

Dear School District Business Manager:

Attached are copies of minutes from *Michigan School Accounting Manual Referent Group* meetings in which the group approved changes to the *Michigan School Accounting Manual Chart of Accounts*. These changes are requirements for fiscal year 2002-2003 and beyond depending upon the district's GASB-34 implementation date. The changes are being distributed now to allow districts advance notice for revising their accounting systems to meet GASB-34 and FID reporting requirements for fiscal year 2002-2003. Change Notice Number Eight with the actual pages for the Appendix will be forwarded to your office within the next few months.

Substantive changes to the manual are as follows:

• **File Structure Changes:**

- The two-digit fund code that currently represents both fund and transaction type will be increased by one digit and divided into two dimensions. The first dimension will become a two-digit fund code. It will provide additional flexibility for reporting trust and business type funds under GASB-34. The first digit will be used to indicate the specific fund type consistent with current GAAP, the second will designate the actual fund. (For example, Fund "25" will represent a Special Revenue Fund titled "Food Services Fund.") The second dimension will become a one-digit transaction code. Districts will use this field to designate whether a transaction is revenue, expenditure, or balance sheet.
- In order to be consistent with school facility numbers assigned in the Michigan School Code Master, the facility code has been increased from four to five digits.
- In order to accommodate a logical taxonomy (classification of accounts by major category), we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a "0" will become header categories that will not be used for actual coding of accounting transactions. Account numbers previously ending with a "0" have been reclassified to accounts ending with numbers "1-9." As an example, Transportation function "270" will become the header category with actual coding of expenditures recorded in function code 271.

• **Balance Sheet:**

- GASB-34 requires districts to record accumulated depreciation and long-term debt in their district-wide financial reports. The accounts currently recorded in the General Fixed Asset Group have been updated to include accounts for accumulated depreciation. Depreciation is not to be recorded in governmental Ofunds.

• **Revenues:**

- Three new header categories for local revenues have been added to correspond to the federal chart of accounts. They are "160-Food Sales," "170-Revenue from Student Activities," and "180-Revenue from Community Service Activities.
- The current Form B enables districts to report revenue into various revenue types relying upon report titles and other text. The new data collection device will be totally numeric code driven. For that reason, a four-digit suffix code has been added to the account structure to distinguish various restricted revenues from each other when reporting in the new Financial Information Database (FID).

- **Other Financing Sources:**

- Only Proceeds from the Sale of Fixed Assets, Fund Modifications and Proceeds from the Sale of Bonds are considered “Other Financing Sources” under current GAAP. They have been placed in major class code categories that can be distinguished from basic revenue categories. Fund Modifications have been moved to the “600” series. Districts will use the second and third digits of the major class code to reflect the two-digit fund code of fund the dollars are coming from.

- **Expenditures:**

- Facilities Acquisition has been moved from the Business Service category to a category all its own. This is consistent with the federal chart of accounts. The new header category is “450.” Actual expenditures will be coded to function codes “451-459.”
- Food Services have been moved from function “256” in the Business Services category to function “297” under the “Other Support Services” category.
- A new function code “285,” titled “Pupil Accounting,” has been added to Central Support Services. This function will be used to record activities concerned with acquiring, maintaining, and auditing records of pupil attendance and reporting information to various oversight agencies.
- In order to accommodate a logical taxonomy, we have grouped all categories of expenditure object codes to the second position. All accounts ending in a “00” will become header categories that will not be used for actual coding of accounting transactions. The accounts previously ending with a “00” have been reclassified to accounts ending with numbers “10-90.”
- To accommodate capital asset reporting for GASB-34, capital outlay object codes have been expanded to include the option of reporting them as depreciable or non/depreciable. The non-depreciable capital accounts will be used for recording those expenditures for durable goods that fall under the GASB-34 capitalization threshold but may still be treated as capital for other asset tracking purposes (insurance, special education reporting, etc.)
- A new object code “8510” has been added for Sub-grantee disbursements.

- **Other Financing Uses:**

- The only functional category considered an “Other Financing Sources” under current GAAP is Fund Modifications/Operating Transfers Out. It has been moved to a function code category that can be easily distinguished from other expenditure categories. Fund Modifications have been moved to the “600” series. Districts will use the second and third digits of the major class code to reflect the two-digit fund code of fund the dollars are going to.

We encourage you to express your comments, concerns, or questions related to these changes to Glenda Rader via email at raderg@michigan.gov.

