

The Finance Puzzle: Coding

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November 19, 2014




Never make predictions - especially about the future

- Casey Stengel

USFR – It's our procedure book

The *Uniform System of Financial Records* (USFR) has been developed by the Office of the Auditor General and the Arizona Department of Education pursuant to Arizona Revised Statutes (A.R.S.) §15-271. The USFR prescribes the minimum internal control policies and procedures to be used by Arizona school districts for accounting, financial reporting, budgeting, attendance reporting, and various other compliance requirements. These policies and procedures are in conformity with generally accepted practices and federal and state laws. However, districts may use alternative policies and procedures if they provide the same level of internal control over accounting, financial reporting, and compliance with state and federal laws.



The standardized account code structure for use by districts and county school superintendents has been developed to accomplish several key objectives:

- To ensure districts comply with U.S. generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) in its *Codification of Governmental Accounting and Financial Reporting Standards*.
- To establish a uniform, comprehensive, minimum chart of accounts state-wide to improve financial data collection, reporting, transmission, accuracy, and comparability among Arizona districts and nationally. The *Uniform System of Financial Records (USFR) Chart of Accounts* meets the requirements of the U.S. Department of Education's account classifications.
- To reduce the administrative burden on districts in preparing required financial reports.
- To create a logical framework that can be used to determine where monies for education originate and how they are used.
- To provide better information for administrators, parents, board members, legislators, and other interested parties.

Chart of Accounts (COA) – 7 Elements

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

- **Budget Controlled** – The amount you are allowed to spend is determined by the State using a Formula or a tax levy establishes the amount.
- **Cash Controlled** – is the amount you are allowed to spend determined by the amount of revenue you receive.

School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

001 – Maintenance and Operations

2xx – Federal Funds

3xx – Federal funds

4xx – State Funds

5xx – Auxiliary Account

610 – DAA

620 – Adjacent Ways

630 – Bonds

8xx- Student Activities

School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

100 – Regular Education

200 – Special Education

400 – Transportation

500 – Special Programs

600 – Student Activities

900 – Community Service Programs

School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

1000 – Instruction

2100 – Support Services - Students

2200 – Support Services - Instruction

2300 – General Administration

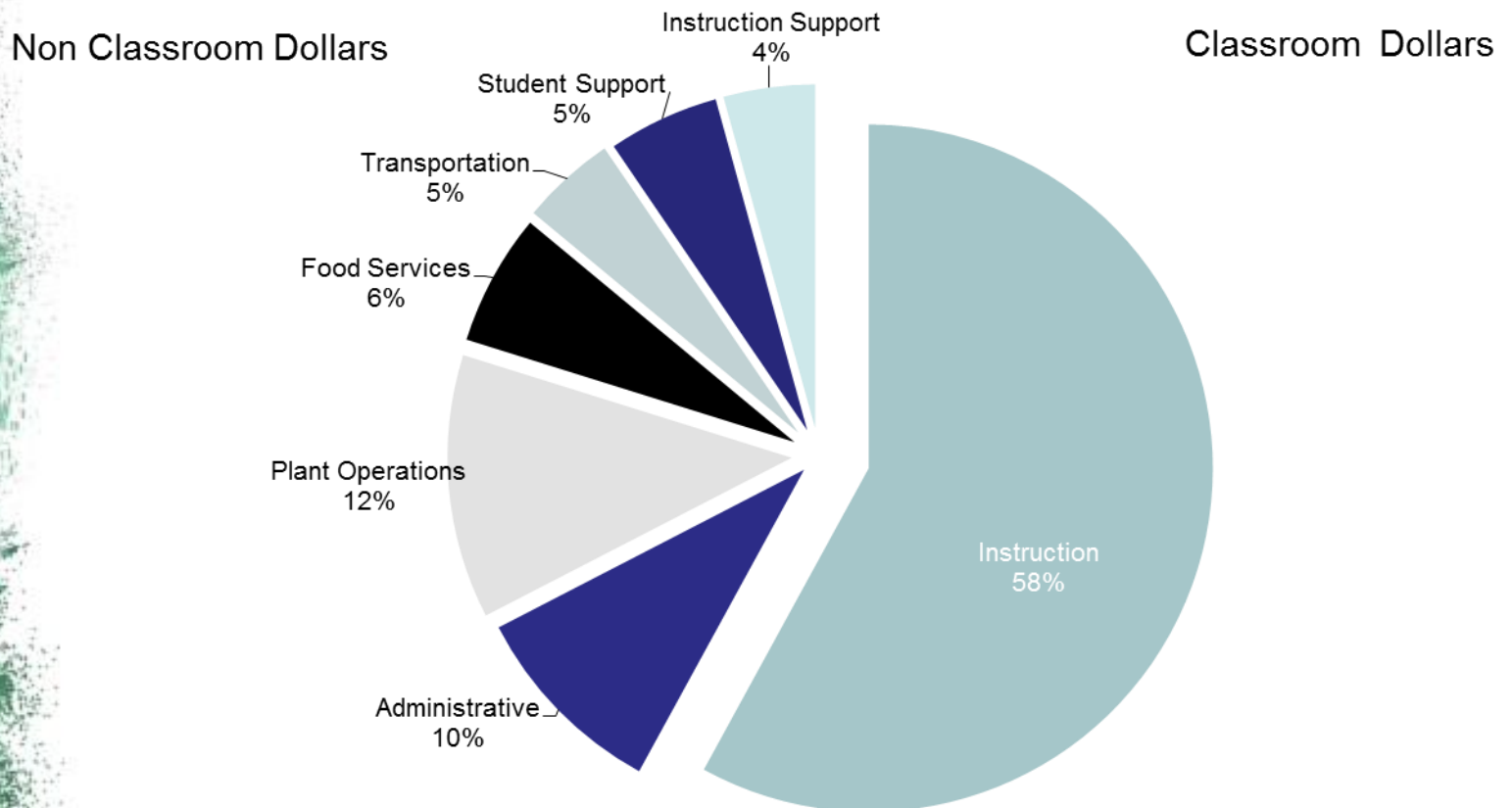
2400 – School Administration

2500 – Finance/HR/IT

2600 – Operation and Maintenance

School Account Codes (Function)

Auditor General



School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

6100 – Salary

6200 – Benefits and Taxes

6300 – Purchased Professional Services

6400 – Purchased Property Services

6500 – Other Purchased Services

6600 – Supplies

6700 – Property

School Account Codes

Fund
XXX

Program
XXX

Function
XXXX

Object
XXXX

Unit
XXX

Course
XXX

Project
XXXX

100 – Elementary Schools
200 – High Schools
500 – Department

Let's Code Something

Teachers wants to go to a training?

2213

Instructional Staff Training



Transportation Cost

Transportation Director goes to summer AASBO conference?

001-400-2570-6360-500

Discussion

