FY26
- 2252 – **Special Revenue Fund – State Grant– Adult Ed Maine Refugee Career Pathways Grant** Use with revenue code 3290.
- 2457 – **Special Revenue Fund – Federal Grant – Pre-school Development Grant.** ALN 84.419B; use with revenue code 4527.
- 2458 – **Special Revenue Fund – Federal Grant – Pre-school Development Supplemental Grant.** ALN 84.419B; use with revenue code 4527.
- 2480 – **Special Revenue Fund – Federal Grant- – Local Entitlement - ARP Funds Grant to States.** ALN 84.027X; Use with revenue code 4562.
- 2515 – **Special Revenue Fund – Federal Grant – ARP Local Entitlement - Preschool.** ALN 84.173X; Use with revenue code 4563.
- 2605 – **Special Revenue Fund – Federal Grants – Elementary and Secondary Emergency Relief Funds.** CDFA 84.425D; use with revenue code 4531.
- 2614 – **Special Revenue Fund – Federal Grants – CRRSA Elementary and Secondary Emergency Relief Funds II – Allocated to schools.** CDFA 84.425D; use with revenue code 4531.
- 2616 – **Special Revenue Fund – Federal Grants- ESSER III - Rethinking Responsive Education Ventures (RREV) CFDA 84.425B;** Use with revenue code 4543. Expired 7/31/24. Discontinue FY26.
- 2617 – **Special Revenue Fund – Federal Grants- CRRSA ESSER - Learning Loss -Learning Management Systems (LMS)- State Set Aside** CDFA 84.425D; (CRRSA Homelessness and/or Multilingual Learners). Use with revenue code 4531 MOOSE is now state funds coded to State miscellaneous revenue. Use for ConCEPT program.
- 2618 – **Special Revenue Fund – Federal Grants- ARP Homeless Children & Youth I. CFDA 84.425W;** Use with Revenue code 4531. Expired 9/30/24. This Fund needed to be “obligated by September 30, 2024, and SAUs needed to invoice us by December 13th, 2024, for reimbursement.” Discontinue FY26
- 2619 – **Special Revenue Fund – Federal Grants- ARP Homeless Children & Youth II. CFDA 84.425W;** Use with Revenue code 4531. Expired 9/30/24. This Fund needed to be “obligated by September 30, 2024, and SAUs needed to invoice us by December 13th, 2024 for reimbursement.” Discontinue FY26.
- 2622 – **Special Revenue Fund – Federal Grants- Governor Emergency Education Relief funding (GEER) – includes WAVES and Computer Science Labs.** ALN 84.425C; Use with Revenue Code 4544.
- 2628 – **Special Revenue Fund – Federal Grants – ARP GEER (ARP Reverted EANS Funding) ALN/ALN: 84.425V** Use with Revenue code 4538.

Discontinued Fund Codes for FY27 and FY28:

- 2459 – **Special Revenue Fund – Federal Grant – Pre-school Development Grant.** ALN 93.434; use with revenue code 4528. Also, PreK Partnership funds are coded here. Use for First 10 School Pilot. **Expired 12/30/25. Discontinue FY27.**
- 2631 – **Special Revenue Fund – Federal Grants- ARP SLFR (State Local Fiscal Recovery) PreK Funds.** ALN 21.027; Use with Revenue Code 4537. **Ends 12/31/26. Discontinue FY28.**
- 2632 – **Special Revenue Fund – Federal Grants- ARP SLFR (State Local Fiscal Recovery) CTE Equipment.** ALN 21.027; Use with Revenue Code 4537. (formerly CTE Infrastructure) **Ends 12/31/26. Discontinue FY28.**
- 2633 – **Special Revenue Fund – Federal Grants- ARP SLFR (State Local Fiscal Recovery) Workforce Development.** ALN 21.027; Use with Revenue Code 4537. **Ends 12/31/26. Discontinue FY28.**
- 2634 – **Special Revenue Fund – Federal Grants- ARP SLFR (State Local Fiscal Recovery) Career Advancement & Navigation Pilot Program.** ALN 21.027; Use with Revenue Code 4537. **Ends 12/31/26. Discontinue FY28.**
- 2636 – **Special Revenue Fund – Federal Grants – ARP SLFR (State Local Fiscal Recovery) Extended Learning Opportunities (ELO).** ~~(Project Aware)~~ ALN 21.027; Use with Revenue Code 4537. **Ends 12/31/26. Discontinue FY28.**
- 2637 – **Special Revenue Fund – Federal Grants – ARP SLFR (State Local Fiscal Recovery) Misc. (Promotion of DEI -NMRC)** ALN 21.027; Use with Revenue Code 4537. **Ends 12/31/26. Discontinue FY28.**

