

## CHAPTER Rev 1100 FINANCIAL SOURCE CODING FOR LOCAL EDUCATIONAL AGENCIES

Statutory Authority: RSA 21-J:13; RSA 21-J:17; RSA 21-J:34

## PART Rev 1101 DEFINITIONS

**Readopt Rev 1101.01 through Rev 1101.03, effective 3-22-13 (Document #10304), cited and to read as follows:**

Rev 1101.01 "Account structure" means the method by which data is coded to facilitate the accumulation into the categories for reports required in Rev 1111.

Rev 1101.02 "Accounting system" means the method where financial data is:

- (a) Captured during actual operation of the LEA;
- (b) Recorded in the books of account; and
- (c) Summarized to produce the reports required in Rev 1111.

Rev 1101.03 "Accrual" means the basis of accounting under which:

- (a) Revenues are recognized in the accounting period during which they are:
  - (1) Earned; and
  - (2) Become measurable; and
- (b) Expenses are recognized in the period incurred, if measurable.

**Readopt with amendment Rev 1101.04, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.04 "American Institute of Certified Public Accountants (AICPA)" means the institute which issues authoritative accounting literature.

**Readopt Rev 1101.05 through 1101.07, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.05 "Appropriation" means "appropriation", as defined in RSA 32:3, II.

Rev 1101.06 "Basis of accounting" means when revenues, expenditures, expenses, transfers, and the related assets and liabilities are:

- (a) Recognized in the accounts; and
- (b) Reported in the financial statements.

Rev 1101.07 "Double entry" means an accounting system which requires that, for every entry made to the debit side of an account, an entry for a corresponding amount is made to the credit side of another account.

**Readopt with amendment Rev 1101.08, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.08 "Financial Accounting Standards Board" (FASB) means the board that issues authoritative pronouncements primarily for for-profit accounting.

**Readopt Rev 1101.09 through 1101.13, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.09 "Function" means a description of the activity for which a service or material item is acquired.

Rev 1101.10 "Function code" means the 4-digit code used to signify expenditures for a particular activity within the accounting system.

Rev 1101.11 "Fund" means a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, with all related liabilities and residual equities or balances, and changes therein, segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Rev 1101.12 "Fund code" means the code number assigned to classify different types of funds.

Rev 1101.13 "Generally accepted accounting principles" (GAAP) means the established body of theory and practice that acts as a general guide.

**Readopt with amendment Rev 1101.14, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.14 "Governmental Accounting Standards Board" (GASB) means the board that issues authoritative pronouncements primarily for governmental accounting.

**Readopt Rev 1101.15 through 1101.20, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1101.15 "Legislative body" means:

- (a) For an independent school, the voters at a school district meeting;
- (b) For the city of Concord, the Concord School Board representative form of government; or
- (c) For a dependent school department of a municipality, one of the following basic forms of government utilized by the municipality:
  - (1) City or town council;
  - (2) Mayor and council;

(3) Mayor and board of aldermen; or

(4) Town meeting.

Rev 1101.16 "Local educational agency" (LEA) means each New Hampshire school district and school administrative unit.

Rev 1101.17 "Modified accrual" means the basis of accounting under which:

(a) Revenues are recognized in the accounting period during which they become available and measurable; and

(b) Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt.

Rev 1101.18 "Object" means a description of the service or commodity obtained as a result of a specific expenditure.

Rev 1101.19 "Object code" means a 3-digit code added to a function code which signifies a particular service or commodity obtained.

Rev 1101.20 "Organization code" means a one-digit code added to a function code which signifies a particular instructional organization within the existing school system.

**Readopt Part Rev 1102, effective 3-22-13 (Document #10304), cited and to read as follows:**

PART Rev 1102 METHOD AND BASIS OF ACCOUNTING AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR SCHOOLS

Rev 1102.01 Method of Accounting. LEA's shall use a double entry system of bookkeeping to record all financial transactions.

Rev 1102.02 Basis of Accounting. For purposes of reporting year end financial status, LEAs shall complete and file annually not later than September 1, Form MS-25, "School Financial Report," with the department of revenue administration by providing the information on:

(a) Governmental funds, expendable trust funds, and fiduciary funds on the modified accrual basis; and

(b) Proprietary funds, non-expendable trust funds and pension trust funds on the accrual basis.

Rev 1102.03 Hierarchy of GAAP for Schools. For general accounting in areas not addressed in this rule, LEA's shall follow, in descending priority sequence, the authoritative sources listed below:

(a) The first level shall include:

(1) GASB statements; or

(2) GASB interpretations;

- (b) The second level shall include:
  - (1) GASB technical bulletins;
  - (2) AICPA industry audit and accounting guides made applicable by the AICPA and cleared by the GASB; or
  - (3) AICPA statements of position made applicable to auditing governmental entities by the AICPA and cleared by the GASB;
- (c) The third level shall include:
  - (1) GASB emerging issues task force consensus positions; and
  - (2) AICPA practice bulletins made applicable to government entities by the AICPA and accepted for use in governmental accounting by the GASB;
- (d) The fourth level shall include:
  - (1) GASB implementation guides; or
  - (2) Prevalent accounting practices widely recognized, among their peers, by public accountants and certified public accountants, licensed under RSA 309-B, who prepare state and local governmental financial reports; and
- (e) Other sources of guidance shall include:
  - (1) GASB concepts statements;
  - (2) The New Hampshire financial accounting handbook for local education agencies, published by the state department of education, in cooperation with the NH association of school business officials;
  - (3) FASB guidelines that have not been applicable to state and local government accounting by the GASB; and
  - (4) Accounting text books, articles, or pronouncements of other professional associations or regulatory agencies.

**Readopt Part Rev 1103, effective 3-22-13 (Document #10304), cited and to read as follows:**

PART Rev 1103 ACCOUNT STRUCTURE FOR ACCRUAL

Rev 1103.01 Account Structure.

- (a) The accrual basis shall be used for the financial reporting of:
  - (1) Proprietary funds;

- (2) Non-expendable trust funds; and
  - (3) Pension trust funds.
- (b) Under the accrual basis, transactions shall be classified by fund and for:
- (1) Revenues by revenue source;
  - (2) Expenditure by function; and
  - (3) Balance sheet by balance sheet account.

**Readopt Part Rev 1104, effective 3-22-13 (Document #10304), cited and to read as follows:**

PART Rev 1104 ACCOUNT STRUCTURE FOR MODIFIED ACCRUAL

Rev 1104.01 Account Structure.

- (a) The modified accrual basis shall be used for the financial reporting of:
- (1) Governmental funds;
  - (2) Expendable trust funds; and
  - (3) Fiduciary funds.
- (b) Under the modified accrual basis, transactions shall be classified by fund and for:
- (1) Revenues by revenue source;
  - (2) Expenditure by function; and
  - (3) Balance sheet by balance sheet account.

**Readopt Part Rev 1105, effective 3-22-13 (Document #10304), cited and to read as follows:**

PART Rev 1105 CLASSIFICATION OF FUNDS AND ACCOUNT GROUPS

Rev 1105.01 Classification of Funds.

- (a) Funds shall be classified into 4 categories as follows:
- (1) Governmental funds;
  - (2) Proprietary funds;
  - (3) Fiduciary funds; and
  - (4) Agency funds.

