


OHIO AUDITOR OF STATE

KEITH FABER



Fund Accounting

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Course Objectives

- This session will provide new fiscal officers an introduction to
 - Fund Accounting
 - Chart of Accounts
 - General Accounting Concepts

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What is Fund Accounting?

- Fund accounting is the activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governments
- Fund accounting is necessary to demonstrate a government's fiscal accountability.
 - Allows governments to track revenues with purpose restrictions against the expenditures made for those purposes
 - It is easier to identify which monies are available for specific purposes
- This is accomplished through the use of funds

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What is a Fund?

- A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.
- A fund segregates the monies of the government according to legal or purpose restrictions

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Fund Classifications

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

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Governmental Funds

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Permanent Funds

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General Fund

- The operating fund of the government, used to account for all financial resources except those required to be accounted for in another fund
- The general fund balance is available to the government for any purpose provided it is disbursed or transferred in accordance with Ohio law

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Special Revenue Funds

- Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects

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Special Revenue Funds

Townships (Common Examples)

- Motor Vehicle License Tax Fund
- Gasoline Tax Fund
- Road and Bridge Fund
- Cemetery Fund
- Special Levy Funds

Villages (Common Examples)

- Street Construction Maintenance and Repair Fund
- State Highway Fund
- Permissive Motor Vehicle License Tax Fund
- Cemetery Fund
- Special Levy Funds

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Debt Service Funds

- Used to account for the accumulation of resources for, and the payment of, general long-term and short-term debt principal and interest
- Should be used to report resources if legally mandated
 - Debt payable from property taxes
 - Notify the County Auditor when debt is incurred, and the County Auditor will distribute the portion of taxes or revenue collected that are to be used to pay the debt.

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Capital Project Funds

- Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- Excludes those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

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Permanent Funds

- Used to account for the financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the government's programs (used for the benefit of the government or its citizens)

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Proprietary Funds

- Enterprise Funds
- Internal Service Funds

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Enterprise Funds

- May be used to account for any activity for which a fee is charged to external users for goods or services

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Internal Service Funds

- May be used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

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Fiduciary Funds

- Used to report assets held in a trustee or custodial capacity for others and cannot be used to support the government's own programs
- The assets associated with the activity are NOT derived from either:
 1. Solely from the township's own source revenues, or
 2. From government-mandated nonexchange transactions or voluntary nonexchange transactions, with the exception of pass-through grants, for which the government does not have administrative involvement or direct financial involvement

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Fiduciary Funds

- Pension (and Other Employee Benefit) Trust
- Investment Trust
- Private Purpose Trust
- Custodial

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Pension (and Other Employee Benefit) Trust

- Used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contributions plans, other postemployment benefit plans, or other employee benefit plans

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Investment Trust

- Accounts for the financial resources of an external investment pool that the government sponsors
- Very Rare

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Private Purpose Trust

- Used to report all trust arrangements, other than those properly reported in pension (and other employee benefit) or investment trust funds
- The assets are (a) administered through a trust in which the government itself is not a beneficiary, (b) dedicated to providing benefits to recipients in accordance with the benefit terms, and (c) legally protected from the creditors of the government

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Custodial Funds

- Account for fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds

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Establishment of Funds

- General statutory requirements for the creation of funds are found in Ohio Revised Code § 5705.09
- Townships/Villages shall establish the following funds:
 - General fund
 - Sinking fund or bond retirement fund
 - Special fund for each special levy
 - Special bond fund for each bond issue
 - Special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose
 - Special fund for each public utility operated by a township
 - Trust fund for any amount received by a township in trust

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Establishment of Funds

- Statutory requirements for the creation of certain special funds are found in Ohio Revised Code § 5705.121
- Villages
 - Police Pension Fund
 - Urban Redevelopment Tax Increment Equivalent Fund
 - Cemetery Fund
- Villages
 - Cemetery Fund
- Capital Projects Funds (Ohio Revised Code § 5705.13)

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Establishing a New Fund

- The establishment of certain new funds may require Auditor of State approval
- It is necessary to submit requests to the Auditor of State when the creation of the fund is not specifically authorized by statute or when the purpose of the fund is not identified in Ohio Revised Code §§ 5705.09 (A) – (I)
- Auditor of State approval for a new fund is also necessary when,
 - Management wants to capture additional financial information about a specific revenue source or activity;
 - When the fund will be used to account for restricted gifts or bequests that will not be held in trust; or
 - When management wants to impose internal restrictions not otherwise required by law

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Establishing a New Fund

- Auditor of State approval is **not** necessary when the creation of the desired fund is already authorized or required by statute (either specifically by name, or in general)
- Auditor of State approval is **not** necessary to establish a new fund when the purpose of the fund will be to record and expend the proceeds of debt, to account for a new grant whose use is restricted to a particular purpose or to account for money received in trust

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Requesting Auditor of State Approval

- Refer to Auditor of State Bulletin 99-006
- The form and instructions for requesting Auditor of State approval for a new fund can be found in the Ohio Township Handbook and the Village Officer's Handbook
- The information is also available at <https://www.ohioauditor.gov/resources/AOSNotifications.html>

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Chart of Accounts

- Proper record keeping requires the establishment of a chart of accounts
- The Auditor of State supports a numeric chart of accounts for Uniform Accounting Network clients

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Fund Balance Classifications

- Fund balance is the difference between assets and liabilities reported in a governmental fund
- Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the constraints on the specific purposes for which amounts in those funds can be spent

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Fund Balance Classifications

- The five classifications are:
 - Nonspendable
 - Restricted
 - Committed
 - Assigned
 - Unassigned

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Fund Balance Classifications

- Nonspendable fund balance classification includes amounts that cannot be spent because they are either
 - (a) Not in spendable form or
 - (b) Legally or contractually required to be maintained intact.
- The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.
- The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact

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Fund Balance Classifications

- Restricted classification is used when constraints placed on the use of resources are either
 - (a) Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (i.e., State Statutes); or
 - (b) Imposed by law through constitutional provisions (City Charter) or enabling legislation
- In Ohio, municipalities have the ability to enact enabling legislation (i.e., impact fees) while most other local governments (counties, townships, school districts etc.) operate solely within State statute.

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Fund Balance Classifications

- Committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority
- Once an amount is committed, it cannot be used for any other purpose unless the government, by taking the same type of action (resolution or ordinance), removes or changes the constraint

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Fund Balance Classifications

- Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
 - Contracts awarded by resolution or through the bid process authorized by resolution of the governing board.
- Typically, this issue will be limited to the general fund because of its residual (unassigned) fund balance classification.

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Fund Balance Classifications

- Certain “Charges for Services” and “Fees” have no external constraints; instead the constraints are internally generated by the government’s highest level of decision-making authority.
- To commit the resource, the language in the ordinance/resolution creating the constraint should identify both the revenue source and the constraint.
- Examples include: charges for services related to swimming pools, parking lots, recreation centers, garbage collections, and transit services

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Fund Balance Classifications

- The primary difference between a restricted and committed fund balance is a matter of legal enforceability
- Constraints that are externally imposed (restricted) are legally enforceable, while constraints that are imposed by the local government (committed) are not considered to be legally enforceable

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Fund Balance Classifications

- Assigned fund balance includes amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed
- The governing body’s intent may be expressed by a motion, but not by formal action such as a resolution or ordinance
- Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed
- Some governments may not have both committed and assigned fund balances, as not all governments have multiple levels of decision-making authority

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Fund Balance Classifications

- Unassigned fund balance is the residual classification for the general fund
- Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund
- In governmental funds other than the general fund, the unassigned classification should be used only to report a deficit balance

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Chart of Accounts

- Fund
- Revenue - for receipts and other financial resources
- Appropriations - for expenditures and other financial uses
 - Programs
 - Objects

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Fund Chart of Accounts

- Each fund is assigned a unique fund number, based on the fund type

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Fund Chart of Accounts

Townships

- Governmental Funds:
 - General Fund – 1000
 - Special Revenue Funds – 2011-2999
 - Debt Service Funds – 3101-3999
 - Capital Project Funds – 4101-4949
 - Permanent Funds – 4951-4999
- Proprietary Funds:
 - Enterprise Funds – 5001-5999
 - Internal Service Funds – 6001-6999
- Fiduciary Funds:
 - Custodial Funds – 9001-9249
 - Investment Trust Funds – 9501-9749
 - Private Purpose Trust Funds – 9751-9999

Villages

- Governmental Funds:
 - General Fund – 1000
 - Special Revenue Funds – 2011-2999
 - Debt Service Funds – 3101-3999
 - Capital Project Funds – 4101-4949
 - Permanent Funds – 4951-4999
- Proprietary Funds:
 - Enterprise Funds – 5101-5919
 - Internal Service Funds – 6101-6999
- Fiduciary Funds:
 - Custodial Funds – 9101-9924
 - Investment Trust Funds – 9951-9974
 - Private Purpose Trust Funds – 9976-9999

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Revenue Chart of Accounts

- Each revenue source is assigned a unique revenue code based on the type of revenue

Townships

- Property and Other Local Taxes – 101-199
- Charges for Services – 201-299
- Licenses, Permits and Fees – 301-399
- Fines and Forfeitures – 401-499
- Intergovernmental – 511-599
- Special Assessments – 601-699
- Earnings on Investments – 701-799
- Miscellaneous – 801-892
- Other Financing Sources – 911-999

Villages

- Property and Other Local Taxes – 110-190
- Intergovernmental – 211-290
- Special Assessments – 310-390
- Intergovernmental – 411-490
- Charges for Services – 511-590
- Fines, Licenses and Permits – 611-690
- Earnings on Investments – 701-790
- Miscellaneous – 811-892
- Other Financing Sources – 911-999

