

PRESCRIBED CODING SYSTEM

All school districts shall utilize the prescribed coding system as detailed in Sections H, I, J, K, L and M of this manual. This coding system must be uniformly complied with in order to meet objectives of the Mississippi Department of Education. This coding system will also provide financial comparability among school districts.

The overall account structure is designed to be efficient and effective and provide for a basic management tool for the individual school districts. It creates a common language for use in controlling, recording, accumulating and reporting the financial activities of the school district.

The prescribed coding system consists of a minimum of **seventeen** (17) digits and a maximum of twenty-four (24) digits. The digits should be in the format as illustrated below:

	XXXX	XXX	XXXX	XXX	XXX	XXX	XXXX
Fund or Account Group Code	XXXX						
General Ledger Code		XXX					
Function Code			XXXX				
Program Code (*)				XXX			
Object Code					XXX		
Operational Unit Code (**)						XXX	
Modifier Code (***)							XXXX

- (*) The use of program codes is optional.
- (**) The use of operational unit codes is mandatory for Expenditure Function Codes #1000 through #2490 and for all expenditures for federal program funds. The use of operational unit codes is optional for all other expenditures. (See Note #6 at the end of this section.)
- (***) The use of modifier codes is optional.

THE ONLY EXCEPTIONS TO THE PRESCRIBED CODES IN SECTIONS I, J, K AND M, AS REPORTED IN THIS MANUAL, ARE AS FOLLOWS:

FUND AND SUBSIDIARY LEDGER CODES (SECTION I)

No additions or expansions of any Section I codes are allowed.

BALANCE SHEET CODES (SECTION J)

No additions are allowed. Expansions of any Section J codes would be per the discretion of the individual school district. For reporting purposes, all expanded Section J codes **must** be collapsed back into the code expanded from.

For example:

101 Cash and Other Deposits

The school district decides to expand this code to the following:

- 101 Cash and Other Deposits
- 102 Petty Cash
- 103 Cash for Athletics
- 104 Cash for School Lunch Program

At the end of the fiscal year and before any reports are prepared the school district must collapse these expanded codes back into code 101. If they are not collapsed, the reports generated for FETS/MSIS will be rejected.

Expansions of Section J codes would require the school district's records to generate sub-totals for each expanded Section J codes and an overall total of the code expanded from.

REVENUE CODES (SECTION K)

No additions or expansions of any Section K codes are allowed.

EXPENDITURE CODES (SECTION M)

No additions are allowed. Expansions of any Section M codes would be per the discretion of the individual school district. For reporting purposes, all expanded Section M codes **must** be collapsed back into the code expanded from.

For example:

1120 Elementary Programs

The school district decides to expand this code to the following:

1121 Middle Elementary Programs
1122 East Elementary Programs
1123 South Elementary Programs
1124 North Elementary Programs
1125 West Elementary Programs

At the end of the fiscal year and before any reports are prepared, the school district must collapse these expanded codes back into function code 1120. If they are **NOT** collapsed, the reports generated for FETS/MSIS will be rejected.

Expansions of Section M codes would require the school district's records to generate sub-totals for each expanded Section M codes and an overall total of the code expanded from.

1. FUND CODE:

The first four digits will identify the fund or account group in which the transaction will be recorded. The individual fund codes are detailed in Section I of this manual.

2. GENERAL LEDGER CODES:

The three-digit general ledger codes identify the balance sheet accounts and the operation accounts in which the transaction will be recorded. The following listing illustrates the different ranges for the balance sheet and operation accounts codes.

Balance Sheet Accounts:

- 100's - Assets and Other Debits
- 200's - General Fixed Assets
- 300's - Budgetary - Revenues
- 400's - Liabilities - Current
- 500's - Liabilities - Long-term
- 600's - Budgetary - Appropriations/Encumbrances
- 700's - Fund Equity and Other Credits

The individual balance sheet account codes are detailed in Section J of this manual.

Operation Accounts:

- 800 - Revenues
- 900 - Expenditures

[NOTE: The general ledger operation account codes precede the following four-digit function codes for revenues and expenditures.]

3. FUNCTION CODES:

The four-digit function codes identify revenue or expenditure transactions. The revenue function codes are detailed in Section K of this manual. The expenditure function codes are detailed in Section M of this manual. The following listing summarizes the major section ranges for revenues and expenditures.

Revenue:

- 1000's - Local Sources
- 2000's - Intermediate Sources
- 3000's - State Sources
- 4000's - Federal Sources
- 5000's - Sixteenth Section Sources
- 6000's - Other Financing Sources
- 7000's - Direct Increases in Fund Equity

[NOTE: Each revenue function code would be preceded by an 800 general ledger code as directed in section 2 above.]

Expenditures:

- 1000's - Instruction
- 2000's - Support Services
- 3000's - Operation of Noninstructional Services
- 4000's - Sixteenth Section
- 5000's - Facilities Acquisition and Construction Services
- 6000's - Debt Service
- 7000's - Other Financing Uses
- 8000's - Direct Decreases in Fund Equity

[NOTE. Each expenditure function code would be preceded by a 900 general ledger code as directed in section 2 above.]

4. PROGRAM CODES:

The three-digit program codes may be used to identify an organizational unit or activity or project year for which financial information is to be accumulated. The use of the program code is optional. The school district will be responsible for establishing its own program codes, if utilized.

5. OBJECT CODES:

Revenue Object Codes:

The three-digit revenue object codes are provided as an optional mean of implementing GASB 34 financial reporting requirements. The following optional revenue object code ranges should be used if your district decides there is a need to further detail the individual revenue function codes. These revenue object codes may expedite and enhance the fiscal year-end government wide reporting preparation.

100's	Charges for Services
200's	Operating Grants and Contributions
300's	Capital Grants and Contributions
400's	General Revenues

The revenue object codes are detailed and explained in Section K of this manual.

Expenditure Object Codes:

The following prescribed three-digit expenditure object codes further details each expenditure transaction.

100's	Personal Services – Salaries
200's	Personal Services - Employee Benefits
300's	Purchased Professional and Technical Services

400's	Purchased Property Services
500's	Other Purchased Services
600's	Supplies
700's	Property
800's	Other Objects
900's	Other Uses of Funds

The expenditure object codes are detailed in Section M of this manual.

6. OPERATIONAL UNIT CODES:

The three-digit operational unit codes identify the specific school or cost centers of the school district. The operational unit codes to be used are the school numbers assigned by the Mississippi Department of Education for average daily attendance, personnel and other reporting purposes. The use of operational unit codes is **mandatory** for:

- a. Expenditures of every fund of the school district that are coded to expenditure function codes 1000 through 2490 for funds 1000 to 3999.
- b. All federal program expenditures, regardless of the expenditure function code.

The use of operational unit codes is **optional** for all other expenditures

7. MODIFIER CODES:

The four-digit modifier codes are used to identify any activity for which financial information is to be accumulated. The use of the modifier code is optional. The school district will be responsible for establishing its own modifier codes, if utilized.