(b) Governmental funds shall consist of:

(1) General fund, fund code 10, to account for all financial resources of the LEA except those required to be accounted for in another fund;

(2) Special revenue funds, fund code 20, including:

a. Fund code 21, food service, to account for the proceeds of revenue sources that are legally restricted to expenditure for the purpose of providing food service; and

b. Fund code 22, to account for the proceeds of specific revenue sources, other than food service, expendable trusts or major capital projects, that are legally restricted to expenditure for specified purposes; and

(3) Capital project funds, fund code 30, to account for financial resources used to acquire or construct capital facilities, other than those financed by proprietary funds and trust funds.

(c) Proprietary funds shall consist of the following funds not otherwise accounted for as special revenue funds:

(1) Enterprise funds, fund code 60, to account for operations:

a. That are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the expenses, including depreciation, of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges; or

b. Where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes; and

(2) Internal service funds, fund code 70, to account for the financing of goods or services provided on a cost-reimbursement basis by one department or agency to other departments or agencies of the governmental unit, or to other governmental units.

(d) Fiduciary funds, fund code 80, shall be used to account for assets held by a governmental unit in a trustee capacity or as agent for individuals, private organizations, other governmental units, and/or other funds, including:

(1) Expendable trust funds, including trust funds established under RSA 31 and capital reserve funds established under RSA 34 and RSA 35;

(2) Nonexpendable trust funds established under RSA 31; and

(3) Pension trust funds established under RSA 31.

(e) Agency funds, fund code 90, shall account for funds held in a custodial capacity by a school district for:

(1) Individuals;

(2) Organizations; or

(3) Other governments.

Rev 1105.02 Activity Funds.

(a) Activity funds shall be specific funds for activities that are school related but not part of regular instructional activities.

(b) Activity funds may take the form of governmental, fiduciary, or proprietary funds as described above.

(c) The school board shall be responsible for all activity funds in the LEA.

(d) All activity funds shall be audited by the auditor of record.

(e) If any portion of the activity fund revenue is financed from tax monies, the budget of that fund shall:

(1) Show all revenues and expenditures; and

(2) Be reported on required annual forms.

(f) When 100 percent of the revenue in the activity fund is raised by students, the revenues and expenditures shall not be reported on the annual reports required by the department of revenue administration.

PART Rev 1106 CLASSIFICATION OF REVENUE SOURCES

**Readopt Rev 1106.01, effective 3-22-13 (Document #10304), cited and to read as follows:**

Rev 1106.01 Source Code 1000: Revenue From Local Sources.

(a) Source code 1100, property taxes, classification shall be used for taxes levied for school purposes on the assessed valuation of real and personal property located within the LEA, as follows:

(1) Source code 1111, current appropriation, classification shall be used for taxes levied by a local governmental unit for the LEA for the current year school appropriation;

(2) Source code 1112, deficit appropriation, classification shall be used for taxes levied by a local governmental unit for the LEA for the specific purpose of meeting a deficit for the current year school appropriation; and

(3) Source code 1119, other appropriation, shall be used for other taxes levied for the current year school appropriation.

(b) Source code 1300, tuition, classification shall be used for revenues for education provided by the LEA from individuals, welfare agencies, private sources, and other LEAs, classified further by program and source as follows:

(1) Source code 1310, tuition from individuals, classification shall be used for revenues received from individuals for education programs provided by LEAs, classified further by program, as follows:

- a. Source code 1311, regular day school tuition from students, parents, and other individuals;
- b. Source code 1314, summer school tuition from students, parents, and other individuals;
- c. Source code 1315, driver education tuition from students, parents, and other individuals; and
- d. Source code 1316, adult education tuition from students, parents, and other individuals;

(2) Source code 1320, tuition from other LEAs within the state, classification shall be used for revenue received from other LEAs within New Hampshire for education programs, classified further by program as follows:

- a. Source code 1321, regular day school tuition from other LEAs within New Hampshire;
- b. Source code 1322, special education tuition from other LEAs within New Hampshire; and
- c. Source code 1323, vocational education tuition from other LEAs within New Hampshire;

(3) Source code 1330, tuition from LEAs outside New Hampshire, classification shall be used for revenue received from LEAs outside New Hampshire for education programs, classified further by program as follows:

- a. Source code 1331, regular day school tuition from LEAs outside New Hampshire;
- b. Source code 1332, special education tuition from LEAs outside New Hampshire; and
- c. Source code 1333, vocational education tuition from LEAs outside New Hampshire; and

(4) Source code 1340, tuition from other sources, classification shall be used for revenue for tuition paid by companies or other sources, classified further by program, as follows:

- a. Source code 1341, tuition for regular day school from companies or other sources;
- b. Source code 1342, tuition for special education from companies or other sources; and
- c. Source code 1349, other tuition from companies or other sources.



(c) Source code 1400, transportation fees, classification shall be used for revenue for transporting students to and from school and school activities, classified further by program and source as follows:

(1) Source code 1410, transportation fees from individuals, classification shall be used for revenue from students, parents, and other individuals, for transporting students to and from school and school activities, classified further by program, as follows:

- a. Source code 1411, regular day school transportation fees from students, parents, and other individuals; and
- b. Source code 1414, summer school transportation fees from students, parents, and other individuals;

(2) Source code 1420, transportation fees from other LEAs within New Hampshire, classification shall be used for transportation fees from other LEAs within New Hampshire for transporting students to and from school and school activities, classified further by program, as follows:

- a. Source code 1421, regular day school transportation fees, from other LEAs within New Hampshire;
- b. Source code 1422, special education transportation fees, from other LEAs within New Hampshire; and
- c. Source code 1423, vocational educational transportation fees, from other LEAs within New Hampshire;

(3) Source code 1430, transportation fees from LEAs outside New Hampshire, classification shall be used for revenue for transporting students to and from school and school activities, classified further by program, as follows:

- a. Source code 1431, regular day school transportation fees received from LEAs outside New Hampshire;
- b. Source code 1432, special education transportation fees from LEAs outside New Hampshire; and
- c. Source code 1433, vocational education transportation fees from LEAs outside New Hampshire; and

(4) Source code 1440, transportation fees from other sources, classification shall be used for revenue from other sources for transporting students to and from school and school activities.

(d) Source code 1500, earnings on investments, classification shall be used for revenue from holdings invested for earning purposes.

(e) Source code 1600, food service, classification shall be used for revenue for dispensing food to students and adults.

(f) Source code 1700, student activities, classification shall be used for revenue from school sponsored activities.

(g) Source code 1800, revenue from community services activities, classification shall be used for revenue from community services activities operated by an LEA.

(h) Source code 1900, other revenue from local sources, classification shall be used for other revenue from local sources which are not classified above, using the following:

(1) Source code 1910, rental, classification shall be used for revenue from the rental of either real or personal property owned by the LEA;

(2) Source code 1920, contributions and donations from private sources, classification shall be used for revenue from a philanthropic foundation, private individuals, or private organizations for which no repayment or special service to the contributor is expected;

(3) Source code 1930, gains or losses on sale of fixed assets, classification shall be used:

a. For the amount of revenue which exceeds the book value of the fixed assets sold; and

b. Only in conjunction with proprietary funds;

(4) Source code 1940, textbook sales and rentals, classification shall be used for revenue from the sale or rental of textbooks as follows:

a. Source code 1941, textbook sales, for revenue from the sale of textbooks; and

b. Source code 1942, textbook rentals, for revenue from the rental of textbooks;

(5) Source code 1950, services provided to other LEAs, classification shall be:

a. Used for revenue from services provided to other LEAs, other than tuition and transportation services; and

b. Classified further by law or payor group, as follows:

1. Source code 1951 services provided to other LEAs within New Hampshire; and

2. Source code 1952, services provided to LEAs outside New Hampshire;

(6) Source code 1960, services provided other local governmental units, classification shall be used for revenue from services provided to other local governmental units; and

(7) Source code 1990, other local revenue, classification shall be used for revenue from local sources not provided for elsewhere.