Sincerely,

Elaine M. Madigan, Director
Office of State Aid and School Finance

MEMORANDUM

DATE: ~~May 2, 2002~~ June 27, 2002

TO: Bulletin 1022 Committee

FROM: Glenda Rader and Elaine Madigan

SUBJECT: Minutes from March 27th and April 25th Meetings.
*** Indicates revisions to the May 2, 2002 correspondence that were made as a result of subsequent committee feedback**

The Michigan School Accounting Manual Committee met on March 27th, 2002 at 9:00 a.m., MSBO Conference Room. Members present were: Diane Block, Mike Bridges, Rob Burgess, Bruce Dunn, Steve Ezikian, Rhonda Kribs, Elaine Madigan, Ric Peterson, Glenda Rader, Cindy Schumacher, and Rose Zuker; others present: Mike Duguay of Marquette Alger ISD attending for Karen Anderson, Brenda Vincent of the Center for Educational Performance and Information (CEPI), Perri Williams of Detroit Public Schools attending with Mike Bridges

An additional meeting was held at the AMWAY Grand Hotel on April 25th to clarify a few issues related to fund modification function and major class codes and minor object code items. Members present were Diane Block, Rob Burgess, Fred Hailer, Rhonda Kribs, Mike Duguay, Elaine Madigan, and Glenda Rader.

The majority of the 03/27/02 meeting was spent discussing updates to the Michigan School Accounting Manual. Following is an overview of that discussion.

Fund Codes:

We discussed the recommendation to add one position to the fund code to allow for expanding the number of funds a district could operate. There was consensus that we approve a two-position fund code. Mike Duguay suggested that we use the first position of the field to describe fund type. Fund types consistent with current GAAP would be General, Special Revenue, Debt, Capital Projects, Trust, Agency, and Proprietary. Under this convention current funds would be numbered as follows:

Current Name	New Name	Current Code	Fund Type	New Acct Code
General Fund	General Fund	1	General Fund (1)	11
Special Ed. Fund	Special Ed Fund	2	Special Revenue (2)	22
School Service Fund School Lunch	School Lunch Fund	5	Special Revenue (2)	25
School Service Fund Athletics	Athletic Fund	5	Special Revenue (2)	21
School Service Fund Community Services	Community Service Fund	5	Special Revenue (2)	23
School Service Fund Bookstore	Bookstore	5	Special Revenue (2)	24
Cooperative Education Fund	Cooperative Ed. Fund	0	Special Revenue (2)	27
Vocational Education Fund	Vocational Education Fund	6	Special Revenue (2)	26
Debt Retirement Funds	Debt Service Funds	3	Debt Service Funds (3)	31-39
Capital Projects Fund	Capital Projects Funds	4	Capital Projects Fund (4)	41-49
Trust and Agency Funds	Trust Funds	7	Trust Funds (5)	51-59
Trust and Agency Funds	Agency Funds	7	Agency Funds (6)	61-69
None	Enterprise	None	Enterprise (7)	71-79
None	Internal Service	None	Internal Service (8)	81-89
*None	District Wide Reporting	NA	District Wide Reporting	91-99
*General Fixed Asset Group	District Wide Reporting	8	Capital Asset Accounts	91
*General Long Term Debt Account Group	District Wide Reporting	9	Long Term Debt Accounts	92

Several commented that this hierarchy would make sense and would aid in the roll up of funds for various financial reporting purposes. **Without voice of opposition we will proceed with this change.**

Transaction Code and Facility Code Change:

The committee approved the addition of a one-position field to record transaction codes. One position will be added to the facility code to align with the School Code Master. The field would become five positions rather than four.

The changes to the file structure follow:

Current Structure – 24 Positions:

Fund	Function/Major Class Code	Object/Suffix	Program	State Code	Facility	Other
XX	XXX	XXXX	XXX	XXXX	XXXX	XXXX

As Approved – 26 Positions - Added a one position Transaction Code and one position to the Facility Code:

Fund	Transaction Code	Function/Major Class Code	Object/Suffix	Program	State Code	Facility	Other
XX	X	XXX	XXXX	XXX	XXXX	XXXXX	XXXX

Balance Sheet Codes:

The suggestion to add a distinct account code “422” Under Due to Other Governmental Units for TIF payables due to the state was approved. This would facilitate the ability to report funds collected from a TIF in cases where the district has already been paid State School Aid. These funds must be paid back to the State School Aid Fund.

The following recommendations for changes to the Chart of Accounts were accepted:

Current Assets: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
110	Taxes Receivable	110	Taxes Receivable – Header Only. Not to be used in coding transactions.
110	New Code	111	Code Change: Taxes Receivable
120	Accounts Receivable	120	Accounts Receivable– Header Only. Not to be used in coding transactions.
120	New Code	121	Code Change: Accounts Receivable
130	Due From Other Funds	130	Due From Other Funds – Header Only. Not to be used in coding transactions.
130	New Code	131	Code Change: Due From Other Funds
140	Due From Other Governmental Units	140	Due From Other Governmental Units – Header Only. Not to be used in coding transactions.
140	New Code	141	Code Change: Due From Other Funds
None	New Header Category	160	Interest Receivable on Investments and Deposits- Header Only. Not to be used in coding transactions.
*162	Change Code	161	Interest Receivable
170	Inventory	170	Inventory – Header Only. Not to be used in coding transactions.
180	Investments	180	Investments - Header Only. Not to be used in coding transactions.
180	Investments	181	Code Change: Investments
190	New Header	190	Other Current Assets - Header Only. Not to be used in coding transactions.