Added/Changed language to existing Fund Code descriptions:

- 2215 – **Special Revenue Fund – State Grant – Adult Ed College Transitions.** Use to record transactions for Adult Ed state grant funds, such as College Transitions. Use with revenue code 3249.
- 2230 – **State Preventing Student Homelessness Program- (McKinney-Vento Funds)** FY27 \$125,000. DOE School and Student Support (Z270). Use with revenue code 3261.
- 2251 – **Special Revenue Fund – State Grant – Adult Ed Targeted Assistance State Grant.** Use with revenue code 3223.
- 2970 – **Special Revenue Fund – Federal Grants – Adult Education- Special Projects. IELCE- Integrated English literacy-civics education** ALN 84.002; use with revenue code 4540.

Discontinued & Removed Revenue Codes:

- 3208 – **MoMEntum K-3 Literacy Pilot.** State grant; year 1 funds from 010-05A-2071-09; year 2 funds from 010-05A-1051-01; use with fund code 2238.
- 3225 – **Adult Education Workforce Innovation Grant.** (Bridge to Healthcare training/ HUB Grant) Use with Fund 2219
- 3282 – **MLTI 2.0 (computer science grant)** Use with Fund 2244. Discontinue FY26
- 4527 – **Preschool Development Supplemental Grant.** ALN 84.419B. Use with fund code 2457 or 2458
- 4538 – **ARP GEER (ARP Reverted EANS Funding)** ALN/ALN: 84.425V Use with fund code 2628.
- 4543 – **Rethinking Responsive Education Ventures (RREV)** ALN 84.425B; Use with Fund 2616. (funding ends 7/31/24) **Discontinue FY26**
- 4544 – **Governor Emergency Education Relief funding (GEER) - includes WAVES.** ALN 84.425C; Use with Fund 2622

Discontinued Revenue Codes for FY27 and FY28:

- 4528 – **Preschool Development Grant. Birth to Five.** ALN 93.434. Use fund code 2459. **Ends 12/30/25. Discontinue FY27.**
- 3210 – **Extended Learning Opportunity Expansion 2.0 State Grant.** Use with Fund Code 2227. **Expires 12/31/26. Discontinue FY28.**
- 4537 – **ARP Act Coronavirus State and Local Fiscal Recovery Funds.** ALN 21.027. Use with fund 2631, 2632, 2633, 2634, 2636, or 2637. **Ends 12/31/26. Discontinue FY28.**

New Revenue Codes:

- 3122 – **State Agency Client/State Ward Receipts– Special Education PreK only.** Receipts from the state in payment of special education costs for state agency clients enrolled in PreK.
- 3241 – **Reimbursement for Adult Education High School Completion Programs.** State reimbursement for a portion of the costs for high school completion programming for students in adult education programming who are 16 to 20 years old. Use with fund code 1500.
- 4508 – **MaineCare Revenue Special Education – PreK only.** Funds received for services in accordance with an IEP (special ed) for MaineCare eligible members via DHHS, use with fund 2213 only.

Added/Changed language to existing Revenue Code description:

