

# Understanding Segments – How to Read a Budget Line

A budget line tells the story of what you are buying, who you are serving, what you are doing and for which site or department, where the funding for this purchase originated and who oversees the funds. Each segment of a budget line adds detail to the story. The figure below shows the name of each segment and what part of the story it describes.

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx
Fund	Purpose	Year Project Ends	Who you are serving	What you are doing	What you are buying	School	Additional Description	Who oversees the funds

Examples:

010—10000—0—00000—27000—43000—601—0000—006

General Fund    Site Base    0    Undistributed    School Administration    Materials & Supplies    Redwood High School    None    High School Principal

010—30100—0—11100—10000—11000—311—5752—440

General Fund    Title I    0    Regular Education    Instruction    Teacher Salaries    Conyer Elementary School    Hourly Pay    Comp Ed Coordinator

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Fund** – The fund field is used to account for financial activities in the appropriate fund.

## *General Fund*

Fund 010 – General Fund is the chief operating fund of the District and is made up of both Unrestricted and Restricted funds. All transactions except those required or permitted by law to be reported in another fund are accounted for in this fund.

Unrestricted General Fund consists of revenues to run the basic educational program, offset by the cost of the basic program. Restricted General Fund consists of revenue received for specific and limited purposes, offset by the cost of those specific programs. In some cases revenue not spent on a restricted program must be returned to the funding source. In other cases, unspent restricted funds are carried forward to the following year to be spent for the same specific purpose. Restricted projects or activities within the general fund must be identified and reported separately from unrestricted projects or activities.

Special revenue funds are used to account for the proceeds from specific revenue sources that are restricted to the financing of particular activities.

*Special Revenue Funds*

- Fund 110 – Adult Education
- Fund 121 – State Preschool
- Fund 130 – Cafeteria Fund
- Fund 200 – Other Postemployment Benefits

*Capital Project Funds*

- Fund 210 – Building Fund
- Fund 250 – Capital Facilities – Developer Fees
- Fund 350 – County School Facilities
- Fund 400 – Special Reserve for Capital Outlay

*Debt Service Funds*

- Fund 511-516 – Bond Interest

*Proprietary Funds*

- Fund 670 – Self Insurance Fund

For K-12 school site budgets, **Fund** will always be 010.

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Resource** – A resource is what we sometimes refer to as a ‘pot of money’. It describes where the funding originated. *It is always best to use your most restricted resources first whenever possible.* Site resources include the following:

**Title I, 30100** – This is the most restrictive resource. Use of this resource is restricted to those activities that will ***improve academic achievement for low performing students***. Refer to the Appropriate Use of Funds guide in the Resources section of this handout for more information. Please contact the State and Federal Projects Coordinator in FCRC for guidance if needed.

**LCAP, 07290** – This resource should be used to support your students to meet seven state priorities ***including Student Achievement, Parental Involvement, School Climate and reducing suspensions/expulsions, Student Engagement to reduce absences and increase graduation rate, Course Access, Common Core, and Basic Services***. Refer to the Appropriate Use of Funds guide in the Resources section of this handout for more information. Please contact the State and Federal Projects Coordinator in FCRC for guidance if needed.

**Site Base, 10000** – This is the least restrictive resource and the only resource you can use for administrative and clerical functions. You can also use this resource to pay for any costs that are allowable under Title I or LCAP should you run short in those resources.

**Unrestricted, 00000** – This is the only site resource that carries over from year to year and includes your Donations, PTA Donations and VEF Grant account lines.

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Project Year** - The project year field is used to identify the fiscal year in which the funding for a project or activity terminates for those projects and activities that cross multiple years. For school sites and most departments the Project Year will always be '0'.

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Goal** - The goal defines an objective, describing who you are serving. Elementary sites use two different goals: 00000 – Undistributed, which is used with Function 27000 for school administration costs and Function 24203 for library costs, and 11100 – Regular Education K-12, used for all instructional purchases.

