

CHAPTER 4 – General Ledger Accounts

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Note: For funds in which general ledger accounts are open, see the table in Chapter 4, Section 2.

- * Indicates a control account.
- ** Indicates a control account for ASB Fund.
- *** These accounts are optional and are not reported to the state. Districts may use other general ledger accounts if desired.
- ▲ Indicates a general ledger account not considered appropriate for a district using cash basis accounting.
- Indicates a capital asset account only.
- ▶ Indicates a long-term debt account only.

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INTRODUCTION

A general ledger is basic to an accounting system. The general ledger of a fund is a summary record containing the balance of assets, liabilities, deferred revenues, fund balance, and control accounts that summarize estimated and actual revenues, appropriations, expenditures, and encumbrances.

General journal entries are posted to the general ledger. The sum of the debit amounts of a journal entry must equal the sum of the credit amounts. Thus, when entries are posted to the general ledger, the total of the debit balances equals the total of the credit balances. The number assigned to a posted general journal entry is used to facilitate reconciliation. At the end of each month, a trial balance should be prepared to ensure that the general ledger accounts are in balance.

Budgetary, revenue, other financing source, expenditure, and other financing use accounts are closed at the end of a fiscal year. The difference between the revenue and expenditure balances and other financing sources and uses balances are transferred to the fund balance. After the closing entries have been made, a listing of the balances of the assets, liabilities, and fund balance accounts comprises the balance sheet.

Subsidiary records/accounts are sometimes used to provide a detailed analysis of an account. When subsidiary accounts are used, the account is considered a control account. For budgeting and financial reporting, two subsidiary ledgers are required, one for expenditures and one for revenues.

The subsidiary ledgers will provide details of the control accounts such as 530 Expenditures and 960 Revenues. Control accounts are identified on the *General Ledger Account Matrix by Fund*. Other subsidiary accounts may be used locally but are not required in budgeting and financial reporting.

All transactions are entered into books of original entry, such as journals and registers, and will vary with the type of system used. They provide the necessary means to accumulate the financial transactions for posting to revenue, expenditure, and accounts.

An accounting system may include the following books of original entry:

- General Journal
- Cash Receipts Journal
- Cash Disbursements Journal
- Accounts Receivable Journal
- Encumbrance and Liquidation Register
- Payroll Journal
- Voucher Register

Although not presented on the F-196 financial statements or fund financial statements, the capital asset and long-term debt information is a required part of the notes to the financial statements. Long-term debt information is presented on the Schedule of Long-Term Debt, a required part of the F-196. Capital asset and long-term debt activity should continue to be

accounted for in the general ledger and maintained in “long-term debt” and “capital assets” holding accounts, formerly known as the general long-term debt account group (GLTDAG) and general fixed asset account group (GFAAG). The concept of the account groups remains although, for consistency with GAAP, the account group titles are no longer used.

Districts preparing statements conforming to generally accepted accounting principles present this information on the districtwide statements.

General ledger account numbers, titles, and descriptions are uniform for all funds; however, not all the accounts are applicable to all the funds. The following is a complete list of general ledger accounts and the funds with which they can be used:

Abbreviations

- GF General Fund
- CPF Capital Projects Fund
- DSF Debt Service Fund
- ASB Associated Student Body Fund
- TVF Transportation Vehicle Fund
- PF Permanent Fund
- PPTF Private-Purpose Trust Fund
- PTF Pension Trust Fund
- AF Agency Fund

“Holding Accounts”

- CA Capital Assets
- LTD Long-Term Debt

GENERAL LEDGER ACCOUNT MATRIX BY FUND

"na" indicates the account is closed in that fund.

Assets			GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long-Term Debt
200	*				na		na					na	na
230	*											na	na
240												na	na
241												na	na
250			na	na		na	na	na	na	na	na	na	na
310	*			na				na	na	na	na	na	na
320	*											na	na
330	*	▲							na	na	na	na	na
340	*	▲									na	na	na
350	*			na	na		na	na	na	na	na	na	na
360	*	▲										na	na
410	*	▲			na	na	na	na	na	na	na	na	na
420	*	▲		na	na	na	na	na	na	na	na	na	na
430	*	▲			na				na	na	na	na	na
450	*										na	na	na
451				na							na	na	na
455	*			na	na		na	na	na	na	na	na	na
459				na	na	na	na	na	na	na	na	na	na
460			na	na	na	na	na	na		na	na	na	na
470			na	na	na	na	na	na	na	na	na	na	
475			na	na	na	na	na	na	na	na	na	na	
480			na	na	na	na	na	na	na	na	na	na	
490			na	na	na	na	na	na		na	na		na
491			na	na	na	na	na	na		na	na		na
492			na	na	na	na	na	na	na	na	na		na
493			na	na	na	na	na	na					na
494			na	na	na	na	na	na	na	na	na		na
498			na	na	na	na	na	na		na	na	na	Na
499			na	na	na	na	na	na				na	Na

GENERAL LEDGER ACCOUNT MATRIX BY FUND

"na" indicates the account is closed in that fund.

Budgetary and Expenditure Accounts			GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long-Term Debt
510	***							na	na	na	na	na	Na
515	***							na	na	na	na	na	Na
520	***									na	na	na	Na
530	*								na	na	na	na	Na
530	*		na	na	na	na	na	na			na	na	Na
535				na				na	na	na	na	na	Na
536				na					na	na	na	na	Na
538			na	na	na	na	na	na			na	na	Na
540	***							na	na	na	na	na	Na
560	**		na		na	na	na	na			na	na	Na

Liabilities			GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long-Term Debt
601	*	▲										na	na
602	*	▲			na				na	na	na	na	na
603	*		na	na	na	na	na	na	na	na	na	na	
604	*	▲	na	na		na	na	na	na	na	na	na	na
605	*	▲			na		na	na	na	na	na	na	na
606	*			na				na	na	na	na	na	na
610	*				na		na	na	na	na	na	na	na
630	*	▲			na				na	na	na	na	na
635	*			na	na		na	na	na	na	na	na	na
637	*	▲		na	na	na	na	na	na	na	na	na	na
638	*	▲		na	na	na	na	na	na	na	na	na	na
639	*	▲		na	na	na	na	na	na	na	na	na	na
640	*											na	na
645	*			na				na	na	na	na	na	na
650	*				na		na	na	na	na	na	na	na
675	*		na	na		na	na	na	na	na	na	na	na
685	*		na	na		na	na	na	na	na	na	na	na
686	*			na				na	na	na	na	na	na
690	*		na	na	na	na	na	na	na	na	na	na	

GENERAL LEDGER ACCOUNT MATRIX BY FUND

"na" indicates the account is closed in that fund.