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Appropriation Chart of Accounts

- Expenditures and uses of financial resources are assigned both a program code and object code
- Programs provide information on the overall purposes or objectives of expenditures
- Objects identify the types of items purchased or services obtained

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Appropriation Chart of Accounts

• Program codes include:

Townships

- General Government – 110-190
 - Administrative, Townhalls, Memorial Buildings and Grounds, Zoning, Self-Insurance
- Public Safety – 210-290
 - Police Protection, Fire Protection, Emergency Medical Services, Civil Defense
- Public Works – 310-390
 - Lighting, Sanitary Dump, Highways
- Health – 410-490
 - Cemeteries, Health Districts, Underground Storage Tanks

Villages

- Security of Persons and Property – 110-190
 - Police Enforcement, Fire Fighting, Prevention and Inspection, Street Lighting, Civil Defense, Traffic Signals, Signs and Marking, Emergency Medical Services
- Public Health Services – 210-290
 - Payment to County Health District, Payment to County Human Services Program, Other Assistance to Needy, Cemetery
- Leisure Time Activities – 310-390
 - Recreation, Provide and Maintain Parks, Cultural Facilities, Swimming Pool, Concessions

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Appropriation Chart of Accounts

• Program codes include:

Townships (continued)

- Human Services – 510-590
- Recreation – 610-690
- Other – 710
- Intergovernmental – 730
- Capital Outlay – 760
- Fiduciary Distributions – 781-789
- Debt Service – 810-890
 - Bond Principal Payment, Note Principal Payment, Interest, Fiscal Charges, Discount on Debt

Villages (continued)

- Community Environment – 410-490
 - Community Planning and Zoning, Public Housing Projects
- Basic Utility Services – 511-599
 - Electric, Gas, Water, Sanitary Sewers and Sewage, Storm Sewers and Drains, Refuse Collection and Disposal
- Transportation – 610-699
- General Government – 710-790
 - Mayor and Administrative Offices, Legislative Activities, Mayor's Court, Clerk – Treasurer, Lands and Buildings, Boards and Commissions, Solicitor

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Appropriation Chart of Accounts

• Program codes include:

Townships (continued)

- Other Financing Uses – 910-990
 - Transfers, Advances, Contingencies

Villages (continued)

- Capital Outlay – 800
- Debt Service – 850
- Intergovernmental – 870
- Fiduciary Distributions – 881-889
- Other Financing Uses – 910-990
 - Transfers, Advances, Contingencies

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Appropriation Chart of Accounts

- Object codes include:

Townships
 - Salaries – 100's
 - Employee Fringe Benefits – 200's
 - Employer's Retirement Contributions, Insurance Benefits, Employee Reimbursements
 - Purchased Services – 300's
 - Professional and Technical Services, Property Services, Communications, Printing and Advertising, Utilities, Insurance and Bonding
 - Supplies and Materials – 400's
 - Other – 500's
 - Dues and Fees, Claims, Other Expenses
 - Capital Outlay – 700's

Villages
 - Salaries – 100's
 - Employee Fringe Benefits – 200's
 - Employer's Retirement Contributions, Insurance Benefits, Employee Reimbursements
 - Contractual Services – 300's
 - Professional and Technical Services, Property Services, Communications, Printing and Advertising, Utilities, Insurance and Bonding
 - Supplies and Materials – 400's
 - Capital Outlay – 500's
 - Other – 600's
 - Deposits, Damages, Claims

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Appropriation Chart of Accounts

- Object codes include:

Townships (continued)
 - Debt Service – 810-890 & 940
 - Principal, Interest, Fiscal Charges, Discounts on Debt, Payment to Refunded Bond Escrow Agent *(from resources other than bond proceeds)*
 - Other Financing Uses – 910-990
 - Transfers Out, Advances Out, Contingencies, Payment to Refunded Bond Escrow Agent *(from bond proceeds)*

Villages (continued)
 - Debt Service – 710-790 & 940
 - Principal, Interest, Fiscal Charges, Discounts on Debt, Payment to Refunded Bond Escrow Agent *(from resources other than bond proceeds)*
 - Other Financing Uses – 900's
 - Transfers Out, Advances Out, Contingencies, Payment to Refunded Bond Escrow Agent *(from bond proceeds)*

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Basic Accounting Concepts

- Revenues
 - Receipts
- Expenditures
 - Requisitions
 - Purchase Orders
 - Vouchers and Checks
- Transfers and Advances
- Bank Reconciliations

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Revenues

- All money received by the government is to be recorded into the accounting system and documented through the use of a receipt or a "pay-in"
- Entered into the accounting system by the fiscal officer
- The accounting system generates a receipt (pay-in) which should include:
 - Receipt number
 - Total amount received
 - Date money was received
 - Payer
 - Reason for receipt
 - Fund to which revenue is to be credited
 - Receipt code
 - Fiscal Officer's signature
- Receipts should be deposited daily
- Governing Body may approve a policy to allow up to three days between receipt of money to deposit (Ohio Revised Code § 9.38)

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Refund of Receipts

- Appropriate in the case of
 - Overpayments
 - Return of deposits
 - Repayment of money when a service was not provided
- Post as reduction of original receipt code used if in the same year
- Post as expenditure if in subsequent year

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Expenditures

- A good or service is determined to be necessary and a requisition is prepared and submitted for approval
- Prior to expending moneys, there needs to be a certification of the availability of funds
 - Accomplished through the use of a Purchase Order
- Payment of Invoices
 - Compare invoiced items, prices and quantities to purchase order and billing slips
 - Recompute invoices to ensure accurate extensions and totals
- A voucher is prepared and filed
 - A voucher is a written order to draw a check in payment of a lawful obligation which includes a requisition, purchase order, invoice, and receiving order or billing slip
- A check is drawn and sent to vendor

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Purchase Orders

- Ohio Revised Code § 5705.41(D)(1), states that no contracts or orders involving the expenditure of money may be made unless the fiscal officer has certified that “the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of the appropriate fund free from any previous encumbrances”
- Certification is accomplished with the issuance of a purchase order
- Any contract made without this certification shall be void and no warrant shall be issued in payment

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Purchase Orders

- Types of purchase orders
 - Regular
 - Blanket
 - Super Blanket
 - Then and Now

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Purchase Orders

- Regular Purchase Order
 - Issued when the purchase of a specific item(s) from a specific vendor is planned
 - Also must specify at least one appropriation account
 - No limit to the dollar amount
 - Does not expire and can therefore carry-over into subsequent year
 - May be encumber more than one fund and appropriation line item
 - This certificate only needs to be signed by the fiscal officer

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Purchase Orders

- Blanket Purchase Order
 - Council/Trustees must, by resolution, set a dollar amount above which Blanket POs may not exceed
 - Use when the vendor, price, or quantity is open ended or not known
 - An amount, not exceeding the amount limiting blanket POs voted on by the Trustees, must be included on the purchase order
 - Only one Blanket PO can be open against a particular line-item appropriation account
 - Does not extend past the end of the year
 - This certificate only needs to be signed by the fiscal officer

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Purchase Orders

- Super Blanket Purchase Order
 - No limit to the dollar amount
 - Can only be for the following specific uses:
 - Most Professional Services
 - Fuel Oil, Gasoline, Food Items, Roadway Materials
 - Utilities
 - Any purchase exempt from competitive bidding under Ohio Revised Code §125.04
 - Any other specific expenditure that is a recurring and reasonably predictable operating expense
 - One or multiple vendors
 - One account code
 - Multiple Super Blanket PO can be open against a particular line-item appropriation account
 - Does not extend past the end of the year
 - This certificate only needs to be signed by the fiscal officer

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Purchase Orders

- Then and Now Certificate
 - Used when prior approval for purchase was not obtained
 - If there were unencumbered appropriations at the time of purchase (then) and there are currently (now) unencumbered appropriations
 - If the amount is less than \$3,000, the fiscal officer may authorize the expenditure
 - If the amount is greater than \$3,000, the Trustees/Council must pass a resolution authorizing the expenditure
 - Resolution must be passed within 30 days of receipt of the fiscal officer's certification
 - Should be the exception, rather than the rule

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Purchase Orders

- Purchase orders should be numbered consecutively
- Each purchase order should be made out in triplicate by the purchasing authority
- Two copies should be filed with the fiscal officer who will complete both
 - Forward one copy to the vendor
 - The other copy should be used as a source entry for posting in the appropriation ledger
- The third copy should be returned to the individual initiating the purchase order (or requisition)
 - The third copy should serve as a receiving report and be returned to the fiscal officer once the items are received and verified
 - The third copy of the purchase order should then be attached to the voucher along with the invoice

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Expenditures

- A voucher is prepared and filed
 - Date
 - Payee
 - Purchase order number
 - Account number
 - Amount
 - Check number
- A voucher is a written order to draw a check in payment of a lawful obligation which includes a requisition, purchase order, and invoice
- A check is drawn and sent to vendor

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Reductions (Refunds) of Expenditures

- Appropriate for:
 - Overpayments returned to the Village
 - Return of a deposit
 - Repayment of money to the government when a service was not provided to them
 - Expenditures within the same fiscal year the payment actually occurred
- Not Appropriate for:
 - Reimbursements from other entities for services provided
 - Reimbursement of general fund expenditures from the State or other governments
 - Refund of prior year's expenditures (should be recorded as revenue when received)

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Transfers and Advances

- A transfer is a permanent reallocation of cash from one fund to another
- Trustees/Council must pass a resolution authorizing the transfer
- Transfers must be included on your certificate of estimated resources and appropriation resolution
- Ohio Revised Code §§ 5705.14 through 5705.16 describe allowable transfers
- Only the general fund may transfer monies to another fund, with certain exceptions
 - Exceptions relate to funds no longer needed for the purpose they were created
 - Some exceptions require permission from the Ohio Tax Commissioner
 - Ohio Revised Code § 5705.13(c) allows for establishment of a capital projects fund for the purpose of accumulating resources for acquiring fixed assets

