

CHAPTER 6 – General Fund Expenditure Accounts

- Beginning near page 6-46, the section on Object of Expenditure Codes guidance is expanded. Three-digit National Center for Education Statistics (NCES) Object Codes are incorporated into the Object Code segment.

OBJECT OF EXPENDITURE CODES

Objects of expenditure codes describe the goods or services provided to accomplish the objectives of the program and activity. In the account code structure, the object code classifies the service or commodity obtained. The first digit of the object code is the traditional title categories districts currently use. Program expenditure reports use object titles to display expenditures by activities within the program. The title category code segregates expenditures into groupings which describe the general nature of the goods or services. Following the one-digit object title is a three-digit National Center of Education Statistics (NCES) object code. The NCES codes are a nationally developed, uniformed classification system that specifically identify expenditures. The combination of the one-digit object title and the three-digit NCES code completes the four-digit object code segment.

School districts must report expenditures on the F-196 Financial Report using the four-digit object codes listed in this chapter. School districts have the option of customizing their account code structure; but custom codes must roll up or crosswalk to the required four-digit codes for F-196 reporting.

The title categories of the objects of expenditure are as follows:

- 0 Debit Transfer**
- 1 Credit Transfer**
- 2 Salaries—Certificated Employees**
- 3 Salaries—Classified Employees**
- 4 Employee Benefits and Payroll Taxes**
- 5 Supplies, Instructional Resources, and Non-capitalized Items**
- 6 (Not Used)**
- 7 Purchased Services**
- 8 Travel**
- 9 Capital Outlay**

NCES OBJECT CODES

Three-digit NCES object codes describe the services or commodities obtained from specific expenditures and provides OSPI with the details required to align data to state and federal reporting objectives.

The NCES codes will be reported on the 2019–20 F-196 in combination with the object title codes, 0-9. Within the chart of accounts, this is commonly displayed as a four-digit expenditure segment OBBB. The “O” being the current 0-9 object code; the “BBB” represents the three-digit NCES object code. Districts are encouraged, but not required, to embed the NCES code in the “sub-object” portion of the object code segment. The specific placement of the NCES code into a district’s chart of accounts is at the discretion of the district and its accounting software provider.

Mandatory reporting of General Fund expenditures by the four-digit object codes begins in the 2019–20 fiscal year. OSPI will collect NCES data in the General Fund only. Districts may use these NCES codes in other government funds.

The three-digit NCES codes are divided into nine expenditure categories:

- 100 – Personal Services – Employee Salaries
 - The 100 series is used in combination with Object Title Codes 2 or 3
- 200 – Personal Services – Employee Benefits
 - The 200 series is used in combination with Object Title Code 4
- 300 – Purchased Services – Professional and Technical
 - The 300 series is used in combination with Object Title Code 7
- 400 – Purchased Services – Property
 - The 400 series is used in combination with Object Title Code 7
- 500 – Other Purchased Services
 - The 500 series is used in combination with Object Title Codes 7 or 8
- 600 – Supplies
 - The 600 series is used in combination with Object Title Codes 5 or 7
- 700 – Property
 - The 700 series is used in combination with Object Title Code 9
- 800 – Debt Service and Miscellaneous
 - The 800 series is used in combination with Object Title Code 7
- 900 – Other Items
 - The 900 series is used in combination with Object Title Codes 7 or 9

Object of Expenditure Code Description

Specific NCES expenditure codes are listed under the nine major categories and within the Object of Expenditure Codes listed below.

Object 0000 Debit Transfer

This object is used to transfer-in direct expenditures previously charged to another program.

Object 1000 Credit Transfer

This object is used to transfer-out direct expenditures chargeable to another program.

Object 2XXX Salaries—Certificated Employees

Object Title Code 2 is used to record all expenditures for salaries of certificated personnel employed by the district. Amounts paid for personal services to both permanent and temporary school district certificated employees, including personnel substituting for others in permanent positions and on long-term unpaid leave.

A certificated employee means a person who holds a professional education certificate issued by OSPI and is one of the following:

- The person is employed by a district in a position for which such certificate is required by statute rule of the State Board of Education, written policy, or practice of the employing district.
- The person is employed by an agency in a position for which such certificate is required.
- The person is a superintendent or is hired to fill a position designated as, or which is in fact, deputy superintendent or assistant superintendent.

Salary expenditures are charged to specific object codes. The object codes listed below are for F-196 reporting.

NCES Object Code Customization

Your district can customize the codes for specific use. In most situations where a four-digit NCES object code ends in “0,” districts can replace the last digit with codes “1” to “9” to

segregate types of costs within a category. For example: Salary code 2110 can be segregated into 2111 to 2119 by the district for internal use. All expenditures coded from 2110 to 2119 should be combined for reporting purposes on the F-196 under the object code 2110.