Deferred Revenues				GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long-Term Debt
750	*	▲	Deferred Revenue							na	na	na	na	na
760	*		Deferred Revenue—Taxes Receivable		na				na	na	na	na	na	na

Fund Balance				GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long-Term Debt
801			Investment in Capital Assets from GO Bonds	na	na	na	na	na	na	na	na	na		na
802			Investment in Capital Assets from Levies	na	na	na	na	na	na	na	na	na		na
803			Investment in Capital Assets from State Grants	na	na	na	na	na	na	na	na	na		na
804			Investment in Capital Assets from Federal Grants	na	na	na	na	na	na	na	na	na		na
805			Investment in Capital Assets from Apportionment and Local Revenues	na	na	na	na	na	na	na	na	na		na
806			Investment in Capital Assets from Gifts, Donations, Other	na	na	na	na	na	na	na	na	na		na
810	*		Reserved for Other Items										na	na
820			Reserved for Encumbrances								na	na	na	na
830			Reserved for Debt Service		na	na			na	na	na	na	na	na
835			Reserved for Arbitrage Rebate		na				na	na	na	na	na	na
840			Reserved for Inventory			na	na	na	na	na	na	na	na	na
850			Reserved for Uninsured Risks			na			na	na		na	na	na
855	*		Reserved for Trust Principal	na	na	na	na	na				na	na	na
861	*		Reserve of Bond Proceeds	na	na	na		na	na	na	na	na	na	na
862	*		Reserve of Levy Proceeds	na	na	na		na	na	na	na	na	na	na
863	*		Reserve of State Proceeds	na	na	na		na	na	na	na	na	na	na
864	*		Reserve of Federal Proceeds	na	na	na		na	na	na	na	na	na	na
865	*		Reserve of Other Proceeds	na	na	na		na	na	na	na	na	na	na
869	*		Reserve of Undistributed Proceeds	na	na	na		na	na	na	na	na	na	na
870			Unreserved, Designated for Other Items			na		na					na	na
875			Unreserved, Designated for Contingencies		na	na	na	na	na	na	na	na	na	na
890	**		Unreserved, Undesignated Fund Balance										na	na
898			Prior Year Corrections or Restatements										na	na

GENERAL LEDGER ACCOUNT MATRIX BY FUND

"na" indicates the account is closed in that fund.

Budgetary, Revenue, and Other Financing Sources Accounts			GF	ASB	DS	CP	TVF	PF	PPTF	PTF	AF	Capital Assets	Long- Term Debt
900	***	Appropriations						na	na	na	na	na	na
930	**	Expenditure Contra (530)	na		na	na	na	na				na	na
960	*	Revenues							na	na	na	na	na
960	*	Additions	na	na	na	na	na	na			na	na	na
965		Other Financing Sources		na					na	na	na	na	na
968		Nonoperating Revenues	na	na	na	na	na	na			na	na	na

Legend

- * Indicates a control account.
- ** Indicates a control account for ASB Fund.
- *** These accounts are optional and are not reported to the state. Districts may use other general ledger accounts if desired.
- ▲ Indicates a general ledger account not considered appropriate for a district using cash basis accounting.

DESCRIPTION OF GENERAL LEDGER ACCOUNTS

Assets

200* Imprest Cash

Applicable Fund: (GF, ASB, CPF, PF, PPTF, PTF)

This account is used to segregate and control imprest cash (including petty cash) as established by the board of directors. Include imprest cash bank checking accounts.

- Debit with the amount of imprest cash established. (Contra entry: credit Account 240 Cash on Deposit with County Treasurer.)
- Credit with the reduction or return of each fund previously established.
- Imprest cash disbursements will be reimbursed by audited claims charged to the appropriate expenditure accounts and paid from Account 240 Cash on Deposit with County Treasurer. The reimbursement warrant will be drawn to the order of the custodian of the imprest cash.

230* Cash on Hand

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record all cash received prior to remitting to the county treasurer. Cash on hand or in banks will be recorded in this account, except imprest cash accounts (see Account 200 Imprest Cash).

- Debit with fund cash receipts.
- Credit with deposits or remittances to the county treasurer. (Contra entry: debit Account 240 Cash on Deposit with County Treasurer.)

240 Cash on Deposit with County Treasurer

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record all cash other than cash required to be recorded in Account 200 Imprest Cash and Account 230 Cash on Hand. In the Debt Service Fund, do not include Account 250 Cash with Fiscal Agent.

- Debit with cash received directly by the county treasurer.
- Debit with fund cash receipts remitted to the county treasurer.
- Credit with warrants redeemed by the county treasurer. (Contra entry: debit Account 241 Warrants Outstanding.) In the Debt Service Fund, credit with payments and transfers by the county treasurer and/or fiscal agent.

241 Warrants Outstanding

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record all warrants issued and redeemed.

- Credit with the fund warrants issued.
- Debit with the amounts of warrants redeemed by the county treasurer.
- Debit with the amounts of warrants cancelled. (Contra entry: credit account previously charged in the subsidiary expenditure ledger. In the Associated Student Body Fund, also credit account originally charged.)

250 Cash with Fiscal Agent

Applicable Fund: (DSF)

This account is used to reflect all cash with the fiscal agent other than the county treasurer.

- Debit with cash remitted by the county treasurer to the fiscal agent bank. (Contra entry: credit Account 240 Cash on Deposit with County Treasurer.)
- Debit with cash remitted by the trustee bank directly to the fiscal agent bank. (Contra entry: credit Account 451 Investments/Cash with Trustee.)
- Debit to record the amount placed on deposit by the county treasurer with the fiscal agent bank in a crossover bond refunding.
- Credit with cash disbursed by the fiscal agent bank remitting directly to the county treasurer. (Contra entry: debit Account 240 Cash on Deposit with County Treasurer.)
- Credit with cash disbursed by fiscal agent bank to redeem bonds or pay coupon interest. (Contra entry: Debt Service Fund—debit Accounts 675 Matured Bonds Payable, 680 Bond Transfer Fees Payable, and 685 Matured Bond Interest Payable as applicable.)
- Credit to record the defeasance of the old bonds at the crossover date in a crossover advance bond refunding. (Contra entry: debit Account 535 Other Financing Uses—Crossover Defeasance.)

310* Taxes Receivable

Applicable Fund: (GF, DSF, CPF, TVF)

This account is used to record taxes as they are levied for the current tax collection year. This is a control account for school districts electing to break out prior and previous year taxes as reflected on the county treasurer's monthly report. Collections and reductions will be posted to this account to enable school district officials to determine the amount of unpaid taxes.

- Debit with the amount of the levy and supplements to the tax rolls. (Contra entry: credit Account 760 Deferred Revenue—Taxes Receivable.)
- Credit with tax roll cancellations. (Contra entry: debit Account 760 Deferred Revenue—Taxes Receivable.)
- Credit with tax collections as reported by the county treasurer.

320* Due from Other Funds

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record amounts due from other funds for services between funds.

- Debit with value of services to be reimbursed by another fund.
- Credit with payments from the funds that received services.

330*▲ Due from Other Governmental Units

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF)

This account is used to record the amount due from the federal, state, and local governmental units. Entries may be made to this account as transactions occur or recorded only at year-end. Subsidiary records shall be maintained for claims submitted to governmental units.

- Debit with the amount of claims submitted to other governmental units. (Contra entry: credit Account 750 Deferred Revenue or credit Account 960 Revenues.)
- Debit or credit for authorized adjustments.
- Credit with the amount received in payment of claims. (Contra entry: debit Account 750 Deferred Revenue or Account 960 Revenues.)