**Readopt Rev 1106.02, effective 3-22-13 (Document #10304), as amended effective 3-21-18 (Document #12497), to read as follows:**

Rev 1106.02 Source Code 3000: Revenue From State of New Hampshire.

(a) Source code 3100, unrestricted grants-in-aid, classification shall be used for revenue recorded as grants by the LEA from state funds which can be used for any legal purpose desired by the LEA without restriction, as follows:

- (1) Source code 3111, adequate education grants classification, shall be used for revenues realized under RSA 198:41;
- (2) Source code 3112, education property tax classification, shall be used for revenues realized under RSA 76:3; and
- (3) Source code 3190, other unrestricted state aid, classification shall be used for other unrestricted revenue from an unrestricted state source.

(b) Source code 3200, restricted grants-in-aid, classification shall be used for revenue recorded as grants by the LEA from state funds, which will be used for a categorical or specific purpose, as follows:

- (1) Source code 3210, school building aid, classification shall be used for revenue realized to pay a portion of the principal due on bonds sold for construction purposes, pursuant to RSA 198:15-a and RSA 198:15-b;
- (2) Source code 3220, kindergarten aid, classification shall be used for revenue realized pursuant to RSA 198:48-a;
- (3) Source code 3230, special education aid, classification shall be used for revenues realized to assist school districts in meeting special education costs in their special education programs, pursuant to RSA 186-C:18;
- (4) Source code 3240, area vocational school aid, classification shall be used for revenue realized to pay a portion of area vocational costs for tuition, transportation, and buildings, as follows:
  - a. Source code 3241, tuition, classification shall be used for revenue realized to pay a portion of the tuition for students attending an area vocational program which is not available at the student's regular high school, pursuant to RSA 188-E:7 and RSA 188-E:9;
  - b. Source code 3242, transportation, classification shall be used for revenue realized to pay transportation charges for students attending an area vocational program which is not available at the student's regular high school, pursuant to RSA 188-E:8 and RSA 188-E:9;
  - c. Source code 3243, buildings, classification shall be used for revenues realized to pay for the construction of the area regional vocational centers, pursuant to RSA 188-E:3 and RSA 188-E:10; and
  - d. Source code 3249, other vocational aid, classification shall be used for revenues realized from other vocational aid;
- (5) Source code 3250, adult education, classification shall be used for revenues realized to provide an adult tutorial program for functionally illiterate adults, pursuant to RSA 186:62-63;

- (6) Source code 3260, child nutrition aid, classification shall be used for revenues realized to provide food and nutrition programs pursuant to RSA 189:11-a;
  - (7) Source code 3270, driver education, classification shall be used for revenues realized to pay a portion of the costs of students completing an approved driver education program, pursuant to RSA 263:52; and
  - (8) Source code 3290, other, classification shall be used for other revenue realized for specific categorical programs, not otherwise classified above.
- (c) Source code 3700, grants-in-aid through public intermediate agencies, classification shall be used for revenue from the state through intermediate agencies.
- (d) Source code 3800, revenue in lieu of taxes, classification shall be used for revenue from commitments or payments made out of general revenues by the state to the LEA in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation on the same basis as privately owned property.

**Readopt Rev 1106.03 through 1106.04, effective 3-22-13 (Document #10304), to read as follows:**

Rev 1106.03 Source Code 4000: Revenue From Federal Government.

- (a) Source code 4100, unrestricted grants-in-aid from the federal government, classification shall be used for revenues received from the federal government as grants to the LEA which may be used for any legal purpose desired by the LEA without restriction.
- (b) Source code 4200, unrestricted grants-in-aid from the federal government through the state, classification shall be used for revenues received from the federal government through the state as grants which may be used for any legal purpose desired by the LEA without restriction.
- (c) Source code 4300, restricted grants-in-aid received from the federal government, classification shall be used for revenue received from the federal government as grants to the LEA which shall be used for a categorical or specific purpose.
- (d) Source code 4500, restricted grants-in-aid from the federal government through the state, classification shall be used for revenues from the federal government through the state as grants to the LEA which will be used for a categorical or specific purpose as follows:
  - (1) Source code 4540, vocational education, classification shall be used for vocational education revenue from the federal government through the state;
  - (2) Source code 4550, adult education, classification shall be used for adult education revenue from the federal government through the state;
  - (3) Source code 4560, child nutrition, classification shall be used for child nutrition revenue from the federal government through the state;
  - (4) Source code 4570, disabilities programs, classification shall be used for disabilities programs revenues from the federal government through the state;

(5) Source code 4580, medicaid distribution, classification shall be used for medicaid distribution revenues from the federal government through the state; and

(6) Source code 4590, other restricted federal aid, classification shall be used for other restricted federal aid through the state, not otherwise classified above.

(e) Source code 4700, grants-in-aid from the federal government through other intermediate agencies, classification shall be used for revenues from the federal government through an intermediate agency other than the state.

(f) Source code 4800, revenue in lieu of taxes, classification shall be used for commitments or payments made from general revenues by the federal government to the LEA in lieu of taxes it should have had to pay had its property or other tax base been subject to taxation on the same basis as privately owned property or other tax base, as follows:

(1) Source code 4810, federal forest reserve, classification shall be used for revenue in lieu of taxes from the federal government pursuant to RSA 227-H:22; and

(2) Source code 4890, other, classification shall be used for all other revenue in lieu of taxes from the federal government.

(g) Source code 4900, revenue for or on behalf of the LEA, classification shall be used for commitment or payment made by the federal government for the benefit of the LEA or contribution of equipment, supplies, or both.

Rev 1106.04 Source Code 5000: Other Sources.

(a) Source code 5100, sale of bonds and notes, classification shall be used for proceeds from the sale of bonds and notes, including any premiums and accrued interest, as follows:

(1) Source code 5110, bond and notes principal, classification shall be used for the proceeds of principal from notes and the sale of bonds;

(2) Source code 5120, premium, classification shall be used for the proceeds from that portion of the sales price on bonds in excess of their par value;

(3) Source code 5130, accrued interest, classification shall be used for accrued interest realized from note proceeds and the sale of bonds; and

(4) Source code 5140, reimbursement anticipation notes, classification shall be used for the proceeds from notes taken in anticipation of state aid pursuant to RSA 198:20-d.