For Secondary Schools, in addition to goals 00000 and 11100, goals specific to departments are also used. Commonly used department goals are:

- |                     |                          |                            |
|---------------------|--------------------------|----------------------------|
| 11303 – Ag Science  | 11311 – Drama            | 11330 – Music              |
| 11304 – Arts        | 11316 – English          | 11331 – Music–Band         |
| 11305 – Arts/Crafts | 11318 – Foreign Language | 11332 – Music–Choir        |
| 11306 – Athletics   | 11321 – Home Economics   | 11333 – Music–Vocal        |
| 11307 – Auto shop   | 11327 – Math             | 11334 – Music–Instrumental |
| 11308 – Business    | 11329 – Metal Shop       |                            |

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Function** – The function describes the activity or services performed to accomplish the goal. Sites generally use one of three functions: 24203 Library and 27000 School Administration, which are used with goal 00000, and function 10000 Instruction, which is used with all other goals listed above.

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Object** – The object segment classified expenditures according to the types of items purchased or services obtained. The numbering is intentional.

- 1##### - Certificated Salaries (Credentialed staff)
- 2##### - Classified Salaries (Non-credentialed staff)
- 3##### - Benefits
- 4##### - Books and Supplies
- 5##### - Services
- 6##### - Capital Outlay

Below is a chart of object codes commonly used by sites and departments.

OBJECT CODE	DESCRIPTION
11000	<b>Certificated Personnel Salaries:</b> Certificated salaries are salaries for positions that require a credential or permit issued by the Commission on Teacher Credentialing. <b>NOTE:</b> Use <b>Type 0000</b> for contracted salaries and <b>Type 5752</b> for Miscellaneous time.
11002	<b>Certificated Substitute Teachers:</b> Certificated Substitute Teacher timesheets for certificated teacher absence coverage, including unexpected absences and school business coverage. <b>NOTE:</b> Use <b>Type 0053</b> with Object 11002.
11003	<b>Teacher Stipends:</b> Stipends for extra duty assignments. <b>NOTE:</b> Use <b>Type 5856</b> with Object 11003.
21000	<b>Instructional Aides' Salaries:</b> Salaries for non-credentialed staff supporting classroom learning, such as Paraprofessionals.
22000	<b>Classified Support Salaries:</b> Salaries for classified district support staff, including Custodial, Grounds, Maintenance, Nutritional Services, and Health Services support staff. <b>NOTE:</b> Use <b>Type 0000</b> for contracted salaries and <b>Type 5752</b> for Miscellaneous time.
24000	<b>Classified Clerical &amp; Other Office Salaries:</b> Salaries for classified clerical positions and other positions whose main duties are performed in offices.
29000	<b>Other Classified Salaries:</b> Salaries for non-credentialed student support staff such as General Activity Aides, Campus Supervisors, Cafeteria Workers, Behavior Intervention Technicians, Learning Center Support Technicians, After School Activity Aides and Paraprofessionals. <b>NOTE:</b> Use <b>Type 0000</b> for contracted salaries and <b>Type 5752</b> for Substitute and Miscellaneous time.
29002	<b>Other Classified Substitute Salaries:</b> Salaries for district-provided classified (non-credentialed) substitutes. <b>NOTE:</b> Use <b>Type 0053</b> with Object 29002.
30000	<b>Employees Benefits:</b> Record employers' contributions to employee's retirement plan, health & welfare benefits, and any other statutory benefits.
43000	<b>Materials and Supplies:</b> Expenditures for consumable materials and supplies to be used by students, teachers, and other personnel. Instructional materials, supplies, *food (prepackaged, purchased or picked up <i>but not prepared, delivered or catered</i> ), custodial, gardening and maintenance supplies.
44000	<b>Non-capitalized Equipment:</b> Expenditures for movable property of a relatively permanent nature that have an estimated useful life greater than one year and cost between \$500 and \$4,999.
52000	<b>Travel and Conference:</b> Record expenditures incurred by and/or for employees and other representatives of the LEA/Local Education Agency for travel and conference. Travel costs to conferences or fees paid for employees to attend conferences.
53000	<b>Dues and Memberships:</b> Memberships fee of and LEA in any society, association, or organization as authorized.

