



ESSA CODING GUIDANCE

Discussion on How to Determine Appropriate Revenue Code, Function Code, Object Code, Source Code, Location Code, and Project Code

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Missouri Department
of Elementary and Secondary Education

Missouri Financial Accounting Manual

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The Missouri Financial Accounting Manual's purpose is to provide guidelines for the accounting of Revenue, Expenditures, and Balance Sheet items. This is to ensure all school districts/LEAs are using the same structure to allow for Federal and State financial reporting, as well as, various calculations to be performed to analyze financial data of all districts/LEAs.



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Chart of Accounts

Chart of Account Changes

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- Revenue new Chart of Account Changes Starting FY 2019



- Order of items in the district/charter schools account entries will vary by vendor.
- Fund has always been stated to be 3 digits.
 - Not all vendors had this set up as three digits.
 - DESE will only be collecting 1 digit for the Fund in the ASBR.



Chart of Account Changes

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- Expenditure new Chart of Account Changes Starting FY 2019



- Order of items in the district/charter schools account entries will vary by vendor.
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Coding Expenditures

Coding Expenditures

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- A major purpose of the accounting code structure is to establish the standard school district fiscal accounting system required for Missouri schools. The funds, chart of accounts, revenue, function, and object codes *are to be uniformly used by all school districts* in accordance with generally accepted accounting principles.



Coding Expenditures

To determine the appropriate placement of an expenditure the following question must be answered:

- **Who?** - Which accounting entity is paying for the expenditure? **Fund**
- **Why?** - What is the action or purpose for which a person or item being purchased is used or exists? **Function Code**
- **What?** - What is the service or commodity being obtained? **Object Code**
- **Where?** - Where will this expenditure be used? **Location Code**



Coding Expenditures

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- **Source?** - What source of revenue is paying for this expenditure? **Source Code**
- **Project?** - What is the specific project for which this expenditure is being used? **Project Code**
- **Other?** - All other information necessary to properly code the expenditure.



Coding Expenditures

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- Service Area Direction Codes
 - Service Area Direction Codes should be used to code expenditures of the supervisor/managers of the functionality area. Examples include:
 - 2521 - Business Support Service Area Direction would be used for your Business Manager/CFO, etc., the manager over all of the business office staff.
 - 2541 - Operation and Maintenance of Plant Service Area Direction would be used for your maintenance supervisor.



ESSA Building Level Coding

Understanding all the guidance regarding coding to the new requirements.

Per-pupil Expenditures

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Federal Regulation § 200.35 Per-pupil expenditures states the following:

“(c) *Uniform procedures.* A State must develop a single statewide procedure to calculate LEA current expenditures per pupil and a single statewide procedure to calculate school-level current expenditures per pupil, such that -



Per-pupil Expenditures

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(1) The numerator consists of current expenditures, which means actual personnel costs (including actual staff salaries) and actual non-personnel expenditures of Federal, State, and local funds, used for public education –

(i) Including, but not limited to, expenditures for administration, instruction, instructional support, student support services, pupil transportation services, operation and maintenance of plant, fixed charges, preschool, and net expenditures to cover deficits for food services and student body activities; but



Per-pupil Expenditures

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(ii) Not including expenditures for community services, capital outlay, and debt service; and

(2) The denominator consists of the aggregate number of students enrolled in preschool through grade 12 to whom the State and LEA provide free public education on or about October 1, consistent with the student membership data collected annually by the State for submission to the National Center for Education Statistics.”



Per-pupil Expenditures

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- DESE wants to ensure the denominator in the calculation is aligned with the district incurring the cost of educating a child.
 - Non-Resident enrollment will flow back to the resident district for the purposes of this calculation.



Per-pupil Expenditures

□ Visualization of the Building Level Current Expenditure Calculation.