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Transfers and Advances

- Advances are temporary reallocations of cash from one fund to another
- Must be statutory authority to use the money in the fund advancing the cash for the same purpose as the fund receiving the cash
- Made from a less restricted fund to a more restricted fund
- The reimbursement must not violate any restrictions on the money being used to make the reimbursement
- Advances must be approved by a formal resolution passed the legislative body
 - Resolution includes:
 - The amount of the advance
 - The name of the fund advancing the money
 - The name of the fund receiving the money
 - The source of funds used to repay the advance
 - An estimated repayment date

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Transfers and Advances

- Advances may be subsequently converted to a transfer if the fund initially receiving the advance will not be able to repay the advance
- Perform the necessary procedures for approval of a transfer
- In the year of the initial advance,
 - Record the transfer in the cash journal, receipts journal and appropriations ledger
 - Reverse the advance
 - Update the Amended Certificate of Estimated Resources
 - Amend the Appropriations Resolution
- In a year subsequent to the initial advance,
 - Perform the necessary procedures for approval of a transfer
 - Update the Certificate of Available Balances

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Bank Reconciliation

- It is essential that bank reconciliations be performed every month!
- Should be done as soon as the month closes
- Reconciliation should include all of the governments financial accounts
 - Checking
 - Savings
 - Investment Portfolios
- Add in the total of Deposits in Transit
- Subtract off total of Current Outstanding Checks
- Reconciled balance should match the total of the cash book for the month

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Bank Reconciliation

- Ensure that checks cleared the bank for the amounts that they were issued for
 - Ensure checks were not cleared more than once
- Ensure deposits on the bank statement match deposit slips and pay-in totals
- Verify that all EFT/ACH payments have been recorded into the accounting system
 - EFT Remit Lookup (used to electronic payments from the State of Ohio/OAKS)
 - <https://remitlookup.obm.ohio.gov/default.aspx>

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OAKS EFT Remittance Lookup

- Vendor ID is a numeric code unique to each entity
- Key# is the ZIP Code of your entity
- Email ID: should be the fiscal officer's email address
- Search by Date Range and Remitting Agency OR Amount, Invoice, Voucher, Payment ID
- <https://remitlookup.obm.ohio.gov/default.aspx>

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Hinkle System Financial Reporting

- The Hinkle System is an internet-based application that allows certain financial statement, debt, and demographic data to be entered and/or uploaded and transmitted to the Auditor of State to satisfy the filing requirements prescribed by the Ohio Revised Code and the Ohio Administrative Code. The Hinkle System increases uniformity in financial reporting, generates the statutory reports for the governor and general assembly required pursuant to ORC §117.38, and provides users of this information improved access and functionality
- All entities required to file annually with the Auditor of State are required to file via our Hinkle Annual Financial Data Reporting System (Hinkle System)
 - For townships and villages, the filing deadline is sixty (60) days after year-end

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Hinkle System Financial Reporting

- For most UAN clients, the entity's required filing via the Hinkle System will be completed as part of their year-end UAN reporting
- Meeting this requirement for UAN members occurs when the AFR internet upload (or disc) containing the end of year filing data of the government is received by UAN
- The Year End Procedures booklet includes instructions
 - An application update in the fourth quarter contains the latest booklet

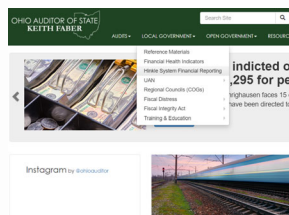
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Hinkle System Financial Reporting

- Questions? – Access the Hinkle System Financial Reporting System webpage
- Visit OhioAuditor.gov
 - Local Government tab
 - Select Hinkle System Financial Reporting



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Hinkle System Financial Reporting

- Quick Guides for filing in the Hinkle System are available under the resources section of the webpage and are available for various specific entities
- Webinar for Preparing Notes to the Financials is available under the Additional Guidance section under References
- Course handout materials are also available

Guidelines

References

Guidelines

- [How to Prepare the Financial Statements](#)
- [Entity Manual to the Single-Entity Form of Accounting](#)
- [Comparative Financial Statements](#)

References

- [Quick Guides](#)
- [Specific Entity System Quick Guides](#)
 - [County](#)
 - [City](#)
 - [Village](#)
 - [Township](#)
 - [Other](#)
- [Other Guides](#)
 - [Financial Reporting](#)
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- [Other](#)
 - [Additional Guidance](#)

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OHIO AUDITOR OF STATE
KEITH FABER

Michelle R. Wears, CPA
Chief Project Manager

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Assistant Chief Project Manager

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2025 Local Government Officials Conference

Fund Accounting

Appendix



Ohio Revised Code

Section 5705.09 Establishment of funds.

Effective: October 1, 1953

Legislation: House Bill 1 - 100th General Assembly

Each subdivision shall establish the following funds:

- (A) General fund;
 - (B) Sinking fund whenever the subdivision has outstanding bonds other than serial bonds;
 - (C) Bond retirement fund, for the retirement of serial bonds, notes, or certificates of indebtedness;
 - (D) A special fund for each special levy;
 - (E) A special bond fund for each bond issue;
 - (F) A special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose;
 - (G) A special fund for each public utility operated by a subdivision;
 - (H) A trust fund for any amount received by a subdivision in trust.
-



Ohio Revised Code

Section 5705.12 Approval to establish special funds.

Effective: July 22, 1998

Legislation: House Bill 426 - 122nd General Assembly

In addition to the funds provided for by sections 5705.09, 5705.121, 5705.13, and 5705.131 of the Revised Code, the taxing authority of a subdivision may establish, with the approval of and in the manner prescribed by the auditor of state, such other funds as are desirable, and may provide by ordinance or resolution that money derived from specified sources other than the general property tax shall be paid directly into such funds. The auditor of state shall consult with the tax commissioner before approving such funds.



Ohio Revised Code

Section 5705.121 Other special funds.

Effective: [March 22, 2019](#)

Legislation: [House Bill 500 - 132nd General Assembly](#)

A municipal corporation may establish in the manner provided by law a sanitary police pension fund, an urban redevelopment tax increment equivalent fund, or a cemetery fund.

A township may establish by law a cemetery fund.

A subdivision that levies a tax for the purpose described in division (ZZ) or (AAA) of section 5705.19 of the Revised Code shall establish a general capital and infrastructure fund to which the proceeds from that levy shall be credited. By resolution or ordinance, the taxing authority may establish accounts within that fund for any of the several particular purposes for which such money may lawfully be spent, may eliminate such accounts when no longer necessary or desirable, and may transfer money between such accounts. Money in the fund may not be used to pay the compensation of officers or employees of the subdivision.



Ohio Revised Code

Section 5705.13 Reserve balance accounts - special revenue fund - capital projects fund.

Effective: [March 27, 2020](#)

Legislation: [House Bill 197 - 133rd General Assembly](#)

(A) A taxing authority of a subdivision, by resolution or ordinance, may establish reserve balance accounts to accumulate currently available resources for the following purposes:

- (1) To stabilize subdivision budgets against cyclical changes in revenues and expenditures;
- (2) Except as otherwise provided by this section, to provide for the payment of claims and deductibles under an individual or joint self-insurance program for the subdivision, if the subdivision is permitted by law to establish such a program;
- (3) To provide for the payment of claims, assessments, and deductibles under a self-insurance program, individual retrospective ratings plan, group rating plan, group retrospective rating plan, medical only program, deductible plan, or large deductible plan for workers' compensation.

The ordinance or resolution establishing a reserve balance account shall state the purpose for which the account is established, the fund in which the account is to be established, and the total amount of money to be reserved in the account.

Not more than one reserve balance account may be established for each of the purposes permitted under divisions (A)(2) and (3) of this section. Money to the credit of a reserve balance account may be expended only for the purpose for which the account was established.

A reserve balance account established for the purpose described in division (A)(1) of this section may be established in the general fund or in one or more special funds for operating purposes of the subdivision. The amount of money to be reserved in such an account in any fiscal year shall not exceed five per cent of the revenue credited in the preceding fiscal year to the fund in which the account is established, or, in the case of a reserve balance account of a county or of a township, the greater of that amount or one-sixth of the expenditures during the preceding fiscal year from the fund



in which the account is established. Subject to division (F) of section 5705.29 of the Revised Code, any reserve balance in an account established under division (A)(1) of this section shall not be considered part of the unencumbered balance or revenue of the subdivision under division (A) of section 5705.35 or division (A)(1) of section 5705.36 of the Revised Code.

At any time, a taxing authority of a subdivision, by resolution or ordinance, may reduce or eliminate the reserve balance in a reserve balance account established for the purpose described in division (A)(1) of this section.

A reserve balance account established for the purpose described in division (A)(2) or (3) of this section shall be established in the general fund of the subdivision or by the establishment of a separate internal service fund established to account for the operation of an individual or joint self-insurance program described in division (A)(2) of this section or a workers' compensation program or plan described in division (A)(3) of this section, and shall be based on sound actuarial principles. The total amount of money in a reserve balance account for self-insurance may be expressed in dollars or as the amount determined to represent an adequate reserve according to sound actuarial principles.

A taxing authority of a subdivision, by resolution or ordinance, may rescind a reserve balance account established under this division. If a reserve balance account is rescinded, money that has accumulated in the account shall be transferred to the fund or funds from which the money originally was transferred.