56000	<p><b>Rentals, Leases, and Repairs, and Non-capitalized Improvements:</b> Expenditures for rentals, leases without option to purchase, and repairs or maintenance (including maintenance agreements) of sites, buildings, and equipment by outside vendors. Include incidental materials and supplies included in the cost of repairs. Include expenditures for site or building improvements that do not meet the LEA's threshold for capitalization. Includes all facilities whether rented for a day, month or year.</p>
57101	<p><b>Direct Costs for Transfer of Services for <u>Printing</u>:</b> Record the transfer for direct cost of services provided within a fund from one function to another.</p>
57103	<p><b>Direct Costs for Transfer of Services for <u>Transportation</u>:</b> Record the transfer for direct cost of services provided within a fund from one function to another.</p>
57500	<p><b>Direct Costs for Interfund Service for <u>SNS/Student Nutritional Services</u>:</b> Record the transfers for the direct cost of services that are provided on an internal basis between funds.</p>
58000	<p><b>Professional/Consulting Services and Operating Expenditures:</b> Expenditures for personal services rendered by personnel who are not on the payroll of the LEA. Professional/consulting services are delivered by an independent contractor that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short term in nature. Record expenditures for services such as printing, admission tickets for students and staff on field trips (<i>field trips must be educational &amp; instructional and have measurable objectives tied to content standard</i>), tuition, advertising, contract bidding, legal services, elections, audits, bus transportation, surveys, appraisals, fingerprinting, physical examinations required for an employee, catered services (<i>*food prepared, delivered or catered</i>), custodial, gardening and maintenance provided by an outside vendor and similar items. Also record expenditures for fees charges to LEAs by other local governmental agencies, such as counties, cities, and special district, for required services. Record expenditures for Internet-based publications and materials. Record periodic costs of licensing, support, or maintenance agreements for non-equipment items, such as software. (Initial licensing and other cost incurred as part of a major system acquisition should be recorded in Object 64000, Equipment).</p>
59000	<p><b>Communications:</b> Record expenditures for periodic servicing of all methods of communication including cell phones and telephone services systems. This object also includes the monthly charges for fax lines, TV cable lines, and Internet service and lines. The cost of postage stamps, as well as the cost of UPS or other means used to deliver a letter or other communication.</p>
64000	<p><b>Equipment:</b> Expenditures for movable equipment, vehicles, machinery, computer systems, playground equipment, that have both an estimated useful life over one year and an acquisition cost equal to or greater than the capitalization threshold established of \$5,000.</p>

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Site** – This segment identifies the site for which the purchase is made. The numbering is intentional.

**NOTE:** Be sure to use only your site number unless you have approval to use otherwise.

- 3## - Elementary School
- 5## - Middle School
- 6## - High School
- 9## - Charter School

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	xxxx	xxx

**Type** – The Type segment adds detail to the story. Below are frequently used type codes.

- |   |                                |
|---|--------------------------------|
| 0000 – General (used for contracted salaries) | 5856 – Stipends                |
| 0027 – Postage                                | 7777 – PTA Donations           |
| 0053 – Substitutes                            | 7778 – Ed Foundation Grants    |
| 5752 – Hourly Pay (timesheets/misc. time)     | 7779 – Miscellaneous Donations |

Fund	Resource	Project Year	Goal	Function	Object	Site	Type	Manager
xxx	xxxxx	x	xxxxx	xxxxx	xxxxx	xxx	Xxxx	xxx

**Manager** – This segment tells who oversees the funds. Manager codes 003, 005 and 006 are elementary, middle and high school principals respectively. Manager code 007 represents principals at alternative schools and 008 represents our Adult school principal. Categorical funds for sites have manager code 440 and for departments 435. These funds are overseen by the State and Federal Projects Coordinator in Family and Community Resource Services and the Administrator of Family and Community Services respectively.

Additional Manager codes are assigned for the following:

- 1## - Superintendent/Area Administrators
- 2## - Business/Operations Administrators
- 3## - Human Resource Administrators
- 4## and 5## - Educational Services Directors/Administrators