(b) Source code 5200, fund transfers, classification shall be used for revenue earned or received from another fund which will not be repaid, as follows:

(1) Source code 5210, transfer from general fund, classification shall be used for transfers authorized by RSA 35:5 to a capital reserve fund and for revenue earned or received by other funds as authorized and appropriated in the general fund budget;

(2) Source code 5221, transfer from food service special revenue fund, classification shall be used for revenue earned or received from the food service special revenue fund;

- (3) Source code 5222, transfer from all other special revenue funds, classification shall be used for revenue earned or received from all other special revenue funds;
- (4) Source code 5230, transfer from capital projects funds, classification shall be used as authorized by RSA 33 for revenue earned or received from the capital projects funds; and
- (5) Source code 5250, transfer from trust and agency funds, classification shall be used for revenue earned or received from trust and agency funds, as follows:
- a. Source code 5251, transfer from capital reserve fund, classification shall be used by the general fund or the capital projects fund as authorized by RSA 35:15 for revenue earned or received from the capital reserve funds;
  - b. Source code 5252, transfer from expendable trust fund, classification shall be used by the general fund or the capital projects fund as authorized by RSA 198:20-c for revenue earned or received from the expendable trust funds; and
  - c. Source code 5253, transfer from non-expendable trust fund, classification shall be used by the general fund or the capital project fund as authorized by RSA 31:31 for revenue earned or received from nonexpendable trust funds.
- (c) Source code 5300, sale or compensation for loss of fixed assets, classification shall be used for proceeds received from the sale of school property or compensation for the loss of fixed assets. This source code shall be used by funds other than proprietary funds.
- (d) Source code 5500, capital leases, classification shall be used for gross financial resources provided by the issuance of general long term liabilities.
- (e) Source code 5600, lease purchases, classification shall be used for gross financial resources provided by the issuance of general long term liabilities.

**Readopt Part Rev 1107, effective 3-22-13 (Document #10304), to read as follows:**

PART Rev 1107 CLASSIFICATION OF EXPENDITURES BY FUNCTION

Rev 1107.01 Function Code 1000: Instruction. Expenditures related to instruction shall include activities dealing directly with the teaching of students or the interaction between teacher and students, classified further by program as follows:

- (a) Function code 1100, regular programs, classification shall be used for instructional activities designed to provide grades kindergarten through 12 students with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers as contrasted with programs designed to improve or overcome physical, mental, social, or emotional handicaps, or any combination of these handicaps;
- (b) Function code 1200, special programs, classification shall be used for instructional activities designed primarily to deal with students having special needs;

(c) Function code 1300, vocational programs, classification shall be used for instructional activities that provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in an occupational area;

(d) Function code 1400, other instructional programs, classification shall be used for activities that provide grades kindergarten through 12 students with learning experiences not included in the Function codes 1100, 1200, 1300, 1500, and 1600;

(e) Function code 1500, non-public school programs, classification shall be used for activities for students attending a school established by an agency other than the state or federal government, which usually is supported primarily by other than public funds;

(f) Function code 1600, adult or continuing education programs, classification shall be used for instructional activities designed to develop knowledge and skills to meet immediate and long-range educational objectives of adults;

(g) Function code 1700, community or junior college education programs, classification shall be used for instructional activities for students attending an institution of higher education which offers the first 2 years of college instruction and the LEA has the responsibility of providing this program; and

(h) Function code 1800, community services programs, classification shall be used for activities not directly related to the provision of educational services in the LEA.

Rev 1107.02 Function Code 2000: Support Services.

(a) Function code 2100, support services for students, classification shall be used for activities designed to assess and improve the well-being of students and to supplement the teaching process as follows:

(1) Function code 2110, attendance and social work services, classification shall be used for activities which:

- a. Have as their purpose the improvement of the attendance of students at school; and
- b. Attempt to prevent or solve problems of students which involve home, school, and community;

(2) Function code 2120, guidance services, classification shall be used for activities concerned with the following:

- a. Counseling with students and parents;
- b. Providing consultation with other staff members on learning problems;
- c. Evaluating abilities of students;
- d. Assisting students making educational and career plan choices;
- e. Assisting students in personal and social development;
- f. Providing referral assistance for available guidance services; and

g. Working with other staff members in planning and conducting guidance programs for students;

(3) Function code 2130, health services, classification shall be used for physical and mental health services which are not direct instruction;

(4) Function code 2140, psychological services, classification shall be used for activities concerned with the following:

a. Administering psychological tests and interpreting the results;

b. Gathering and interpreting information about student behavior;

c. Working with other staff members in planning school programs to meet special needs of students as indicated by psychological tests; and

d. Behavioral evaluation and planning and managing a program of psychological services, including psychological counseling for students;

(5) Function code 2150, speech pathology and audiology services, classification shall be used for activities which have as their purpose the identification, assessment, and treatment of children with impairments in speech, hearing, and language;

(6) Function code 2160, physical and occupational therapy services, classification shall be used for activities which assess the need for and provide treatment to increase the physical, communication, and occupational skills of students; and

(7) Function code 2190, other support services, classification shall be used for other support services to students not classified elsewhere in the 2100 series.

(b) Function code 2200, support services for instructional staff, classification shall be used for activities associated with assisting the instructional staff with the content and process of providing learning experiences for students, as follows:

(1) Function code 2210, improvement of instruction services, classification shall be used for activities which are designed primarily for assisting instructional staff in planning, developing, and evaluating the process of providing challenging learning experiences for students;

(2) Function code 2220, educational media services, classification shall be used for the following:

a. Educational media including any devices, content materials, methods, or experiences for teaching and learning purposes; and

b. Activities concerned with the use of all teaching and learning resources, including hardware and content materials; and



(3) Function code 2290, other support services for instructional staff, classification shall be used for supporting services to the instructional staff not properly classified elsewhere in the 2200 series.

(c) Function code 2300, support services for general administration, classification shall be used for activities concerned with establishing and administering policy in connection with operating the LEA, as follows:

(1) Function code 2310, school board services, classification shall be used for activities of the elected body which has been:

- a. Created according to state law; and
- b. Vested with responsibilities for educational activities in a given administrative unit; and

(2) Function code 2320, executive administration services, classification shall be used for the following:

- a. Activities associated with the overall general administration of, or executive responsibility for, the entire LEA; and
- b. Funded positions of:
  1. Superintendent;
  2. Assistant, deputy, and associate superintendents;
  3. Business administrator; and
  4. Teacher consultant.

(d) Function code 2400, support services for school administration, classification shall be used for activities concerned with over-all administrative responsibility for a school, as follows:

(1) Function code 2410, office of the principal services, classification shall be used for activities performed by the principal, assistant principals, and other assistants while they supervise all operations of the school, evaluate staff members, supervise and maintain records, and coordinate school instructional activities with those of the LEA; and

(2) Function code 2490, other support services for school administration, classification shall be used for expenditures for graduation, department chairpersons and activity funds.

(e) Function code 2500, support services for business, classification shall be used for activities concerned with paying, transporting, exchanging, and maintaining goods and services for the LEA, as follows:

(1) Function code 2510, fiscal services, classification shall be used for activities concerned with fiscal operations of the LEA;

(2) Function code 2520, purchasing services, classification shall be used for activities concerned with purchasing supplies, furniture, equipment, and materials used in schools or school system operations;

(3) Function code 2530, warehousing and distributing services, classification shall be used for activities concerned with receiving, storing, and distributing supplies, furniture, equipment, materials, and mail;

(4) Function code 2540, printing, publishing, and duplicating services, classification shall be used for:

- a. Activities of printing and publishing administrative publications,
- b. Annual reports, directories, and manuals; and
- c. Those activities concerned with duplicating and printing for the LEA; and

(5) Function code 2590, other support services for business, classification shall be used for other support services to business not classified elsewhere in the 2500 series.