- 1215 – **Ad Valorem Taxes from Local Governmental Units Other than a SAD or CSD for Purpose of Child Nutrition.**
- 1510 – **Interest on Investments.** Interest revenue received on investments in United States treasury and agency obligations, commercial paper, savings accounts, time certificates of deposit, mortgages, or other interest-bearing instruments. This would include interest on demand deposits.
- 1650 – **Daily Sales – Summer Food Programs.** Revenue from students from the sale of reimbursable costs from summer programs.
- 1791 – **Other Activity Revenue – Elementary.** Other revenue from school or district activities.
- 1792 – **Other Activity Revenue – Secondary.** Other revenue from school or district activities.
- 1910 – **Rentals.** Revenue from the rental of either real or personal property owned by the school administrative unit. Rental of property held for income purposes is not included here but is recorded under account 1540.
- 1941 – **Textbook Sales and Rentals – Elementary.** Revenue to the school administrative unit from the sale and/or rental of textbooks or workbooks.
- 1942 – **Textbook Sales and Rentals – Secondary.** Revenue to the school administrative unit from the sale and/or rental of textbooks or workbooks.
- 1962 – **Revenue from Services to Other Governments – Transportation.**
- 1963 – **Revenue from Services to Other Governments – OMP.**
- 2800 – **Revenue in Lieu of Taxes.** Commitments or payments made out of general revenues by an intermediate governmental unit to the school administrative unit in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation by the school administrative unit on the same basis as other privately owned property or other tax base because of action by the intermediate governmental unit.
- 3200 – **Restricted Grants-in-Aid.** Revenue recorded as grants by the school administrative unit from State funds which must be used for a categorical or specific purpose. If such money is not completely used by the school administrative unit, it must be returned, usually to the state.
- 3210 – **Extended Learning Opportunity Expansion 2.0 State Grant.** Use with Fund Code 2227. **Expires 12/31/26. Discontinue FY28.**
- 3223 – **Adult Education state funds- Targeted Assistance.** Use with fund code 2251.

- 3254 – **School Meal Reimbursement for Free/Reduced Rate Students (Lunch).** Use with Fund code 2930 or 6000.
- 3258 – **School Meal Reimbursement for Free/Reduced Rate Students (Breakfast).** Use with Fund 2930 or 6000.
- 3261 – **State Preventing Student Homelessness Program-** McKinney-Vento Funds; Use with Fund Code 2230.
- 4300 – **Restricted Grants-In-Aid Direct from The Federal Government.** Revenue direct from the Federal Government as grants to the school administrative unit which must be used for a categorical or specific purpose. If such money is not completely used by the school administrative unit, it usually is returned to the federal governmental units.
- 4310 – **ROTC.** Federal revenues received directly from the federal government to the SAU in support of ROTC programs. Use with fund code 1000 or 2830-2839.
- 4531 – **Cares Grant Child Nutrition/ Elementary and Secondary Emergency Relief Funds. – Special Revenues.** ALN 84.4258; use with fund code 2615, 2623, 2626, 2627. **(2605, 2614, 2617, 2618 & 2619 – Associated Fund Codes Expired)**
- 4562 – **Special Education – Local Entitlement.** ALN 84.027; use with fund 2470.
- 4563 – **Special Education – Preschool Handicapped.** ALN 84.173; use with fund 2510.
- 4585 – **MaineCare – Special Ed Services – K-12.** Funds received for services in accordance with an IEP (special ed) for MaineCare eligible members via DHHS – K-12. Use with fund 1000 or 2460.
- 4586 – **MaineCare – Non-Special Ed Services – PreK - 12.** Funds received for school health related services for MaineCare eligible members via DHHS – PreK - 12. Use with fund 1000, 6500 or 6600.
- 5300 – **Proceeds from the Disposal of Real or Personal Property.** Proceeds from the disposal of school property of compensation for the loss of real or personal property. This account should only be used for proceeds from the disposal of assets that do not have significant value. The reporting of major asset sales should be recorded as special items using code 6300.
- 6300 – **Special Items.** Used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school administrative unit that are either unusual in nature or infrequent in occurrence. For some units, these include the sale of certain general governmental capital assets; sale or lease of mineral rights, including oil and gas; sale of infrastructure assets; or significant forgiveness of debt by a financial institution. Special items may also include events that are not within the control of the school administrative unit. In the governmental funds, these items should be separately captioned or disclosed.
- 6400 – **Extraordinary Items.** Used to classify items in accordance with GASB 34. Included are transactions or events that are outside the control of the school administrative unit and are BOTH unusual in nature and infrequent in occurrence. For some school administrative units, these include insurance proceeds to cover significant costs related to a natural disaster caused by fire, flood, tornado, hurricane, or hailstorm; insurance proceeds to cover costs related to an environmental disaster, or a large bequest to a small government by a private citizen.