The types of certificated salaries include, but are not limited to:

Object Code	Description
Personal Services – Certificated Employee Salaries	
2110	Salaries of Regular Employee
	<ul style="list-style-type: none"> • Basic employment contract
2120	Salaries of Temporary Certificated Employees and Substitutes
	<ul style="list-style-type: none"> • Compensation of substitutes or other temporary personnel
2130	Salary for Time Outside the Contracted Teaching Day not Paid by Contract
	<ul style="list-style-type: none"> • Optional days • Miscellaneous hourly rates of compensation
2140	Salary for Sabbatical Leave – Certificated
2150	Supplemental Contracts – Certificated
	<ul style="list-style-type: none"> • Supplemental teaching or academic duty contract • Supplemental extracurricular duty contract • Additional days contract • Other special contracts for time or responsibility
2160	Other Salaries – Certificated
	<ul style="list-style-type: none"> • Special contract provisions such as tax-sheltered annuity, housing allowance, mileage, or auto allowance • Retroactive, deferred, or grievance-awarded compensation • Annual sick leave buy-back • Retirement sick leave buy-back and vacation buy-back • Employment termination settlements
2170	Other Salaries – NBCT
	<ul style="list-style-type: none"> • National Board Certificated Teacher (NBCT)

2110 – Salaries of Regular Certificated Employees

Amounts paid to full-time and part-time-permanent certificated employees of the school district. Include basic teaching employment contracts. Exclude amounts paid to employees for supplemental contracts. Use NCES code 2150 for supplemental contracts.

2120 – Salaries of Temporary Certificated Employees and Substitutes

Amounts paid to substitute teachers and other temporary certificated employees of the school district who are hired on a temporary or substitute basis. Exclude amounts paid to employees for supplemental contracts. Use NCES code 2150 for supplemental contracts.

2130 – Salaries for Time Outside the Contracted Teaching Day not Paid by Contract

Amounts paid to certificated employees of the school district in either temporary or permanent positions for work performed in addition to and outside of the normal work period for which the certificated employee is compensated under regular salaries and temporary salaries above. The terms of such payment are subject to federal, state, and local regulations and interpretation. Exclude amounts paid under supplemental contracts. Use NCES code 2150 for supplemental contracts.

2140 – Salaries for Sabbatical Leave – Certificated

This object code is used to identify amounts paid by the School District to certificated employees on sabbatical leave. Exclude amounts paid under supplemental contracts. Use NCES code 2150 for supplemental contracts.

2150 – Supplemental Contracts – Certificated

Amounts paid to certificated employees of the school district in either temporary or permanent positions for work performed under supplemental contracts which are in addition to and outside of the employee's regular work assignment. This includes time or responsibility compensation for such assignments as coaching, extra-curricular activity sponsorship, supplemental contract pay for curriculum development, and other arrangements that are not a part of an employee's base compensation package.

- Supplemental teaching or academic duty contract
- Supplemental Extracurricular duty contract
- Additional days contracts

2160 – Other Salaries – Certificated

This code is used to identify amounts paid by the school district to certificated employees for other salaries not listed elsewhere.

- Special contract provisions such as tax-sheltered annuity, housing allowance, mileage, or auto allowance.
- Retroactive, deferred, or grievance-awarded compensation
- Annual sick-leave buy-back
- Retirement sick-leave and vacation leave buy-back
- Employment termination settlements

2170 – Other Salaries – NBCT

This code is used to identify amounts paid by the school district for National Board Certificated Teacher (NBCT) bonuses.

Object 3XXX Salaries—Classified Employees

Object Title Code 3 is used to record the gross salary for personal services rendered by classified employees, including personnel substituting for those in permanent positions while on the payroll of the school district. A classified employee is any person employed by a district in a position that does not require a teaching certificate.

Classified employee salary expenditures are charged to specific object codes. The object codes listed below are for F-196 reporting.

NCES Object Code Customization

Your district can customize the codes for specific use. In most situations where a four-digit NCES object code ends in “0,” districts can replace the last digit with codes “1” to “9” to segregate types of costs within a category. For example: Salary code 3110 can be segregated into 3111 to 3119 by the district for internal use. All expenditures coded from 3110 to 3119 should be combined for reporting purposes on the F-196 under the object code 3110.

Object Code	Description
3110	Salaries of Regular Classified Employees
	<ul style="list-style-type: none">• Compensation for assigned hours per day or paid days per year including, but not limited to, normal workdays and holidays
3120	Salaries of Temporary Classified Employees and Substitutes
	<ul style="list-style-type: none">• Compensation of classified substitutes or other temporary personnel

Object Code	Description
3130	Salaries for Time Outside the Work Day and Overtime Pay
	<ul style="list-style-type: none"> Overtime hours or additional hours
	<ul style="list-style-type: none"> Optional days
3140	Salaries for Sabbatical Leave – Classified
3150	Supplemental Contracts – Classified
	<ul style="list-style-type: none"> Supplemental extracurricular duty contract
	<ul style="list-style-type: none"> Other special contracts for time or responsibility
3160	Other Salaries – Classified
	<ul style="list-style-type: none"> Special contract provisions such as tax-sheltered annuity, housing allowance, mileage, or auto allowance
	<ul style="list-style-type: none"> Retroactive, deferred, or grievance-awarded compensation
	<ul style="list-style-type: none"> Annual sick leave buy-back
	<ul style="list-style-type: none"> Retirement sick leave buy-back and vacation buy-back
	<ul style="list-style-type: none"> Employment termination settlements

3110 – Salaries of Regular Classified Employees

Amounts paid for work performed by full-time and part-time permanent classified employees of the school district. Exclude amounts paid under supplemental contracts for additional time or responsibility. Use NCES code 3150 for supplemental salaries.

3120 – Salaries of Temporary Classified Employees and Substitutes

Amounts paid to substitute classified employees of the school district who are hired on a temporary or substitute basis. Exclude amounts paid under supplemental contracts for additional time or responsibility. Use NCES code 3150 for supplemental salaries.

3130 – Salaries for Time Outside the Work Day and Overtime Pay

Amounts paid to classified employees of the school district in either temporary or permanent positions for work performed in addition to the normal work period for which the classified employee is compensated under regular salaries and temporary salaries above. The terms of such payment are subject to federal, state, and local regulations and interpretation. Exclude amounts paid under supplemental contracts for additional time or responsibility. Use NCES code 3150 for supplemental salaries.