GASB-34 Funds ONLY – Capital Assets: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
210	Land	210	Land – Header Only. Not to be used in coding transactions.
211	New Code	211	Code Change: Land
220	Buildings and Additions	220	Buildings and Additions – Header Only. Not to be used in coding transactions.
220	New Code	221	Code Change: Buildings
None	New Code	222	Building Accumulated Depreciation
220	New Code	223	Code Change: Additions to Buildings
None	New Code	224	Additions to Buildings- Accum. Depreciation
230	Improvements Other than Buildings	230	Title Change: Site Improvements– Header Only. Not to be used in coding transactions.
230	New Code	231	Code Change: Site Improvements
None	New Code	232	Site Improvement Accumulated Depreciation
240	Equipment and Furniture	240	Equipment and Furniture– Header Only. Not to be used in coding transactions.
240	New Code	241	Code Change: Equipment and Furniture
None	New Code	242	Equipment and Furniture Accumulated Depreciation
250	Vehicles Other than Buses	250	Vehicles Other than Buses – Header Only. Not to be used in coding transactions.
250	New Code	251	Code Change: Vehicles Other than Buses
None	New Code	252	Vehicles Other than Buses Accumulated Depreciation
260	School Buses	260	School Buses – Header Only. Not to be used in coding transactions.
260	New Code	261	Code Change: School Buses
None	New Code	262	School Bus Accumulated Depreciation
270	Library Books	270	Title Change: Library and Textbooks– Header Only. Not to be used in coding transactions.
270	New Code	271	Code Change: Library and Text Books
None	New Code	272	Library and Text Book Accumulated Depreciation
280	Construction in Progress	280	Construction in Process– Header Only. Not to be used in coding transactions.
280	New Code	281	Code Change: Construction in Process
290	Other Assets	290	Title Change: Other Capital Assets – Header Only. Not to be used in coding transactions.
290	New Code	291	Code Change: Other Capital Assets
*303, 305, 306	Delete Codes	Delete	Obsolete Due to Removal of GLTDAG

Current Liabilities: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
400	Current Liabilities	400	Title Change: Current Payables – Header Only. Not to be used in coding transactions.
None	New Code	401	Control Payable - to be used for recording non-routine journal entries that usually occur at the end of accounting periods.
402-409	Various Current Payables	402-409	No Change
410	Due to Other Funds	410	Due to Other Funds – Header Only. Not to be used in coding transactions.
410	New Code	411	Code Change: Due to Other Funds.
420	Due to Other Governmental Units	420	Due to Other Governmental Units – Header Only. Not to be used in coding transactions.
420	New Code	421	Code Change: Due to Other Governmental Units.
None	New Code	422	Due to State of Michigan - TIF
430	New Header Category	430	Due to Student Activities - Header Only. Not to be used in coding transactions.
None	New Header Category	440	Code Change: Current Matured Bond Liabilities - Header Only. Not to be used in coding transactions. GASB-34 Funds Only. This is the current portion of long-term debt only to be recorded as offset against list of long-term liabilities.
441-449		441-449	Will be used for various sub-categories of Current Matured Liabilities. GASB-34 Funds Only. This is the current portion of long-term debt only to be recorded as offset against list of long-term liabilities
None	Payroll Deductions and Withholdings	450	Payroll Deductions and Withholdings - Header Only. Not to be used in coding transactions.
451-459	New Code	451	Code Change: Payroll Related Accrued Liabilities.
None	New Header Category	460	Accrued Expenditures
470	New Header Category	470	Deferred Revenue - Header Only. Not to be used in coding transactions.
474		471	Code Change: Deferred Revenue.
479	Other Liabilities	491	Delete Code 479 and include in 491 Other Current Liabilities
None	New Header Category	490	Other Current Liabilities - Header Only. Not to be used in coding transactions.
None	New Code	491	Other Current Liabilities

GASB-34 Funds ONLY: Long Term Liabilities – In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
None	New Header Category	510	Bonds Payable – Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
501	Bonds Payable – Term	511	Code Change: Bonds Payable Term – Long Term Portion GASB-34 and Enterprise Funds Only
502	Bonds Payable – Serial	512	Code Change: Bonds Payable Serial – Long Term Portion GASB-34 and Enterprise Funds Only
503	New Header Category School Bond Loan Payable	530	School Bond Loan-Payable - Long Term Portion – Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
503		531	Code Change: School Bond Loan-Payables- Long Term Portion GASB-34 and Enterprise Funds Only
504	New Header Category Other Loans Payable	590	Delete Code 504 and Include in 590 - Other Loans and Liabilities – Long Term Portion -Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
505	Other Liabilities Payable	590	Delete Code 505 and Include in 590 Other Loans and Liabilities – Long Term Portion - Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
506	New Header Category Bus Loans Payable	560	Bus Loans Payable- Long Term Portion - Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
506		561	Code Change: Bus Loans Payable – Long Term Portion GASB-34 and Enterprise Funds Only
507	New Header Category Furniture and Equipment Loans Payable	570	Furniture and Equipment Loans Payable – Long Term Portion – Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
507		571	Code Change: Furniture and Equipment Loans Payable – Long Term Portion GASB-34 and Enterprise Funds Only
None	New Header Category	580	Compensated Absences – Long Term Portion Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
None	New Code	581	Compensated Absence Accts. – Long Term Portion GASB-34 and Enterprise Funds Only
509	Other Transaction	590	Title Change: Other Loans and Liabilities – Long Term Portion – Header Only. Not to be used in coding transactions. GASB-34 and Enterprise Funds Only
509		591	Code Change: Other Loans and Liabilities – Long Term Portion. GASB-34 and Enterprise Funds Only

