SBCSC FUND ACCOUNTING OVERVIEW

Brought to you be the Finance Department…where we think numbers are fun!

INTRODUCTION

This PowerPoint will introduce you to the concept of Fund Accounting. It is meant to be introductory in nature and geared toward someone who has no previous experience…or someone who forgot it all!

To start, these videos are a great way to familiarize yourself with some of the terminology:

1. ABCs of Fund Accounting: https://www.youtube.com/watch?v=f5xs6N68uag
2. Overview of Fund Accounting: https://www.youtube.com/watch?v=W5D5Dr0j9j4
3. Chart of Accounts: https://www.youtube.com/watch?v=NiaXMX-EZSA
4. Debits & Credits: https://www.youtube.com/watch?v=6xEWTI1WXIU

WHAT ALL THOSE NUMBERS MEAN

WHERE DO FUND CODES COME FROM?

- Fund lines are created based on a standardized set of numbers prescribed by Indiana's State Board of Accounts (SBOA). No need to memorize these - so don't be scared!

  - If you're curious about their requirements, the SBOA's website lists all available segments. They can be found here under "School-Uniform Compliance Guidelines Manual": https://www.in.gov/sboa/political-subdivisions/schools/

- For those with eagle eyes, you may notice that some of our fund segments don't perfectly match the SBOA's. That's because SBCSC "crosswalks" some segments to match SBOA's.

  - An example: first grade teachers are under object 11101 and second grade teachers are 11102 in our system, but the SBOA lumps them both in under 11000. Our software keeps track of these differences and updates them for us when we need to create a report.

COMPONENTS OF SBCSC FUND LINES

To be able to understand SBCSC fund lines, you need to learn what each segment of the fund line represents.

25	-	011	-	5	-	0000	-	11000	-	11001	-	1707	-	00030
Calendar Year		Fund		Fiscal Year		Gift / Project		Index / Expenditure		Object		Cost Center		Sub Category

Want to take a look at the numbers we use? See the complicated spreadsheet here:

https://docs.google.com/spreadsheets/d/1pO25zABrZJpxuPpKWnGJuvsn-Qahoohs/edit?usp=sharing&ouid=112142341272725795376&rtpof=true&sd=true

DESCRIBING SEGMENTS

- **Calendar Year** = January – December

- **Fund** = large "buckets" of money (individual grants, education fund, operations fund, etc.)

- **Fiscal Year** = the grant year you're operating within (some grants have multiple years – this helps to track that)

- **Gift / Project** = non-public locations, special projects

- **Index / Expenditure** = program area and general purpose

- **Object** = specific purpose

- **Cost Center** = school / location

- **Subcategory** = employee type (if all zeros, that means it's not a position expense)