3140 – Salaries for Sabbatical Leave – Classified

This object code is used to identify amounts paid by the school district to classified employees on sabbatical leave. Exclude amounts paid under supplemental contracts for additional time or responsibility. Use NCES code 3150 for supplemental salaries.

3150 – Supplemental Contracts – Classified

Amounts paid to classified employees of the school district in either temporary or permanent positions for work performed under supplemental salary contracts which are in addition to the employee's regular work assignment. This includes time or responsibility compensation for such assignments as coaching, extra-curricular activity sponsorship, supplemental pay for curriculum development, and other arrangements that are not a part of an employee's base compensation package.

3160 – Other Salaries – Classified

Amounts paid to classified employees of the school district for salaries not included elsewhere.

- Special contract provisions such as a tax-sheltered annuity, housing allowance, mileage, or auto allowance
- Retroactive, deferred, or grievance-awarded compensation
- Annual sick-leave buy-back
- Retirement sick-leave and vacation leave buy-back
- Employment termination settlements

Object 4XXX Employee Benefits and Payroll Taxes

Object Title Code 4 is used to record amounts paid by the school district on behalf of employees; generally, all expenditures for employee payroll-generated benefits and employer taxes. These amounts are not included in the gross salary, but are in addition to that amount. Such payments are benefit payments and, while not paid directly to employees, are part of the cost of personal services. Employee benefits and payroll taxes are reported at the 4200 level to align with NCES object codes for personnel benefits and taxes. The following codes segregate the various benefits and taxes by employee type. These codes are required for F-196 reporting.

Object Code	Description
4212	Group Insurance—Certificated Staff
	<ul style="list-style-type: none"> • Life, AD&D, Long-Term and Short-Term Disability
4213	Group Insurance—Classified Staff
	<ul style="list-style-type: none"> • Life, AD&D, Long-Term and Short-Term Disability
4222	Federally Mandated Insurance – Certificated Staff
	<ul style="list-style-type: none"> • OASI (Social Security and Medicare)
4223	Federally Mandated Insurance – Classified Staff
	<ul style="list-style-type: none"> • OASI (Social Security and Medicare)
4232	Retirement Contributions – Certificated Staff
	<ul style="list-style-type: none"> • State retirement systems (TRS)
	<ul style="list-style-type: none"> • Employee Local Retirement Plan
4233	Retirement Contributions – Classified Staff
	<ul style="list-style-type: none"> • State retirement systems (SERS and PERS)
	<ul style="list-style-type: none"> • Employee Local Retirement Plan
4242	On-Behalf Payments – Certificated Staff
4243	On-Behalf Payments – Classified Staff
4252	Tuition Reimbursement – Certificated Staff
4253	Tuition Reimbursement – Classified Staff
4262	Unemployment Compensation – Certificated Staff
4263	Unemployment Compensation – Classified Staff
4272	Worker's Compensation – Certificated Staff
	<ul style="list-style-type: none"> • Industrial insurance, medical aid, and supplemental pension contributions
4273	Worker's Compensation – Classified Staff
	<ul style="list-style-type: none"> • Industrial insurance, medical aid, and supplemental pension contributions
4282	Health Benefits – Certificated Staff
	<ul style="list-style-type: none"> • Medical, Dental, Vision, etc.
4283	Health Benefits – Classified Staff
	<ul style="list-style-type: none"> • Medical, Dental, Vision, etc.
4292	Other Employee Benefits – Certificated Staff
4293	Other Employee Benefits – Classified Staff

4212 – Group Insurance – Certificated Staff

4213 – Group Insurance – Classified Staff

Employer's share of life insurance, accidental death and disability, long-term disability, and short-term disability insurance plans.

4222 – Federally Mandated Insurance – Certificated Staff

4223 – Federally Mandated Insurance – Classified Staff

Employer's share of federally mandated Medicare and Social Security insurance plans paid by the school district.

4232 – Retirement Contributions – Certificated Staff

4233 – Retirement Contributions – Classified Staff

Employer's share of contributions into Washington State TRS, SERS, and PERS pension plans, or local employee retirement plans, paid by the school district.

4242 – On-Behalf Payments – Certificated Staff

4243 – On-Behalf Payments – Classified Staff

Payments made by the state or other governments on behalf of the school district that benefit active employees of the school district. An example of this would be if the state sent resources directly to the retirement systems as a state match of the retirement contributions of school district personnel. The flow of resources from the state to DRS are made on behalf of the school district.

Note: This account is not used to record benefit payments made by the district. This account would be used if another agency made benefit payments on behalf of the district. An equal revenue amount should be recognized and recorded depending on the source of the payment.

4252 – Tuition Reimbursement – Certificated Staff

4253 – Tuition Reimbursement – Classified Staff

Amounts reimbursed by the school district to any employee qualifying for tuition reimbursement based on school district policy.

4262 – Unemployment Compensation – Certificated Staff

4263 – Unemployment Compensation – Classified Staff

Amounts paid by the school district to provide unemployment compensation for its employees. Also include amounts paid by the school district to provide paid family and medical leave for its employees under FMLA.

4272 – Workers' Compensation – Certificated Staff

4273 – Workers' Compensation – Classified Staff

Amounts paid by the school district to provide workers' compensation insurance for its employees.