Year: 2016-2017		District: 000-000 Example District		Version: Open									
Building Number	Building Name	September	Building Level Expenditures Per Enrollment			District Level Expenditures Per Enrollment			Expenditures	Total District Exclusions*	Total District Expenditures		
		Enrollment	Federal	State/Local	Total Building	Federal	State/Local	Total Building	Per Enrollment				
1050	EXAMPLE CITY HIGH	2,489	\$450.00	\$6,000.00	\$6,450.00	\$125.00	\$4,000.00	\$4,125.00	\$10,575.00	\$6,251,251.00	\$125,691,390.49		
3000	LAW MIDDLE	949	\$325.00	\$6,250.00	\$6,575.00	\$175.00	\$4,750.00	\$4,925.00	\$11,500.00				
3020	EXAMPLE MIDDLE	1,073	\$300.00	\$7,500.00	\$7,800.00	\$250.00	\$5,500.00	\$5,750.00	\$13,550.00				
4020	EXAMPLE ELEM.	402	\$400.00	\$4,980.00	\$5,380.00	\$300.00	\$5,000.00	\$5,300.00	\$10,680.00				
4025	HILL AND STREAM ELEM.	288	\$375.00	\$5,250.00	\$5,625.00	\$195.00	\$4,275.00	\$4,470.00	\$10,095.00				
4030	PINE CONE RIDGE ELEM.	393	\$275.00	\$5,750.00	\$6,025.00	\$230.00	\$5,250.00	\$5,480.00	\$11,505.00				
4040	TOWN ELEM.	304	\$475.00	\$5,800.00	\$6,275.00	\$325.00	\$4,999.00	\$5,324.00	\$11,599.00				
4050	LEMONGRASS ELEM.	469	\$500.00	\$6,750.00	\$7,250.00	\$275.00	\$3,075.00	\$3,350.00	\$10,600.00				
4060	BLIZZARD ELEM.	425	\$275.00	\$7,000.00	\$7,275.00	\$180.00	\$6,750.00	\$6,930.00	\$14,205.00				
4070	BLUE MOON ELEM.	451	\$320.00	\$8,250.00	\$8,570.00	\$325.00	\$4,750.00	\$5,075.00	\$13,645.00				
4080	FLAG ELEM.	333	\$425.00	\$5,750.00	\$6,175.00	\$375.00	\$5,010.00	\$5,385.00	\$11,560.00				
5010	GREEN PASTURE ELEMENTARY	507	\$200.00	\$6,855.00	\$7,055.00	\$250.00	\$5,750.00	\$6,000.00	\$13,055.00				
5020	VALLEY ELEM.	339	\$275.00	\$7,245.00	\$7,520.00	\$310.00	\$6,210.00	\$6,520.00	\$14,040.00				
5040	DERBY RIDGE ELEM.	379	\$300.00	\$6,250.00	\$6,550.00	\$345.00	\$5,515.00	\$5,860.00	\$12,410.00				
7500	EARLY CHILDHOOD CTR	100	\$275.00	\$7,525.00	\$7,800.00	\$280.00	\$5,025.00	\$5,305.00	\$13,105.00				

*Debt, capital, equipment, special education transfers to private schools, adult education, pre-K

□ This is not the exact format of this calculation



Per-pupil Expenditures

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- Building Level Expenditures Per Enrollment
 - Federal
 - State/Local
 - Total
- District Level Expenditures Per Enrollment
 - Federal
 - State/Local
 - Total
- Total Building Expenditure Per Enrollment