(f) Function code 2600, operation and maintenance of plant services, classification shall be used for activities concerned with keeping the physical plant open, comfortable and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair.

(g) Function code 2700, student transportation services, classification shall be used for activities concerned with the conveyance of students to and from school and other school activities, as provided by state and federal law.

(h) Function code 2800, support services, central, classification shall be used for activities concerned with planning, research, development, evaluation, information, staff, and data processing services, other than general administration.

(i) Function code 2900, other support services, classification shall be used for all other support services which are not properly classified elsewhere in the 2000 series.

Rev 1107.03 Function Code 3000: Operation of Non-instructional Services. Operation of non-instructional services, classification shall be used for those activities concerned with providing non-instructional services to students, staff, or the community, further classified as follows:

(a) Function code 3100, food services operations, classification shall be used for activities concerned with providing food to students and staff in a school or LEA;

(b) Function code 3200, enterprise operations, classification shall be used for activities where stated intent is that the costs are financed or recovered primarily through user charges; and

(c) Function code 3300, community services operations, classification shall be used for activities concerned with providing community services to students, staff or other community participants.

Rev 1107.04 Function Code 4000: Facilities Acquisition and Construction Services. Facilities acquisition and construction services, classification shall be used for activities concerned with:

- (a) Acquisition of land and buildings;
- (b) Remodeling of buildings;
- (c) Construction of buildings and additions to buildings;
- (d) Initial installation or extension of service systems and other built-in equipment; and
- (e) Improvements to sites.

Rev 1107.05 Function Code 5000: Other Outlays.

(a) Function code 5100, debt service, classification shall be used for servicing of debt of the LEA, including payments of both principal and interest, further classified as follows:

- (1) Function code 5110, principal, classification shall be used for the principal portion of loan payments; and
- (2) Function code 5120, interest, classification shall be used for the interest portion of loan payments.

(b) Function code 5200, fund transfers, classification shall be used for transactions which withdraw money from one fund and place it in another without recourse, as follows:

- (1) Function code 5210, transfer to general fund, classification shall be used for transfers authorized by RSA 33:3-a from the capital projects fund and transfers authorized by RSA 35:15 from capital reserve funds to the general fund;
- (2) Function code 5220, transfer to special revenue funds, classification shall be used for transfers of federal grants and other reimbursements from the general fund to special revenue funds, further classified as follows:
  - a. Function code 5221, transfer to food service fund, classification shall be used for transfers to the food service fund appropriated or duly authorized; and
  - b. Function code 5222, transfer to all other special revenue, classification shall be used for transfers to all other special revenue funds;
- (3) Function code 5230, transfer to capital projects funds, classification shall be used for transfers authorized by RSA 35:15 from the capital reserve fund to capital projects funds; and
- (4) Function code 5250, transfer to trust and fiduciary funds, classification shall be used for transfers further classified as follows:
  - a. Function code 5251, transfer to capital reserve fund, classification shall be used for transfers authorized by RSA 35:5 from the general fund to capital reserve funds;
  - b. Function code 5252, transfer to other expendable trust fund, classification shall be used for transfers to expendable trust funds;

c. Function code 5253, transfer to non-expendable trust fund, classification shall be used for transfers to non-expendable trust funds; and

d. Function code 5254, transfer to fiduciary fund, classification shall be used for transfers appropriated or duly authorized.

(c) Function code 5300, intergovernmental agency allocations, classification shall be used for funds paid as follows:

(1) Function code 5310, allocations to charter schools, classification shall be used for transfers to an approved charter school not operated by the LEA; and

(2) Function code 5390, allocation to other governmental agencies, classification shall be used for transfers to other governmental agencies.

(d) Revenues shall be allocated to the appropriate funds when received, and shall not be accepted in the general fund and later transferring them.

**Readopt Part Rev 1108, effective 3-22-13 (Document #10304), cited and to read as follows:**

**PART Rev 1108 CLASSIFICATION OF EXPENDITURES BY OBJECT**

Rev 1108.01 Object Code 100: Personal Services for Salaries. Personal services and salaries classification shall be the amounts earned by employees of the LEA who are considered to be in positions of a permanent nature or hired temporarily.

Rev 1108.02 Object Code 200: Personal Services for Employee Benefits.

(a) Personal services for employee benefits classification shall be the amounts accrued or paid by the LEA on behalf of employees.

(b) The amounts in (a) above shall not be included in the gross salary, but shall be those in excess of that amount.

Rev 1108.03 Object Code 300: Purchased Professional and Technical Services.

(a) Object code 310, official or administrative services, classification shall be used for services performed by persons qualified to assist management either in the broad policy area or in the general operation of the LEA.

(b) Object code 320, professional education services, classification shall be used for services supporting instructional program and its administration.

(c) Object code 330, other professional services, classification shall be used for services other than educational supporting the operation of the LEA.

(d) Object code 340, technical services, classification shall be used for services to the LEA which are not regarded as professional, but require basic scientific knowledge, manual skills, or both.

Rev 1108.04 Object Code 400: Purchased Property Services. Purchased property services shall be services purchased to operate, repair, maintain, and rent property owned or used by the LEA, but performed by persons other than LEA employees.

Rev 1108.05 Object Code 500: Other Purchased Services.

(a) Other purchased services shall be expenditures for services rendered by organizations or personnel not on the payroll of the LEA other than those included under Object code 300 or Object code 400.

(b) The following Object codes shall be used only with Function code 2700:

(1) Object code 510, student transportation services, classification shall be used for expenditures for transporting children to or from school and other school activities;

(2) Object code 511, student transportation services from another LEA within New Hampshire, classification shall be used for expenditures to other LEAs within New Hampshire for the purpose of transporting children to and from school and school-related events;

(3) Object code 512, student transportation services from LEA outside New Hampshire, classification shall be used for expenditures to LEAs outside New Hampshire for transporting children to or from school and school-related events; and

(4) Object code 519, student transportation services purchased from other sources, classification shall be used for payments to persons or agencies other than LEAs for transporting children to or from school and school-related events.

(c) Object code 560, tuition, shall be used only with Function code 1000 for expenditures to reimburse other educational agencies for instructional services rendered to students residing in the legal boundaries described for paying the LEA.

Rev 1108.06 Object Code 600: Supplies and Materials.

(a) Object code 600, supplies and materials, shall be for expenditures for:

(1) Material items of an expendable nature that are consumed, worn out, or deteriorated in use; or

(2) Items that lose their identity through fabrication or incorporation into different or more complex units or substances.

(b) Object code 620, energy, classification shall be used for expenditures for energy and services received from public or private utility companies.

(c) Object code 630, food, classification shall be used for expenditures for food in the school food service program.

(d) Object code 640, books and information resources, classification shall be used for expenditures for the acquisition of information.

Rev 1108.07 Object Code 700: Property.

(a) Object code 710, land and improvements, classification shall be used for expenditures for the purchase of land and improvements thereon.

(b) Object code 720, buildings, classification shall be used for expenditures for acquiring existing buildings including expenditures for installment or lease payments, except interest, which have a terminal date and result in the acquisition of buildings, except payments to public school housing authorities or similar agencies.

(c) Object code 730, equipment, classification shall be:

- (1) Used for expenditures for the initial, additional, and replacement items of equipment; and
- (2) Used with all Function codes except 5000.