4282 – Health Benefits – Certificated Staff

4283 – Health Benefits – Classified Staff

Amounts paid by the school district to provide health benefits for its current employees or retired employees for medical, dental, vision, and other medically-related insurance coverage for whom benefits are paid.

4292 – Other Employee Benefits – Certificated Staff

4293 – Other Employee Benefits – Classified Staff

Amounts paid by the school district for employee assistance program benefits, which are not classified above. Depending upon the type of benefit, these may be included as gross income on W-2's (e.g., auto allowance).

Object 5XXX Supplies, Instructional Resources, and Non-capitalized Items

Object Title Code 5 is used to record amounts paid for items consumed, worn out, or deteriorated through use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances. Supplies, instructional resources, and non-capitalized items are reported in the 56XX object code level to align with NCEs object codes for supplies.

Non-capitalized items recorded here are items of equipment that are not reported under Object 9 Capital Outlay. The items must have a useful life of less than one year or have an acquisition cost that is less than \$5,000 or the minimum capitalization value established by the school district. Refer to the district's capital assets policy for the criteria for distinguishing

between a supply item and an equipment item. Items that contribute to a district's capital assets must be coded as equipment items in the 97XX object code series.

NCES Object Code Customization

Your district can customize the codes for specific use. In most situations where a four-digit NCES object code ends in "0," districts can replace the last digit with codes "1" to "9" to segregate types of costs within a category. For example: General Supplies, code 5610, can be segregated into 5611 to 5619 by the district for internal use. All expenditures coded from 5610 to 5619 should be combined for reporting purposes on the F-196 under the object code 5610.

The types of supplies include, but are not limited to:

Object Code	Description
5610	General Supplies: Instructional and Non-instructional Resources
5626	Motor Vehicle Fuels
5630	Food (Programs 89 and 98 only)
5640	Books and Periodicals
5650	Supplies – Technology Related

5610 – General Supplies: Instructional and Non-instructional Resources

Expenditures for the purchase of all consumable supplies (other than those listed for other NCES Object Codes below) for the operation of a school district. These items may also lose their identity through fabrication or incorporation into a different or more complex unit or structure. Include postage, freight and cartage for the delivery of these supplies. Supplies, instructional resources, and other non-capitalized items include, but are not limited to:

- Accessories and parts
- Assessment tests
- Building and hardware supplies and components
- Copy supplies
- Custodial supplies
- Fertilizers
- Glassware
- Hand tools

- Instructional materials
- Lumber
- Office and library supplies
- Paper products
- Postage
- Preprinted forms
- Science class chemicals
- Transportation parts, and lubricants
- Workbooks and kits

5626 – Motor Vehicle Fuels

Expenditures for gasoline, diesel, propane, and other fuels for use in motor vehicles; purchased in bulk or from service stations.

5630 – Food

Expenditures for food used in the school food service program. This object code is used only in Program 98, Food Services, or in Program 89, for a Child and Adult Care Food Program (CACFP). This object code will also include any costs to process USDA Donated Food into alternate end products through commodity processing contracts.

Food acquired and used in instructional programs or for other purposes allowed by district policy is charged to object code 5610.

5640 – Books and Periodicals

Expenditures for books, textbooks, and periodicals prescribed and available for general use, including library and reference books. This category includes the cost of workbooks, textbook binding or repairs, as well as textbooks purchased to be resold or rented. Also recorded here are costs of binding or other repairs to school library books.

5650 – Supplies – Technology Related

Technology-related supplies are typically used in conjunction with technology-related hardware or software. Some examples are electronic textbooks, CDs, flash or jump drives, parallel cables, and monitor stands. Software costs below the capitalization threshold should be reported here. E-readers, including Kindles and iPads, that fall below capitalization thresholds should be reported here.

Licenses and fees, for services such as subscriptions to research materials over the Internet, should be reported under 7530 Communications.

Items that contribute to a district's capital assets must be coded as equipment items in object code 9734 or 9735.

Object 6XXX (Not Used)

Object 7XXX Purchased Services

Object Title Code 7 is used to record expenditures for services and associated goods from independent contractors or service providers that are rendered to the school district under expressed or implied contracts, with the exception of specific expenditures entered into for the expressed purposes classified as Object 8 Travel. Independent contractors or service providers are not employees of the school district. Payments to independent contractors or service providers may include labor together with goods or materials and related charges furnished in the performance of such labor.

If such expenditures increase the value or life of an asset, they should be recorded in Object 9 Capital Outlay.

NCES Object Code Customization

Your district can customize the codes for specific use. In most situations where a four-digit NCES object code ends in "0," districts can replace the last digit with codes "1" to "9" to segregate types of costs within a category. For example: Cleaning Services, code 7420, can be segregated into 7421 to 7429 by the district for internal use. All expenditures coded from 7420 to 7429 should be combined for reporting purposes on the F-196 under the object code 7420.