Revenue Codes to be used for Specific State Adjustments

FY26 Multilingual Language Learner Adjustment - Use Revenue Code 3111

FY26 Only Minimum Hourly Salary Adjustment - Use Revenue Code 3111

New Program Codes:

3020 – **Landscaping and Groundskeeping.** CIP 01.0605

3053 – **Automation Engineering.** CIP 15.0406

3267 – **Nail Tech Specialist – Manicurist.** CIP 12.0410

New Program Codes for FY27:

3091 – **Cabinet Making/Millwork.** CIP code 48.0703 (New FY27)

Added/Changed language to existing Program Code descriptions:

- 1000 – **Regular Elementary/Secondary Education Programs.** Only transactions for "other student support services", using function code 2190, should be coded here. Activities that provide students in prekindergarten (prekindergarten refers to all programs and ages preceding kindergarten, including early childhood programs) through grade 12 with learning experiences to prepare them for further education and 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.
- 1120 – **K-2 Program.** Regular program of study for students in any grade from kindergarten to grade 2 who are at least four years old on October 15 of the school year. Use of this program code is required for tracking EPS targeted funds component when used with General Fund (1000) only. Expenditures of other funds should not be coded to this program as they are not considered for fulfillment of the EPS required spending for K-2.
- 4000 – **Other Instructional Programs – Elementary/Secondary.** *This is a summary account only; no transactions should be recorded here.* Programs that provide students in prekindergarten through grade 12 with learning experiences not included in Regular Programs.
- 4100 – **Bilingual-English for Speakers of Other Languages (ESOL)/Multilingual Learners (MLL).** Activities for students from homes where the English language is not the primary language spoken.
- 4200 – **Alternative (At Risk) Education Programs.** Activities for students assigned to alternative campuses, centers or classrooms designed to provide improved behavior and/or provide an enhanced learning experience. Typically, alternative education programs are designed to meet the needs of students that typically cannot be addressed in a traditional classroom setting.
- 6000 – **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.
- 7000 – **Post Secondary Enrollment (Community/Junior College Education) Programs.** Activities for students attending an institution of higher education that usually offers the first two years of college instruction. If the school administrative unit is responsible for providing these programs, all costs of the programs should be coded here.
- 8200 – **Civic Services.** Activities concerned with providing services to civic affairs or to civic affairs organizations. This program area includes services to parent-teacher association meetings, public forums, lectures, and civil defense planning.
- 8500 – **Welfare Activities.** Activities addressing the personal needs of individuals who have been designated as needy by an appropriate governmental entity. These needs include stipends for school attendance; salaries paid to students for work performed (whether for the school administrative unit or for an outside concern); and funds for clothing, food and other personal needs.

- 9100 – **Elementary Co-Curricular Activities.** Activities that add to the educational experience of prekindergarten through grade 8 students but are not related to educational activities.
- 9500 – **Secondary Co-Curricular Activities.** Activities that add to the educational experience of grade 9 through 12 students but are not related to educational activities.

Added/Changed language to existing Function Code descriptions:

- 1000 – **Regular Instruction.** Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving cocurricular activities. It may also be provided through some other approved medium such as television, radio, computer, the Internet, multimedia, telephone, and correspondence that is delivered inside or outside the classroom or in other teacher-student settings. Included here are the activities of aides or classroom assistants of any type (graders, teaching machines, etc.) who assist in the instructional process.
- 2000 – **Support Services.** Support services provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves. Only transactions using the 6000-program code (Adult Education) should be coded to this function code.
- 2110 – **Attendance and Social Work Services.** Activities designed to improve student attendance at school and that attempt to prevent or solve student problems involving the home, the school, and the community. Used with program 0000 or 2800 to indicate Social Work for Special Education students; refer to the Special Education model chart of accounts.
- 2120 – **Guidance Services.** Activities involving counseling (to include substance abuse) with non-IEP identified 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.
- 2130 – **Health Services.** Physical and mental 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 special needs of students as indicated by psychological tests and behavioral evaluation; and planning and managing a program of psychological services, including psychological counseling for students, staff, and parents. This function includes the supervision of psychological services, related testing and counseling services, and psychotherapy services.
- 2150 – **Speech Pathology and Audiology Services.** Activities that identify, assess, and treat children with speech, hearing, and language impairments.
- 2160 – **Occupational Therapy – Related Services.** Activities that assess, diagnose, or treat students for conditions requiring the services of an occupational therapist.
- 2170 – **Physical Therapy – Related Services.**
- 2210 – **Improvement of Instruction.** Activities primarily for assisting instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. These activities include curriculum development, techniques of instruction, child development and understanding, and staff training.
- 2213 – **Instructional Staff Training.** Activities associated with the professional development and training of instructional personnel. These include activities such 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. The incremental costs associated with providing substitute teachers in the classroom (while regular teachers attend training) should also be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors.