Reserves and Fund Balance Changes: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
700	Reserves and Fund Balance	700	Reserves and Fund Balance – Header Only. Not to be used in coding transactions.
None	New Header Category	710	Reserves – Header Only. Not to be used in coding transactions.
701	Reserve for Encumbrances	711	Code Change: Reserve for Encumbrances
702	Reserve for Obligations – Federal	712	Code Change: Reserve for Obligations – Federal
703	Reserve for Special Purpose	713	Code Change: Reserve for Special Purpose
704	Fund Balance	740	Title Change: Unreserved Fund Balance – Header Only. Not to be used in coding transactions.
704		741	Code Change: Unreserved Fund Balance –
None	New Header Category	750	Board Designations of Fund Balance- Header Only. Not to be used in coding transactions.
None	New Codes	751-759	Various Board Designations of Fund Balance
705	New Header Category Investments in General Fixed Assets	760	Investments in General Fixed Assets - Header Only. Not to be used in coding transactions.
705	New Code	761	Code Change: Investments in General Fixed Assets -
	New Code	*770	Unreserved Retained Earnings – Header Only. Not to be used in coding transactions.
	New Code	*770	Unreserved Retained Earnings (Proprietary Funds Only)
	New Code	*780	Contributed Capital - Header Only. Not to be used in coding transactions.
	New Code	*781	Contributed Capital (Proprietary Funds Only)

Revenue Major Class Codes: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
112	Sales and Use Tax	112	Title Change: Local Sales and Use Tax -Leave category – with note that districts have no legal authority to collect.
113	Income Tax	113	Title Change: Local Income Tax – Leave category with note that only Detroit Public Schools have legal authority to collect.
118	Non-Property Other Taxes		Delete – Michigan public schools currently have no non-property tax revenues
122	Sales and Use Tax	122	Title Change: Other Local Units of Govt. Sales and Use Tax –Leave category – with note that districts have no legal authority to collect
132	Adult/Continuing Education Tuition	Delete	Delete: Use Suffix to Distinguish Program Type
133	Summer School Tuition	Delete	Delete: Use Suffix to Distinguish Program Type
140	Transportation Fees	140	Transportation Fees - Header Only. Not to be used in coding transactions.
140	New Code	141	Code Change: Transportation Fees
150	Earnings on Investments and Deposits	150	Earnings on Investments and Deposits Header Only. Not to be used in coding transactions.
150	New Code	151	Code Change: Earnings on Investment Account
None	New Classification	153	Gain or Loss on Sale of Investment
None	New Code	154	Earnings on Investment in Real Property: Revenue for rental, use charges and other income on real property held for investment purposes.
None	Name Change	160	Food Sales – Header Only. Not to be used in coding transactions.
165	Reclassified - Merchandise Sales	172	Code Change: Merchandise Sales
166	Reclassified – Admissions	171	Code Change: Admissions
None	New Header Category	170	Revenue from Student Activities- Revenue from school sponsored activities. Header Only. Not to be used in coding transactions.
173	Partially Reclassified: Dues and Fees	173	Move public library late fees, non-educational childcare fees, senior citizen activity fees to “181”
None	New Code	179	Other Student Activity Income
None	New Header Category	180	Revenue from Community Service Activities – Fees collected for community service activities operated by the public school. Header Only. Not to be used in coding transactions.
None	New Code	193	Gains or Losses on Sale of Fixed Assets Use only in GASB-34 or Enterprise Funds
None	New Code	*195	Revenues Received from Services Provided to Other Schools. (Proprietary Funds Only)
None	New Code	197	Services Provided other Funds – Internal Service Fund Only.
199	Reclassified: Moved some of the Misc. Local Revenues to Code 181.	181	Code Change: Various categories of Community Service Activities (Examples: Latchkey Fees, Pre-school Fees charged to parents, Medicaid Fee for Service, Adult Enrichment Courses, After School Programs)
510	Payments Received from Other Governmental Units Within the State	510	Title Change: Payments Received from Other Public Schools Within the State - Header Only. Not to be used in coding transactions.
511-519	Various Payments Received from Other In-State Public Schools	511-519	Remain the same for now – Look for more information on this in coming months.
530	New Header Category: Fund Modification	600	Change Code: Fund Modifications (Other Operating Transfers In) - Header Only. Not to be used in coding transactions.