Per-pupil Expenditures

Building Level Total Current Operating Expenditure |

Year: 2016-2017 District: 000-000 Example District Building: 4020 Example Elementary Version: Open		Federal Expenditures	State/Local Expenditures	Total Expenditures	Federal Deductions	State/Local Dedications	Total Deductions
1	Part III-B, Line 2999 Total Instruction & Support - Building Level	\$256,397.79	\$2,307,580.15	\$2,563,977.94			
	Part III-B, Line 2999 Total Instruction & Support - District Level	\$75,218.32	\$568,278.58	\$643,496.90			
2	*Part III-B, Line 3512 Early Childhood Instruction - Building Level	\$9,070.79	\$81,637.07	\$90,707.86			
3	Total Included Expenditures - Building Level	\$265,468.58	\$2,389,217.22	\$2,654,685.80			
4	Total Included Expenditures - District Level	\$75,218.32	\$568,278.58	\$643,496.90			
5	Part III-B, Line 2999 Object 6500 Capital Outlay - Building Level				\$4,851.26	\$43,661.34	\$48,512.60
	Part III-B, Line 2999 Object 6500 Capital Outlay - District Level				\$0.00	\$15,865.50	\$15,865.50
6	*Part III-B, Line 3512 Object 6500 Capital Outlay - Building Level				\$4,589.20	\$3,238.00	\$7,827.20
7	Part II, Line 5151 Food Service Program Sales to Pupils- Building Level				\$2,875.84	\$25,882.54	\$28,758.38
8	Part II, Line 5161 Food Service Program Sales to Adults- Building Level				\$648.54	\$5,836.88	\$6,485.42
9	Part II, Line 5165 Food Service Non-Program- Building Level				\$67.85	\$610.65	\$678.50
10	Part II, Line 5171 - 5179 Student Activities- Building Level				\$10,057.85	\$90,520.61	\$100,578.46
11	*Part II, Line 5182 PK Tuition From Parents- Building Level				\$4,390.50	\$39,514.50	\$43,905.00
12	Part II, Line 5333 Food Service - State- Building Level				\$129.07	\$1,161.61	\$1,290.68
13	Part II, 5445-49 Food Service - Federal- Building Level				\$10,610.80	\$95,497.24	\$106,108.04
14	Part II, Line 5481 Summer Food Service Program- Building Level				\$0.00	\$0.00	\$0.00
15	Part II, Line 5811-5812 Tuition From Other Districts- Building Level				\$0.00	\$0.00	\$0.00
16	Part II, Line 5820-30 Area Voc/Contracted Ed Fees- Building Level				\$0.00	\$0.00	\$0.00
17	Part II, Line 5841 Transportation From Other LEAs For Non-Disabled Students- Building Level				\$0.00	\$0.00	\$0.00
18	Part II, Line 5842 Transportation From Other LEAs for Students with Disabilities- Building Level				\$0.00	\$0.00	\$0.00
19	Part II, Line 5843 Transportation From Other LEAs for ECSE Students with Disabilities- Building Level				\$0.00	\$0.00	\$0.00
20	Total Deductions - Building Level				\$38,220.91	\$305,923.37	\$344,144.28
	Total Deductions - District Level				\$0.00	\$15,865.50	\$15,865.50
20	Total Current Operation Expenditures (line 4 minus 20) - Building Level	\$227,247.67	\$2,083,293.85	\$2,310,541.52			
	Total Current Operation Expenditures (line 4 minus 20) - District Level	\$75,218.32	\$552,413.08	\$627,631.40			
	Pupil Data - Building Level						
21	Subject Year Average Daily Attendance (ADA)	140.7417					
22	Subject Year Enrollment for Building	150					
	Calculations						
	Current Expenditures per Average Daily Attendance (ADA) (Line 20/21) - Building Level	\$1,614.64	\$14,802.25	\$16,416.89			
	Current Expenditures per Enrollment (Line 20/22) - Building Level	\$1,514.98	\$13,888.63	\$15,403.61			

Visualization Example



Building (Location) Codes

Building (location) codes allowed to be used related to revenue and function codes required to be reported at a building level.

Building (Location) Codes

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- What Building (Location) can be used in conjunction with expenditures used in this calculation?
 - Buildings assigned by DESE that student enrollment is reported under.
 - The building code cannot begin with 102 or 103 unless you are district 010-093 (building 1020) or 090-078 (building 1030).
 - Building numbers that begin with 102 or 103 typically represent career education or residential facilities or alternative schools. No enrollment or attendance is reported in these buildings.
 - The building code cannot begin with 11 unless you are 048-078, 096-119, or 115-115.



Building (Location) Codes

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- The document “Revenue and Function Codes Required to be Reported at a Building Level” now contains a list of the 2018 building numbers for each district in which student enrollment was reported.
 - If a district request attendance center changes it will potentially change the list.
 - This document can be found on the FY 2019 Accounting Changes webpage on the School Finance website at <https://dese.mo.gov/financial-admin-services/school-finance/fy-2019-accounting-changes>.



Building (Location) Codes

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- Why are districts/charter schools required to report only certain revenue and function codes at a building level?
 - DESE is only requiring districts/charter schools to break out revenue and function codes that are used in the Current Operating Expenditure Calculation that are reasonably operated at a building level.
 - DESE is going to calculate building level share of district level expenditures, but if districts/charter schools wish to track these expenditures at a building level on their own in their financial software they may.



Building (Location) Codes

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- Other function codes are excluded because they are not used in the Current Operating Expenditure Calculation but if districts/charter schools wish to track these expenditures at a building level on their own in their financial software they may.
 - Adult Education
 - Community Services
 - Capital Outlay
 - Debt Service



Building (Location) Codes

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- Only building/location codes that student enrollment is reported under will be collected on the ASBR.
- Districts/charter schools may use other location codes in association with function codes that DESE is not requiring districts/charters to report at a building/location level. These building numbers will not be collected on the ASBR.



Coding Expenditures to Buildings

How to code expenditures at a building level when the expenditure is a district level expenditure.

Coding Expenditures to Buildings

- Expenditures that clearly occur at a building level should be coded to the appropriate location/building code. Examples include:
 - Teacher, aides, substitute salaries and benefits
 - Supplies
 - Nurses and councilors assigned to one building
 - Building principals and assistant principals
 - Building secretaries
 - Special education teachers etc. assigned to one building
 - Student athletic and student club cost for a building
 - Title programs



Coding Expenditures to Buildings

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- Expenditures that your district/charter school operate at a district/charter school level but DESE is requiring you to break them out at a building level due to the nature of the expenditure should be allocated based on the percentage of students enrolled in each building in which the program serves.
 - OT and PT staff that serve the whole district
 - Speech and language staff that serve the whole district
 - Administrators that oversee multiple buildings such as special education directors and federal programs directors



Coding Expenditures to Buildings

- If the program serves the entire district/charter school then determine the percentage of students enrolled in each building.

