

## Chapter Two

### Balance Sheet Accounts

This chapter provides balance sheet account numbers and related definitions.

#### 1000 ASSETS AND OTHER DEBITS

Assets are probable future economic benefits obtained or controlled by an entity as a result of past transactions or events. Other debits are budgetary accounts that normally have debit balances.

1100 Current Assets. Current assets include cash or other assets that are expected to be converted to cash within the operating cycle.

1110 Cash. Currency, coin, checks, money orders, and banker's drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

1111 Cash on Demand Deposit. Deposits with fiscal agents, such as commercial banks, for the payment of normal operating expenditures and subject to withdrawal by board warrant.

1112 Petty Cash. Cash on hand maintained for the purpose of paying small obligations when the issuance of a formal voucher and check is not cost-effective. Also, funds established for the purpose of making change or immediate payments of relatively small amounts.

1113 Cash Change Funds. Cash on hand maintained for the purpose of providing cash register change.

1114 Cash with Fiscal/Service Agents. Deposits with fiscal agents, such as commercial banks, for the payment of matured bonds and interest. Also, deposits with self-insurance plan agents.

1115 Cash - Interest Earning Deposits. Deposits which generate interest income usually stipulating the duration of deposit and rate of interest.

1117 Cash on Hand. Currency, coins, and checks received but not yet deposited.

1120 Taxes Receivable. The uncollected portion of taxes that a governmental unit has levied and billed.

1121 Taxes Receivable. Taxes which were levied for the current operating year but are uncollected. This account should be closed at June 30 and amounts held by the Tax Collector on behalf of the School Board should be recorded in account 1220, Due From Other Agencies.

1130 Accounts Receivable. Amounts due on open account from private persons, firms, or corporations for goods and services furnished by the school district.

- 1140 Due From Other Funds. Amounts due for goods or services provided by a particular fund to another fund or for interfund loans.
- 1141 Due From Budgetary Funds. Amounts due from one fund to another. Separate accounts should be maintained for each interfund loan.
- 1142 Due From Internal Funds. Amounts due for advances to internal accounts. Separate accounts should be maintained for each advance.
- 1150 Inventory. Materials and supplies on hand for future use in operations. Subaccounts may be used to identify different types of inventory such as Materials, Purchased Food, and Commodities.
- 1160 Investments. Securities and real estate held for the production of income in the form of interest, dividends, rentals, or lease payments. This account does not include assets used in school district operations. Separate accounts for each category of investments may be maintained.
- 1161 Investments - U. S. Government Securities. Securities of the U. S. Government acquired by the district school board as authorized by statute and held for the production of income in the form of interest.
- 1162 Investments - Section 237.161 Loans. Amounts invested from proceeds of loans made pursuant to Section 237.161, F.S.
- 1163 Investments - SBE/COBI Bonds. State Board of Education Bonds issued on behalf of school districts under Section 18, Article XII of the State Constitution.
- 1164 Investments - State Board of Administration. Amounts placed with the State Board of Administration for investment.
- 1169 Other Governmental Securities. Securities of other governmental agencies authorized by Florida Statutes and not identified above.
- 1170 Interest Receivable on Investments. The amount of interest receivable on investments, excluding purchased interest.
- 1180 Due from Reinsurer. Amounts to be recovered from reinsurance policies.
- 1200 Other Current Assets. All other assets, current in nature, that are not specifically provided for in other sections.
- 1210 Deposits Receivable. Funds deposited by the school district as a prerequisite to receiving services and/or goods.
- 1220 Due From Other Agencies. Amounts due from other governmental units for revenues from Federal, Federal through State, State or other sources.
- 1230 Prepaid Expenses. Payment of items which will benefit future accounting periods.