530-539	Fund Modifications	601-699	Change Code: Use “6” in the first position of the major class code, then two position fund code of fund the dollars are coming from.
594	New Header Category	540	Change Code: Extra-Ordinary Insurance Reimbursements - Header Only. Not to be used in coding transactions.
None	New Code	541	Change Code: Extra-Ordinary Insurance Reimbursements- Those that would materially alter the financial statements should they be reported there.
595	New Header Category	550	Change Code: Prior Period Adjustments - Header Only. Not to be used in coding transactions.
595	New Code	551	Change Code Prior Period Adjustments- Material Transactions. Amounts reported here must be reported in the audited financial statements as adjustments in the prior year fund balance with appropriate notation
595	New Code	552	Prior Period Adjustment – Non -material Transactions (For example: write-off of a non-material accounts payable or refund of prior year expenditure)
590	Other Transactions	590	Title Change: Other Financing Sources
591	Sale of Bonds	591	Title Change: Proceeds from the Sale of Bonds
596	Other Financing Sources	592	Change Code and Title: Proceeds from the Sale of Long-term Notes/Loans and Other Financing Sources
593	Sale of Fixed Assets	593	Change Title: Proceeds from the Sale of Capital Assets
594	Reimbursement from Insurance Claims	Delete	Change Code: Extra-Ordinary Insurance Reimbursements. Report in major class code “541”
None	New Classification for this code	594	NEW: Capital Lease Transactions
95	Refund of Prior Year Expenditures	Delete	Change Code: Record with Prior Period Adjustments “551”
596	Other Financing Sources	Delete	Change Code: Record in Proceeds from Long-term Notes and Loans “592”
599	Miscellaneous	599	Change Title: Miscellaneous Other Financing Sources
530	New Header Category	600	Change Code: Fund Modifications (Other Operating Transfers In) - Header Only. Not to be used in coding transactions.
531-539		601-699	Fund Modifications (Other Operating Transfers In) Change Code: Use “6” in the first position of the major class code, then two position fund code of fund the dollars are coming from.

NEW Revenue Suffix Codes – This will be the third dimension of the account structure submitted in the FID.

Suffix Code	Name
0000	Not Applicable – Use when none of the following categories fit.
0010	State Aid Foundation
0011	Special Education Foundation
0020	At Risk
0030	Adult Education
0040	Bilingual
0060	Drug Free
0070	Eisenhower (Math/Science)
0080	Gifted and Talented
0090	Impact Aid
0100	Pre-School
0110	School Lunch
0120	Special Education Grants
0130	Staff Development
0140	Title I Regular
0141	Title I Carryover
0150	Title VI Regular
0151	Title VI Carryover
0160	Career and Technical
0200	Summer School
0210	State Grant for Improving Teacher Quality (Title II)

Expenditure Function Codes: In order to accommodate a logical taxonomy, we have grouped all categories of balance sheet and revenue major class codes to the second position. Expenditure functions have also been grouped to the second position. All accounts ending in a “0” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
129	Reclassified - Other Added Needs	Delete	Record in one of the existing Added Needs categories (Special Ed., Comp. Ed. Voc. Ed.)
*139	Delete	Delete	Other Adult Continuing Education
199	Reclassified – Unclassified	Delete	Record in one of the existing instructional categories.
211	Attendance Services	211	Title Change: Truancy Services
219	Partially Reclassified - Other Pupil Support Services	219	Move Reference to work of group and class sponsors and chaperons to 1XX - Instruction
222	Library	222	Title Change: Educational Media Services
223	Reclassified - Audio-Visual	Delete	Include with function 222
226	Supervision and Direction of Instructional Staff	226	Clarify Definition: Directing and managing instructional services. Includes the activities of program coordination and program compliance monitoring. Examples: Special Education, Career Technical, and Title I directors
227	Reclassified - Other Educational Media Services	Delete	Code Change: Include with function 222
233	State and Federal Relations	233	Title Change: Grant Writer/Grant Procurement Clarify Definition: District wide activities associated with grant writing and administrative activities necessary for meeting state and federal requirements related to grants. Examples: When a district employs a district wide grant writer or coordinator.
249	Other School Administration	249	Clarify Definition: Include Full-time Department Chair persons and Graduation Expenses here.
253	Facilities Acquisition	Delete	Change Code: Record in Function 451-459
256	Food Service	Delete	Change Code: Record in Function “297”
260	Operations and Maintenance	260	Operations and Maintenance Header Only. Not to be used in coding transactions.