- 2220 – **Library/ Media Services.** Activities concerned with directing, managing, and supervising educational media services (e.g., supervisory personnel) as well as such activities as selecting, acquiring, preparing, cataloging, and circulating books and other printed materials; planning for the use of the library by students, teachers, and other members of the instructional staff; and guiding individuals in their use of library books, reference guides and materials, catalog materials, special collections, and other materials, whether maintained separately or as a part of an instructional materials center. These activities include developing and acquiring library materials and operating library facilities. Textbooks are not charged to this function but rather to the instruction function.
- 2230 – **Instruction-Related Technology.** This functional category encompasses all technology activities and services for the purpose of supporting instruction. These activities include expenditures for internal technology support as well as support provided by external vendors using operating funds. These activities include costs associated with the administration and supervision of technology personnel, systems planning and analysis, systems application and development, systems operations, network support services, hardware maintenance and support services, and other technology-related costs that relate to the support of instructional activities. Specifically, costs associated with the operation and support of computer learning labs, media center computer labs, instructional technology centers, instructional networks, and similar operations should be captured in this code. Technology that is used by students in the classroom or that has a student instruction focus should be coded to function 1000. Use of this function is required for tracking EPS targeted funds component. Expenditures of other funds for Instructional Technology will not be considered as fulfilling the EPS requirement for spending in this area.
- 2231 – **Instruction-Related Technology – Student Learning Centers.** Activities concerned with supporting and maintaining computer centers (Labs) (outside the classroom) that are established to support the instructional environment. These labs and centers may be in the library or in other locations but are not primarily dedicated to student-teacher learning. Computer centers(Labs) that are primarily dedicated to instruction should be coded to Instruction.
- 2233 – **Instruction-Related Technology – Systems Analysis and Planning.** Activities concerned with searching for and evaluating alternatives for the development of data processing procedures or the application of electronic data processing equipment to achieve objectives within the school administrative unit.
- 2234 – **Instruction-Related Technology – Systems Application Development.** Activities concerned with the preparation of a logical sequence of operations to be performed, either manually or electronically, in solving problems or processing data.
- 2235 – **Instruction-Related Technology – Systems Operations.** Activities concerned with scheduling, maintaining, and producing data. These activities include operating business machines, data preparation devices, and data-processing machines.
- 2238 – **Instruction-Related Technology – Professional Development for Instruction-Focused Technology Personnel.** Costs that are incurred when staff acquire knowledge and skills to support instructional technologies. Technology training for instructional staff should be reported as part of Instructional Staff Training.
- 2300 – **Support Services-General Administration.** Activities concerned with establishing and administering policy in connection with operating the school administrative unit.