Building	4020	4030	4050	4060	3000	3050	1050	1070	Total
Enrollment	250	300	325	375	600	650	625	675	3,800
Percentage	6.58%	7.89%	8.55%	9.87%	15.79%	17.11%	16.45%	17.76%	100.00%

- If a program only serves elementary students then determine the percentage of students enrolled in each building that serves elementary students.

Building	4020	4030	4050	4060	Total
Enrollment	250	300	325	375	1,250
Percentage	20.00%	24.00%	26.00%	30.00%	100.00%



Coding Expenditures to Buildings

- If a program only serves middle school students then determine the percentage of students enrolled in each building that serves middle school students.

Building	3000	3050	Total
Enrollment	600	650	1,250
Percentage	48.00%	52.00%	100.00%

- If the district has a program that only serves high school students then determine the percentage of students enrolled in each building that serves high school students.

Building	1050	1070	Total
Enrollment	625	675	1,300
Percentage	48.08%	51.92%	100.00%



Coding Expenditures to Buildings

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- For tuition paid for students to attend a public or private school report that expenditure back to the building the student would have attended.
- For tuition paid on a large group of students to attend a public school report those expenditures based on the percentage of students enrolled in each building.
- For tuition received report that revenue in the building in which the student the tuition is received for is educated.
 - Tuition for high school students report in high school building/location.



Coding Expenditures to Buildings

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- For alternative programs, residential/treatment facilities, or virtual instruction, code expenditures to the appropriate function code and report the cost under the building/location code associated with the group of students serviced in those programs.



Coding Expenditures to Buildings

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- Early Learning Blended Funding must be reported with the Project Code 40002. DESE will break out these expenditures according to the buildings where PK students enrollment is reported.



Coding Expenditures to Buildings

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- Schoolwide Pool must be reported with a Project Code 40001. The LEA will need to report the expenditures under the appropriate building/location code associated with the group of students serviced in those programs.



Coding Expenditures to Buildings

Following is the Schoolwide Pool Funding in budget revision

					Building Percentage of Pool			
	Title I	Title II.A	State and Local Funds	Total	Title I	Title II.A	State/Local	Total
Attendance Center Distribution								
Total Funds Available		\$162,572.66	\$0.00					
Maximum Allowed for Schoolwide Pool		\$162,572.66	\$0.00					
Funds Already Budgeted		\$0.00						
Total Available For Schoolwide Pool		\$162,572.66	\$16,474,236.00					
Parent Program Total Amount Distributed to Schoolwide Pool		\$0.00	\$0.00					
4020 BLUE HILLS ELEM.	\$80,045.75	\$35,420.82	\$2,346,041.00	\$2,461,507.57	3.2519%	1.4390%	95.3091%	100.0000%
4040 BUCKNER ELEM.	\$82,496.14	\$37,113.60	\$2,510,133.00	\$2,629,742.74	3.1370%	1.4113%	95.4517%	100.0000%
4060 CLER-MONT ELEM.	\$102,507.58	\$35,282.66	\$2,546,006.00	\$2,683,796.24	3.8195%	1.3147%	94.8658%	100.0000%
4080 ELM GROVE ELEM.	\$113,942.68	\$22,019.81	\$2,467,433.00	\$2,603,395.49	4.3767%	0.8458%	94.7775%	100.0000%
4110 FIRE PRAIRIE MIDDLE	\$184,186.92	\$3,345.00	\$4,236,976.00	\$4,424,507.92	4.1629%	0.0756%	95.7615%	100.0000%
4130 INDIAN TRAILS ELEM.	\$95,973.23	\$29,390.77	\$2,367,647.00	\$2,493,011.00	3.8497%	1.1789%	94.9714%	100.0000%
Total Distributed to Schoolwide Pool	\$659,152.30	\$162,572.66	\$16,474,236.00					
Total Available Remaining	\$0.00	\$0.00	\$0.00					
Percentage of Pool Total	3.8110%	0.9399%	95.2490%	0				

Coding Expenditures to Buildings

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- For questions regarding Schoolwide Pool please contact:

Staff

Pat Kaiser, Coordinator

Jennifer Frank, Assistant Director

Contact Information

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Coding Expenditures to Buildings

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- Proportionate Share Services will need to report the expenditures by determining the percentage of students enrolled in each building.