(B) A taxing authority of a subdivision, by resolution or ordinance, may establish a special revenue fund for the purpose of accumulating resources for the payment of accumulated sick leave and vacation leave, and for payments in lieu of taking compensatory time off, upon the termination of employment or the retirement of officers and employees of the subdivision. The special revenue fund may also accumulate resources for payment of salaries during any fiscal year when the number of pay periods exceeds the usual and customary number of pay periods. Notwithstanding sections 5705.14, 5705.15, and 5705.16 of the Revised Code, the taxing authority, by resolution or ordinance, may transfer money to the special revenue fund from any other fund of the subdivision from which such payments may lawfully be made. The taxing authority, by resolution or ordinance, may rescind a special revenue fund established under this division. If a special revenue fund is rescinded, money



that has accumulated in the fund shall be transferred to the fund or funds from which the money originally was transferred.

(C) A taxing authority of a subdivision, by resolution or ordinance, may establish a capital projects fund for the purpose of accumulating resources for the acquisition, construction, or improvement of fixed assets of the subdivision. For the purposes of this section, "fixed assets" includes motor vehicles. More than one capital projects fund may be established and may exist at any time. The ordinance or resolution shall identify the source of the money to be used to acquire, construct, or improve the fixed assets identified in the resolution or ordinance, the amount of money to be accumulated for that purpose, the period of time over which that amount is to be accumulated, and the fixed assets that the taxing authority intends to acquire, construct, or improve with the money to be accumulated in the fund.

A taxing authority of a subdivision shall not accumulate money in a capital projects fund for more than ten years after the resolution or ordinance establishing the fund is adopted. If the subdivision has not entered into a contract for the acquisition, construction, or improvement of fixed assets for which money was accumulated in such a fund before the end of that ten-year period, the fiscal officer of the subdivision shall transfer all money in the fund to the fund or funds from which that money originally was transferred or the fund that originally was intended to receive the money.

A taxing authority of a subdivision, by resolution or ordinance, may rescind a capital projects fund. If a capital projects fund is rescinded, money that has accumulated in the fund shall be transferred to the fund or funds from which the money originally was transferred.

Notwithstanding sections 5705.14, 5705.15, and 5705.16 of the Revised Code, the taxing authority of a subdivision, by resolution or ordinance, may transfer money to the capital projects fund from any other fund of the subdivision that may lawfully be used for the purpose of acquiring, constructing, or improving the fixed assets identified in the resolution or ordinance.



Ohio Revised Code

Section 5705.41 Restriction upon appropriation and expenditure of money - certificate of fiscal officer.

Effective: September 28, 2012

Legislation: House Bill 509 - 129th General Assembly

No subdivision or taxing unit shall:

(A) Make any appropriation of money except as provided in Chapter 5705. of the Revised Code; provided, that the authorization of a bond issue shall be deemed to be an appropriation of the proceeds of the bond issue for the purpose for which such bonds were issued, but no expenditure shall be made from any bond fund until first authorized by the taxing authority;

(B) Make any expenditure of money unless it has been appropriated as provided in such chapter;

(C) Make any expenditure of money except by a proper warrant drawn against an appropriate fund;

(D)(1) Except as otherwise provided in division (D)(2) of this section and section 5705.44 of the Revised Code, make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation or, in the case of a continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made, has been lawfully appropriated for such purpose and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every such contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon. If no certificate is furnished as required, upon receipt by the taxing authority of the subdivision or taxing unit of a certificate of the fiscal officer stating that there was at the time of the making of such contract or order and at the time of the execution of such certificate a sufficient sum appropriated for the purpose of such contract and in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances, such taxing authority may authorize the drawing of a warrant in payment of amounts due upon such contract, but such resolution or ordinance shall be passed within thirty days after the taxing authority receives such



certificate; provided that, if the amount involved is less than one hundred dollars in the case of counties or three thousand dollars in the case of all other subdivisions or taxing units, the fiscal officer may authorize it to be paid without such affirmation of the taxing authority of the subdivision or taxing unit, if such expenditure is otherwise valid.

(2) The board of county commissioners may adopt a resolution exempting county purchases of one thousand dollars or less from the requirement of division (D)(1) of this section that a certificate be attached to any contract or order involving the expenditure of money. The resolution shall state the dollar amount that is exempted from the certificate requirement and whether the exemption applies to all purchases, to one or more specific classes of purchases, or to the purchase of one or more specific items. Prior to the adoption of the resolution, the board shall give written notice to the county auditor that it intends to adopt the resolution. The notice shall state the dollar amount that is proposed to be exempted and whether the exemption would apply to all purchases, to one or more specific classes of purchases, or to the purchase of one or more specific items. The county auditor may review and comment on the proposal, and shall send any comments to the board within fifteen days after receiving the notice. The board shall wait at least fifteen days after giving the notice to the auditor before adopting the resolution. A person authorized to make a county purchase in a county that has adopted such a resolution shall prepare and file with the county auditor, within three business days after incurring an obligation not requiring a certificate, or within any other period of time the board of county commissioners specifies in the resolution, a written or electronically transferred document specifying the purpose and amount of the expenditure, the date of the purchase, the name of the vendor, the specific appropriation items from which the expenditures are to be made, and any additional information as the auditor of state may prescribe.

(3) Upon certification by the auditor or other chief fiscal officer that a certain sum of money, not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority of the subdivision or taxing unit, has been lawfully appropriated, authorized, or directed for a certain purpose and is in the treasury or in the process of collection to the credit of a specific line-item appropriation account in a certain fund free from previous and then outstanding obligations or certifications, then for such purpose and from such line-item appropriation account in such fund, over a period not extending beyond the end of the fiscal year, expenditures may be made, orders for payment issued, and contracts or obligations calling for or requiring the payment of money made and assumed; provided, that the aggregate sum of money



included in and called for by such expenditures, orders, contracts, and obligations shall not exceed the sum so certified. Such a certification need be signed only by the fiscal officer of the subdivision or the taxing district and may, but need not, be limited to a specific vendor. An itemized statement of obligations incurred and expenditures made under such certificate shall be rendered to the auditor or other chief fiscal officer before another such certificate may be issued, and not more than one such certificate shall be outstanding at a time.

In addition to providing the certification for expenditures as specified in this division, a subdivision also may make expenditures, issue orders for payment, and make contracts or obligations calling for or requiring the payment of money made and assumed for specified permitted purposes from a specific line-item appropriation account in a specified fund for a sum of money upon the certification by the fiscal officer of the subdivision that this sum of money has been lawfully appropriated, authorized, or directed for a permitted purpose and is in the treasury or in the process of collection to the credit of the specific line-item appropriation account in the specified fund free from previous and then-outstanding obligations or certifications; provided that the aggregate sum of money included in and called for by the expenditures, orders, and obligations shall not exceed the certified sum. The purposes for which a subdivision may lawfully appropriate, authorize, or issue such a certificate are the services of an accountant, architect, attorney at law, physician, professional engineer, construction project manager, consultant, surveyor, or appraiser by or on behalf of the subdivision or contracting authority; fuel oil, gasoline, food items, roadway materials, and utilities; and any purchases exempt from competitive bidding under section 125.04 of the Revised Code and any other specific expenditure that is a recurring and reasonably predictable operating expense. Such a certification shall not extend beyond the end of the fiscal year or, in the case of a board of county commissioners that has established a quarterly spending plan under section 5705.392 of the Revised Code, beyond the quarter to which the plan applies. Such a certificate shall be signed by the fiscal officer and may, but need not, be limited to a specific vendor. An itemized statement of obligations incurred and expenditures made under such a certificate shall be rendered to the fiscal officer for each certificate issued. More than one such certificate may be outstanding at any time.

In any case in which a contract is entered into upon a per unit basis, the head of the department, board, or commission for the benefit of which the contract is made shall make an estimate of the total amount to become due upon such contract, which estimate shall be certified in writing to the



fiscal officer of the subdivision. Such a contract may be entered into if the appropriation covers such estimate, or so much thereof as may be due during the current year. In such a case the certificate of the fiscal officer based upon the estimate shall be a sufficient compliance with the law requiring a certificate.

Any certificate of the fiscal officer attached to a contract shall be binding upon the political subdivision as to the facts set forth therein. Upon request of any person receiving an order or entering into a contract with any political subdivision, the certificate of the fiscal officer shall be attached to such order or contract. "Contract" as used in this section excludes current payrolls of regular employees and officers.

(E) Taxes and other revenue in process of collection, or the proceeds to be derived from authorized bonds, notes, or certificates of indebtedness sold and in process of delivery, shall for the purpose of this section be deemed in the treasury or in process of collection and in the appropriate fund. This section applies neither to the investment of sinking funds by the trustees of such funds, nor to investments made under sections 731.56 to 731.59 of the Revised Code.

No district authority shall, in transacting its own affairs, do any of the things prohibited to a subdivision by this section, but the appropriation referred to shall become the appropriation by the district authority, and the fiscal officer referred to shall mean the fiscal officer of the district authority.



Ohio Revised Code

Section 5705.14 Transfer of funds.

Effective: January 1, 2018

Legislation: House Bill 26 - 132nd General Assembly

No transfer shall be made from one fund of a subdivision to any other fund, by order of the court or otherwise, except as follows:

(A) The unexpended balance in a bond fund that is no longer needed for the purpose for which such fund was created shall be transferred to the sinking fund or bond retirement fund from which such bonds are payable.

(B) The unexpended balance in any specific permanent improvement fund, other than a bond fund, after the payment of all obligations incurred in the acquisition of such improvement, shall be transferred to the sinking fund or bond retirement fund of the subdivision; provided that if such money is not required to meet the obligations payable from such funds, it may be transferred to a special fund for the acquisition of permanent improvements, or, with the approval of the court of common pleas of the county in which such subdivision is located, to the general fund of the subdivision.