340*▲ Accounts Receivable

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record accounts owed to the school district by private persons, firms, or others for which other receivable accounts have not been established. Entries may be made to this account as transactions occur or they may be recorded at year-end.

- Debit with amounts due. (Contra entry: credit Account 960 Revenues for amounts that represent available reimbursements for expenditures already incurred, otherwise credit Account 750 Deferred Revenue.)
- Credit with amounts received.

350* Interfund Loans Receivable

Applicable Fund: (GF, CPF)

This account is used to record temporary advances or loans to other funds.

- Debit with advances or loans to other funds.
- Credit with repayment of advances or loans. (Contra entry: debit Account 240 Cash on Deposit with County Treasurer.)

Reference: chapter 392-123 WAC.

360*▲ Accrued Interest Receivable

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

Accrual basis districts use this account to record the amount of interest due on investments. To be susceptible to accrual, the interest income must be measurable and available to finance expenditures of the current fiscal period.

- Debit with amounts due from investments.
- Credit with amounts received.

410*▲ Inventory—Supplies and Materials

Applicable Fund: (GF, ASB)

In the General Fund, this account is used to record the acquisition and use of instruction, office, maintenance, operation, and transportation supplies and equipment. In the Associated Student Body Fund, inventories purchased for resale are recorded in this account. Inventory consists of supplies and equipment on hand not yet distributed to users. The use of this account is mandatory for districts with central warehouses.

- Debit with the disbursements for purchases of inventory.
- Credit with the expenditure for items taken from stock.
- Debit with the expenditure for items returned to inventory.
- Debit or credit as necessary to account for overages or shortages when a physical count of inventory is taken. The balance represents the value of supplies and materials in inventory.

420*▲ Inventory—Lunchrooms

Applicable Fund: (GF)

This account is used to record the acquisition and use of school food services inventories of food and operating supplies and noncapitalized equipment. Inventory consists of supplies and equipment on hand not yet distributed to users. The supplies and noncapitalized equipment are considered inventory if not charged to current year expenditures and, hence, not in use. Such items purchased for future use should be classified as inventory, those purchased for current use should be shown as an expenditure.

- Debit this account with the disbursement for items purchased for inventory.
- Credit this account with the value for items withdrawn from inventory.
- Debit or credit as necessary to account for overages or shortages when a physical count of inventory is taken. The balance represents the expenditure for food supplies in inventory.

430*▲ Prepaid Items

Applicable Fund: (GF, ASB, CPF, TVF, PF)

This account is used to record goods or services purchased which will not be consumed or used entirely in the current fiscal year. Goods or services purchased for current use are shown as expenditures.

- Debit with the total amount of goods or services acquired for consumption or use, in whole or in part, in a subsequent fiscal year.
- Credit periodically or at the beginning of the fiscal year with the items placed in service or to be consumed within the current year.

450* Investments

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

Temporary investments of moneys not needed for current use, as permitted by statute, are to be recorded in this account.

- Debit with the amount of investments purchased.
- Credit with the amount realized upon sale of investments. Investment income, including changes in the fair value of investments, should be recognized as revenue in the operating statement. Realized gains and losses should not be displayed separately from the net increase (decrease) in fair value of the investment in the financial statements unless related to external investment pools. (See GASB 31, para 13 and 17.)

451 Investments/Cash with Trustee

Applicable Fund: (GF, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to reflect all investments and cash held with the named trustee for restricted capital financing pools and other similarly restricted financing pools. Districts are responsible for recording all transactions made by the district and the trustee for investments, interest earned, additions, and reductions in these pools.

- Debit with cash remitted to the investment broker and/or trustee as well as the gross price paid for securities.
- Debit with net interest earned on securities. (Contra entry: credit Account 960 Revenues.)
- Credit with disbursements made by the trustee. (Contra entry: debit Account 230 Cash on Hand and/or Account 240 Cash on Deposit with County Treasurer.)

455* Investments—Deferred Compensation

Applicable Fund: (GF, CPF)

This account is for the investment of moneys withheld from employee earnings for the purpose of deferring income. This is a district asset held to benefit the district until a future time when the employee qualifies for payment.

- Debit with the amount of investments purchased from wages withheld from employees.
- Debit with investment earnings.
- Credit with investment fees and/or loss on investments.
- Credit with liquidation of investments.

459 Self-Insurance Security Deposits

Applicable Fund: (GF)

This account is used to show the escrow account required by the Department of Labor and Industries when a district is allowed to self-insure. Contra entries for the following are made to Account 850 Reserved for Uninsured Risks.

- Debit with the amount invested.
- Debit with investment earnings.
- Credit with investment earnings withdrawn.
- Credit with liquidation of investments if district determines to self-insure no longer.

460 Other Assets

Applicable Fund: (PPTF)

This account is used to record assets of the trust funds that do not consist of cash, investments, or capital assets.

- Debit with the cost or estimated cost of the asset at the time of the donation.
- Credit with the recorded cost upon sale or disposition of the asset.

470 ▶ Amount Available in Debt Service Fund

Account balances are to be included on the Schedule of Long-Term Debt.

This account is used to indicate that the fund balance in the Debt Service Fund is designated for retirement of bonds. The balance in this account (Account 470) should equal the fund balance (Account 890) in the Debt Service Fund.

- Debit with the total revenues recorded in the Debt Service Fund. (Contra entry: credit Account 480 Amount to be Provided for Debt Retirement.)
- Debit with the other financing source in the Debt Service Fund for the cash from the sale of new bonds placed with the fiscal agent in the crossover method of bond refunding. (Contra entry: credit Account 480 Amount to be Provided for Debt Retirement.)
- Credit with interest and bond issuance expenditures recorded in the Debt Service Fund. (Contra entry: debit Account 480 Amount to be Provided for Debt Retirement.)
- Credit with the amount of matured bond principal. (Contra entry: debit Account 690 Bonds Payable—Long-Term.)
- Credit with the other financing use amount in the Debt Service Fund when the old bonds are removed in the crossover method of bond refunding.

475 ▶ Amount Available in Other Funds

Account balances are to be included on the Schedule of Long-Term Debt.

This account is used to indicate the amounts of fund balance that have been reserved for discharge of contracts payable.

- Debit with the amount of fund balance reserved by board action. (Contra entry: credit Account 480 Amount to be Provided for Debt Retirement.)
- Credit with the amount of matured principal on contracts payable. (Contra entry: debit Account 603 Contracts Payable—Long-Term.)

480 ▶ Amount to be Provided for Debt Retirement

Account balances are to be included on the Schedule of Long-Term Debt.

This account is used to reflect the total amount of bonds and long-term contracts issued and outstanding. This account is debited at the time of the sale of bonds with the face value of bonds sold. This account is also debited at the time a long-term contract is approved.