260	New Code	261	Code Change and Clarify Definition: Operating Buildings Services – Activities concerned with keeping the physical plant open, clean, and ready for daily use. They include operating the heating, lighting, and ventilation systems, and repairing facilities/equipment. Also included are operating building leases, property and liability insurance, janitorial and grounds maintenance costs.
270	Transportation	270	Student Transportation Services Header Only. Not to be used in coding transactions.
270	New Code	271	Code Change: Student Transportation Services
282	Information Services	282	Title Change: Communication Services
283	Staff /Personnel Services	283	Clarify Definition: In-service training and professional development for non-instructional support staff should be recorded here.
284	Data Processing Services	284	Title Change: Management Information Services
None	New Classification	285	Pupil Accounting – Consists of those activities concerned with acquiring, maintaining, and auditing records of pupil attendance, and reporting information to various oversight agencies.
297	New Code	297	Code Change: Food Services – changed from “256”
310	Community Services Direction	310	Community Services Direction Header Only. Not to be used in coding transactions.
310	New Code	311	Code Change: Community Services Direction
320	Community Recreation	320	Community Recreation Header Only. Not to be used in coding transactions.
320	New Code	321	Code Change: Community Recreation
330	Community Activities	330	Community Activities Header Only. Not to be used in coding transactions.
330	New Code	331	Code Change: Community Activities
340	Public Library	340	Public Library Header Only. Not to be used in coding transactions.
340	Public Library	341	Code Change: Public Library
350	Custody and Care of Children	350	Custody and Care of Children. Header Only. Not to be used in coding transactions.
350	New Code	351	Code Change: Custody and Care of Children
360	Welfare Activities	360	Welfare Activities - Header Only. Not to be used in coding transactions.
360	New Code	361	Code Change: Welfare Activities
390	Other Community Services	390	Other Community Services - Header Only. Not to be used in coding transactions.
390	New Code	391	Code Change: Other Community Services
400	Outgoing Transfers and Other Transactions		Title Change: Payments to Other Governmental Agencies, Facilities Acquisition, and Prior Period Adjustments - Header Only. Not to be used in coding transactions
410	Payments to Other Governmental Units Within the State	410	Title Change: Payments to Other K-12 Public Schools Within the State of Michigan. Header Only. Not to be used in coding transactions
410	New Code	411	Code Change: Payments to Other K-12 Public Schools Within the State Michigan.
420	Payments to Other Governmental Units OUTSIDE the State	420	Title Change: Payments to Other K-12 Public Schools OUTSIDE the State of Michigan Header Only. Not to be used in coding transactions
420	New Code	421	Code Change: Payments to Other K-12 Public Schools OUTSIDE the State of Michigan
430-439	Change Code: Fund Modifications	Delete	Change Code: Record in 601-699 Fund Modifications
None	New Header Category	440	Payments to Other Governmental Entities (Do not include other public schools which would be reported in Function 410) – Sub-grantee Relationships Header Only. Not to be used in coding transactions
None	New Code	441	Payments to Other Governmental Entities – Sub-grantee

			Relationships (Non-Public Schools, Community Organizations, etc.)
None	New Header Category	450	Code Change: Facilities Acquisition - Header Only. Not to be used in coding transactions
None	New Code	451	Site Acquisition Services – Activities concerned with initially acquiring and improving sites.
None	New Code	452	Site Improvement Services- Activities concerned with improving sites, and with maintaining existing site improvements
None	New Code	453	Architecture and Engineering Services- 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 which may or may not result in additions to the school district property. Otherwise charge to 451, 452, 455, or 456.
None	New Code	455	Building Acquisition and Construction Services – Activities concerned with buying or constructing buildings.
None	New Code	456	Building Improvements Services – Activities concerned with building additions and with installing or extending service systems and other built-in equipment.
None	New Code	459	Other Facilities Acquisition and Construction Services that cannot be classified above.
490	New Header Category	490	Prior Period Adjustments - Header Only. Not to be used in coding transactions.
492	Prior Period Adjustments	491	Clarify Definition: Prior Period Adjustments- Material Transactions – Amounts reported here must be reported in the audited financial statements as adjustments to the prior year fund balance with appropriate notation.
None	New Code	492	Prior Period Adjustments – Non Material Transactions
496	Payments on Loans	Delete	Code in Function 511
499	Other Transactions	Delete	Record in Appropriate Function
500	Other Uses	500	Title Change: Other Financing Uses
510	Debt Service	510	Debt Service – Long Term Only Header Only. Not to be used in coding transactions.
510	New Code	511	Debt Service – Long Term Only Short-term principal will be recorded in offsetting balance sheet accounts. Short-term interest expenditures will be coded in Function “259”.
430	Change Header Classification	600	Fund Modifications (Other Operating Transfers Out)- Header Only. Not to be used in coding transactions
431-439	Fund Modifications	601-699	Fund Modifications (Other Operating Transfers Out)- Change Code: Use “6” in the first position of the function code, then two position fund code of fund the dollars are going to.

Expenditure Object Codes: In order to accommodate a logical taxonomy, we have grouped all categories of expenditure object codes to the second position. All accounts ending in a “00” will become header categories that will not be used for actual coding of accounting transactions.