Purchased Services are segregated into several category types: 73XX is for professional and technical services; 74XX is for property services; 75XX is for other services; 76XX is energy related costs; 78XX is related to debt services; and 79XX is other items. Purchased services include, but are not limited to:

Object Code	Description
73XX	Purchased Services – Professional and Technical
7310	Office and Administrative Services
7311	Election Fees
7320	Professional Educational Services
7321	Contracted Teachers
7322	Contracted Educational Staff Associates
7330	Employee Training and Development Services
7340	Other Professional Services
7341	Legal Services for District Support
7342	Audit Services
7343	Other Legal Services
7350	Technical Services
7351	Data Processing and Coding Services
7352	Other Technical Services
74XX	Purchased Services – Property
7410	Utility Services (Water/Sewer)
7420	Cleaning Services (Garbage Service, Contracted Custodial, Snow Removal)
743X	Repairs and Maintenance Services
7431	Non-Technology-Related Repairs and Maintenance
7432	Technology-Related Repairs and Maintenance
744X	Rentals
7441	Rentals of Land and Buildings
7442	Rentals of Equipment and Vehicles
7443	Rentals of Computers and Related Equipment (Activities 32 and 72 only)
7450	Contractor Services (minor renovating, remodeling)
7490	Other Purchased Property Services
75XX	Other Purchased Services
751X	Student Transportation Services
7511	Student Transportation Purchased From Another School District or ESD
7512	Student Transportation Purchased From an LEA or SEA Out-of-State
7519	Student Transportation Services Purchased From Another Source
7520	Insurance Premiums (Property, Liability, Vehicle, etc.) (Not Employee Benefits)
7530	Communications
7540	Advertising

Object Code	Description
7550	Printing and Binding
756X	Tuition – (Students)
7565	Tuition Paid to Postsecondary Schools (Dual Credit)
7569	Tuition – Other
7570	Food Service Management (FSMC)
7580	Registration and Entrance Fees
759X	Interagency Purchased Services
7591	Services Purchased From Another School District or ESD
7592	Services Purchased From Another LEA or SEA Out-of-State
762X	Energy
7621	Natural Gas
7622	Electricity
7623	Bottled Gas
7624	Oil
7625	Coal
7629	Other Energy
78XX	Debt Service and Fees
7810	Dues and Fees
7820	Settlements and Judgments Against the School District
783X	Debt-Related Expenditures and Expenses
7831	Redemption of Principal
7832	Interest on Long-Term Debt
7833	Bond Issuance and Other Debt-Related Costs
7835	Interest on Short-Term Debt
79XX	Other Items
7950	Special Items
7960	Extraordinary Items

73XX – Purchased Services – Professional and Technical

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, medical doctors, lawyers, consultants, teachers, accountants, brokers, etc.

7310 – Office and Administrative Services

Services in support of the various policy-making and managerial activities of the school district. Included are management consulting activities oriented to general governance or business and financial management of the school district; school management support activities; and election services and tax collecting services.

7311 – Election Fees

Services in support of School Board authorized elections.

7320 – Professional Educational Services

Services supporting the instructional program and its administration. Included are curriculum improvement services, and contracted para educational services.

7321 – Contracted Teachers

Contracted instructional services supporting the instructional program of the district as defined under WAC 392-121-206 and in association with the use of S-275 duty code 630.

7322 – Contracted Educational Staff Associates

Services supporting the instructional program of the district as defined under WAC 392-121-206 and in association with the use of S-275 duty code 640. This includes counseling and guidance services, and library and media support services.

7330 – Employee Training and Development Services

Services supporting the professional and technical development of school district 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 school district facilities or off-site), and other expenditures associated with training by third-party vendors. All expenditures should be captured in this NCES Code regardless of the type or intent of the training course or professional learning activity.

7340 – Other Professional Services

Professional services other than educational services that support the operation of the school district. Included are medical doctors, lawyers, architects, auditors, accountants, therapists, audiologists, dietitians, editors, negotiations specialists, paying agents, system analysts, planners, brokers, etc. Costs incurred for fingerprinting and background checks should use this NCES Code. Audit costs charged directly to programs should use this NCES Code. Bond issuance costs should be coded in this NCES Code series.

7341 – Legal Services for District Support

Legal costs, associated with interpretation of laws and regulations, recorded in Program 97, Activity 11, Board of Directors, but not specifically associated with the Board of Directors.

7342 – Audit Services

Audit costs recorded in Program 97, Activity 11, Board of Directors, and not directly charged to another program.

7343 – Other Legal Services

All other legal costs supporting district services not related to the services incurred under Object Code 7341. This could include, but is not limited to work performed by personnel attorneys, construction attorneys, and contract write-up services.

7350 – Technical Services

Services to the school district that are not regarded as professional; but require basic scientific knowledge, manual skills, or both. Included are purchasing and warehousing services, graphic arts, etc.

7351 – Data Processing and Coding Services

Services to the school district including data entry, formatting, processing services, and programming.

7352 – Other Technical Services

Services to the school district other than data processing and related services.

74XX – Purchased Services – Property

Services purchased to operate, repair, maintain, and rent property owned or used by the school district. These services are performed by persons other than school district employees. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

7410 – Utility Services

Expenditures for utility services other than energy services supplied by public or private organizations. Water and sewer services are included here.

Cleaning services are not include here, but are coded to 7420; Telephone and internet services are not included here, but are coded to 7530. Energy services are classified under the 762X object code series.

7420 – Cleaning Services

Services purchased to clean buildings (apart from services provided by school district employees), including, but not limited to, recycling, shredding, and garbage disposal services; snow plowing, custodial services, laundry services, and lawn care services.

743X – Repairs and Maintenance Services

Expenditures for repairs and maintenance services not provided directly by school district personnel. These include contracts and agreements covering the upkeep of buildings and equipment.

7431 – Non-Technology-Related Repairs and Maintenance

Contracts and agreements covering the upkeep of buildings and non-technology equipment. Costs for renovating and remodeling are not included here, but are classified under NCES Code 7450.

7432 – Technology Related Repairs and Maintenance

Expenditures for repairs and maintenance services for technology equipment that are not directly provided by school district personnel. This includes ongoing service agreements for technology hardware (e.g., personal computers and servers).