(C)(1) Except as provided in division (C)(2) of this section, the unexpended balance in the sinking fund or bond retirement fund of a subdivision, after all indebtedness, interest, and other obligations for the payment of which such fund exists have been paid and retired, shall be transferred, in the case of the sinking fund, to the bond retirement fund, and in the case of the bond retirement fund, to the sinking fund; provided that if such transfer is impossible by reason of the nonexistence of the fund to receive the transfer, such unexpended balance, with the approval of the court of common pleas of the county in which such division is located, may be transferred to any other fund of the subdivision.

(2) Money in a bond fund or bond retirement fund of a city, local, exempted village, cooperative education, or joint vocational school district may be transferred to a specific permanent improvement fund provided that the county budget commission of the county in which the school district is located approves the transfer upon its determination that the money transferred will not be required to meet the obligations payable from the bond fund or bond retirement fund. In arriving at such a



Ohio Revised Code

Section 5705.15 Transfer of public funds - exceptions.

Effective: October 1, 1953

Legislation: House Bill 1 - 100th General Assembly

In addition to the transfers authorized in section 5705.14 of the Revised Code, the taxing authority of any political subdivision may, in the manner provided in this section and section 5705.16 of the Revised Code, transfer from one fund to another any public funds under its supervision, except the proceeds or balances of loans, bond issues, special levies for the payment of loans or bond issues, the proceeds or balances of funds derived from any excise tax levied by law for a specified purpose, and the proceeds or balances of any license fees imposed by law for a specified purpose.



Ohio Revised Code

Section 5705.16 Resolution for transfer of funds; petition; approval or disapproval by tax commissioner.

Effective: September 30, 2021

Legislation: House Bill 110

A resolution of the taxing authority of any political subdivision shall be passed by a majority of all the members thereof, declaring the necessity for the transfer of funds authorized by section 5705.15 of the Revised Code, and such taxing authority shall submit to the tax commissioner a petition that includes the name and amount of the fund, the fund to which it is desired to be transferred, a copy of such resolution with a full statement of the proceedings pertaining to its passage, and the reason or necessity for the transfer. The commissioner shall approve the transfer of such funds upon determining each of the following:

- (A) The petition states sufficient facts;
- (B) That there are good reasons, or that a necessity exists, for the transfer;
- (C) No injury will result from the transfer of such funds.

If the petition is disapproved by the commissioner, it shall be returned within thirty days of its receipt to the officers who submitted it, with a memorandum of the commissioner's objections, and the taxing authority shall not transfer the funds as requested by the petition. This disapproval shall not prejudice a later application for approval. If the petition is approved by the commissioner, it shall be returned within thirty days of its receipt to the officers who submitted it, and the taxing authority may transfer the funds as requested by the petition.



determination, the county budget commission shall consider the balance of the bond fund or bond retirement fund, the outstanding obligations payable from the fund, and the sources and timing of the fund's revenue.

(D) The unexpended balance in any special fund, other than an improvement fund, existing in accordance with division (D), (F), or (G) of section 5705.09 or section 5705.12 of the Revised Code, may be transferred to the general fund or to the sinking fund or bond retirement fund after the termination of the activity, service, or other undertaking for which such special fund existed, but only after the payment of all obligations incurred and payable from such special fund.

(E) Money may be transferred from the general fund to any other fund of the subdivision.

(F) Moneys retained or received by a county under section 4501.04 or division (A)(2) of section 5735.27 of the Revised Code may be transferred from the fund into which they were deposited to the sinking fund or bond retirement fund from which any principal, interest, or charges for which such moneys may be used is payable.

(G) Moneys retained or received by a municipal corporation under section 4501.04 or division (A)(1) of section 5735.27 of the Revised Code may be transferred from the fund into which they were deposited to the sinking fund or bond retirement fund from which any principal, interest, or charges for which such moneys may be used is payable.

(H)(1) Money may be transferred from the county developmental disabilities general fund to the county developmental disabilities capital fund established under section 5705.091 of the Revised Code or to any other fund created for the purposes of the county board of developmental disabilities, so long as money in the fund to which the money is transferred can be spent for the particular purpose of the transferred money. The county board of developmental disabilities may request, by resolution, that the board of county commissioners make the transfer. The county board of developmental disabilities shall transmit a certified copy of the resolution to the board of county commissioners. Upon receiving the resolution, the board of county commissioners may make the transfer. Money transferred to a fund shall be credited to an account appropriate to its particular purpose.



(2) An unexpended balance in an account in the county developmental disabilities capital fund or any other fund created for the purposes of the county board of developmental disabilities may be transferred back to the county developmental disabilities general fund. The transfer may be made if the unexpended balance is no longer needed for its particular purpose and all outstanding obligations have been paid. Money transferred back to the county developmental disabilities general fund shall be credited to an account for current expenses within that fund. The county board of developmental disabilities may request, by resolution, that the board of county commissioners make the transfer. The county board of developmental disabilities shall transmit a certified copy of the resolution to the board of county commissioners. Upon receiving the resolution, the board of county commissioners may make the transfer.

(I) Money may be transferred from the public assistance fund established under section 5101.161 of the Revised Code to either of the following funds, so long as the money to be transferred from the public assistance fund may be spent for the purposes for which money in the receiving fund may be used:

- (1) The children services fund established under section 5101.144 of the Revised Code;
- (2) The child support enforcement administrative fund established, as authorized under rules adopted by the director of job and family services, in the county treasury for use by any county family services agency.

Except in the case of transfer pursuant to division (E) of this section, transfers authorized by this section shall only be made by resolution of the taxing authority passed with the affirmative vote of two-thirds of the members.

AUDITOR OF STATE BULLETIN 99-006
APRIL 6, 1999

TO: Fiscal Officer of All Subdivisions
All Independent Public Accountants

SUBJECT: Requests for New Funds

The Auditor of State receives numerous requests to establish new funds under the provisions of Ohio Rev. Code §5705.12 which states:

In addition to the funds provided for by sections 5705.09, 5705.121, 5705.13, and 5705.131 of the Revised Code, the taxing authority of a subdivision may establish, with the approval of and in the manner prescribed by the auditor of state, such other funds as are desirable, and may provide by ordinance or resolution that money derived from specified sources other than the general property tax shall be paid directly into such funds. The auditor of state shall consult with the tax commissioner before approving such funds.

The purpose of this Bulletin is to identify when a request under this code section is required and when a local government may create a new fund without the Auditor of State's approval.

When Requests are Unnecessary

Approval to establish a new fund is unnecessary when the creation of the desired fund is already authorized or required by statute. Whenever the creation of a fund is authorized or required by statute, either specifically by name, or in general, a separate letter requesting permission to establish the fund is not required.

Examples of specific statutory requirements are found in Ohio Rev. Code §3313.81, which requires that school districts establish food service funds, and in Ohio Rev. Code §5747.50, which requires that each county establish an undivided local government fund. Similar statutory provisions requiring the creation of a specific fund are scattered throughout the Revised Code.

General statutory requirements for the creation of funds are found in Ohio Rev. Code §5705.09. This code section states:

Each subdivision shall establish the following funds:

(A) General fund;

(B) Sinking fund whenever the subdivision has outstanding bonds other than serial bonds;

(C) Bond retirement fund, for the retirement of serial bonds, notes, or certificates of indebtedness;

(D) A special fund for each special levy;

(E) A special bond fund for each bond issue;

(F) A special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose;

(G) A special fund for each public utility operated by a subdivision;

(H) A trust fund for any amount received by a subdivision in trust.

Based on this statute, it is unnecessary to continue to request permission from the Auditor of State to establish a new fund when the purpose of the fund will be to record and expend the proceeds of debt, to account for a new grant whose use is restricted to a particular purpose or to account for money received in trust.

When Requests are Necessary

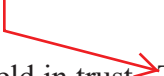
It is necessary to continue to submit requests to the Auditor of State when the creation of the fund is not specifically authorized by statute or when the purpose of the fund is not identified in Ohio Rev. Code §5705.09 (A) - (H). Situations in which it would be appropriate to continue to submit requests include: 1) when management wishes to create a new fund in order to capture additional financial information about a specific source of revenue or a specific activity; 2) when the fund will be used to account for restricted gifts or bequests that will not be held in trust; and 3) when management wants to impose internal restrictions on the use of otherwise unrestricted resources

Management often asks to create a new fund to determine how much revenue a specific source generates or how money from a specific source is being spent. In circumstances where the desired financial information can be obtained by creating additional accounts within an existing fund, the creation of a separate fund is generally considered unnecessary. An exception to this policy is made for requests for the creation of proprietary funds.

Proprietary funds are intended to account for activities that are similar to businesses. The activity is at least partially financed by charges for services or goods. Rates are usually set by the legislative authority, and the desire is to maintain accounting records which can demonstrate the extent that charges cover the costs of providing the goods or services. This is accomplished by tracking all revenues and the related expenses of an activity within a single fund. Requests for the creation of a proprietary fund are usually granted.

Sending a request to establish a new fund is still appropriate when the fund will be used to

Do not classify funds holding restricted gifts as trust funds if the beneficiary is the government. If a trust agreement designates other parties as beneficiaries, then the fund **should** be classified as a trust fund. GASB 1300.108)

account for restricted gifts or bequests not held in trust.  The creation of a trust fund is not necessary to account for restricted gifts or donations; this money may be accounted for in a special revenue fund or, if restricted to the acquisition of fixed assets, in a capital projects fund. ~~A trust fund is recommended only when there is a formal trust agreement with the donor.~~ Requests to account for restricted gifts and donations are routinely granted based on the need to demonstrate compliance with donor restrictions.