- Debit with the par value of bonds sold. (Contra entry: credit Account 690 Bonds Payable—Long-Term.)
- Debit with the cash price of goods or services purchased under long-term contracts, including installment sales, conditional sales agreements, and lease-purchase agreements. (Contra entry: credit Account 603 Contracts Payable—Long-Term.)
- Credit with the face value of bonds redeemed. (Contra entry: debit Account 470 Amount Available in Debt Service Fund.)
- Credit with the principal amount of bonds defeased in a regular advance bond refunding. (Contra entry: debit Account 690 Bonds Payable—Long-Term.)
- Credit with the proceeds of the sale of new bonds placed with a fiscal agent in a crossover refunding. (Contra entry: debit Account 470 Amount Available in Debt Service Fund.) Also, in a crossover refunding at the time of the crossover, credit with any remaining difference between the principal amount of the old bonds defeased and the amount debited to Account 470 Amount Available in Debt Service Fund when the proceeds of the new bonds were placed with a fiscal agent.
- Credit with the principal payments on long-term contracts as they mature unless fund balance was previously reserved in the paying fund. (Contra entry: debit Account 603 Contracts Payable—Long-Term.)
- Credit with the amount of fund balance reserved in the paying fund by board action. (Contra entry: debit Account 475 Amount Available in Other Funds.)

See Appendix A for a definition of capital assets.

490 ■ Capital Assets—Land

Applicable Fund: (CA, PPTF)

491 ■ Capital Assets—Buildings

Applicable Fund: (CA, PPTF)

492 ■ Capital Assets—Transportation Equipment

Applicable Fund: (CA)

493 ■ Capital Assets—Equipment

Applicable Fund: (CA, PPTF, PTF)

494 ■ Capital Assets—Construction in Progress

Applicable Fund: (CA)

498 ■ Accumulated Depreciation—Buildings

Applicable Fund: (PPTF)

499 ■ Accumulated Depreciation—Equipment

Applicable Fund: (PPTF, PTF)

Budgetary and Expenditure Accounts

510* Estimated Revenues**

Applicable Fund: (GF, ASB, DSF, CPF, TVF)

This account is one of several optional budgetary accounts used to record and summarize all budgetary actions of the board of directors. It will not be used to record actual revenues.

- Debit with the total amount of estimated revenues, including real property taxes and/or unissued bonds to be sold, in the adopted budget.
- Debit with the amount of any unanticipated revenues appropriated to meet additional appropriations or increase existing appropriations.
- Credit with the amount of reduction in estimated revenues when the board of directors determines that actual revenues will not equal estimated revenues. A corresponding reduction shall be made in appropriations or an increase of appropriated fund balance.
- Credit to close account at year-end. (Contra entry: debit Account 900 Appropriations [for expenditures].) (Transportation Vehicle Fund contra entry: debit Account 540 Appropriated Fund Balance.)
- Details of the amounts comprising estimated revenues are incorporated in the subsidiary revenue ledger.

515* Estimated Other Financing Sources**

Applicable Fund: (GF, DSF, CPF, TVF)

This account is one of several optional budgetary accounts which is used to record and summarize budgetary action of the board of directors for estimated other financing sources that are proceeds from insurance recoveries for loss of capital assets, proceeds from the sale of equipment, transportation vehicles, debt issuance premiums, and/or proceeds from the sale of bonds. In the Capital Projects Fund, this also includes proceeds from the sale of real property and proceeds from the sale of equipment (only if bonds are still outstanding that provided resources to buy the property or equipment). It will not be used to record actual other financing sources.

Details of the amounts comprising estimated other financing sources will be incorporated in the subsidiary other financing sources ledger.

- Debit with the total amount of estimated other financing sources in the budget.
- Debit with the estimated amount of any unanticipated other financing sources.
- Credit with the amount of reduction in estimated other financing sources when the board of directors determines that actual other financing sources will not equal estimated other financing sources.
- Credit to close account at year-end. (Contra entry: debit Account 900 Appropriations [for expenditures].)

520* Encumbrances**

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PPTF, PF)

This account is used to record district commitments to purchase goods or services typically evidenced by purchase orders and contracts. Detail of this account will be maintained in the appropriation expenditure ledger.

- Debit as an opening entry the amount of encumbrances for the previous fiscal year outstanding at August 31. (Contra entry: credit Account 820 Reserved for Encumbrances.)
- Debit with the amount of encumbrances placed. (Contra entry: credit Account 820 Reserved for Encumbrances.)
- Credit with the amount of encumbrances liquidated upon establishing payables or cancellation of unneeded encumbrances. (Contra entry: debit Account 820 Reserved for Encumbrances.)
- Credit at August 31, following close of fiscal year, to close balance. (Contra entry: debit Account 820 Reserved for Encumbrances.)
- The balance of this account prior to the fiscal year's closing will represent the total outstanding encumbrances.

General and Capital Projects Fund Only

- Debit at the beginning of the school year with the total amount of contracted salaries (optional).
- Credit with the amount of contracted salaries paid. (To be made only if debit for contracted salaries has been made.)
- Credit to record the reduction of contracted salaries when contracts are terminated. (To be made only if debit for contracted salaries has been made.)

530* Expenditures

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF)

530* Deductions

Applicable Fund: (PPTF, PTF)

All indicated funds except Debt Service Fund (DSF see below)

This account is used to record expenditures/deductions. Expenditures/deductions should be recorded as accrual basis districts incur liabilities. In general, cash basis districts record expenditures/deductions when paid. Deferred compensation liabilities must be accrued by cash basis districts. Details of the expenditure account will be maintained in the expenditure ledger. Debt issuance costs should be recorded here.

- Debit with the amount of claims that are due and payable (accrual basis) or with the amount of payments made on claims (cash basis). Contra entry for accrual basis districts is a credit to a liability account in the 600 series.
- Credit with the amounts of voided and cancelled warrants for expenditures initially charged to this account.
- Credit with refunds of expenditures.
- Credit with closing entry to Account 890 Unreserved, Undesignated Fund Balance.

Debt Service Fund only

Since the necessary detail to the breakdown of expenditures is available from Accounts 601 Accounts Payable, 675 Matured Bonds Payable, and 685 Matured Bond Interest Payable, additional subsidiary accounts are not necessary.

- Debit to record maturity of principal and interest amounts. (Contra entry: credit Account 675 Matured Bonds Payable and/or 685 Matured Bond Interest Payable.)
- Debit to record bond transfer fees. (Contra entry: credit Account 601 Accounts Payable.)
- Debit to record underwriter's fees in an advance bond refunding only if the expenditure for underwriter's fees is made from the Debt Service Fund's current resources. (Contra entry: credit Account 601 Accounts Payable.)
- Credit with closing entry to Account 890 Unreserved, Undesignated Fund Balance.

535 Other Financing Uses (Budget and Actual)

Applicable Fund: (GF, DSF, CPF, TVF)

This account is used to record payments to the refunded bond escrow agent from resources provided by the new debt in a regular advance bond debt refunding, debt issuance discounts, and the defeasance of the old bonds in a crossover refunding. This account is also used to summarize budgetary actions for estimated long-term financing and debt extinguishments.

Payments to escrow agent made from other school district resources should be reported as debt service expenditures (debit Account 530 Expenditures).

The bond discount resulting from the difference between the stated interest rate and the market rate is recorded as an other financing use.