744X – Rentals

Costs for renting or leasing land, buildings, equipment, and vehicles.

7441 – Rentals of Land and Buildings

Expenditures for leasing or renting land and buildings for both temporary and long-range use by the school district.

7442 – Rentals of Equipment and Vehicles

Expenditures for leasing or renting equipment or vehicles for both temporary and long-range use of the school district. This includes bus and other vehicle rental when operated by a local school district and similar rental agreements. Include rental vehicles for driver's education programs here. This should be coded to the Program and Activity where the equipment or vehicle is used. This code excludes the costs associated with the rental of computers or other technology-related equipment.

7443 – Rentals of Computers and Related Equipment

Expenditures for leasing or renting computers or related equipment for both temporary and long-range use. This should be coded to the Program where the equipment is being used. For use with Activity 32 and 72 only.

7450 – Contractor Services

Includes amounts paid to contractors for minor renovating and remodeling of facilities. Expenditures related to contracts and agreements covering the upkeep of buildings and non-technology equipment should be charged to 7431. Expenditures related to new construction and major renovation should be charged to NCES Code 9720.

7490 – Other Purchased Property Services

Purchased property services which are not classified above; include moving costs associated with classroom reassignments and redesigns. Communication services are not included here but are included in NCES Code 7530.

75XX – Other Purchased Services

Amounts paid for services rendered by organizations or personnel not on the payroll of the school district (separate from Professional and Technical Services or Property Services). While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

751X – Purchased Services – Student Transportation Services

Expenditures for transporting students to and from school and other activities. Expenditures for the rental of buses, operated by personnel on the payroll of the school district, are not recorded here but under object code 7442.

7511 – Student Transportation Purchased From Another School District or ESD

Payments to the ESD or another school district for transporting students to and from school and school-related events. Include expenditures related to Transportation Cooperatives. To-and-From transportation is coded to Program 99. Non-To-and-From transportation is coded to the Program utilizing the service. Expenditures for the rental of buses, operated by personnel on the payroll of the school district, are not recorded here but under object code 7442.

7512 – Student Transportation Purchased From an LEA or SEA Out-of-State

Payments to other LEA OR SEA outside the state for transporting students to and from school and school-related events. To-and-From transportation is coded to Program 99. Non-To-and-From transportation is coded to the Program utilizing the service.

7519 – Student Transportation Services Purchased From Another Source

Payments to persons or agencies other than school districts for transporting children to and from school and school-related events. Include payments for contracted vendor services and reimbursements for student transportation on public carriers.

7520 – Insurance Premiums

Expenditures for all types of insurance coverage, including property, liability, fidelity, and vehicle insurance. Employee insurance benefits are coded to the 42XX series.

7530 – Communications

Services provided by persons or businesses to assist in transmitting and receiving messages or information. This category includes telephone and voice communication services; data communication services to establish or maintain computer-based communications, networking, and Internet services; video communication services to establish or maintain one-way or two-way video communications via satellite, cable, or other devices; postal communication services to establish or maintain postage machine rentals, express delivery services, and couriers. Include licenses and fees for services such as subscriptions to research materials over the Internet. Expenditures for software, both 'downloaded' and 'off-the-shelf,' should be coded to NCES Codes 5650 or 9735.

7540 – Advertising

Expenditures for announcements in professional publications, newspapers, or broadcasts over radio and television. These expenditures include advertising for such purposes as personnel recruitment, legal ads, new and used equipment, and sale of property. Costs for professional advertising or public relations services are not recorded here but are charged to NCES Code 7340.

7550 – Printing and Binding

Expenditures for job printing and binding, usually according to specifications of the school district. This includes designing and printing forms and posters as well as printing and binding school district publications.

Preprinted standard forms are not charged here, but are recorded under 5610, General Supplies.

The costs of binding and other repairs to school books are not charged here, but are recorded under 5640, Books and Periodicals.

756X – Tuition

Contracted expenditures to reimburse other educational agencies for instructional services to students of the paying school district.

7565 – Tuition Paid to Postsecondary Schools

Contracted expenditures to reimburse Postsecondary Schools for instructional services to students of the paying school district. Included here are payments made in association with dual credit programs such as Running Start.

7569 – Tuition – Other

Tuition paid to other governmental organizations as reimbursement for providing specialized instructional services to resident students of the paying school district. Examples may include services from out-of-state educational agencies and district placement for special educational services.

7570 – Food Service Management

Expenditures for the operation of a local food service facility by other than employees of the school district. Included are contracted services, such as food preparation, associated with the food service operation. Fixed fee contracts for food service used by those districts who are paying an outside vendor a fixed fee for their food service costs. Used only with Food Services, Program 98.

Direct expenditures by the school district for food, supplies, labor, and equipment would be charged to the appropriate NCES Code.

7580 – Registration and Entrance Fees

This account is used to record expenditures for authorized registration and entrance fees in accordance with the policies of the school district. Payments for event registrations and entrance costs are charged here. Travel, meals, and lodging costs should be charged to NCES Code 8580. Employee training courses or professional learning activities should be charged to NCES Code 7330.

759X – Interagency Purchased Services

Any interdistrict payments other than tuition or transportation should be classified here. This code identifies payments for services made between a school district and other government entities. Examples of such services are data processing, media services, nursing, and guidance.

7591 – Services Purchased From Another School District or ESD

Payments to ESDs or other school districts within the state for services other than tuition or transportation. Examples of such services are data processing, purchasing, nursing and guidance, assessment, and membership costs. Tuition must be reported with NCES Code 7569. Transportation must be reported with NCES Code 7511.