Current Code	Current Name	New Code	New Name
1230	Librarian	1230	Title Change: Educational Media Specialist
1710	Reclassified - Sick Leave	Delete	Use Object for Regular Salary
1730	Reclassified - Holiday Pay	Delete	Use Object for Regular Salary
1740	Reclassified - Vacation Pay	Delete	Use Object for Regular Salary
None	New Code	1880	Clerical/Administrative Support
1900	Overtime Salaries	1900	Title Change: Overtime Salaries and Extension of Contract
2200	Special Leave Payments	2200	Special Leave Payments- Header Only. Not to be used in coding transactions
None	New Code	2210	Early Retirement Incentives

2400	Professional Services	2400	Professional Services - Header Only. Not to be used in coding transactions
2400	New Code	2410	Reimbursement for Employee Physicals and Other Health Related Services on Behalf of Emp.
2400	New Code	2490	Other Professional Services paid on behalf of employees
3160	Data Processing Services	3160	Title Change: Management Information Services
3420	Reclassified – Telegraph	Delete	Record in 3490 Other Misc. Communications
3430	Mail	3430	Title Change: Mail/Postage
3440	Reclassified- On-Line Subscription	Delete	Record in 3490 Other Misc. Communications
None	New Code	3490	Other Misc. Communications
3510	Personnel Recruitment	3510	Title Change: Advertisement
3520	Reclassified- Bond Sales	Delete	Record in 3510 listed above
3530	Reclassified- Sale of Fixed Assets	Delete	Record in 3510 listed above
3540	Reclassified- Student Enrollment	Delete	Record in 3510 listed above
3600	Printing and Binding	3600	Printing and Binding - Header Only. Not to be used in coding transactions
3600	New Code	3610	Printing and Binding
3710	Pupil Transportation Tuition	3710	Title Change: Tuition Definition Change: Expenditures to reimburse other educational entities for instructional services for pupils.
3910	Public Liability	3910	Title Change: Property and Liability
3920	Building Insurance	3920	Classification Change: Include Building with Property and Liability “3910.”
3920	New Category	3920	NEW Category: Errors and Omissions (Legal Liability)
3930	Transportation Vehicle Insurance	3930	Title Change: Fleet Insurance
3940	Fidelity Insurance and Bond	Delete	Record in Other 3990
3950	Peril	Delete	Record in Other 3990
None	Reclassified-	4130	Vehicle/Bus Repairs and Maintenance (Record staff and misc. non-pupil transportation vehicles in function code 261. Record pupil transportation in function 271.)
4150	Reclassified- Pupil Transportation Repairs and Maintenance.	Delete	Record in 4130 – Vehicle/Bus Repairs and Maintenance
4160	Reclassified- Other Vehicle Repairs and Maintenance.	Delete	Record in 4130 – Vehicle/Bus Repairs and Maintenance
None	Reclassified-	4230	Vehicle/Bus Rentals
4250	Reclassified- Pupil Transportation Rental	Delete	Record in 4230 – Vehicle/Bus Rentals
4260	Reclassified- Other Vehicles Rental	Delete	Record in 4230 – Vehicle/Bus Rentals
4900	Other Purchased Services	4900	Other Purchased Services - Header Only. Not to be used in coding transactions
4900	New Code	4910	Other Purchased Services
5100	Teaching Supplies and Materials	5100	Teaching Supplies and Materials - Header Only. Not to be used in coding transactions
5100	New Code	5110	Change Code: Teaching Supplies and Materials
5200	Textbooks	5200	Textbooks- Header Only. Not to be used in coding transactions.
5200	New Code	5210	Change Code: Textbooks
5300	Library Books (Additions to Existing Libraries)	5300	Title Change: Library Books (Additions to Existing Libraries) Header Only. Not to be used in coding transactions
5300	New Code	5310	Code Change: Library Books (Additions to Existing Libraries)
5400	Periodicals	5400	Periodicals – Header Only. Not to be used in coding transactions
5400	New Code	5410	Code Change: Periodicals
5650	New Code	5650	Code Change: USDA Commodities Usage
5800	USDA Commodities	5650	Delete Code and include New Code 5650: USDA Commodities Usage
5980	Small Tools	5980	Title Change: Misc. Hardware and Tools
6100	Land	6100	Land - Header Only. Not to be used in coding