- Debit with payments to a refunded bond escrow agent in a regular advance bond debt refunding. (Contra entry: credit Account 965 Other Financing Sources, Revenue Account 9600, Sale of Refunding Bonds or Account 240 Cash on Deposit with County Treasurer) if the school district receives the proceeds of the refunding bond sale.
- Debit to record the defeasance of the old bonds in a crossover refunding. (Contra entry: credit Account 250 Cash with Fiscal Agent.)
- Credit with closing entry to Account 890 Unreserved, Undesignated Fund Balance.

536 Other Financing Uses—Transfers Out (Budget and Actual)

Applicable Fund: (GF, DSF, CPF, TVF, PF)

This account is used to record transfers out to another fund. Redirections of apportionment should be included here. (Refer to ABFR Chapter VIII Apportionment Advances and Redirections, Section 5 for allowable transfers.) This account is also used to summarize budgetary actions for estimated transfers out.

- Debit with amount of transfer out. (Contra entry: credit Account 965 Other Financing Sources, Revenue Account 9900—Transfers or credit Account 241 Warrants Outstanding if a warrant is issued.)

538 Nonoperating Expenditures

Applicable Fund: (PPTF, PTF)

This account is used to record expenditures and losses arising from transactions of trust principal.

- Debit with realized losses or expenditures associated with trust principal.
- Credit with closing entry to Account 855 Reserved for Trust Principal.

540* Appropriated Fund Balance (Optional)**

Applicable Fund: (GF, ASB, DSF, CPF, TVF)

This optional account is used to record a budget surplus or deficit.

- Debit with the amount of the excess of the sum of Account 900 over the sum of Accounts 510 and 515 in the adopted budget.
- Credit with the amount of the excess of the sum of Accounts 510 and 515 over the sum of Account 900 in the adopted budget.
- Debit with the amount appropriated to meet additional appropriations or increase existing appropriations.
- Credit to reduce the balance appropriated when the board of directors has determined that the amount appropriated exceeds the actual amount available. (Contra entry: debit Account 900 Appropriations.)
- Debit or credit with the closing entry to Account 900 Appropriations, as appropriate to close these accounts.

560 Revenue Contra (960)**

Applicable Fund: (ASB, PPTF, PTF)

This account is used as an offset to all entries made to Account 960 Revenues. Subsidiary detail is not necessary for this account. All revenues are recorded in the fund balance account on a current basis, thus requiring this account to balance the entry to revenue.

- Debit with all credit entries to Account 960 Revenues.
- Credit with all debit entries to Account 960 Revenues. Credit to close at year-end. (Contra entry: debit Account 960 Revenues.)

Liabilities**601*▲ Accounts Payable**

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record unpaid liabilities for goods received, scholarships awarded, or services performed and not provided for in Accounts 602 through 650. Include in this account leasehold tax collected but not yet paid. This account may be used throughout the year in connection with a voucher register, but the unpaid amounts on August 31, following the close of the fiscal year, must be recorded in this account and Account 530 Expenditures.

- Credit with the amount of audited vouchers and year-end accruals. (Contra entry: debit Accounts 530 Expenditures, 410 Inventory—Supplies and Materials, and/or 420 Inventory—Lunchrooms.)
- Debit with the amounts of liabilities paid and credit memos received. (In the trust funds, credit warrants payable.)
- The balance of this account represents the liability for unpaid vouchers.

602*▲ Contracts Payable—Current

Applicable Fund: (GF, ASB, CPF, TVF, PF)

This account is used to record the matured liabilities for equipment and furniture received or services performed under contractual agreements. In the Capital Projects Fund, the portion of construction contracts certified payable by an architect or structural engineer may also be recorded in this account. This account is used to record the matured portion of long-term contractual liabilities. Also include in this account new contractual liabilities to be fully paid from current year appropriations.

- Credit with the matured portion of the contract when that portion matures or with the amount of the new contract to be paid entirely from current year appropriations. (Contra entry: debit Account 530 Expenditures.)
- Debit with amounts paid.
- The balance of this account represents the amount of matured long-term contracts and contracts to be paid entirely out of current year appropriations.

603* Contracts Payable—Long-Term

Account balances are to be included on the Schedule of Long-Term Debt.

The amount of unmatured principal payable on long-term contracts is recorded in this account. The amount should not include any interest charges. Long-term contracts include all agreements whereby the school district obtains goods or services by the end of the current fiscal year and final payment for those goods or services will be made from the appropriation for a subsequent fiscal year. Such agreements include conditional sales contracts, installment purchases, and lease-purchase agreements.

- Credit with the cash price (the price that would be paid for a cash sale) of goods or services purchased under long-term contracts. (Contra entry: debit Account 480 Amount to be Provided for Debt Retirement.)
- Debit with matured principal on long-term contracts payable. (Contra entry: credit Account 475 Amount Available in Other Funds if fund balance has been reserved in the fund, which pays the liability; otherwise, credit Account 480 Amount to be Provided for Debt Retirement.)
- Subsidiary accounts should be maintained for each bond contract.

604*▲ Accrued Interest Payable

Applicable Fund: (DSF)

This account is used to record interest costs related to the current period and prior periods, but not due until a later date. Include in this account cash received for accrued interest generated because bonds were sold between interest payment dates.

- Debit with interest payments made.
- Credit with cash received for accrued interest between bond interest payment dates.

605*▲ Accrued Salaries

Applicable Fund: (GF, ASB, CPF)

The amounts of salaries earned for services performed but unpaid are recorded in this account. Also include the current portion of the vacation and sick leave that has been earned but is unpaid at the end of the period. This amount is normally expected to be liquidated with expendable available financial resources and should be recorded in the fund that will liquidate the liability. The remaining portion should be included on the Schedule of Long-Term Debt.

- Credit with the amount of salaries earned. (Contra entry: debit Account 530 Expenditures.)
- Debit with the amount of salaries paid.

606* Revenue Anticipation Notes Payable

Applicable Fund: (GF, DSF, CPF, TVF)

This account is used to record the amount of principal due on short-term obligations from which the school district received moneys in exchange for a promise to make repayment at a later date from anticipated revenues. The amounts recorded in this account should not include any interest charges.

- Credit with the amount of cash received from the issuance of the note. (Contra entry: debit Account 240 Cash on Deposit with County Treasurer.)
- Debit with payments made.

610* Payroll Deductions and Taxes Payable

Applicable Fund: (GF, ASB, CPF)

This account is used to record payroll deductions and the employer's share of payroll taxes and health insurance. Subsidiary accounts will be needed for Old Age and Survivors Insurance (Social Security), state employees' retirement, federal income tax withheld, industrial insurance and medical aid, health and medical insurance and medical aid, health and medical insurance premiums and annuities.

- Credit this account with the amount of payroll deductions and unpaid employer's share of the cost for payrolls earned as of August 31.
- Debit with the amount paid as of August 31.

630*▲ Due to Other Governmental Units

Applicable Fund: (GF, ASB, CPF, TVF, PF)

This account is used to record accounts owed by the school district to other governmental units. Entries may be made to this account as transactions occur or they may be recorded at year-end.

- Debit with payments made.

- Credit with amounts owed.

635* Deferred Compensation Payable

Applicable Fund: (GF, CPF)

This account is used to record the liability to participating employees for money withheld from their wages that will be paid to the employee in the future.