INDEX / EXPENDITURE CODE CHEAT SHEET

If an index code begins with…

- 1xxxx = Instruction

- 2xxxx = Support Services

- 3xxxx = Operation of Non-Instructional Services

- 4xxxx = Facilities Acquisition & Construction

- 5xxxx = Debt Services

- 6xxxx = Nonprogrammed Charges

OBJECT CODE CHEAT SHEET

If an object code begins with…

- 11xxx = Certified Salaries

- 12xxx = Non Certified Salaries

- 2xxxx = Benefits

- 3xxxx = Services

- 4xxxx = Utilities, Repairs, Rentals

- 5xxxx = Transportation, Communication, Advertising, Travel

- 6xxxx = Supplies, Software

- 7xxxx = Property

- 8xxxx = Dues / Fees, Debt-Related Expenses

- 9xxxx = Transfers

SUBCATEGORY CODE CHEAT SHEET

If the subcategory is…

- 00030 & 00031 = Full-Time Teachers

- 00032 & 00033 = Temporary Teachers

- 00036 = Part-Time Teachers

- 00040 = School Building Administrative

- 00050 = Instructional Aides, Assistants

- 00052 = Nonpermanent Substitute

- 00054 = Collective Bargaining Unit Members

- 00058 = Board Members

- 00060 = District Administrators

LEARNING TO READ BETWEEN THE FUND LINES

- Once you learn the account structure, you can easily look at a line to identify what the fund line is intended for…here are some examples:
  - 25-011-5-0000-11100-11101-3731-00030
    - Year – calendar year is 2025
    - Fund - tells us this is the education fund
    - Fiscal Year – we're in year five
    - Gift - tells us there is no special project (all zeros means no program/non-public school)
    - Index / Expenditure – tells us this is for elementary instruction
    - Object – tells us it is for 1st grade teachers
    - Cost Center – tells us the location is Lincoln School
    - Subcategory – tells us it's a certified position

LEARNING TO READ BETWEEN THE FUND LINES

- 25-788-1-0000-11200-61100-2554-00000

  - Year – calendar year is 2025

  - Fund -tells us this is the ESSER III grant

  - Fiscal Year – we're in year one

  - Gift - tells us there is no special project (all zeros means no program/non-public school)

  - Index / Expenditure – tells us this is for intermediate instruction

  - Object – tells us it is for supplies

  - Cost Center – tells us the location is Dickinson school

  - Subcategory – tells us it's not a employee position

LEARNING TO READ BETWEEN THE FUND LINES

- 25-793-1-0056-11100-65600-8883-00000

  - Year – calendar year is 2025

  - Fund - tells us this is the ESSER II grant

  - Fiscal Year – we're in year one

  - Gift - tells us this for St. Adalbert's School

  - Index / Expenditure – tells us this is for Elementary Instruction

  - Object – tells us it is for Software

  - Cost Center – tells us the location is Non-Public

  - Subcategory – tells us it's not a employee position

LEARNING TO READ BETWEEN THE FUND LINES

- 24-030-4-0000-21210-44100-8452-00000
  - Year – calendar year is 2024
  - Fund – tells us this is the operations Fund
  - Fiscal Year – we're in year four
  - Gift - tells us this not for a special project
  - Index / Expenditure – tells us this is for student guidance
  - Object – tells us it is for computer related equipment rental
  - Cost Center – tells us the location is Student Services
  - Subcategory – tells us it's not a employee position

LEARNING TO READ BETWEEN THE FUND LINES

- 23-611-4-0000-21420-31900-7492-00000

  - Year – calendar year is 2023

  - Fund – tells us this is the Special Education

  - Fiscal Year – we're in year four

  - Gift - tells us this not for a special project

  - Index / Expenditure – tells us this is for psychological testing

  - Object – tells us it is for professional services

  - Cost Center – tells us the location is Special Education

  - Subcategory – tells us it's not a employee position

LEARNING TO READ BETWEEN THE FUND LINES

- 25-210-5-0000-11200-61100-2704-00000
  - Year – calendar year is 2025
  - Fund – tells us this is a Gift account
  - Fiscal Year – we're in year five
  - Gift - tells us this not for a special project
  - Index / Expenditure – tells us this is for intermediate services
  - Object – tells us it is for supplies
  - Cost Center – tells us the location is Jackson
  - Subcategory – tells us it's not a employee position

BUCKETS OF FUNDS

FUNDS EXPLAINED

Funds should be viewed as separate buckets of money that can't be mixed.

Some are corporation funds and some are grant funds. SBCSC has around 40 active grants at any given time.

The most common funds are:
- 011 – Education Fund
- 030 – Operations Fund
- 160 – Referendum Fund
- 2xx – Gift Funds
- 410 – Title I

- 543/611 – Special Education
- 555 – Adult Education
- 600 – Career and Technical Education (CTE)
- 792 – Gear UP! South Bend

FUNDING WITH A PURPOSE

All fund lines and budgets are created for a specific purpose.