- 1300 Capital Assets. Land, land improvements, buildings, machinery, furniture, equipment, and all other tangible and intangible assets that are used in operations and have useful lives that extend beyond a single accounting period. If acquired through donation, the capital asset should be recorded using the fair value at the time of acquisition.
- 1310 Land. The acquisition cost of land owned by a school system. If land is purchased, this account includes the purchase price and other costs incurred to prepare the land for use such as legal fees, filling and excavation costs, and other improvements.
- 1315 Land Improvements – Nondepreciable. The cost of permanent improvements to land that are not subject to depreciation.
- 1320 Improvements Other Than Buildings. The cost of permanent improvements, other than buildings, which add value to land. Examples include fences, retaining walls, sidewalks, sewage treatment systems, original or expanded paving projects, fixed playground apparatus, flagpoles, gateways, underground storage tanks, etc., which are not part of the building service systems and similar improvements.
- 1329 Accumulated Depreciation – Improvements Other Than Buildings. The accumulation of systematic and rational allocations of the cost of improvements other than buildings over the useful lives of the assets.
- 1330 Buildings and Fixed Equipment. The cost of permanent structures used to house persons and property owned by a school system. If buildings are purchased or constructed, this account includes the acquisition or construction costs of permanent buildings and fixtures attached to and forming a permanent part of such building.
- 1339 Accumulated Depreciation - Buildings and Fixed Equipment. The accumulation of systematic and rational allocations of the cost of buildings and fixed equipment over the useful lives of the assets.
- 1340 Furniture, Fixtures, and Equipment. The cost of furniture, fixtures, and equipment owned by a school system. This account includes teaching, laboratory, research, diagnostic and testing, and administrative equipment used by or for students.
- 1349 Accumulated Depreciation - Furniture, Fixtures, and Equipment. The accumulation of systematic and rational allocations of the cost of furniture, fixtures and equipment over the useful lives of the assets.
- 1350 Motor Vehicles. The cost of all transportation equipment including vehicles used for pupil transportation and service vehicles (trucks, vans, scooters, motorcycles, passenger cars, or other motorized units).
- 1359 Accumulated Depreciation - Motor Vehicles. The accumulation of systematic and rational allocations of the cost of vehicles over the useful lives of the assets.

- 1360 Construction in Progress. The actual cost incurred to date for construction work undertaken but not yet completed. This account reflects the total construction costs recorded as expenditures in the capital projects funds.
- 1370 Property under Capital Lease. The net present value of lease payments capitalized as assets. When title to the property passes, the value is transferred to the appropriate capital asset account.
- 1379 Accumulated Depreciation – Property under Capital Lease. The accumulation of systematic and rational allocations of the cost of property under capital lease over the useful lives of the assets.
- 1380 Audio Visual Materials and Computer Software. The cost of audio visual materials and computer software which meet the criteria for capitalization.
- 1381 Audio Visual Materials. The cost of audio visual materials owned by a school district.
- 1382 Computer Software. The cost of computer software purchased by a school district. Specifically this refers to the set of programs and associated documentation used to control the operation of a computer. The two primary types of software are (1) **systems software** which include operating systems, programming languages, and utility programs; and (2) **application programs** that are designed to perform tasks such as data base management, spreadsheet functions, instruction, and word processing. Generally, when software is acquired with computer hardware for a single purchase price and the relative value of the software is material to the total cost, it is necessary to allocate the acquisition cost to both the software and hardware in accordance with generally accepted accounting principles for lump-sum or basket purchases. However, **systems software** acquired in conjunction with computer hardware may be recorded as part of the equipment purchase (no allocation of cost to the software) when the software will not be removed, transferred, or in any way separated from the original hardware. In the event that software which was originally recorded as equipment is subsequently removed, transferred, or detached from the original hardware, it would be necessary to retroactively allocate a portion of the original cost, if material, to the software for proper recording of the removal or transfer.
- 1388 Accumulated Depreciation - Audio Visual Materials. The accumulation of systematic and rational allocations of the cost of audio visual materials over the estimated useful lives of the assets.
- 1389 Accumulated Amortization - Computer Software. The accumulation of systematic and rational allocations of the cost of computer software over the estimated useful lives of the assets.

- 1400 Other Debits. Due to the elimination of the general long-term debt account group by GASB Statement 34, Accounts 1410 through 1450, used for Amounts Available/To Be Provided for Debt Service, are no longer necessary and therefore, have been deleted.
- 1500 Budgetary Debits. A group of general ledger accounts that normally have debit balances and are used to achieve budgetary integration within the accounting system.
  - 1510 Estimated Revenues. The amount of revenues estimated to be realized during a budget period, whether collected in the same or subsequent periods.
  - 1520 Encumbrances. Commitments in the form of purchase orders or contracts which are chargeable to an appropriation and which represent a reserve of the budgetary fund balance. Once a purchase order or contract is fulfilled, the encumbrance is removed from the accounting records.

2000 LIABILITIES, OTHER CREDITS, AND FUND BALANCES/NET ASSETS

Liabilities represent probable future sacrifices of economic benefits arising from present obligations to transfer assets or provide services as a result of past transactions. Other Credits are budgetary accounts that normally have credit balances.