			transactions
6100	New Code	6110	Code Change: Land
*6225	Change Code	6230	Non-Property Expenditures for Buildings Built and Alterations performed by Contractors
6300	Improvements Other than Buildings	6300	Improvements Other than Buildings - Header Only. Not to be used in coding transactions
6300	New Code	6310	Code Change: Improvements Other than Buildings-Depreciable
6300	New Code	6320	Code Change: Improvements Other than Buildings-Non-depreciable – Falls below GASB-34 threshold
6410	Equipment and Furniture-New	6410	Title Change: New Equipment and Furniture – Depreciable
6410	New Code	6420	Code Change: New Equipment and Furniture – Non-depreciable – Falls below GASB-34 threshold
6450	Equipment and Furniture-Replacement	6450	Title Change: Replacement Equipment and Furniture – Depreciable
6450	New Code	6460	Code Change: Replacement Equipment and Furniture – Non-depreciable – Falls below GASB-34 threshold
6510	Vehicles Other than Buses-New	6510	Title Change: New Vehicles Other than Buses – Depreciable
6510	Vehicles Other than Buses-New	6520	Code Change: New Vehicles Other than Buses – Non-depreciable – Falls below GASB-34 threshold
6550	Vehicles Other than Buses-Replacement	6550	Title Change: Replacement Vehicles Other than Buses – Depreciable
6550	Vehicles Other than Buses-Replacement	6560	Code Change: Replacement Vehicles Other than Buses– Non-depreciable – Falls below GASB-34 threshold
6610	School Buses	6610	Title Change: New School Buses – Depreciable
6610	School Buses	6620	Code Change: New School Buses – Non-depreciable – Falls below GASB-34 threshold
6650	School Buses	6650	Title Change: Replacement School Buses – Depreciable
6650	School Buses	6660	Code Change: Replacement School Buses – Non-depreciable – Falls below GASB-34 threshold
6670	School Buses	6670	Title Change: Refurbished School Buses – Depreciable
6670	School Buses	6680	Code Change : Refurbished School Buses – Non-depreciable – Falls below GASB-34 threshold
6700	Library Books – Initial Furnishing	6700	Title Change: Library and Text Books
6700	New Code	6710	Code Change: Library and Text Books – Initial Furnishing- Depreciable
6700	New Code	*6720	New Code: Educational Media- Initial Furnishing
6900	Other Capital Outlay	6900	Other Capital Outlay – Header Only. Not to be used in coding transactions
6900	New Code	6910	Code Change: Other Capital Outlay- Depreciable
6900	New Code	6920	Code Change: Other Capital Outlay- Non-depreciable Non-depreciable – Falls below GASB-34 threshold
7100	Redemption of Principal	7100	Change Title: Redemption of Long-term Bonds, Loans and Capital Leases – Use only with Function Code 511. Header Only. Not to be used in coding transactions
7110	Redemption of Term Bonds	7110	Change Title: Redemption of Term Bond Principal
7120	Redemption of Serial Bonds	7120	Change Title: Redemption of Serial Bond Principal
8950	New Code	7130	Redemption of Furniture and Equipment Notes and Loans Principal
7140	Redemption of School Bond Loans	7140	Change Title: Redemption of School Bond Loans Principal
None	New Code	7150	Capital Lease Redemption
8960	New Code	7160	Redemption of School Bus Loan Principal
7500	Claims and Judgments	7500	Claims and Judgments- Header Only. Not to be used in coding transactions
7500	New Code	7510	Code Change: Claims and Judgments
7600	Taxes Abated and Written Off	7600	Taxes Abated and Written Off- Header Only. Not to be used in coding transactions

7600	New Code	7610	Code Change: Taxes Abated and Written Off
7700	Amortization and Depreciation –	7700	Amortization and Depreciation – Header Only. Not to be used in coding transactions
7710	New Code	7710	Code Change: Amortization and Depreciation – Used only in GASB-34 Funds and Enterprise Funds
7800	Discounts	7800	Discounts on Food Service Sales
7800	New Code	7810	Code Change: Discounts on Food Service Sales
7900	Miscellaneous Expenditures	7900	Miscellaneous Expenditures -Header Only. Not to be used in coding transactions
7900	New Code	7910	Code Change: Miscellaneous Expenditures
8100	Fund Modifications	8100	Fund Modifications -Header Only. Not to be used in coding transactions
8100	New Code	8110	Code Change: Fund Modifications
8200	Transits, Local School Districts	8200	Title Change: Payments to Other Public School Districts in Michigan -Header Only. Not to be used in coding transactions
8290	Other Transits	8290	Clarify Definition: Do not include sub-grantee disbursements here. Those would be recorded in “8510.”
8300	Transfers Other School Districts Outside the State	8300	Title Change: Payments to Other Public School Districts OUTSIDE of Michigan -Header Only. Not to be used in coding transactions
None	New Code	8310	Code Change: Payments to Other Public School Districts OUTSIDE of Michigan
None	New Category	8500	Sub-Grantee Disbursements - Header Only. Not to be used in coding transactions
None	New Code	8510	Sub-Grantee Disbursements (Use with Functions 410, 420, 440)
None	New Code	8910	Other Transactions
8940	Payments on Energy Conservation Loans	Delete	Code Change: Record with Other Long-term Redemption of Principal “7190”
8950	Payment on Furniture and Equipment Loans	Delete	Code Change: Record with Redemption of Furniture and Equipment Notes and Loans Principal “7130”
8960	Payment of Bus Loans	Delete	Code Change: Record with Redemption of School Bus Loans Principal “7160.”