Rev 1108.08 Object Code 800: Other Objects. Object code 800, other objects, classification shall be used for expenditures for goods and services not otherwise classified above, as follows:

(a) Object code 810, dues and fees, classification shall be used for expenditures or assessments for membership in professional or other organizations;

(b) Object code 830, interest, classification shall be used for expenditures for interest on bonds or notes;

(c) Object code 831, redemption of principal, shall be for outlays from current funds to retire bonds or notes, and shall be only with Function code 5100;

(d) Object code 840, contingency, classification shall be used:

- (1) For budgeting of appropriations only with Function code 2310, school board services; and
- (2) To charge expenditures to the appropriate function and object; and

(e) Object code 890, miscellaneous, classification shall be used for:

- (1) Expenditures for goods or services not properly classified in one of the objects included above; and
- (2) All Function code except 5000.

Rev 1108.09 Object Code 900: Other Uses of Funds.

(a) Object code 900, other uses of funds classification, shall be used to classify transactions which are not properly recorded as expenditures to the LEA, but require budgetary or accounting control.

(b) Object code 910, fund transfers out, classification shall be used for all transactions conveying money from one fund to another without recourse.

**Readopt Part Rev 1109, effective 3-22-13 (Document #10304), to read as follows:**

## PART Rev 1109 CLASSIFICATION OF EXPENDITURES BY INSTRUCTIONAL ORGANIZATION

Rev 1109.01 Organization Code 00: District Wide. The district wide classification shall be for an expenditure transaction:

- (a) Applicable to the entire LEA; and
- (b) Not clearly assignable to an instructional level.

Rev 1109.02 Organization Code 10: Elementary School. The organization code 10, elementary school classification, shall be for a school organization composed of any combination of grades below grade 9, under rules adopted by the commissioner of education under Ed 306, minimum standards for public school approval.

Rev 1109.03 Organization Code 20: Middle School. The organization code 20, middle school classification, shall be for a school organization between an elementary school and a high school under rules adopted by the commissioner of education under Ed 306, minimum standards for public school approval.

Rev 1109.04 Organization Code 30: Secondary School. The organization code 30, secondary school classification, shall be for a school comprising any span of grades beginning with the next grade following an elementary or middle school and ending with or below grade 12 under rules adopted by the commissioner of education under Ed 306, minimum standards for public school approval.

Rev 1109.05 Organization Code 40: Postsecondary Education. The organization code 40, postsecondary education classification, shall be for a school for adults and out-of-school youth who have either completed, not begun, or interrupted their formal education and are pursuing skills or knowledge in other than regularly prescribed courses.

**Readopt Part Rev 1110, effective 3-22-13 (Document #10304), cited and to read as follows:**

## PART Rev 1110 CLASSIFICATION OF BALANCE SHEET ACCOUNTS

Rev 1110.01 Assets and Other Debits.

(a) Current assets shall consist of cash or anything that can be readily converted to cash and be classified as follows:

- (1) Account 100, cash, classification shall be used for sum total of district cash held in banks, on hand, as petty cash, as change fund or by fiscal agent, as follows:
  - a. Account 101, cash in bank, classification shall be used for all funds on deposit with a bank or savings and loan institution;
  - b. Account 102, cash on hand, classification shall be used for currency, coin, checks, postal and express money orders, and bankers' drafts on hand;

- c. Account 103, petty cash, classification shall be used for a sum of money set aside for the purpose of paying small obligations for which issuance of a formal voucher and check would be too expensive and time-consuming;
- d. Account 104, change cash, classification shall be used for a sum of money set aside for providing change; and
- e. Account 105, cash with fiscal agent, classification shall be used for deposits with fiscal agents for payment of matured bonds and interest;

(2) Account 110, investments, classification shall be used for sum total of district investments, unamortized premium on investments, unamortized discount on investments, interest receivable on investments, and accrued interest on investments purchased, as follows:

- a. Account 111, investments, classification shall be used for securities with a maturity of 90 days or more, held for the production of income in the form of interest or dividends;
- b. Account 112, unamortized premiums on investments, classification shall be used for the excess of the amount paid for long term investments over the face value which has not yet been amortized;
- c. Account 113, unamortized discounts on investments, a credit classification shall be used for the excess of the face value of securities over the amount paid for them which has not yet been amortized;
- d. Account 114, interest receivable on investments, classification shall be used for amount of interest receivable on investments, exclusive of interest purchased; and
- e. Account 115, accrued interest on investments purchased, classification shall be used for interest accrued on investments between last interest payment date and date of purchase;

(3) Account 120, assessments receivable, classification shall be used for the uncollected portion of current assessment which is due the LEA;

(4) Account 130, interfund receivable, classification shall be used for the sum total of interfund loans and interfund accounts receivable, as follows:

- a. Account 131, interfund loans receivable, classification shall be used for an asset account to record the loan by one fund to another fund in the same LEA; and
- b. Account 132, interfund accounts receivable, classification shall be used for amounts owed to a particular fund by another fund in the same LEA for goods sold or services rendered;

(5) Account 140, intergovernmental accounts receivable, classification shall be used for amounts due to the LEA from another governmental unit;

(6) Account 150, other receivables, classification shall be used for the sum total of other accounts receivable and estimates for uncollectibles accounts, as follows:



- a. Account 151, loans receivable, classification shall be used for amounts which have been loaned to persons or organizations, including notes taken as security for such loans, where permitted by statutory authority;
  - b. Account 152, estimated uncollectible loans receivable, a credit classification, shall be used for that portion of loans receivable which is estimated will not be collected;
  - c. Account 153, other accounts receivable, classification shall be used for amounts owing on open accounts from private persons, firms, or corporations for goods and services furnished by the LEA; and
  - d. Account 154, estimated uncollectible accounts receivable, a credit classification, shall be used for that portion of accounts receivable which is estimated will not be collected;
- (7) Account 160, bond proceeds receivable, classification shall be used for an account used to designate the amount receivable upon the sale of bonds;
- (8) Account 170, inventories, classification shall be used for the sum total of the cost of goods, supplies, or equipment held by the LEA for either consumption or resale, as follows:
- a. Account 171, inventories for consumption, classification shall be used for the cost of supplies and equipment on hand, not yet distributed to requisitioning units; and
  - b. Account 172, inventories for resale, classification shall be used for the value of goods held by the LEA for resale rather than for use in its own operations;
- (9) Account 180, prepaid expenditures or expenses, classification shall be used for expenditures or expenses paid for benefits not yet received; and
- (10) Account 190, other current assets, classification shall be used for the sum total of deposits and other current assets not otherwise classified, as follows:
- a. Account 191, deposits, classification shall be used for funds deposited by the LEA as prerequisite to receiving services, goods, or both; and
  - b. Account 199, other current assets, classification shall be used for current assets not otherwise classified.
- (b) Account 200, capital assets, shall consist of assets the LEA intends to hold or continue in use over a long period of time, as follows:
- (1) Account 210, sites, classification shall be used for a capital asset account which reflects the acquisition value of land owned by the LEA, as follows:
    - a. If land is purchased, this account shall include the purchase price and costs incurred to put the land in condition for its intended use; and
    - b. If the land is acquired by gift, the account shall reflect the appraised value at time of acquisition;

(2) Account 220, site improvements, classification shall be used for a capital asset account which reflects the acquisition value of permanent improvements, other than buildings, which add value to land, as follows:

- a. If improvements are purchased or constructed, this account shall contain the purchase or contract price; and
- b. If improvements are obtained by gift, this account shall reflect the appraised value at the time of acquisition;

(3) Account 230, buildings and building improvements, classification shall be used for a capital asset account which reflects the acquisition value of permanent structures to house persons and property owned by the LEA, as follows:

- a. If buildings are purchased or constructed, this account shall include:
  1. Purchase or contract price of all permanent buildings; and
  2. Fixtures attached to and forming a permanent part of such buildings;
- b. If buildings are acquired by gift, the account shall reflect their appraised value at time of acquisition; and
- c. This account shall include all building improvements added after purchase, construction, or acquisition by gift;

(4) Account 240, machinery and equipment, classification shall be used for total cost of machinery and equipment including applicable accumulated depreciation; and

(5) Account 250, construction in progress, classification shall be used for the cost of construction work undertaken but not yet completed.