7592 – Services Purchased From Another LEA or SEA Out-of-State

Payments to another LEA or SEA outside the state for services other than tuition or transportation. Examples of such services are data processing, purchasing, nursing, and guidance. Tuition must be reported with NCES Code 7569. Transportation must be reported with NCES Code 7512.

762X – Energy

Record expenditures for energy, including natural gas, electricity, bottled gas, oil, coal, and for services received from public and private utility companies as described below. Vehicle fuel is recorded as a supply cost under code 5626.

7621 – Natural Gas

Expenditures for gas utility services from a private or public utility company.

7622 – Electricity

Expenditures for electric utility services from private or public utility company.

7623 – Bottled Gas

Expenditures for bottled gas, such as propane gas received in tanks normally used for heating. Propane fuel used as fuel for buses should be coded to 5626.

7624 – Oil

Expenditures for bulk oil normally used for heating.

7625 – Coal

Expenditures for coal normally used for heating.

7629 – Other Energy

Expenditures for energy that cannot be classified in one of the foregoing categories.

78XX – Debt Service and Fees

Amounts paid for goods and services not otherwise classified above.

7810 – Dues and Fees

Expenditures or assessments for membership in professional or other organizations, as well as student fees (such as entry fees to contest). Tuition expenditures should be reported in NCES Codes 7565 or 7569. Expenditures associated with registration, participation, or entrance to an event should be coded to NCES Code 7580. Fees for professional services should be charged to the appropriate 73XX series code.

7820 – Settlements and Judgements Against the School District

Expenditures from current funds for all judgments (except as indicated below) against the school district that are not covered by liability insurance, but are of a type that might have been covered by insurance. Amounts paid as the result of mediation or court decisions are recorded here. This would include student transportation liability claims incurred and paid by the school district. Judgments against the school district resulting from failure to pay bills or debt service are recorded under the appropriate expenditure accounts as though the bills or debt service had been paid when due. The proper coding for employee disputes usually is dictated by the terms of the legal settlement (e.g., employee disputes, which award compensation, should be coded to salary). Code 7820 is appropriate for noncompensation post-employment settlements.

783X – Debt-Related Expenditures and Expenses

7831 – Redemption of Principal

Expenditures to retire bonds (including current and advance refundings) and long-term loans, including lease-purchase arrangements. For use with Activity 84 only.

7832 – Interest on Long-Term Debt

Expenditures for interest on bonds and notes, including lease-purchase arrangements. For use with Activity 83 only.

7833 – Bond Issuances and Other Debt-Related Costs

Expenses in connection with bond and other debt issuance costs, including lease-purchase debt issuance costs. For use with Activity 85 only.

7835 – Interest on Short-Term Debt

Expenditures for interest on short-term debt or anticipation notes. For use with Activity 83 only.

79XX – Other Items

This series of codes is used to classify transactions which are unusual and infrequent. Costs recorded here require accounting control and reporting by the school district.

7950 – Special Items

This code is used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. For some districts, this may include termination benefits resulting from workforce reductions; or costs in connection with an early retirement program offered to all employees represented in one or more classes of employees. Special items may also include events not within the control of the district.

In the governmental funds, these items should be separately captioned and disclosed in the Notes to the Financial Statements.

7960 – Extraordinary Items

This code is used to classify items in accordance with APB Opinion No. 30 which are transactions or events that are both unusual in nature and infrequent in occurrence. For some districts, this may include significant costs related to a natural disaster caused by fire, flood, tornado, hurricane, or hailstorm; or costs related to an environmental disaster.

In the governmental funds, these items should be separately captioned and disclosed in the Notes to the Financial Statements.

Object 8XXX Travel

Object Title Code 8 is used to record expenditures for authorized travel in accordance with the policies of the school district. This travel may include contractual services for transporting school district employees, students, employment candidates, and representatives from place to place and the furnishing of accommodations incidental to travel and other expenditures necessitated by travel. Do not include expenditures for transporting students to and from school, instruction sites, or extracurricular activities which are recorded in Program 99 or the ASB Fund.

NCES Object Code Customization

Your district can customize the codes for specific use. In most situations where a four-digit NCES object code ends in "0," districts can replace the last digit with codes "1" to "9" to segregate types of costs within a category. For example: Employee Travel, code 8580, can be segregated into 8581 to 8589 by the district for internal use. All expenditures coded from 8580 to 8589 should be combined for reporting purposes on the F-196 under the object code 8580.

Object Code	Description
8580	Travel, Meals, and Lodging

8580 – Travel, Meals, and Lodging

Expenditures for transportation, meals, lodging, and other expenses authorized in accordance with the policies of the school district. This travel may include contractual services for transporting school district employees, students, employment candidates, and representatives from place to place and the furnishing of accommodations incidental to travel and other expenditures necessitated by travel. Payments for per diem in lieu of reimbursements for subsistence are also charged here. Registration and entrance registration fees should be coded to NCES Code 7580. Contractual services, providing student transportation, should be charged to 7511, 7512, or 7519. Trip costs that utilize the district's bus fleet are charged out from Program 99 to the program utilizing the service in the debit and credit transfer process.

Travel expenditures include the following:

- Airplane, railroad, bus, and taxi
- Automobile rental
- Incidental expenditures, such as:
 - Baggage transfer fees
 - Garage
 - Parking
 - Storage
 - Lodging and meal subsistence on an actual or per diem basis
 - Mileage for use of personal automobile

Object 9XXX Capital Outlay

Object Title Code 9 is used to record expenditures for capitalized equipment and improvements to buildings and grounds infrastructure. While real property and buildings are included in the list of NCES Object Codes described below, related expenditures shall be included in the Capital Projects Fund according to RCW 28A.320.330 (2).