- 2310 – **Board of Education.** Activities of the board that have been created according to state law and vested with responsibilities for educational activities in a given school administrative unit. Some examples of services to be included here are board secretary and clerk services, if they primarily provide services to the board.
- 2311 – **Supervision of Board of Education Services.** Activities concerned with directing and managing the general operation of the Board of Education. These include the activities of the members of the Board of Education, but do not include any special activities defined in the other areas of responsibility described in the other 2310 series of function codes. They also include any activities of the district performed in support of school administrative unit meetings. Legal activities to interpret the laws and statutes and general liability situations are charged here, as are the activities of external auditors.
- 2321 – **Executive Administration – Office of the Superintendent.** Activities performed by the superintendent and assistant superintendent(s) in generally directing and managing all affairs of the school administrative unit. These include all personnel and materials in the office of the chief executive officer. Activities of any assistant superintendent(s) are charged here unless the activities can be better coded to another function.
- 2410 – **Office of the Principal.** Activities concerned with directing and managing the operation of a particular school. It includes the activities performed by the principal, assistant principals, and other assistants while they supervise all operations of the school, evaluate the staff members of the school, assign duties to staff members, supervise, and maintain the records of the school, and coordinate school instructional activities with those of the school administrative unit. These activities also include the work of clerical staff in support of the teaching and administrative duties at the school building level.
- 2510 – **Fiscal Services.** Activities concerned with the fiscal operations of the school administrative unit. This function includes budgeting, receiving, and disbursing, financial and property accounting, payroll, inventory control, internal auditing, investments, and funds managing. Fiscal services are inclusive of supervision of fiscal services, budgeting services, and payroll, internal audit, and general accounting functions. Board secretary, clerk, and board treasurer services should be reported in 2510 if the positions serve the district and do not provide services directly to board members. Otherwise, function 2310 would be used.
- 2530 – **Printing, Publishing, and Duplicating Services.** The activities of printing and publishing administrative publications such as annual reports, school directories, and manuals. Activities here also include centralized services for duplicating school materials and published items such as school bulletins, newsletters, and notices. (Duplicating services directly related to instruction should be reported in function 1000.)
- 2560 – **Public Information Services.** Activities concerned with writing, editing, and other preparation necessary to disseminate educational and administrative information to students, staff, managers, and the general public through direct mailing, the various news media, e-mail, the Internet and websites, and personal contact. The information services function code includes related supervision and internal and public information services. Technology that supports this code is included in function 2580.
- 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. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. In-service training related to operations and maintenance, including safety and security, should be reported in function 2570 Personnel Services. Costs for building rental and property insurance should also be included here.
- 2610 – **Care and Operation of Buildings.** Custodial activities concerned with keeping the physical plant clean and ready for daily use. This includes operating the heating, lighting, ventilating systems, and air conditioning (HVAC) systems and doing minor repairs.

- 2700 – **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. The Transportation Director should be coded here. Expenditures for driver’s education programs should be coded to 1000 Instruction.
- 2780 – **Special Transportation.** Transportation costs not associated with transporting students.
- 4300 – **Architecture & Engineering.** The activities of architects and engineers related to site acquisition and improvement and to improvements to buildings. Charges are made to this function only for those preliminary activities which may or may not result in additions to the school administrative unit's property. Otherwise, charge these services to function 4100, 4200, 4500, or 4600, as appropriate.
- 4700 – **Building Improvements.** Activities concerned with building additions, reconstruction, and remodeling, as well as with installing or extending service systems and other built-in equipment.

Added/Changed language to existing Object Code descriptions:

- 1010 – **Salaries Paid to Professionals.** This category is inclusive of teachers, guidance counselors, librarians, social workers, and nurses. (Cannot use cost center 900)
- 3000 – **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. Services purchased from another school administrative unit should be coded to object 5900 series.
- 3300 – **Professional Employee Training and Development Services.** Services supporting the professional and technical development of the school administrative unit personnel, including instructional, administrative, and service employees. Included are course registration fees (that are not tuition reimbursement), charges from external vendors to conduct training courses (at either the school unit facility or off-site), and other expenditures associated with training or professional development by third-party vendors. Training for instructional staff should be coded to function 2213. Training for non-instructional staff should be coded to function 2570.
- 3400 – **Other Professional Services.** Professional services other than educational services that support the operation of the school administrative unit. Included are medical doctors, lawyers, architects, auditors, accountants, bankers, therapists, audiologists, dieticians, editors, negotiations specialists, interpreters, systems analysts, planners, and other similar service providers.
- 4430 – **Rentals of Computers and Related Equipment.** Expenditures for leasing or renting computers and related equipment for both temporary and long-range use. This should be coded to the function where the equipment is used.
- 5650 – **Tuition to Post Secondary Schools.** Tuition paid to postsecondary schools within the state and outside the state.
- 6260 – **Energy – Gasoline/Diesel.** Expenditures for gasoline and diesel fuel purchased in bulk or periodically from a gasoline service station.
- 7300 – **Equipment.** Expenditures for initial, additional, and replacement items of equipment, such as machinery, furniture and fixtures, and vehicles other than those used for student transportation. To be classified as equipment, the item meets the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7301 – **Equipment.** Expenditures for the initial, additional, and replacement items of equipment, such as machinery, furniture and fixtures, and vehicles other than those used for student transportation, that are under a school unit's capitalization threshold, but group control of the item is needed and the item meets the equipment requirements delineated in the "Criteria for

Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A, save the capitalization threshold.