- Credit with the amount withheld from employees' pay.
- Credit with the amount of investment earnings on money withheld from employees.
- Debit with the amount of investment fees and/or loss on investment.
- Debit with the amount of payments to employees.

637*▲ Estimated Unemployment Benefits Payable

Applicable Fund: (GF)

The estimated liability for future unemployment benefit claims against wages paid in the current period is shown in this account. This account is only for districts self-insuring and using the reimbursement method.

- Credit with the amount of unemployment compensation benefits charged to expenditures.
- Debit with the amount on the Employment Security Department billing when paid.

638*▲ Estimated Other Employee Insurance Claims Payable

Applicable Fund: (GF)

The estimated liability for other employee self-insured benefits against wages paid in the current period is shown in this account. This account is only for districts self-insuring against employee claims not accounted for in Accounts 637 or 639.

- Credit with the amount of other employee self-insurance claims.
- Debit with the payment of claims.

639*▲ Estimated Industrial Insurance Benefits Payable

Applicable Fund: (GF)

The estimated liability for future industrial insurance benefits against wages paid in the current period is shown in this account. This account is only for districts that are self-insuring against industrial accidents.

- Credit with the amount of industrial insurance benefits estimated to be paid in future periods against wages paid in the current period.
- Debit with the payment of benefit claims and administrative assessment.

640* Due to Other Funds

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record the fund's liability for services performed by other funds of the school district.

- Credit with the dollar amount of services performed by another fund.
- Debit with the amount paid for services performed by another fund.
- A subsidiary account shall be maintained for each fund.

645* Interfund Loans Payable

Applicable Fund: (GF, DSF, CPF, TVF)

This account is used to record temporary advances or loans from other funds.

- Credit with the amount received from another fund.
- Debit with the repayment of loan from another fund.

Reference: chapter 392-123 WAC.

650* Deposits

Applicable Fund: (GF, ASB, CPF)

This account is used to record deposits that may be refunded at a later date (e.g., damage deposits).

- Credit with amounts collected and recorded to Accounts 230 and 240 because they do not represent revenues and are subject to refund.
- Debit with amounts later determined to be revenue or amounts refunded.

675* Matured Bonds Payable

Applicable Fund: (DSF)

The amount of principal matured on bond issues is recorded in this account. At the maturity date, the amount is recorded as an expenditure and deducted from Long-Term Debt.

Subsidiary accounts should be maintained for each bond issue.

- Credit with the amount of matured bonds. (Contra entry: debit Account 530 Expenditures.)
- Debit with the amount of bonds redeemed. (Contra entry: credit Account 240 Cash on Deposit with County Treasurer if county treasurer redeems bonds; credit Account 250 Cash with Fiscal Agent if fiscal agent bank redeems the bonds.)

685* Matured Bond Interest Payable

Applicable Fund: (DSF)

The amount of bond interest matured on bond issues is recorded in this account. At the maturity date, the amount of bond interest is recorded as an expenditure.

Subsidiary accounts should be maintained for each bond issue.

- Credit with the amount of matured bond interest. (Contra entry: debit Account 530 Expenditures.)

- Debit with the amount of bond interest redeemed. (Contra entry: credit Account 240 Cash on Deposit with County Treasurer if county treasurer pays coupon interest or credit Account 250 Cash with Fiscal Agent if fiscal agent bank pays coupon interest.)

686* Arbitrage Rebate Payable

Applicable Fund: (GF, DSF, CPF, TVF)

This account is used to record the obligation to pay the U.S. Treasury arbitrage earnings on invested tax-exempt bond issue proceeds.

- Credit with the amount of arbitrage rebate payable.
- Debit with the amount of arbitrage rebate paid.

690* ▶ Bonds Payable—Long-Term

Account balances are to be included on the Schedule of Long-Term Debt.

The amount of principal on bond issues that have not yet matured.

Subsidiary accounts should be maintained for each bond issue.

- Credit with the amount of bond principal when bonds are sold. (Contra entry: debit Account 480 Amount to be Provided for Debt Retirement.)
- Debit with the amount of matured bond principal. (Contra entry: credit Account 470 Amount Available in Debt Service Fund.)
- Debit with the amount of bond principal of the old bonds at the time bonds are sold in a regular advance bond refunding and at the time of the crossover in a crossover advance bond refunding. (Contra entry: credit Account 480 Amount to be Provided for Debt Retirement.)

Deferred Revenues

750*▲ Deferred Revenue

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF)

Record in this account amounts that do not represent revenues because they are not available for expenditure in the current fiscal year, but which will be recognized as revenue when they become available for expenditure. This account will be used to offset those receivables recorded in Accounts 330 and/or 340 that do not represent revenues. Also offset in this account amounts received in cash during a fiscal year that will be recognized as revenue in the succeeding fiscal year when they become available for expenditure.

- Credit with amounts charged to Accounts 230, 240, 330, or 340 that do not represent revenues because they are not available for expenditure in the current fiscal year.
- Debit with amounts that become revenues. (Contra entry: credit Account 960 Revenues.)

760* Deferred Revenue—Taxes Receivable

Applicable Fund: (GF, DSF, CPF, TVF)

Property taxes levied during the fiscal year are credited to this account. This account is used for the offsetting of taxes receivable recorded in Account 310 Taxes Receivable without incurring a liability or increasing fund balance.

- Credit with the amount charged to Account 310 Taxes Receivable.
- Debit with the amount equal to cash collections of tax receivables.
- Debit with tax roll cancellations. (Contra entry: debit Account 310 Taxes Receivable.)
- The credit balance of this account should equal the total of the debit balance of Account 310 Taxes Receivable.

Fund Balance

General ledger fund balance accounts for governmental funds are divided into two general categories that are:

“Reserve” and “Reserved” Accounts

Reserve and reserved fund balance accounts consist of portions of fund balance that are either legally restricted to a specific future use or are not available for appropriation or expenditure.

Legally restricted portions of fund balance include accounts such as “fund balance—reserved for encumbrances” or “fund balance—reserved for debt service.”

“Unreserved” Accounts

Unreserved fund balance accounts are subdivided into “designated” and “undesignated” accounts.

“Unreserved, designated”

Accounts are used to set aside financial resources for specific purposes. These accounts reflect tentative management plans for future financial resource use such as the replacement of equipment or the assignment of resources for contingencies.

“Unreserved, undesignated”

Accounts may be used as expendable available financial resources. These “unreserved, undesignated” fund balance accounts represent a portion of fund balance that can be used for working capital requirements, transfers, and prior year corrections.

To achieve the self-balancing feature of the capital assets for districts choosing to maintain them in a separate fund, a series of credit balance accounts have been created to record the sources from which capital assets have been acquired. For school districts, these are Accounts 801 through 809, as listed below.