1. SBCSC funds are:

   - Education - 011, Operations - 030, Referendum -160, and assorted other specialized funds

   - These funds divvied up at budget time (every fall) based upon projected needs and collaboration.

   - The CFO, Superintendent, and School Board must approve the budgets and changes to these funds.

2. Gift funds:

   - Funds begin with the number 2xx.

   - Usually the result of donations to SBCSC. The donations need to specify what the money can be used to purchase.

   - Gift form must be filled out in advance. Form is available on SBCSC website under "Employee Resources" menu.

   - Must be approved by the School Board if valued at $100 or more. Superintendent can approve less than $100 gifts.

FUNDING WITH A PURPOSE

3. Grant funds:
   - Grants start with the number 3xx, 4xx, 5xx, 7xx
   - When a grant is applied for, the applicant (SBCSC) must specifically list what the grant will be used for and explain how it is line with the grant's intended purpose.
   - Those items are then reviewed by the awarding agency and they decide whether to approve or deny the application, or if changes are needed.
   - Grants are approved for very specific purposes.
   - Any changes to a purpose of an approved grant must go through the amendment process and approved by the Grant Administrator.
   - The Superintendent must approve of all grants. The School Board must approve all grants that have a funds matching requirement.

TRANSFERRING FUNDS

Although budgets and grants are approved for specific items and amounts, sometimes we might use more or less money that we originally thought.

When this happens, it is sometimes possible to transfer money from one fund line to another. Certain conditions have to be met before Finance can transfer funds. The fund lines must be:

- within the same fund
- within the same gift code
- within the same index number (some grants don't require this – see Director of Federal Grants if you are unsure)
- within the same cost center
- formally approved if it's a grant

WHERE'S MY MONEY?

CHECKING THE BALANCE OF FUNDS

Finance recommends checking your balances and transactions at least once a month.

There are two types of reports that are helpful to view when you want to know your balances.

1.   Summary by Account a.k.a. "Budget Summary"

2.   Detail by Account a.k.a. "Detail Report"

If you are unsure about how to pull the reports, you will need access from I&T and you will need AS400 installed on your computer. Then follow these instructions:

https://drive.google.com/file/d/1HvvxR8S9Zv9AfagUfODnLfdIvIJHLEH3/view?usp=sharing

BUDGET SUMMARY

The Budget Summary is going to summarize information for each fund line. It will not give you the transaction detail.

A description of the columns is as follows:

- Original Budget – amount originally set aside for that line (prior to any transfers/amendments)
- Adjusted Budget – current budget for that line (after transfers/amendments)
- Disbursements – total transactions that have cleared/posted against the line
- Open Claims – claims that are open and unpaid
- Open PO/Rqsts – Purchase Orders and Requisitions that are open and unpaid
- Balance – the Adjusted Budget minus: Disbursements, Open Claims, Open PO/Rqsts

BUDGET SUMMARY

Fund lines for salaries and benefits are not summarized to where you can see the true available balance right away.

This is because of the subcategory breakdowns. At the time of budgeting, all salaries and benefit lines will usually have all their budget set aside in the primary line ending with subcategory 00000.

Then when the expenditures take place, each person will have the correct subcategory applied. So an additional fund line will be created with the new subcategory.

To get the true remaining balance, you will need to merge the lines together excluding the subcategories. Which can be easily done with a pivot table. Examples on next slides!

SUMMARY BY ACCOUNT / BUDGET SUMMARY

Example 1:

Yr Fnd F Gift Index Objct Cctr B Subct	Account Title	Original Budget	Adjusted Budget	Disbursments	Open Claims	Open PO/Rqsts	Balance
25-011-5-0000-12230-21200-7492-0-00000	Severe/Profound	6,899.00	6,899.00	2,112.75	263.6	0	4,522.65
25-011-5-0000-12230-21200-7492-0-00030	Severe/Profound	0	0	863	236	0	-1099
25-011-5-0000-12230-21200-7492-0-00054	Severe/Profound	0	0	529	105	0	-634

In the above example, if you were to look at just the top line, you would think you'd have $4,522.65 available.