Coding Expenditures to Buildings

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- Only building/location codes that student enrollment is reported under will be collected on the ASBR.
- Districts/charter schools may use other location codes in association with function codes that DESE is not require districts to report at a building/location level. These building numbers will not be collected on the ASBR.



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Source of Funds

Source of Funds

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- Every expenditure will need to have a source of funds code associated with it.
 - 1 – Local
 - 2 – County
 - 3 – State
 - 4 – Federal
- DESE will not be balancing source codes to revenue totals in the ASBR.



Source of Funds

- For Early Learning Blended Funding DESE will calculate the percentages from the district or charter school's final expenditure report for the source of funds utilized for these blended funding expenditures and calculate the amount of Early Learning Blended Funding expenditure for each source of funds for the purpose of the Building Level Current Expenditure Calculation.



Source of Funds

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- All expenditures on the ASBR will be required to have a source of funds code.



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Project Codes

Project Codes

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- DESE has assigned project codes to revenues that our department has a responsibility to monitor. These project codes need to be utilized in conjunction with expenditures associated with the revenue assigned the project code.
- District/charter schools may simply be able to roll their current project/program codes into the lower range of project codes by adding leading zeros to help reduce the number of project code changes a district/charter must make.



Project Codes

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- DESE has also assigned project codes to help track several different special programs
 - 12000 - Special Education Cooperative*
 - 12210 - Special Education (paid with state or local funds)**
 - 12810 - Early Childhood Special Education (paid with state or local funds)**
 - 40001 - School Wide Pool
 - 40002 - Early Learning Blended Funding
- *This project code shall be utilized when fiscal agents expend cooperative fee revenue to pay for cooperative related expenditures.
- ** Special Education expenditures paid from any state or local funding sources; these should not be used for expenditures paid with federal funds under revenue codes 5437, 5438, 5441, 5442.
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Project Codes

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- DESE will only collect project codes that DESE assigned on the ASBR.
- Project codes associated with Special Education and ECSE will be used to export data into/check data in ePegs starting with the FY 2019 ASBR.
- It has yet to be determined if any other program will use project codes in the ASBR for ePegs purposes.
 - It will be utilized by staff for monitoring purposes.



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Special Education Coding

Special Education Coding

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- Starting July 1, 2018 only instructional expenditures should be coded to Function Codes 1221 or 1281.
 - Special Education Director – 2329
 - Special Education Child Find – 2329
 - Special Education Financial Analysis – 2529
 - Special Education Legal Fees – 2311
 - Special Education Process Coordinator – 2329
 - Special Education Secretary – 2329
 - Speech Language Pathologist or Speech Therapist – 2152



Special Education Coding

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Continued:

- Speech Pathology and Audiology Services
Directing/Managing – 2151
- Occupational Therapy – 2162
- Physical Therapy – 2172
- Visually Impaired/Vision Services – 2182



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Common Questions

Common Questions

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- 1421-6319 – Athletic Officials (contracted)
- 1421-6xxx – Athletic Coach
- 1411-6xxx – Club Sponsor
- 1151-6311 – ACT Fees Paid for by the District/Charter
- 2331-6352 – Cyber Insurance Coverage
- 3511-xxxx – Parents as Teachers
- 3512-xxxx – Preschool
- 2311-6xxx – Board Secretary
- 3811-xxxx – Childcare



Common Questions

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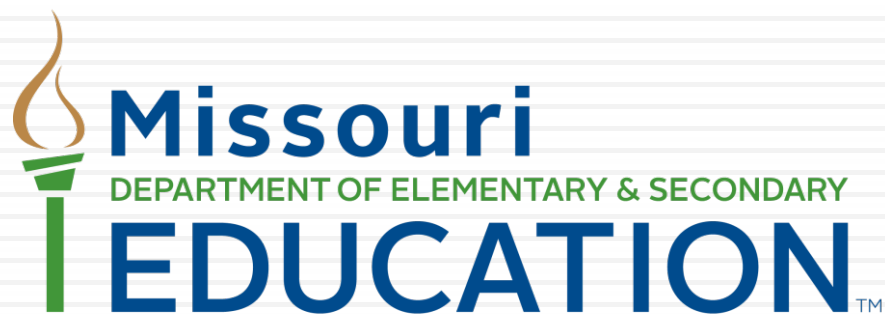
- 1131, 1151, 1193, 1194 – 6311 – EOC Fee per Student
- 1111, 1131, 1151, 1193, 1194, - 6411 - Testing Supplies
- 1111, 1131, 1151 – 6398 – Field Trip Admissions





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Questions?



School Finance 573-751-0357

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Name	Title
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