- 2100 Current Liabilities. Current liabilities represent obligations expected to be paid from current financial resources usually within the operating cycle or one year.
  - 2110 Salaries, Benefits and Payroll Taxes Payable. Amounts due to employees or others for salaries, benefits, and payroll taxes.
  - 2120 Accounts Payable. Liabilities representing amounts due on open account to private persons or organizations for goods and services received by a school system. (Does not include amounts due to other funds or other governments.)
  - 2130 Judgments Payable. Amounts owed as a result of court decisions, including condemnation awards for private property taken for public use.
  - 2140 Construction Contracts Payable. Amounts due by a school system on contracts for construction of buildings or other structures, and other improvements.
  - 2150 Construction Contracts Payable - Retained Percentage. Amounts due on construction contracts representing a percentage of the total contract price that is not paid pending final inspection, the lapse of a specified time, or both.
  - 2160 Due to Other Funds. Amounts owed for goods and services rendered by a particular fund to another fund within the school district or interfund loans due within one year.
    - 2161 Due To Budgetary Funds. Amounts owed by a particular fund to another fund within the school district (excluding amounts due to school internal funds).

- 2162 Due to Internal Funds. Amounts owed by a particular fund to school internal funds within the district. Separate accounts should be maintained for each liability.
- 2170 Payroll Deductions and Withholdings. Amounts deducted from employees' salaries for withholding taxes and other purposes. A separate liability account may be used for each type of deduction.
- 2180 Matured Bonds Payable. Unpaid bonds that have reached or passed their maturity date. Account 1114, Cash with Fiscal Agent, should be used to record amounts remitted to the paying agent for payment of this liability.
- 2190 Matured Interest Payable. Unpaid interest on bonds that have reached or passed their maturity date. Account 1114, Cash with Fiscal Agent, should be used to record amounts remitted to the paying agent for payment of this liability.
- 2200 Other Current Liabilities. All other current liabilities that are not provided for specifically in preceding subsections.
- 2210 Accrued Interest Payable. Interest costs related to the current and/or prior periods, but not due until a later date. Also, amounts received at the time of a bond sale for interest accrued from the date of issuance to the date of sale.
- 2220 Deposits Payable. Liability for deposits received as a prerequisite to providing services and/or goods.
- 2230 Due to Other Agencies. Amounts owed by the reporting school district to other governmental units. Separate accounts may be maintained for each liability.
- 2240 Due to Fiscal Agent. Amounts due to fiscal agents, such as commercial banks, for servicing the district's matured debt.
- 2250 Section 237.151 Notes Payable. Amounts due on current loans authorized by Section 237.151, F.S.
- 2260 Sales Tax Payable. Sales taxes collected by the district which must be remitted to the state.
- 2270 Estimated Liability for Self-Insurance Program.
- 2271 Estimated Unpaid Claims - Self-Insurance Program. Amount needed to provide for the estimated ultimate cost of settling claims for events that have occurred on or before the balance sheet date, including reported claims and claims incurred but not reported.
- 2272 Estimated Liability for Claim Adjustment Expenses. Amount needed to provide for the estimated ultimate cost required to investigate and settle claims relating to insured events that have occurred on or before the balance sheet date, whether or not reported to the district.

- 2280 Estimated Liability for Arbitrage Rebate. Districts with a calculated arbitrage rebate liability should abate the amount of the "rebate set aside" against the interest revenue account within the fund which has generated interest earnings which are subject to rebate. This amount should be recorded as a liability of the fund earning the interest.
- 2290 Internal Accounts Payable. Amounts held on behalf of others in the internal accounts agency fund.
- 2300 Long-Term Liabilities. Long-term liabilities are debts which a school district plans to hold more than one year.
- 2310 Notes Payable. An unconditional written promise signed by the maker to pay a certain sum of money on demand or at a fixed or determinable future time, either to the bearer or to the person designated therein.
- 2312 Section 237.161/237.162 Notes Payable. Obligations authorized under the provisions of Sections 237.161 and 237.162, F.S. This includes installment loan contracts approved under this statutory authority.
- 2313 Bond Anticipation Notes. Short-term notes sold in anticipation of a bond issue which are full faith and credit obligations of the school district and are to be retired from the proceeds of the bonds to be sold.
- 2315 Obligations Under Capital Leases. The present value of future payments on capitalized lease agreements.
- 2320 Bonds Payable. The face value of obligations representing a written promise, generally under seal, to pay a specified sum of money at a designated maturity date with a fixed rate of interest payable periodically.
- 2321 State Board of Education/Capital Outlay Bond Indebtedness (COBI) Bonds Payable. Principal balance due on bonds issued by the SBE on behalf of the school district under Section 18, Article XII, of the State Constitution. Such bonds have been designated SBE or Capital Outlay Bonded Indebtedness (COBI).
- 2322 District Bonds Payable. Principal balance due on bonds issued by the school district as authorized by the voters of the district.
- 2323 Special Act Bonds Payable. Balance due on the principal amount of bonds or revenue certificates issued by the school district pursuant to authority granted by special acts of the Legislature.
- 2324 Motor Vehicle License Revenue Bonds Payable. Balance due on principal amount of bonds or revenue certificates of the school district as authorized by the legislature.
- 2330 Liability for Compensated Absences. Amounts owed to employees for unpaid vacation and sick leave liabilities based on the right to receive compensation for future absences attributable to services already rendered.