801 ■ Investment in Capital Assets from GO Bonds

Applicable Fund: (CA)

802 ■ Investment in Capital Assets from Levies

Applicable Fund: (CA)

803 ■ Investment in Capital Assets from State Grants

Applicable Fund: (CA)

804 ■ Investment in Capital Assets from Federal Grants

Applicable Fund: (CA)

805 ■ Investment in Capital Assets from Apportionment and Local Revenues

Applicable Fund: (CA)

806 ■ Investment in Capital Assets from Gifts, Donations, Other

Applicable Fund: (CA)

810* Reserved for Other Items

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is provided as a means for accumulating and restricting fund balance for future uses. All districts must make reservation of fund balance at year-end for amounts determined to be unspent carryover funds specifically for the following state funding streams: Student Achievement (I-728) Fund, Learning Assistance Program, Transitional Bilingual, Highly Capable, Student Transportation, State Institutions, Promoting Academic Success, Special Education, Fire District, Vocational Funds, and other such unspent funds as may be subject to carryover.

For districts that have a recovery of revenues, cash basis districts record these as a reservation of fund balance and accrual basis districts record these as a liability.

- Credit with the amount to be reserved. (Contra entry: debit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with the amount removed from the reserve when the purpose for the reserve has been fulfilled.

820 Reserved for Encumbrances

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PPTF, PF)

This is the budgetary contra account to Account 520 Encumbrances and reflects the district's obligation for encumbrances placed. It allows the interim presentation of the budgetary amounts without affecting liabilities or fund balance.

- Credit at the beginning of the fiscal year with the amount of encumbrances outstanding at the close of the previous fiscal year. (Contra entry: debit Account 520 Encumbrances.)
- Credit with the amount of encumbrances placed. (Contra entry: debit Account 520 Encumbrances.)
- Debit with the amount of encumbrances liquidated upon accrual or payment of vouchers or cancellation of encumbrances. (Contra entry: credit Account 520 Encumbrances.)
- Debit to close at year-end.

General Fund and Capital Projects Fund only

- Credit at the beginning of the school year with the total amount of contracted salaries (optional).
- Debit with the amount of contracted salaries paid. (To be made only if optional credit for contracted salaries has been made.)
- Debit with the reduction of contracted salaries when contracts are terminated. (To be made only if optional credit for contracted salaries has been made.)

830 Reserved for Debt Service

Applicable Fund: (GF, CPF, TVF)

This account provides the means for accumulating and restricting fund balance for the future payment of contractual obligations incurred and carried in the Schedule of Long-Term Debt. The balance of this account represents a restriction of both fund cash and fund balance.

- Credit this account with the amount set up as a reserve to service contractual payments. (Contra entry: debit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with any reductions in the voluntary reserve when the purpose for the reserve has been fulfilled. (Contra entry: credit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with matured debt as entered in Account 602 Contracts Payable—Current, for which a reservation has been previously established.

835 Reserved for Arbitrage Rebate

Applicable Fund: (GF, DSF, CPF, TVF)

The purpose of this account is to show a restriction on fund balance for the amount of arbitrage rebate payable to the IRS more than one year in the future.

- Credit with the annual calculation of arbitrage rebate less the amount due in one year. (Contra entry: debit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with the amount transferred to Account 686 Arbitrage Rebate Payable for payment to the IRS within one year or with the adjustments to the annual calculation of arbitrage rebate.

840 Reserved for Inventory

Applicable Fund: (GF, ASB)

This account is used to reserve a portion of fund balance for investment in inventory. Its purpose is to restrict fund balance for the replacement of normal inventory levels that are projected for the next fiscal period. When general ledger inventory Accounts 410 Inventory—Supplies and Materials and 420 Inventory—Lunchrooms are maintained, an amount equal to the value of their projected normal levels must be established in this account.

- Credit with the amount provided to establish, or increase, a reserve for inventory purposes. (Contra entry: debit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with the amount to decrease a reserve for inventory. (Contra entry: credit Account 890 Unreserved, Undesignated Fund Balance.)

850 Reserved for Uninsured Risks

Applicable Fund: (GF, ASB, CPF, TVF, PTF)

This account is used to reserve a portion of fund balance for future losses not covered by insurance. The amounts put in this account are required under self-insurance. Contra entries are made to Account 890 Unreserved, Undesignated Fund Balance.

- Credit with amounts as determined by an external party.
- Debit with amounts removed from the reserve because the reserve is no longer needed.

General Fund only

- Credit with amounts for self-insurance security deposits as determined by the Department of Labor and Industries.

855* Reserved for Trust Principal

Applicable Fund: (PF, PPTF, PTF)

For use only in trust funds where the principal may not be expended, this account shows the portion of trust assets that represents principal. After the closing of the nonoperating revenue and nonoperating expense accounts, this account is equal to the principal of the trust.

- Credit with amounts received into the trust.
- Credit with the gains on the sale of investment principal.
- Debit with losses on the sale of investment principal.
- Debit with amounts removed from the trust by board action.
- Credit at the close of the fiscal year with the balance of Account 968 Nonoperating Revenues.
- Debit as a closing entry the balance of Account 538 Nonoperating Expenditures.

861* Reserve of Bond Proceeds

Applicable Fund: (CPF)

This account is provided to record the amounts remaining from bond issues and earnings from bond proceeds investments that have been allocated for specific projects or the amounts remaining after the proposition projects have been completed.

- Credit at the close of the fiscal year with Account 960 Revenues items that had a source/use code of 1 and Account 965 Other Financing Sources items with a source/use code of 1.
- Debit at the close of the fiscal year with Account 530 Expenditures items that had a source/use code of 1.
- Debit after all projects have been completed with amounts transferred to Debt Service Fund.

862* Reserve of Levy Proceeds

Applicable Fund: (CPF)

This account is provided to record the amounts remaining from capital projects levies that have been allocated for specific projects or the amounts remaining after the proposition projects have been completed.

- Credit at the close of the fiscal year with Account 960 Revenues items that had a source/use code of 2.
- Debit at the close of the fiscal year with Account 530 Expenditures items that had a source/use code of 2.

863* Reserve of State Proceeds

Applicable Fund: (CPF)

This account is provided to close project revenues and expenditures for projects funded totally or in part with state funds.

- Credit at the close of the fiscal year with Account 960 Revenues items that had a source/use code of 3.
- Debit at the close of the fiscal year with Account 530 Expenditures items that had a source/use code of 3.
- Debit or credit as required to close with a contra entry to Account 890 Unreserved, Undesignated Fund Balance.

864* Reserve of Federal Proceeds

Applicable Fund: (CPF)

This account is provided to close project revenues and expenditures for projects funded totally or in part by federal agencies.

- Credit at the close of the fiscal year with Account 960 Revenues items that had a source/use code of 4.
- Debit at the close of the fiscal year with Account 530 Expenditures items that had a source/use code of 4.

865* Reserve of Other Proceeds

Applicable Fund: (CPF)

This account is provided to close project revenues and expenditures for projects funded totally or in part by sources other than bond, levy, state, or federal proceeds. For example, the district may receive resources from a private citizen for the construction of a library; these resources would be reserved for that purpose.

- Credit at the close of the fiscal year with Account 960 Revenues items that had a source/use code of 5.
- Debit at the close of the fiscal year with Account 530 Expenditures items that had a source/use code of 5.

869* Reserve of Undistributed Proceeds

Applicable Fund: (CPF)

This account is provided to record unassigned amounts to be distributed to other reserve accounts at year-end.

- Credit with resources that have not been distributed to Accounts 861, 862, 863, 864, or 865.
- Debit at the close of the fiscal year with amounts being assigned to Accounts 861, 862, 863, 864, or 865.