Equipment is defined as a nonexpendable, tangible item of personal property having a useful life of more than one year and an acquisition cost which is the lesser of the capitalization policy established by the school district or \$5,000. Included are those items composed of component items (individually not meeting the capitalization amount, but in total meets the capitalization amount).

Improvements to buildings and grounds infrastructure are defined as those expenditures that materially increase the value or useful life of the buildings or grounds facility.

Capital outlay expenditures may include, but are not limited to, the following:

- Air conditioner and other cooling equipment
- Automobiles, trucks, tractors, vans, and other vehicles
- Boilers, furnaces, and other heating equipment
- Building and equipment major repairs and improvements
- Communications equipment
- Computers, printers, and other peripheral equipment
- Furniture and fixtures
- Instructional equipment
- Lunchroom equipment
- Office machines

Object Code	Description
97XX	Property
9710	Land and Improvements
9720	Buildings
973X	Equipment
9731	Machinery
9732	Vehicles
9733	Furniture and Fixtures
9734	Technology-Related Hardware
9735	Technology Software
9739	Other Equipment
99XX	Other Items
9950	Special Items
9960	Extraordinary Items

97XX – Property

RCW 28A.320.330 (2) states a capital projects fund (CPF) shall be established for major capital purchases. In general, CPF money is used for the purposes described in RCW 28A.530.010, which includes, but is not limited to, land and buildings. Normally, NCES Code 9710, Land, and 9720, Buildings, are related to purchases in the Capital Projects Fund.

The NCES codes are not necessary in the CPF because related purchases are recorded by Type Code. In the event a district wishes to utilize object codes in their CPF, the object codes are described here.

Expenditures for acquiring capital assets, including land or existing buildings; improvements of grounds; initial equipment; additional equipment; and replacement of equipment. Items that do not contribute to a district's capital assets, as evaluated by the district's capital assets policy, may be coded as supply items.

9710 – Land and Improvements

This expenditure code is used for the purchase of land and the original improvements thereon. Purchases of air and mineral rights are included here. Also included are special assessments against the school district for capital improvements, such as streets, curbs, and drains.

9720 – Buildings

This expenditure code is used for the acquisition of existing buildings and construction of buildings, major permanent structural alterations, renovations, fire protection systems, and other service systems.

- Expenditures for installment or lease payments, except interest, that have a terminal date and result in the acquisition of buildings should be assigned to NCES Codes 7831 and 7832.
- Expenditures contracted for minor alterations and renovations of buildings should be recorded under NCES Code 7450.
- Buildings built and alterations performed by the school district's own staff are charged to NCES Codes 21XX, 31XX, 42XX, 5610, and 9730, as appropriate.
- Building rent is recorded in NCES Code 7441.

973X – Equipment

Expenditures for the initial and replacement items of equipment, such as machinery, furniture, fixtures, and vehicles. Machinery, vehicles, furniture, and fixtures (including teacher desks, chairs, and file cabinets), technology equipment, and other equipment acquired for a particular program should be charged to the appropriate program code. The district's capital asset policy establishes criteria for when equipment must be capitalized and included on the district's property inventory records. Usually this criterion requires equipment costing above a certain dollar amount to be capitalized. Capitalized equipment must be coded with Object Code 9.

- Machinery, vehicles, furniture, and fixtures, which do not meet the criteria for capitalization, should be coded to NCES Code 5610, Supplies.
- Technology-related equipment, which does not meet the criteria for capitalization, should be coded to Object Code 5 in NCES Code 5650, Supplies–Technology Related.
- Districts may use these object codes in the CPF and TVF, but there are no reporting requirements to do so.

9731 – Machinery

Expenditures for equipment usually composed of a complex combination of parts (excluding vehicles). Examples are ovens, freezers, lathes, drill presses, printing presses, microscopes, etc.

9732 – Vehicles

Expenditures for vehicles that are licensed and to be used to transport persons or objects. Examples are automobiles, trucks, buses, station wagons, and vans.

9733 – Furniture and Fixtures

Expenditures for equipment used for sitting; as a support for writing and work activities; and, a storage space for material items.

9734 – 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. Technology-related hardware that meet the standards for classification as a supply should be coded to Object Code 5, NCES Code 5650, Supplies–Technology Related.

9735 – Technology Software

Expenditures for purchased software used for educational or administrative purposes that exceed the capitalization threshold. Expenditures for software that meet the standards for classification as a supply should be coded to NCES Code 5650, Supplies–Technology Related.

9739 – Other Equipment

Expenditures for all other equipment not classified elsewhere in the 973X NCES Code series.

99XX – Other Items

9950 – Special Items

This code is used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. For some districts, this may include termination benefits resulting from workforce reductions; or costs in connection with an early retirement program offered to all employees represented in one or more classes of employees. Special items may also include events not within the control of the district.

In the governmental funds, these items should be separately captioned and disclosed in the Notes to the Financial Statements.

9960 – Extraordinary Items

This code is used to classify items in accordance with APB Opinion No. 30 which are transactions or events both unusual in nature and infrequent in occurrence. For some districts, this may include significant costs related to a natural disaster caused by fire, flood, tornado, hurricane, or hailstorm; or costs related to an environmental disaster.

In the governmental funds, these items should be separately captioned and disclosed in the Notes to the Financial Statements.