But there are two lines underneath it with the same combination of fund, gift, index, object, cost center that show negative balances.

That is because they have different subcategories and their expenditures need to be subtracted from the primary line (sub cat 00000).

So you would take $4,522.65 – $1,099 – $634 and get an actual balance of $2,789.65.

SUMMARY BY ACCOUNT / BUDGET SUMMARY

Example 2:

Yr Fnd F Gift Index Objct Cctr B Subct	Account Title	Original Budget	Adjusted Budget	Disbursments	Open Claims	Open PO/Rqsts	Balance
25-011-5-0000-21420-21200-7492-0-00000	Psych Testing Ce	33,464.00	33,464.00	0	0	0	33,464.00
25-011-5-0000-21420-21200-7492-0-00030	Psych Testing Ce	0	0	8,443.40	1,051.83	0	-9,495.23
25-011-5-0000-21420-21200-7492-0-00040	Psych Testing Ce	0	0	2,258.08	282.5	0	-2,540.58
25-011-5-0000-21420-21200-7492-0-00054	Psych Testing Ce	14,485.00	14,485.00	4,724.95	578.39	0	9,181.66

For this example there are two adjusted budget amounts. Since both are within the same combination of fund, gift, index, object, cost center, you can still add all the balances together.

So you would take $33,464 – $9,495.23 – $2,540.58 + $9,181.66 and get an actual balance of $30,609.85.

SUMMARY BY ACCOUNT / BUDGET SUMMARY

Example 3:

Yr Fnd F Gift Index Objct Cctr B Subct	Account Title	Original Budget	Adjusted Budget	Disbursments	Open Claims	Open PO/Rqsts	Balance
25-011-5-0000-12230-61100-7492-0-00000	Severe/Profound	1,700.00	1,700.00	614.52	0	688.77	396.71
25-011-5-0000-12310-61100-7492-0-00000	Orthopedic Imp	1,000.00	1,000.00	0	0	250	750
25-011-5-0000-12900-61100-7492-0-00000	Other Spec Ed Su	9,942.60	9,942.60	5,778.86	0	0	4,163.74
25-011-5-0000-12901-61100-7492-0-00000	Madison Center	0	0	0	0	0	0
25-011-5-0000-12903-61100-7492-0-00000	Young Adult Sup	3,500.00	3,500.00	616.75	0	383.25	2,500.00

For this example, let's assume that you are looking to find more money for Orthopedic Impairment Supplies and you have the supply lines above.

Would you be able to move some funds over?

The answer is no. The reason is that they have different index numbers and you can't move money between different index numbers unless you have permission of the CFO & School Board or grant administrator.

SUMMARY BY ACCOUNT / BUDGET SUMMARY

Example 4:

Yr Fnd F Gift Index Objct Cctr B Subct	Account Title	Original Budget	Adjusted Budget	Disbursments	Open Claims	Open PO/Rqsts	Balance
25-422-6-0047-22130-58000-8883-0-00000	INST STFF TRAIN TRAVEL	1,800.00	1,800.00	0	0	0	1,800.00
25-422-6-0047-22130-58011-8883-0-00000	INST STFF TRAIN TRAVEL - CO	4,000.00	4,000.00	0	0	0	4,000.00
25-422-6-0047-22130-58018-8883-0-00000	INST STFF TRAIN TRAVEL - ME	3,019.00	3,019.00	0	0	0	3,019.00
25-422-6-0047-22130-58019-8883-0-00000	INST STFF TRAIN TRAVEL	3,250.00	3,250.00	0	0	0	3,250.00
25-422-6-0047-22130-58027-8883-0-00000	INST STFF TRAIN TRAVEL - OT	1,875.00	1,875.00	0	0	0	1,875.00

For this example, let's assume that you are looking to find more money for the line "INST STFF TRAIN TRAVEL – OT".