(c) Budgeting accounts and other debits shall consist of categories for budgeted and actual amounts of revenues as well as offsetting accounts, as follows:

- (1) Account 301, estimated revenues, classification shall be used for the amount of revenues estimated to be received or to become receivable during the fiscal period; and
- (2) Account 302, revenues, a credit classification, shall be used for the total of all revenues realized during a period.

Rev 1110.02 Liabilities, Fund Equity and Other Credits. Liabilities, reserves, and fund balances shall consist of LEA debts, plus items which are not debts, but which might become debts at some future time, as well as other budgeting accounts which normally appear only on the interim financial statements, as follows:

(a) Current liabilities shall be for those debts the LEA expects to pay within the next budget cycle, as follows:

- (1) Account 400, interfund payables, classification shall be used for the sum total of interfund loans and interfund accounts payable, as follows:
  - a. Account 401, interfund loans payable, classification shall be used for a liability account to record a debt owed by one fund to another fund in the same LEA; and
  - b. Account 402, interfund accounts payable, classification shall be used for amounts owed by a particular fund to another fund in the same LEA for goods and services rendered;
- (2) Account 410, intergovernmental accounts payable, classification shall be used for amounts owed by the reporting LEA to another governmental unit;
- (3) Account 420, other payables, classification shall be used for the sum total of the LEA accounts, judgments and warrants payable, as follows:
  - a. Account 421, accounts payable, classification shall be used for liabilities on open accounts owing to private persons, firms, or corporations for goods and services received by an LEA;
  - b. Account 422, judgments payable, classification shall be used for amounts due to be paid by an LEA as a result of court decisions; and
  - c. Account 423, warrants payable, classification shall be used for amounts due to designated payees in the form of a written order drawn by the LEA directing the LEA treasurer to pay a specific amount;
- (4) Account 430, contracts payable, classification shall be used for the sum total of the LEA's contracts payable, construction contracts payable, and the retainage on construction contracts, as follows:
  - a. Account 431, contracts payable, classification shall be used for amounts due on contracts for assets, goods, and services received by an LEA;
  - b. Account 432, retainage on construction contracts, classification shall be used for liabilities on account of construction contracts for that portion of work which has been completed but on which part of the liability has not been paid pending final inspection, or a lapse of a specified time period, or both; and
  - c. Account 433, construction contracts payable, classification shall be used for amounts due by an LEA on contracts for construction of buildings, structures, and other improvements;
- (5) Account 440, bonds and interest payable, classification shall be used for the sum total of matured bonds payable, bonds payable, and unamortized premiums on bonds sold, as follows:
  - a. Account 441, matured bonds payable, classification shall be used for bonds which have reached or passed their maturity date but remain unpaid;
  - b. Account 442, bonds payable, classification shall be used for bonds which have not yet reached or passed their maturity date but are due within one year or less;

c. Account 443, unamortized premiums on bonds sold, classification shall be used for an account which represents that portion of the excess of bond proceeds over par value and which remains to be amortized over the remaining life of the bonds; and

d. Account 444, bond interest payable, classification shall be used for bond interest due within one year;

(6) Account 450, loans and interest payable, classification shall be used for short term obligations representing amounts borrowed for short periods, as follows:

a. Account 451, loans payable, classification shall be used for short term obligations representing amounts borrowed for short periods of time;

b. Account 452, lease obligations, classification shall be for current obligations of lease amounts; and

c. Account 455, loan interest payable, classification shall be used for interest due within one year;

(7) Account 460, accrued salaries and benefits, classification shall be used for salary and fringe benefit costs incurred during the current accounting period which are not payable until a subsequent accounting period;

(8) Account 470, payroll deductions and withholdings, classification shall be used for amounts deducted from employees' salaries for withholding taxes and other purposes, including district-paid benefits amounts payable;

(9) Account 480, deferred revenues, classification shall be used for a liability account which represents revenues collected before they become due; and

(10) Account 490, other current liabilities, classification shall be used for the sum total of deposits payable, amounts due fiscal agents and other current liabilities not provided for elsewhere, as follows:

a. Account 491, deposits payable, classification shall be used for liability for deposits received as a prerequisite to providing or receiving services, goods, or both;

b. Account 492, due to fiscal agent, classification shall be used for amounts due to fiscal agents, such as commercial banks, for serving the LEA's matured indebtedness; and

c. Account 499, other current liabilities, classification shall be used for other current liabilities not provided for elsewhere;

(b) Long-term liabilities shall be for debt with a maturity of more than one year after the date of issuance, as follows:

(1) Account 511, bonds payable, classification shall be used for bonds which have not reached or passed their maturity date and which are not due within one year;

- (2) Account 521, notes payable, classification shall be used for an unconditional written promise signed by the maker to pay a certain sum of money one year or more after the date of issuance;
  - (3) Account 531, capital lease obligations, classification shall be used for amounts remaining to be paid on capital lease purchase agreements;
  - (4) Account 551, compensated absences, classification shall be used for amounts remaining beyond the period of one year to be paid on compensated absences balances; and
  - (5) Account 590, other long-term liabilities, classification shall be used for other long-term liabilities not provided for elsewhere;
- (c) Budgeting accounts of categories for budgeted and actual amounts related to expenditures and encumbrances, which are closed at the end of the year, shall appear during the fiscal period, including the following:
- (1) Account 601, appropriations, classification shall be used for recording authorizations granted to the school board to make expenditures for specific purposes;
  - (2) Account 602, expenditures, a debit classification, shall be used for designating the total of expenditures charged against appropriations during such periods; and
  - (3) Account 603, encumbrances, a debit classification, shall be used for designating obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which part of the appropriation is reserved; and
- (d) Other credits shall consist of fund equity and other residual interests, as follows:
- (1) Account 720, contributed capital, classification shall be used as an equity account in the proprietary funds which shows the amount of fund capital contributed by the LEA from general government revenue and resources;
  - (2) Account 730, reserve for special purposes retained earnings, classification shall be used for the accumulated earnings of the proprietary funds which have been retained in the fund and which are reserved for a specific purpose;
  - (3) Account 740, unreserved retained earnings, classification shall be used for the accumulated earnings of the proprietary funds which have been retained in the fund and which are not reserved for any specific purpose;
  - (4) Account 750, reserved fund balance, classification shall be used for reserved fund balance as follows:
    - a. Account 751, reserve for inventories, classification shall be used for a reserve representing the portion of a fund balance segregated to indicate that assets equal to the amount of reserve in inventories;
    - b. Account 752, reserve for prepaid expenses, classification shall be used for a reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of reserve in prepaid expenses;

c. Account 753, reserve for encumbrances, classification shall be used for a reserve representing the segregation of a portion of a fund balance to provide for unliquidated encumbrances;

d. Account 754, reserve for continuing appropriations, classification shall be used for segregation of a portion of a fund balance which represents the unexpended portion of a special warrant article voted by the legislative body as nonlapsing according to RSA 32:7, VI or by the governing body according to RSA 32:7, V;

e. Account 755, reserve for amounts voted from surplus, classification shall be used for segregation of a portion of a fund balance set apart by the legislative body at the annual meeting for a particular purpose in the following fiscal year; and

f. Account 756, reserve for endowments, classification shall be used for a reserve representing the principal portion of a nonexpendable trust fund;