- 7310 – **Equipment – Machinery.** Expenditures for equipment usually composed of a complex combination of parts (excluding vehicles). Examples include: lathes, drill presses, and printing presses. To be classified as equipment, the item meets the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7311 – **Machinery.** Expenditures for equipment usually composed of a complex combination of parts (excluding vehicles). The amount expended is less than a school unit's capitalization threshold, but group control of the item is needed. The item must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A, save the capitalization threshold.
- 7320 – **Equipment – Vehicles (Other than Student Transportation).** Expenditures for equipment used to transport items and employees associated with operation and maintenance of the school administrative unit. To be classified as equipment, the item meets the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7330 – **Equipment – Furniture and Fixtures.** Expenditures for equipment used for sitting, as a support for writing and work activities, and as storage space for material items. Costs coded here meet or exceed a school unit's capitalization threshold. To be classified as equipment, the furniture or fixture meets the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7331 – **Furniture and Fixtures.** Expenditures for equipment used for sitting, as a support for writing and work activities, and as storage space for material items that do not meet a school unit's capitalization threshold but for which group control is needed and the item meets the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7335 – **Equipment – Furniture and Fixtures (Built In).** Expenditures for equipment as part of a school construction project that must be segregated as built in. To be classified as equipment, the item must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7340 – **Equipment – Technology-Related Hardware.** Expenditures for technology-related equipment and technology infrastructure. These costs include those associated with the purchase of network equipment, servers, PCs, printers, other peripherals, and devices. Costs coded here must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7341 – **Technology-Related Hardware.** Expenditures for technology-related equipment and technology infrastructure. These costs include those associated with the purchase of network equipment, servers, PCs, printers, other peripherals, and devices. Costs coded here do not meet a school unit's capitalization threshold, but group control is needed. The item must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7350 – **Equipment – Technology Software.** Expenditures for purchased or downloaded software used for educational or administrative purposes that meet or exceed the capitalization threshold. Costs coded here must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7351 – **Technology Software.** Expenditures for purchased software used for educational or administrative purposes. Costs coded here do not meet a school unit's capitalization threshold, but group control is needed. The item must meet the equipment requirements delineated in the

"Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.

- 7390 – **Other Equipment.** Expenditures for all other equipment not classified elsewhere in the 7300-object series and that meet or exceed a school unit's capitalization threshold. To be classified as equipment, costs coded here must meet the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7391 – **Other Equipment.** Expenditures for all other equipment not classified elsewhere in the 7300-object series that does not meet the capitalization threshold but *needs group control* and meets all the equipment requirements delineated in the "Criteria for Distinguishing Supply Items from Equipment Items" chart on the MDOE website and in Appendix A.
- 7900 – **Depreciation and Amortization.** The portion of the cost of a capital asset that is charged as an expense during a particular period. In accounting for depreciation (amortization for intangible assets), the cost of a capital asset, less any salvage value, is apportioned over the estimated service 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.
- 8200 – **Judgments Against the School Administrative Unit.** Expenditures from current funds for all judgments (except as indicated below) against the school administrative unit that are not covered by liability insurance but are of a type that might have been covered by insurance. Only amounts paid as the result of court decisions are recorded here. Judgments against the school administrative unit resulting from failure to pay bills or debt service are considered non-court judgments and should be recorded under the appropriate expenditure accounts as though the bills or debt service had been paid when due. (Used only with function 2310.)
- 8500 – **Co-curricular, Extra-curricular and Field Trip Transportation.** Used only to record pupil transportation expenditures for instructional field trips, co-curricular activities and extra-curricular activities in the appropriate program areas as a one-line transaction. See model chart of accounts to determine proper coding combinations found in Appendix B and Appendix C.