Would you be able to move some funds over?

The answer is probably.

The reason is that since you want to move money within the same index and cost centers, you will likely be fine. But since this is a grant, you will need to check the approval documents to see if that particular line item was budgeted or if it was part of a larger general travel line. If that particular line item was budgeted, then you will need to contact the Grant Administrator for approval.

THE DEVIL'S IN THE DETAILS

Once you have a good understanding of your summary, it is important to review the individual transactions that have been posted against each fund line. This is where you will need your Budget Detail Report.

A description of the columns are as follows:

- Vendor Information – specific information about the vendor
- Transaction Date & Amount – the original date the P.O. or transaction was opened and the amount set aside
- Paid Date & Amount – the date a check was issued and the amount that was paid (likely different than transaction amount)
- Description – gives you more detailed information about the transaction
- PO # – Purchase Order number
- Status/CK # – this is where it will tell you if it has been paid or is open and the check number (if paid)

THE DEVIL'S IN THE DETAILS

Example 5:

Yr Fnd F Gift Index Objct Cctr B Subct	Vendor #	Seq #	Vendor Name	Tran. Date	Tran. Amount	Date Paid	Paid Amount	Description	P.O. #	Status/Ck#	Bank
25-011-5-0000-22110-61100-7279-0-00000	32427	9902	Beacon Occupational Health	2/5/2025	57	2/7/2025	57	PRE-K STAFF DRUG SCREENING	442219	Paid 517798	56
25-011-5-0000-22110-61100-7279-0-00000	24982	9628	At&t Mobility	2/5/2025	183.88	2/7/2025	183.88	CURRIC MONTHLY CELL SERVICE	442220	Paid 517795	56
25-011-5-0000-22110-61100-7279-0-00000	24982	9629	At&t Mobility	2/5/2025	183.96	2/7/2025	183.96	CURRIC MONTHLY CELL SERVICE	442268	Paid 517796	56
25-011-5-0000-22110-61109-7279-0-00000	32591	9981	Eco Owl Press	3/13/2025	432	3/14/2025	432	STICKERS/RILEY LOGO		Paid 518393	56
25-011-5-0000-22110-618100-7279-0-00000	24982	9622	At&t Mobility	3/20/2025	215.87	3/21/2025	215.87	CURRIC MONTHLY CELL SERVICE	442842	Paid 518478	56
25-011-5-0000-22110-61100-7279-0-00000	7560	9855	Baudville Inc	4/11/2025	466.94	4/16/2025	466.94	CELEBRATION /EXCELL SUPPLIES	442924	Paid 106219	CB
25-011-5-0000-22110-61100-7279-0-00000	24982	9616	At&t Mobility	4/30/2025	183.87	5/2/2025	183.87	CURRIC / ACCT 287314032583	443108	Paid 519114	56
25-011-5-0000-22110-61100-7279-0-00000	24982	9617	At&t Mobility	4/30/2025	183.96	5/2/2025	183.96	CURRIC / ACCT 287314032583	443096	Paid 519115	56
25-011-5-0000-22110-61100-7279-0-00000	83240		Slosson Educational Publ	5/8/2025	592			KINDERGARTEN SUPPLIES		Open	

What should you do if you want to know what transactions came out of your supply account? You would need to pull a Detail Report.

The above details show us what was posted against this supply fund line, if and when it was paid, if the transaction is still open, which PO was used, and the check number.