- 2340     Certificates of Participation Payable. Obligations resulting from the issuance of certificates of participation, a financing instrument which provides the issuer with cash to finance construction or capital acquisitions.
- 2350     Estimated Liability for Long-Term Claims. Amounts due for long-term claims which are not otherwise classified, including estimates of insurance claims and judgments.
- 2370     Estimated PECO Advance Payable. Obligation for the repayment of PECO funds received pursuant to Section 235.435(2), F.S.
- 2380     Other Long Term Liabilities.
- 2400     Other Credits. All other liabilities not provided for in preceding subsections.
- 2410     Deferred Revenues. Liabilities resulting from the receipt of unearned revenue.
  - 2411     Deferred Revenue-Public Education Capital Outlay (PECO). The annual allocation of PECO funds for which encumbrance authorizations have not been issued.
  - 2412     Deferred Revenue-Cash Advance From Grants. Unearned revenues represented by cash advanced for grants, etc.
  - 2413     Deferred Revenue - Other.
  - 2414     Deferred Revenue - Classrooms First Program. Unearned revenues represented by cash advanced for the Classrooms First Program.
- 2500     Budgetary Credits. A group of general ledger accounts that normally have credit balances and are used to achieve budgetary integration within the accounting system.
- 2510     Appropriations. Authority granted by the school board to make expenditures and to incur obligations in the name of the school district for specified purposes and amounts during the fiscal year.
- 2700     Fund Equity. The excess of fund assets over fund liabilities. In governmental funds, this difference represents fund balance. In proprietary and fiduciary funds, the difference represents net assets.
  - 2705     Reserved for Endowments. The segregated portion of fund balance indicating that permanent trust fund balance amounts are legally restricted for endowment purposes.
  - 2710     Reserved for State Required Carryover Programs. The segregated portion of fund balance representing the unexpended balances of categorical program funds and earmarked funds carried forward to the subsequent fiscal year pursuant to Rule 6A-1.0141, FAC.

- 2720 Reserved for Encumbrances. An account representing a portion of a fund balance segregated for outstanding encumbrances.
- 2730 Reserved for Inventory. Segregation of a portion of fund balance for the amount of ending inventory.
- 2740 Reserved for Ending Cash Balance. An account used to restrict a portion of fund balance for the amount of cash which is to be carried over for the payment in the subsequent period of expenditures related to the current period.
- 2750 Reserved for Debt Service.
- 2751 Bond Reserve. An account used to restrict a portion of the fund balance in a debt service fund which is required to be established by bond resolution.
- 2752 Other Amounts Reserved for Debt Service. Segregation of a portion of the fund balance in a debt service fund required by legal restrictions.
- 2760 Unreserved Fund Balance. The portion of fund balance representing expendable available financial resources.
- 2762 Designated for Insurance Loss Recoveries. Designated amounts of insurance proceeds which will be used to replace the loss.
- 2763 Designated for (Special Purpose).
- 2764 Designated for Special School Maintenance, Section 236.25(2), F.S.
- 2769 Undesignated.
- 2770 Net Assets, Invested in Capital Assets, Net of Related Debt. The component of the difference between assets and liabilities of proprietary funds that consists of capital assets less accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvement of those assets.
- 2780 Net Assets, Restricted. The component of the difference between assets and liabilities of proprietary funds that consists of assets with constraints placed on their use by external parties or through constitutional provisions or enabling legislation.
- 2785 Net Assets, Held in Trust. The difference between assets and liabilities of fiduciary funds.
- 2790 Net Assets, Unrestricted. The difference between assets and liabilities of proprietary funds that is not reported as net assets, invested in capital assets, net of related debt or restricted net assets.