Letters frequently request permission for a new fund based on management's wish to place internal restrictions on the use of otherwise unrestricted resources. These types of requests are generally not approved. It is the policy of the Auditor of State to refuse requests when approval would result in giving readers of financial statements the false impression that the use of the resources in the fund is restricted. The General Assembly has begun authorizing the creation of funds using unrestricted resources in certain specific circumstances. For example, H.B. 426 allows subdivisions to create funds for the payment of compensated absences and for the acquisition of fixed assets. The Auditor of State does not feel it is appropriate to extend this ability into areas where the legislature has not acted.

When responding to requests to establish new funds, the Auditor of State applies two basic guidelines. Separate funds are justified 1) when they will provide management with additional relevant financial information which is not obtainable using the current fund structure; and 2) when necessary to demonstrate compliance with legal or contractual restrictions.

When the purpose of a fund created under the provisions of Ohio Rev. Code §5705.12 has been fulfilled, the unexpended balance may be transferred to the general fund or to the bond retirement fund, but only after the payment of all obligations incurred and payable from the fund. (See Ohio Rev. Code §5705.14) Management may not simply modify or alter the purpose of the fund; that, in effect, creates a new fund and would require a second approval from the Auditor of State.

To request the creation of a new fund, complete the attached form. Send the form and a copy of the resolution or ordinance of the legislative authority authorizing the fund to:

[http://www.ohioauditor.gov/
resources/AOSNotifications.html](http://www.ohioauditor.gov/resources/AOSNotifications.html)

The request can be deemed approved if you do not receive a letter disapproving the request from the Auditor of State's local government services division within 30 days from the date of submission.

Questions concerning this bulletin should be addressed to the Local Government Services Division of the State Auditors Office at (800) 345-2519.

 [http://www.ohioauditor.gov/
contact.html](http://www.ohioauditor.gov/contact.html)

**AUDITOR OF STATE
REQUEST FOR FUND APPROVAL**

Entity: _____

Fiscal Officer: _____

Phone No.: _____

Request Date: _____

Fund Requested: _____

Purpose of Fund: _____

Sources of Revenue: _____

Anticipated Expenditures (Types): _____

NOTE: Please attach a copy of the resolution requesting approval to establish the fund.

Uniform Accounting Network – Accounting & General Manual

TOWNSHIP CHART OF ACCOUNTS

TOWNSHIP FUND NUMBERS

Governmental Funds: General

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
1000	General	Defined By User	1000-701	-

Governmental Funds: Special Revenue

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
2011	Motor Vehicle Licenses Tax	330	2011-701	-
2021	Gasoline Tax	330	2021-701	-
2031	Road and Bridge	330	1000-701	-
2041-2069	Cemetery	410	1000-701	-
2071-2079	Garbage Waste and Disposal District	320	1000-701	-
2081-2109	Police District	210	1000-701	-
2111-2139	Fire District	220	1000-701	-
2141-2169	Road District	330	1000-701	-
2171-2179	Park Levy	610	1000-701	-
2181-2189	Zoning	130	1000-701	-
2191-2219	Special Levy	Defined By User	1000-701	-
2221	Drug Law Enforcement	210	1000-701	-
2231	Permissive Motor Vehicle License Tax	330	2231-701	-
2241	Permissive Sales Tax (For hotel/motel excise tax for Convention and Visitors Bureau. Ohio Revised Code (ORC) Section 5739.09b.)	Defined By User	1000-701	-
2251	Federal Law Enforcement	210	1000-701	-
2261	Law Enforcement Trust	210	1000-701	-
2271	Enforcement and Education	210	1000-701	-
2272-2279	Coronavirus Relief Fund	Defined By User	1000-701	227x-701

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Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
2281-2289	Fire and Rescue, Ambulance and Emergency Medical Services	230	1000-701	-
2291-2339	Underground Storage Tank	430	1000-701	-
2401-2599	Special Assessment	Defined By User	1000-701	-
2901-2999	Miscellaneous Special Revenue	Defined By User	1000-701	29xx-701

Governmental Funds: Debt Service

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
3101-3199	General (Bond) (Note) Retirement	810, 820, 830	1000-701	31xx-701
3201-3299	Sinking	810, 830	1000-701	32xx-701
3301-3399	Special Assessment	810, 820, 830	1000-701	33xx-701
3901-3999	Miscellaneous Debt Service	810, 820, 830	1000-701	39xx-701

Governmental Funds: Capital Projects

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
4101-4199	Bond	760	1000-701	41xx-701
4301-4399	Permanent Improvement	760	1000-701	43xx-701
4401-4499	Public Works Commission Project – Issue II	760	1000-701	-
4501-4599	Special Assessment	760	1000-701	45xx-701
4901-4949	Miscellaneous Capital Projects	760	1000-701	49xx-701

Governmental Funds: Permanent

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
4951-4999	Permanent	Defined By User	1000-701	49xx-701

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Proprietary Funds

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
5001-5999	Enterprise	Defined By User	1000-701	5xxx-701
6001-6999	Internal Service	Defined By User	1000-701	6xxx-701

Fiduciary Funds: *(Only if they are being held for another government.)*

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
9001-9249	Custodial	781-789	1000-701	9xxx-701
9501-9749	Investment Trust	781-789	1000-701	9xxx-701
9751-9999	Private – Purpose Trust	781-789	1000-701	9xxx-701

Conditional Interest Account

Some funds are required to receive all earned interest, and some funds are not allowed to receive any earned interest. Conditional interest funds can either receive their earned interest, or it can be allocated to the General fund. If a fund has a conditional interest account, then the fund may receive its own interest at the fund level. The fund's conditional interest account must be an active revenue account, and the conditional interest account must be designated to receive the fund's own interest under the Accounting/Maintenance/Funds area of the software. When posting interest receipts, the fund's conditional interest account can either receive the earned interest, or it can be allocated to the General fund's interest account.

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TOWNSHIP REVENUE CODES

Property and Other Local Taxes

Financial Report Caption Title: Property and Other Local Taxes

Revenue Code	Revenue Name	Description
101	General Property Tax - Real Estate	Semi-annual tax settlement from county auditor, including deductions.
102	Tangible Personal Property Tax	Semi-annual tax settlement from county auditor, including deductions.
103	Permissive Sales Tax	An excise tax on transactions in which lodging by a hotel is furnished to transient guests.
104	Permissive Motor Vehicle License (MVL) Tax – Township Levied	Distribution of township levied permissive motor vehicle license tax from county auditor.
199	Other - Local Taxes	Receipt of any other taxes not described in revenue codes 101-104.

Charges for Services

Financial Report Caption Title: Charges for Services

Revenue Code	Revenue Name	Description
201	Contracts for Fire Services	Receipts derived from furnishing fire protection services to other political subdivisions.
202	Contracts for Emergency Medical Services	Receipts derived from furnishing emergency medical services to other political subdivisions.
203	Contracts for Police Protection	Receipts derived from furnishing police protection services to other political subdivisions
299	Other – Charges for Services	Receipts derived from furnishing services to other political subdivisions not described in revenue codes 201-203.

Licenses, Permits and Fees

Financial Report Caption Title: Licenses, Permits and Fees

Revenue Code	Revenue Name	Description
301	Licenses and Permits	Receipts from the issuance of all local licenses and permits.
302	Fees	Constables', zoning, cemetery, and other fees assessed by township.
303	Cable Franchise Fees	Revenue derived from cable franchise fees.
399	Other – Licenses, Permits and Fees	Receipts of any other licenses, permits and fees not described in revenue codes 301-302.

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Fines, Forfeitures and Settlements

Financial Report Caption Title: Fines, Forfeitures and Settlements

Revenue Code	Revenue Name	Description
401	Fines	Income from fines for parking, uniform traffic violations and zoning regulations. Ohio Revised Code (ORC) Sections 505.17, 519.99 and 4513.35; fines levied against trustees for failure to perform their duties as enumerated in ORC Sections 517.06 and 517.11; fines levied against convicted drug offenders.
402	Forfeitures	Forfeitures of contractor's performance bonds.
403	Penalties	Receipts from the imposition of penalties.
404	Court Related Settlements	Settlements received through court proceeds. This account should not include insurance settlements or settlements with individuals or vendors. For example, this account should not be used for payments from construction companies related to road damage.
499	Other – Fines and Forfeitures	Receipts of any other fines and forfeitures not described in revenue codes 401-403.

Intergovernmental

Financial Report Caption Title: Intergovernmental

Revenue Code	Revenue Name	Description
511	Federal Funds	Money received from the Federal government for flood damage and flood control.
512	Proceeds from Federal Law Enforcement Agencies	Proceeds from Federal law enforcement agencies.
519	Other – Federal Receipts	Receipt of any other intergovernmental receipts not described in revenue codes 511-512.
531	Estate Tax	Semi-annual tax settlement from the county auditor, including deductions.
532	Local Government Distribution	Monthly distribution of sales tax and financial institution tax from the county auditor.
533	Liquor Permit Fees	Distribution of liquor permit fees from the State.
534	Cigarette License Fees	Annual settlement from the county auditor, including deductions.
535	Property Tax Allocation	Money provided by the State as a reimbursement for statutory tax credits and reductions granted to real and personal property taxpayers to include 10% Rollbacks, Homestead Exemptions, \$10,000

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Revenue Code	Revenue Name	Description
		Personal Property Tax Exemption, Utility Deregulation (electric and natural gas), Property Tax Replacement (kilowatt per hour received from state and natural gas consumption taxes), Excess Distribution of Utility Deregulation Taxes, Tangible Personal Property Tax Loss and Other Property Tax Allocations.
536	Motor Vehicle License Tax – State Levied	Distribution of motor vehicle license tax from the county auditor.
537	Gasoline Tax	Monthly distribution of gasoline excise tax from the county auditor.
538	Local Public Works Commission	Grants from the Ohio Public Works Commission (also known as Issue II bond proceeds).
539	Other – State Receipts	Receipts of any other State grants not described in revenue codes 531-538.
591	Intergovernmental Receipts (Non-State and Non-Federal)	Receipts from governmental entities other than the Federal or State government.
592	Motor Vehicle License Tax – County Levied	Distribution of motor vehicle license tax from the county auditor.
599	Other – Other Intergovernmental	Receipts from any other governmental entities not described in revenue codes 591-592.

