

## UNDERSTANDING THE SCHOOL BUDGET

### BUDGET CODES

Each May, residents of Hicksville vote on the school district budget that was adopted by the Board of Education. The budget is presented as a set of expenditure codes. The codes have specific meaning and purpose as identified by the Office of the State Comptroller. The budget is organized as follows:

**Function Codes** : (first four digits: xxxx - \_\_\_ - \_\_\_ - \_\_\_)

The first level of organization is identified by **function codes**. The function code indicates why something is allocated in the budget. Function codes are summarized here:

#### Function Codes 1000 – 1999 General Support

This code area includes budget lines for the Board of Education, District Clerk, the annual budget vote and election, as well as Central Administration (including the Superintendent's office, business operations and human resources), operations and maintenance, utilities, and insurance.

#### Function Codes 2000 – 2999 Instruction

By far the largest category of expenditures, all regular elementary and secondary classrooms and other instruction are included here as well as expenditures for special education programs, as required by law, and budgets for extracurricular activities (clubs, intramurals, etc.) and interscholastic athletics.

Function Codes 5000 – 5999 Transportation

All student transportation, whether by our own buses or by contract with private companies, are coded here. Salaries for drivers and mechanics as well as the purchase and maintenance of in-district buses are included.

Function Codes 7000 – 7999 Recreation

This includes the purchase of equipment and supplies for recreation

Function Codes 8000 – 8999 Civic Activities

This code includes the Gregory Museum and Registration

Function Codes 9000 – 9099 Undistributed

This code refers to budgeted items paid to agencies rather than vendors or individuals. Included here are all employee benefits, such as health, dental, and life insurance as provided for by contract with employee groups, as well as payments to the Social Security and retirement systems. Also included here are payments for interest and principal payments for borrowing, whether for short term purposes or for long term debt for capital projects. The term "undistributed" means that the item is not assigned to the function for which is it expended; for example, the district makes one large payment to the Teachers Retirement System for all employees covered by that system, instead of distributing the payment among numerous payroll codes.

**Object Codes:** (middle 3 digits: \_ \_ \_ - xxx - \_ \_ - \_ \_ \_ \_)

The second level or organization is identified by the **object code**. The object code describes the specific item or service necessary to carry out the function. Object codes are summarized as follows:

- .100's Salaries
- .200's Equipment & Capital Outlay
- .400's Contractual & Other
- .450's Supplies & Materials
- .480's Textbooks & Workbooks
- .490's BOCES
- .700's Tax Anticipation Notes
- .800's Employee Benefits
- .900's Interfund Transfers

**Location Codes:** (next 2 digits) \_ \_ \_ \_ - \_ \_ \_ \_ - xx - \_ \_ \_ \_

The **location** code tells us where the item or service is being provided.

- 01 BURNS AVENUE ELEMENTARY SCHOOL
- 02 DUTCH LANE ELEMENTARY SCHOOL
- 03 EAST STREET ELEMENTARY SCHOOL
- 04 FORK LANE ELEMENTARY SCHOOL
- 05 LEE AVENUE ELEMENTARY SCHOOL
- 06 OLD COUNTRY ROAD ELEMENTARY SCHOOL
- 08 WOODLAND ELEMENTARY SCHOOL
- 10 BOCES
- 11 MIDDLE SCHOOL
- 12 HIGH SCHOOL
- 34 FINE ARTS
- 35 CONTINUING EDUCATION
- 36 PE & ATHLETICS
- 37 COMPUTER ASSISTED INSTRUCTION
- 38 ESL / MODERN LANGUAGE
- 39 NON-PUBLIC TEXTBOOKS
- 40 CENTRAL OFFICE / PERSONNEL
- 41 BUSINESS EDUCATION & MATH
- 43 HOME & CAREERS
- 44 SCIENCE & TECHNOLOGY
- 45 PUPIL PERSONNEL SERVICES
- 46 ENGLISH
- 50 TRANSPORTATION
- 51 SECONDARY CURRICULUM
- 52 ELEMENTARY CURRICULUM
- 53 SPECIAL EDUCATION
- 54 CENTRAL OFFICE
- 55 BUILDINGS & GROUNDS
- 60 POOL

**PROGRAM CODES:** (last 4 digits or letters: \_ \_ \_ \_ - \_ \_ \_ \_ - \_ \_ - xxxx)

The **program** code specifies which part of the program the item or service is allocated for.

### Advantages of the Coding System

The coding system has the distinct advantage of allowing the budget to be reviewed in multiple ways. For example, if we wanted to know how much the district spends on supplies, we can search through all of the 450 object codes. Or, if we wanted to know how much the pool costs, we can zero in on the POOL program codes. There are literally thousands of combinations of codes the school district can use to monitor expenditures.

Furthermore, the uniformity of these codes throughout the state facilitates the examination of school finances by state and independent auditors.

### Example of a Budget Code

2110.450.11.2140

The function code **2110** indicates that the budget item is for regular instruction

The object code **450** describes the item needed as supplies

The location code **11** tells us that the supplies are for the middle school

The program code **2140** specifies that these supplies are for math