THE DEVIL'S IN THE DETAILS

Example 6:

Yr Fnd F Gift Index Objct Cctr B Subct	Vendor #	Seq #	Vendor Name	Tran. Date	Tran. Amount	Date Paid	Paid Amount	Description	P.O. #	Status/Ck#	Bank
25-011-5-0000-22110-61100-7279-0-00000	32699	2463	Amazon Capital Services Inc	2/10/2025	48.22	2/14/2025	48.22	2025 Curriculum Orders	442322	Paid 34035	56
25-011-5-0000-22110-61100-7279-0-00000	32699	2452	Amazon Capital Services Inc	2/19/2025	116.1	2/21/2025	116.1	2025 Curriculum Orders	442322	Paid 34050	56
25-011-5-0000-22110-61100-7279-0-00000	32699	2453	Amazon Capital Services Inc	2/19/2025	618.23	2/21/2025	618.23	2025 Curriculum Orders	442322	Paid 34050	56
25-011-5-0000-22110-61100-7279-0-00000	32699	2426	Amazon Capital Services Inc	3/3/2025	177.95	3/7/2025	177.95	2025 Curriculum Orders	442322	Paid 34076	56
25-011-5-0000-22110-61100-7279-0-00000	32699	2071	Amazon Capital Services Inc	4/21/2025	157.75	4/25/2025	157.75	2025 Curriculum Orders	442322	Paid 34156	56
25-011-5-0000-22110-61100-7279-0-00000	32699	2072	Amazon Capital Services Inc	4/21/2025	70.54	4/25/2025	70.54	2025 Curriculum Orders	442322	Paid 34156	56
25-011-5-0000-22110-61100-7279-0-00000	32699		Amazon Capital Services Inc	1/28/2025	2,500.00			2025 Curriculum Orders	442322	Open	
							$ 1,188.79				

Let's say you want to know for a particular PO what transactions have posted against it. You can find this information in a Detail Report, too.

The above transactions are an example of multiple transactions posted against one PO number.

If you look at the bottom row where it still shows a status of "open", it tells you what the original approved amount was for that PO.

Then if you add up the amounts already paid and subtract that from the original, you can see that you have $1,311.21 left to spend from this PO.

THE DEVIL'S IN THE DETAILS

Example 7:

Yr Fnd F Gift Index Objct Cctr B Subct	Vend	Seq #	Vendor Name	Tran. Date	Tran. Amo	Date Paid	Paid Amo	Descriptio	P.O. #	Status/Cl	Ban
00-410-4-0000-11100-11100-8883-0-00036	35049	7611	Gross Payroll Ver	1/5/2024	$ 422.00	1/5/2024	$ 422.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	7486	Gross Payroll Ver	1/19/2024	$ 633.00	1/19/2024	$ 633.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	7350	Gross Payroll Ver	2/5/2024	$ 168.80	2/5/2024	$ 168.80	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	7213	Gross Payroll Ver	2/20/2024	$ 337.60	2/20/2024	$ 337.60	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	7076	Gross Payroll Ver	3/5/2024	$ 5,000.00	3/5/2024	$ 5,000.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	6939	Gross Payroll Ver	3/20/2024	$ 5,100.00	3/20/2024	$ 5,100.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	6800	Gross Payroll Ver	4/5/2024	$ 5,050.00	4/5/2024	$ 5,050.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	6665	Gross Payroll Ver	4/19/2024	$ 5,025.00	4/19/2024	$ 5,025.00	PAYROLL		Paid	55
00-410-4-0000-11100-11100-8883-0-00036	35049	6535	Gross Payroll Ver	5/3/2024	$ 5,200.00	5/3/2024	$ 5,200.00	PAYROLL		Paid	55

Let's say you notice that you are having higher expenses in salaries than before and you want to know why. You would need to pull a Detail Report.

Looking at the above salary transactions, we can see a large increase in payroll starting on the 3/5/2024 check.

This would indicate that either more people are being paid out of that line than before, and/or people are working more hours than before, and/or employees received raises.

If you didn't make these changes, this would signify an issue to look into with the help of Finance.

THE END

You did it! You made it to the end! Pat yourself on the back and uncross your eyes.

We know this is a lot of information. If you have any trouble understanding, please reach out to the Finance Department and we are happy to help.