Special Assessments

Financial Report Caption Title: Special Assessments

Revenue Code	Revenue Name	Description
601	Special Assessments	Semi-annual tax settlement from the county auditor.
699	Other – Special Assessments	Special assessment receipts not included in revenue code 601.

Earnings on Investments

Financial Report Caption Title: Earnings on Investments

Revenue Code	Revenue Name	Description
701	Interest	Interest income received from deposits and investments.
799	Other – Earnings on Investment	Other income received from deposits and investments not included in revenue code 701.

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Miscellaneous

Financial Report Caption Title: Miscellaneous

Revenue Code	Revenue Name	Description
801	Gifts and Donations	Gifts and donations to board of trustees not specified for a particular purpose. Money, securities or property whose use is limited to the care of a particular cemetery burial plot or general improvement of the cemetery. Stocks should be assigned market value at time of receipt and carried on records at said value.
802	Rentals and Leases	Income received from rental or lease of township owned facilities, school and ministerial lands.
803	Contributions	Contributions for repair and maintenance of township roads by county commissions. ORC Section 5535.08.
804	Sale of Cemetery Lots	Income derived from the sale of cemetery lots. ORC Section 517.07.
805	Other Local Grants (Not from another government.)	Grants from local non-profit organizations.
806	Proceeds – Sale of Forfeited Property and Seized Contraband	Receipts from the sale of property seized from or forfeited by convicted drug offenders.
807	Payments in Lieu of Taxes	Payment by a property owner not subject to a property tax to compensate government for not being required to pay the tax.
808	Royalties	Amounts received from royalties related to the use of the township's assets. Including oil and gas royalty payments.
810	Capital Contributions	Contributions of cash from individuals, other funds or other governments whose use is restricted to capital acquisition or construction.
820	Contributions to a Permanent Fund (Only use with Permanent Funds.)	Contributions to support a program of the reporting government through the use of the interest earned on the contribution. The original contribution must be maintained intact and may not be spent.
881	Unclaimed Monies Received (Fiduciary Funds Only)	An account for Fiduciary Funds Only. To report the receipt of unclaimed monies held for distribution.
882	Performance Deposits Received (Fiduciary Funds Only)	An account for Fiduciary Funds Only. To report the receipt of performance deposits held.
883	Amounts Held for Employees (Fiduciary Funds Only)	An account for Fiduciary Funds Only. Any employee payroll withholding that is collected to be distributed.
884	Amounts Received as Fiscal Agent (Fiduciary Funds Only)	An account for Fiduciary Funds Only. Any collections received for an entity for which the Township serves as the fiscal agent.

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Revenue Code	Revenue Name	Description
885	Other Amounts Collected for Distribution (Fiduciary Funds Only)	An account for Fiduciary Funds Only. An account for other collections made in a Fiduciary capacity.
891	Other – Miscellaneous Operating	Receipts of any other operating revenue not described in revenue codes 801-806.
892	Other – Miscellaneous Non-Operating	Receipts of any other non-operating revenue not described in revenue codes 801-806.

Other Financing Sources

Financial Report Caption Title: Other Financing Sources

Revenue Code	Revenue Name	Description
911	Sale of Bonds	Proceeds from the sale of bonds.
912	Premium and Accrued Interest – Bonds	Premium and accrued interest from the sale of bonds.
915	Sale of Refunding Bonds	Proceeds from the sale of refunding bonds
919	Other – Sale of Bonds	Receipts from any other sale of bonds not described in revenue codes 911-912.
921	Sale of Notes	Proceeds from the sale of anticipatory notes.
922	Premium and Accrued Interest – Notes	Premium and accrued interest from the sale of notes.
929	Other – Sale of Notes	Receipts from any other sale of notes not described in revenue codes 921-922.
931	Transfers – In	Revenue permanently transferred to a fund from another fund.
941	Advances – In	Revenue temporarily allocated to a fund for cash flow purposes with the intent that the money will be repaid to the originating fund.
951	Sale of Fixed Assets	Income derived from the sale of township property, buildings, equipment, vehicles and/or other fixed assets.
961	Loans Issued	Proceeds from the issuance of loans
971	Other Debt Proceeds	Receipts from the proceeds of any other debt.
981	Special Items	Significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence.
982	Extraordinary Items	Significant transactions or other events that are both unusual in nature and infrequent in occurrence.
999	Other – Other Financing Sources	Receipts not otherwise described in revenue codes 911-982.

TOWNSHIP APPROPRIATION PROGRAM CODES

General Government

Financial Report Caption Title: General Government

Program Code	Program Name
110	Administrative
120	Townhalls, Memorial Buildings and Grounds
130	Zoning
180	Self-Insurance
190	Other

Public Safety

Financial Report Caption Title: Public Safety

Program Code	Program Name
210	Police Protection
220	Fire Protection
230	Emergency Medical Services
240	Civil Defense
290	Other

Public Works

Financial Report Caption Title: Public Works

Program Code	Program Name
310	Lighting
320	Sanitary Dump
330	Highways
390	Other

Health

Financial Report Caption Title: Health

Program Code	Program Name
410	Cemeteries
420	Health Districts
430	Underground Storage Tanks
490	Other

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Human Services

Financial Report Caption Title: Human Services

Program Code	Program Name
510	Human Services
590	Other

Conservation - Recreation

Financial Report Caption Title: Conservation - Recreation

Program Code	Program Name
610	Parks and Recreation
690	Other

Other

Financial Report Caption Title: Other

Program Code	Program Name
710	Other

Intergovernmental

Financial Report Caption Title: Intergovernmental

Program Code	Program Name
730	Intergovernmental

Capital Outlay

Financial Report Caption Title: Capital Outlay

Program Code	Program Name
760	Capital Outlay

Fiduciary Distributions

Financial Report Caption Title: Fiduciary Distributions

Program Code	Program Name
781	Distributions as Fiscal Agent
782	Distributions to Other Governments
783	Distributions to Other Funds (Primary Gov't)
784	Distributions of Unclaimed Monies
785	Distributions of Performance Deposits

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Program Code	Program Name
786	Distributions on Behalf of Employees
789	Other Distributions

Debt Service

Financial Report Caption Title: Debt Service

Program Code	Program Name
810	Bond Principal Payment
820	Note Principal Payment
830	Interest
840	Fiscal Charges
850	Discount on Debt
890	Other – Debt Service

Other Financing Uses

Financial Report Caption Title: Other Financing Uses

Program Code	Program Name
910	Transfers
920	Advances
930	Contingencies
990	Other Financing Uses

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TOWNSHIP APPROPRIATION OBJECT CODES

Object Code	Object Name	Program Default	Direct Charges	Description
100	Salaries	Defined By User	Yes	Salaries or wages paid to all persons employed by the township. Summary object code for Salaries. Comprises detail object codes 110-190.
110	<i>Salaries – Trustees’ Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Trustees’ Office. Comprises detail object codes 111-119.
111	Salaries – Trustees	Defined By User	Yes	Salaries or wages paid to trustees. Ohio Revised Code (ORC) Section 505.24.
112	Salaries – Trustees’ Staff	Defined By User	Yes	Salaries or wages paid to trustees’ staff.
119	Other – Salaries - Trustees’ Office	Defined By User	Yes	All other salaries or wages paid to the trustees’ office not included in codes 111-112.
120	<i>Salaries – Township Fiscal Officer’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Township Fiscal Officer’s Office. Comprises detail object codes 121-129.
121	Salary – Township Fiscal Officer	Defined By User	Yes	Salaries or wages paid to the township fiscal officer. ORC Section 507.09.
122	Salaries – Township Fiscal Officer’s Staff	Defined By User	Yes	Salaries or wages paid to township fiscal officer’s staff.
129	Other – Salaries – Township Fiscal Officer’s Office	Defined By User	Yes	All other salaries or wages paid to the township fiscal officer’s office not included in object codes 121-122.
130	<i>Salaries – Administrator’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Administrator’s Office. Comprises detail object codes 131-139.
131	Salary – Administrator	Defined By User	Yes	Salaries or wages paid to the township administrator.
132	Salaries – Administrator’s Staff	Defined By User	Yes	Salaries or wages paid to administrator’s staff.
139	Other – Salaries – Administrator’s Office	Defined By User	Yes	All other salaries or wages paid to the administrator’s office not included in object codes 131-132.
140	<i>Salaries – Legal Counsel’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Legal Counsel’s Office. Comprises object codes 141-149.
141	Salary – Legal Counsel	Defined By User	Yes	Salary or wages paid to the township legal counsel. ORC Section 309.09.
142	Salaries – Legal Counsel’s Staff	Defined By User	Yes	Salaries or wages paid to legal counsel’s staff.