(5) Account 760, reserve for special purposes fund balance, classification shall be used for a reserve representing a portion of a fund balance segregated for a special unpredicted obligation occurring prior to the end of the fiscal year; and

(6) Account 770, unreserved fund balance, classification shall be used for the excess of the assets of a fund over its liabilities and reserves.

**Readopt with amendments Part Rev 1111, effective 3-22-13 (Document #10304), cited and to read as follows:**

PART Rev 1111 FORMS AND REPORTS REQUIRED BY RSA 21-J:34

Rev 1111.01 Form and Report Availability.

(a) Forms and reports shall be available by:

- (1) Written request to the department;
- (2) Calling (603) 230-5090; or
- (3) Accessing them via the Municipal Tax Rate Setting Portal at <https://proptax.org>.

Rev 1111.02 Form MS-22, Report of Appropriations Actually Voted.

(a) School districts shall complete and file within 20 days after the annual or special meeting(s) Form MS-22, report of appropriations actually voted, with the department of revenue administration.

(b) Form MS-22 shall contain dated signatures of a majority of the school board, the school district clerk, and the superintendent to certify that the information contained in the form is true, correct, and accurate to the best of their belief.

Rev 1111.03 Form MS-24, Revised Estimated Revenues.

(a) The school board or its designee shall prepare and file annually by September 1 Form MS-24, revised estimated revenues, with the department of revenue administration.

(b) Form MS-24 shall contain the dated signature of the preparer to certify that the information contained in the form is true to the best of the preparer's belief.

Rev 1111.04 Form MS-25, School Financial Report.

(a) The school board shall complete and file annually not later than September 1 Form MS-25, school financial report with the department of revenue administration.

(b) Form MS-25 shall contain dated signatures of the school board chairperson and the superintendent of schools along with the signatures of school board members to certify that the information contained in the form is true, accurate, and complete.

(c) Form MS-25 shall be completed by using:

- (1) Balance sheet accounts listed in Rev 1110;
- (2) Revenue source codes listed in Rev 1106; and
- (3) Expenditures by function codes listed in Rev 1107.

Rev 1111.05 Form MS-26, School Budget Form.

(a) School boards with school districts which have not adopted the provisions of RSA 32:14 through RSA 32:24 shall complete Form MS-26, school budget form for the annual meeting.

(b) Form MS-26 shall contain signatures of the school board members to certify that the information contained in the form and to the best of their belief it is true, correct, and complete.

(c) Form MS-26 shall be posted:

- (1) With the warrant; and
- (2) In the annual report if required by RSA 32:5, VII.

(d) A copy of Form MS-26 shall be sent to the school clerk.

(e) The warrant and Form MS-26 shall be uploaded to the Municipal Tax Rate Setting Portal at <https://proptax.org>.

Rev 1111.06 Form MS-26c, Dependent School Budget Form.

(a) School boards with school districts which have adopted the provisions of RSA 21-J:34, VI shall complete Form MS-26c, dependent school budget form, for the annual meeting.

(b) Form MS-26c shall contain signatures of the school board members to certify that they have examined the information contained in the form and to the best of their belief it is true, correct, and complete.

(c) Form MS-26c shall be posted:

(1) With the warrant; and

(2) In the annual report if required by RSA 32:5, VII.

(d) A copy shall be sent to the school clerk.

(e) The warrant and Form MS-26c shall be uploaded to the Municipal Tax Rate Setting Portal at <https://proptax.org>.

Rev 1111.07 Form MS-27, School Budget Form.

(a) The budget committee of school districts operating under RSA 32:14 through RSA 32:24 shall complete Form MS-27, school budget form, and submit the form to the school board for the annual meeting.

(b) Form MS-27 shall contain signatures of the school budget committee to certify they have examined the information contained in the form and to the best of their belief it is true, correct, and complete.

(c) Form MS-27 shall be posted:

(1) With the warrant; and

(2) In the annual report if required under RSA 32:5, VII.

(d) A copy shall be sent to the school clerk.

(e) The warrant and Form MS-27 shall be uploaded to the Municipal Tax Rate Setting Portal at <https://proptax.org>.

(f) The budget committee shall complete from MS-27 by using the:

(1) Source codes listed in Rev 1106; and

(2) Function codes listed in Rev 1107.



## APPENDIX

<b>RULE</b>	<b>SPECIFIC STATE STATUTE THE RULE IMPLEMENTS</b>
Rev 1101.01 - 1101.03	RSA 21-J:13,IV; RSA 21-J:17
Rev 1101.04	RSA 21-J:13,IV; RSA 21-J:17; RSA 32:11
Rev 1101.05 - 1101.20	RSA 21-J:13,IV; RSA 21-J:17
Rev 1102	RSA 21-J:13,IV; RSA 21-J:17
Rev 1103	RSA 21-J:13,IV; RSA 21-J:17
Rev 1104	RSA 21-J:13,IV; RSA 21-J:17
Rev 1105	RSA 21-J:13,IV; RSA 21-J:17
Rev 1106.01	RSA 21-J:13,IV; RSA 21-J:17
Rev 1106.02	RSA 21-J:13,IV; RSA 21-J:17; RSA 198:41; RSA 76:3; RSA 198:15-a,-b and l; RSA 186-C:18; RSA 188-E:3,7, 9 and 10; RSA 186:62 and 63; RSA 189-11-a;RSA 263:52
Rev 1106.03	RSA 21-J:13,IV; RSA 21-J:17; RSA 227-H:22
Rev 1106.04	RSA 21-J:13,IV; RSA 21-J:17; RSA 198:20 –c and -d; RSA 35:5 and 15; RSA 31:31
Rev 1107	RSA 21-J:13,IV; RSA 21-J:17
Rev 1108.01 - 1108.05	RSA 21-J:13,IV; RSA 21-J:17
Rev 1108.06 - 1108.09	RSA 21-J:13,IV
Rev 1109	RSA 21-J:13,IV
Rev 1110.01	RSA 21-J:13,IV
Rev 1110.02	RSA 21-J:13,IV; RSA 32:7, V and VI
Rev 1111.01 - 1111.03	RSA 21-J:13,IV; RSA 21-J:34;
Rev 1111.04	RSA 21-J:13,IV; RSA 21-J:34; RSA 32: 14 – 24
Rev 1111.05	RSA 21-J:13,IV; RSA 21-J:34; RSA 32:14 –24; RSA 32:5
Rev 1111.06	RSA 21-J:13,IV; RSA 21-J:34
Rev 1111.07	RSA 21-J:13,IV; RSA 21-J:34