Added/Changed language to existing Balance Sheet Code descriptions:

- 1720 – **Inventories for Resale.** The value of goods purchased and held by a school administrative unit for resale rather than for use in its own operations. Such goods could include unique manufactured inventories, such as student-built homes or equipment.
- 1810 – **Prepaid Items.** Expenditure/expenses paid for benefits not yet received. Prepaid expenses differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operation. Examples of prepaid expenses are prepaid rent, prepaid interest, and unexpired insurance premiums.
- 2110 – **Land and Land Improvements.** A capital asset account that reflects the acquisition value of land owned by a school administrative unit. If land is purchased, this account includes the purchase price and costs such as legal fees, filling and excavation costs, and other associated improvement costs incurred to put the land in condition for its intended use. If land is acquired by gift, the account reflects its fair value at the time of acquisition. Further, permanent improvements to land, such as grading and filling, should be accounted for in this account. Land and land improvements are considered non-exhaustible assets owing to their significantly long expected useful life. Non-exhaustible assets are not to be depreciated. Therefore, all assets classified by asset code 2110 will not result in a depreciation expense.
- 2410 – **Machinery and Equipment.** Tangible property of a more or less permanent nature, other than land, buildings, or improvements thereto, that is useful in carrying on operations. Examples are machinery, tools, trucks, cars, buses, computers, purchased software, furniture, and furnishings. Appendix A provides criteria to distinguish whether a purchase is a supply or a piece of machinery or equipment.

- 2810 – **Intangible Assets.** An intangible asset is a capital asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life of more than 1 year. Intangible assets may be purchased or licensed, acquired through nonexchange transactions, or internally generated. Examples include easements, contractual rights, patents, trademarks, and computer software.
- 5120 – **Accreted Interest.** An account that represents interest that is accrued on deep discount bonds. This account should be used by school administrative units that issue capital appreciation bonds. Such bonds are usually issued at a deep discount from the face value, and no interest payment is made until maturity. Under full accrual accounting, the district is required to accrete the interest on the bonds over the life of the bonds. Accretion is the process of systematically increasing the carrying amount of the bond to its estimated value at the maturity date of the bond. To calculate accreted interest, the district should impute the effective interest rate, using the present value, the face value (or the future value), and the period of the bond, and multiply the effective interest rate by the book value of the debt at the end of the period. Accreted interest is usually recorded as an addition to the outstanding debt liability.
- 5900 – **Other Long-Term Liabilities.** Other long-term liabilities not provided for elsewhere. This account represents amounts due after more than one year from the balance sheet date for advances from other funds and certain miscellaneous liabilities, including workers' compensation, self-funded insurance, special termination benefits, and legal claims and judgements.
- 7400 – **Assigned Fund Balance.** The assigned fund balance classification reflects amounts that are constrained by the government's *intent* to be used for specific purposes but meet neither the restricted nor committed forms of constraint. Also, the assigned fund balance classification is the residual classification for the special revenue, debt service, capital projects, and/or permanent funds after non-spendable, restricted, and committed balances have been identified (unless the residual amount is negative, which would require presentation as unassigned fund balance).
- 7500 – **Unassigned Fund Balance.** The unassigned fund balance classification is the residual classification, for the general fund only, after non-spendable, restricted, committed, and assigned balances have been identified. It is also used to report the residual amount for all *other* governmental funds after non-spendable, restricted, and committed balances have been identified, if the residual amount is negative.
- 7600 – **Net Investment in Capital Assets.** This account is used to record the component of net position invested in capital assets, net of related debt, that represents total capital assets less accumulated depreciation less debt directly related to capital assets. This account is to be used only in proprietary funds and entity-wide statements.
- 7700 – **Restricted Net Position.** This account is used to record the component of net position that represents net assets legally restricted by sources internal or external to the organization. This account is to be used only in proprietary funds and entity-wide statements.
- 7800 – **Unrestricted Net Position.** This account is used to record the component of net position that represents net position not classified in accounts 7600 and 7700. This account is to be used only in proprietary funds and entity-wide statements.