870 Unreserved, Designated for Other Items

Applicable Fund: (GF, ASB, CPF, PF, PPTF, PTF)

All indicated funds except Trust Funds

This account is provided as a means for accumulating and restricting fund balance for future uses. Designations represent management's and/or board of directors intended use of resources.

- Credit with amounts to be designated. (Contra entry: debit Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with amounts removed from the designation either by board action or because the purpose for the designation has been fulfilled.

Trust Funds only

Normally, the entire fund balance of the account is restricted by the trust agreement. This account shows the funds available for scholarship or other authorized purposes but that have been reserved for a specific disbursement. For trusts, this account represents the amounts available for specific use such as scholarships that have been reserved for a specific disbursement.

- Credit with amounts reserved for specific use such as scholarships.
- Debit with amounts removed from the reserve by board action in accordance with the trust agreement.

875 Unreserved, Designated for Contingencies

Applicable Fund: (GF)

This account is provided to allocate a portion of the school district's fund balance for contingencies, such as unanticipated changes in the tax and spending policies of federal and state governments, court decisions, financial impacts of labor agreements (arbitration), natural disasters, and unexpected or emergency capital expenditures. Designations represent management's and/or board of directors intended use of resources.

- Credit with amounts to be allocated. (Contra entry: Account 890 Unreserved, Undesignated Fund Balance.)
- Debit with amounts removed from this account by board action.

890 Unreserved, Undesignated Fund Balance**

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

All indicated funds except Capital Projects and Trust Funds

After the closing of the budgetary, revenue, other financing sources, and expenditure accounts, this account is equal to the excess of assets over liabilities and reserves. The net result of fund operations is summarized in this account.

In the ASB Fund, subsidiary accounts represent the equity of each school's ASB within the district, and the subcategory activities within each school's ASB.

- Credit at the close of the fiscal year with the balance of Account 960 Revenues and/or Account 965 Other Financing Sources.
- Debit or credit with a corresponding increase or decrease in Accounts 810, 830, 835, 840, 850, 870, and/or 875 as appropriate to the fund.
- Debit as a closing entry the balance of Accounts 530 Expenditures and/or 535 Other Financing Uses (Actual).

Capital Projects Fund

- Credit at the close of the fiscal year with all Accounts 960 Revenues and 965 Other Financing Sources with a source/use code of 0. These are items that have not been closed to Accounts 861, 862, 863, 864, or 865.
- Debit at the close of the fiscal year with all of Accounts 530 Expenditures and 535 Other Financing Uses with a source/use code of 0. These are items that have not been closed to Accounts 861, 862, 863, 864, or 865.
- Debit with amounts reserved by the board for future uses and credit to Accounts 810, 830, 835, 850, and/or 870 as appropriate.
- Credit with amounts removed from reserve either by board action or because the purpose for the reserve has been fulfilled.

Trust Funds only

After the closing of the revenue and expenditure/expense accounts, this account is equal to the excess of assets over liabilities, reserved for other items, reserved for trust principal, and the unreserved, designated for other items. This account is used in instances where a trust fund is not restricted to specific uses and there is money on hand that is unrestricted for specific use by the district board of directors. This account is also used in instances where the trust fund has money restricted under the trust agreement to scholarship or other authorized purposes that has not been reserved for a specific disbursement.

- Credit at the close of the fiscal year with the balance of Account 960 Revenues.
- Debit or credit with a corresponding increase or decrease in Account 870 Unreserved, Designated for Other Items.
- Debit as a closing entry the balance of Account 530 Expenditures.

898 Prior Year Corrections or Restatements

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF, PPTF, PTF)

This account is used to record the amount of prior year corrections or restatements.

The total is closed to Account 890 Unreserved, Undesignated Fund Balance at the end of the fiscal year.

Budgetary, Revenue, and Other Financing Sources Accounts

900* Appropriations (Optional)**

Applicable Fund: (GF, ASB, DSF, CPF, TVF)

This account is one of the several budgetary accounts that are used to summarize all the budgetary actions of the board of directors except for other financing uses. (See Account 535 for a definition of other financing uses.) This account is used to record the total planned appropriated expenditures.

- Credit with the aggregate of all appropriations in the adopted budget.
- Credit with amounts of supplemental appropriations. (Contra entry: debit Accounts 510 Estimated Revenues, 515 Estimated Other Financing Sources, and/or 540 Appropriated Fund Balance.)
- Debit with amounts of reductions of appropriations when the board of directors determines that actual revenue will not equal estimated revenue.
- Debit with the closing entry. (Contra entry: credit Accounts 510 Estimated Revenues, 515 Estimated Other Financing Sources, and/or 540 Appropriated Fund Balance.)
- The credit balance of this account before closing will represent the original and/or supplemental budgetary appropriations. The subsidiary accounts will be incorporated with the appropriation expenditure ledger.

930 Expenditure Contra (530)**

Applicable Fund: (ASB, PPTF, PTF)

This account is used as an offset to all entries made to Account 530 Expenditures. Subsidiary detail is not necessary for this account. All expenditures are recorded in the fund balance account on a current basis, thus requiring this account to balance the entry to expenditure.

- Credit with all debit entries to Account 530 Expenditures.
- Debit with all credit entries to Account 530 Expenditures.
- Debit to close at year-end. (Contra entry: credit Account 530 Expenditures.)

960* Revenues

Applicable Fund: (GF, ASB, DSF, CPF, TVF, PF,)

960* Additions

Applicable Fund: (PPTF, PTF)

This account is used to record actual revenues in Revenue Categories 1 through 8 as listed in Chapter 5, Section 1, page 1. Cash basis districts report revenues when received. For accrual districts, revenues include both receipts and accruals. Revenue accruals should be recorded when measurable and available. This account is not used for refunds of expenditures. Refunds of expenditures should be credited to (reduce) the expenditure account.

For accrual districts, revenue/additions in trust funds should be recorded when earned.

- Credit with amounts as they become measurable and available. (Contra entry: debit Account 330 Due from Other Governmental Units or Account 340 Accounts Receivable.)
- Debit with closing entry to Account 890 Unreserved, Undesignated Fund Balance.

General Fund only

- Credit with noncash receipts for USDA commodities. (Contra entry: debit Account 420 Inventory—Lunchrooms.)

Associated Student Body Fund only

- Credit with revenues.
- Debit with the balance of this account at the close of the fiscal year. (Contra entry: credit Account 560 Revenue Contra (960).)

965 Other Financing Sources

Applicable Fund: (GF, DSF, CPF, TVF, PF)

This account is used to record other financing sources in Revenue Category 9 as listed in Chapter 5, Section 1, page 1.

- Credit with cash receipts representing other financing sources.
- Debit with closing entry to Account 890 Unreserved, Undesignated Fund Balance.

968 Nonoperating Revenues

Applicable Fund: (PPTF, PTF)

This account is used only in the trust funds where the principal or corpus may not be expended to record expenditures and losses arising from transactions of trust principal.

- Debit with realized gains associated with trust principal.
- Credit with closing entry to Account 855 Reserved for Trust Principal.

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