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Object Code	Object Name	Program Default	Direct Charges	Description
149	Other – Salaries – Legal Counsel’s Office	Defined By User	Yes	All other salaries or wages paid to the legal counsel not included in object codes 141-142.
150	Compensation of Board and Commission Members	Defined By User	Yes	Compensation paid to members of township boards and commissions.
190	Other – Salaries	Defined By User	Yes	Salaries or wages paid to all township employees not included in object codes 110-150.
	Employee Fringe Benefits			
	<i>Employer’s Retirement Contributions</i>			
211	Ohio Public Employees Retirement System	Defined By User	Yes	Township’s share of retirement contributions, payable to the Ohio Public Employees Retirement System.
212	Social Security	Defined By User	Yes	Township’s share of retirement contributions, payable to the Social Security Administration for Social Security.
213	Medicare	Defined By User	Yes	Township’s share of retirement contributions, payable to the Social Security Administration for Medicare.
214	Volunteer Firemen’s Dependents Fund	Defined By User	Yes	Township’s share of retirement contributions, payable to the Volunteer Firemen’s Dependents Fund.
215	Ohio Police and Fire Pension Fund	Defined By User	Yes	Township’s share of retirement contributions, payable to the Ohio Police and Fire Pension Fund.
219	Other – Employer’s Retirement Contributions	Defined By User	Yes	Township’s share of other retirement contributions not included in object codes 211-215.
220	<i>Insurance Benefits</i>	Defined By User	No	Township’s payments for employee insurance benefits. Sub-summary object code for Insurance Benefits. Comprises detail object codes 221-240.
221	Medical / Hospitalization	Defined By User	No	Township’s payment for the employer’s share of employee hospitalization premiums.
222	Life Insurance	Defined By User	No	Township’s payment for the employer’s share of employee life insurance premiums.
223	Dental Insurance	Defined By User	No	Township’s payment for the employer’s share of employee dental insurance premiums.

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Object Code	Object Name	Program Default	Direct Charges	Description
224	Vision Insurance	Defined By User	No	Township's payment for the employer's share of employee vision insurance premiums.
228	Health Care Reimbursement	Defined By User	Yes	Payment for reimbursement of health insurance premiums
229	Other – Insurance Benefits	Defined By User	No	Township's payment for the employer's share of other employee insurance benefits not included in object codes 221-224.
230	Workers' Compensation	Defined By User	Yes	Payments to the Ohio Bureau of Workers' Compensation.
240	Unemployment Compensation	Defined By User	Yes	Payments to the State for unemployment compensation.
250	<i>Employee Reimbursements</i>	Defined By User	No	Payments to township employees for uniform, tool, equipment and other reimbursements. Sub-summary object code for Employee Reimbursements. Comprises detail object codes 251-259.
251	Uniform, Tool and Equipment Reimbursements	Defined By User	No	Payments to township employees for uniform, tool and equipment reimbursements.
259	Other – Employee Reimbursements	Defined By User	No	Payments to township employees for other reimbursements.
290	Other – Employee Fringe Benefits	Defined By User	No	Payment of other employee fringe benefits not included in objects 211-259.
300	Purchased Services	Defined By User	No	Cost of services required for the administration of township functions when procured by contract from outside sources. Summary object code for Purchased Services. Comprises detail object codes 310-390.
310	<i>Professional and Technical Services</i>	Defined By User	No	Cost of professional services obtained from external sources. Sub-summary object code for Professional and Technical Services. Comprises detail object codes 310-319.
311	Accounting and Legal Fees	Defined By User	No	Accounting services provided by either the Auditor of State's Local Government Services Division or by an independent professional accounting firm. Legal services provided by an external law firm.
312	Auditing Services	Defined By User	No	Auditing services provided by either the Auditor of State Audit Division or by an independent professional accounting firm.

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Object Code	Object Name	Program Default	Direct Charges	Description
313	Uniform Accounting Network Fees	Defined By User	No	Participation fees paid to the Auditor of State for participation in the Uniform Accounting Network.
314	Tax Collection Fees	Defined By User	Yes	Expenses and fees as deducted by the county auditor, county treasurer and the State department of taxation for the collection and administration of taxes. Also the cost of publication of delinquent tax lists as deducted by county auditor.
315	Election Fees	Defined By User	Yes	Election expenses deducted by the county auditor.
316	Engineering Services	Defined By User	No	Architectural and engineering services.
317	Planning Consultants	Defined By User	No	Expenses and fees paid for planning services.
318	Training Services	Defined By User	No	Expenses and fees paid for training township officials and staff.
319	Other – Professional and Technical Services	Defined By User	No	Payment for other professional and technical services not included in objects 311-318, including fees and charges paid to financial institutions for such services as fiscal agent, trustee and safety deposit box rental.
320	<i>Property Services</i>	Defined By User	No	Expenses related to the care and upkeep of the township's property. Sub-summary object code for Property Services. Comprises detail object codes 321-329.
321	Rents and Leases	Defined By User	No	Cost of rents and leases of land, buildings, equipment and machinery.
322	Garbage and Trash Removal	Defined By User	No	Cost of garbage and trash pickup.
323	Repairs and Maintenance	Defined By User	No	Cost of service, maintenance, repair, overhaul or rework of owned equipment or machinery. Includes service, maintenance or repair on leased or rented equipment if such work is obtained by contracts separate from lease or rental contracts. Cost of routine maintenance and repair required to keep a facility up to a standard condition of service ability and the prevention or deterioration by the accomplishment of such work as periodic painting, tuck-pointing, exterior building cleaning, re-roofing; street, curb and sidewalk repair; one-time emergency repair of damage to utility systems and facilities

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Object Code	Object Name	Program Default	Direct Charges	Description
				resulting from accidents or acts of God; includes custodial services by contract.
329	Other – Property Services	Defined By User	No	Payment for other property services not included in objects 321-323.
330	Travel and Meeting Expense	Defined By User	No	Includes the cost of travel and transportation, and incidental expenses, incurred for travel on official business; common carrier fares; rental of passenger-carrying vehicles; motorpool charges for passenger-carrying vehicles; mileage allowances, tools, subsistence and per diem allowances; incidental travel expenses such as baggage transfer and checking fee; communication expenses.
340	<i>Communications, Printing and Advertising</i>	Defined By User	No	Expenses for telephone and fax communications, printing and advertising. Sub-summary object code for Communications, Printing and Advertising. Comprises detail object codes 341-349.
341	Telephone	Defined By User	No	Telephone and fax expense.
342	Postage	Defined By User	No	Postage and shipping expense.
343	Postage Machine Rental	Defined By User	No	Postage machine rental expense.
344	Printing	Defined By User	No	Cost of contractual printing and reproduction such as work done on printing presses, lithographing, and other duplication, photo stating, blueprinting, photographing and microfilming.
345	Advertising	Defined By User	No	Expenses for publication of official notes, ads, legal advertising in newspapers and periodicals.
349	Other – Communications, Printing and Advertising	Defined By User	No	Other communications, printing and advertising expenses not included in objects 341-345.
350	<i>Utilities</i>	Defined By User	No	Costs of heat, light, power, water, gas or electricity purchased from either privately owned or publicly operated utilities. Sub-summary object code for Utilities. Comprises detail object codes 351-359.
351	Electricity	Defined By User	No	Costs for electricity.
352	Water and Sewage	Defined By User	No	Costs for water and sewage.

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Object Code	Object Name	Program Default	Direct Charges	Description
353	Natural Gas	Defined By User	No	Costs for natural gas.
354	Heating Oil	Defined By User	No	Costs for heating oil.
355	Coal	Defined By User	No	Costs for coal.
356	Internet/Cable	Defined By User	No	Costs for cable and internet.
359	Other – Utilities	Defined By User	No	Costs for utilities not included in object codes 351-355.
360	Contracted Services	Defined By User	No	Payments made for contracted trade services.
370	Payment to Another Political Subdivision	Defined By User	No	Payments made to another political subdivision for contracted services provided to the township, such as fire protection, county health fees, police services, emergency medical services, and garbage and refuse.
380	<i>Insurance and Bonding</i>	Defined By User	No	Cost of all insurance other than that related to personal services (objects 220-229). Sub-summary object code for Insurance and Bonding. Comprises detail object codes 381-389.
381	Property Insurance Premiums	Defined By User	No	Cost of property insurance.
382	Liability Insurance Premiums	Defined By User	No	Cost of liability insurance.
383	Fidelity Bond Premiums	Defined By User	No	Cost of fidelity and security bonds on officials and employees.
389	Other – Insurance and Bonding	Defined By User	No	Other insurance costs not included in objects 381-383.
390	Other – Purchased Services	Defined By User	No	Other purchased services not included in objects 310-389.
400	Supplies and Materials	Defined By User	No	Cost of supplies and materials used in repairs, maintenance and service of the township's facilities and equipment. Cost of articles and commodities which are ordinarily consumed or expended within one year after they are put to use. Summary object code for Supplies and Materials. Comprises detail object codes 410-490.
410	Office Supplies	Defined By User	No	Cost of office supplies such as office stationary, forms, reproduction supplies, small items of

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Object Code	Object Name	Program Default	Direct Charges	Description
				equipment, maps and other supplies consumed in the office environment.
420	Operating Supplies	Defined By User	No	Cost of operating supplies such as diesel fuel, oil and lubricants, gasoline, chains, parts, materials used in the maintenance and repair of roads, cleaning and sanitation supplies, household and institutional supplies.
430	Small Tools and Minor Equipment	Defined By User	No	Hammers, saws, wrenches, garden tools, small power tools and other tools and equipment having a life expectancy of less than five years.
490	Other – Supplies and Materials	Defined By User	No	Other supplies not included in objects 410-430.
500	Other	Defined By User	No	Costs of other operating expenses not classified in any other category. Summary object code for Other. Comprises detail object codes 510-599.
510	<i>Dues and Fees</i>	Defined By User	No	Sub-summary object code for Dues and Fees. Comprises detail object codes 519-520.
519	Other – Dues and Fees	Defined By User	No	Payment for dues and fees.
520	Compensation and Damages	Defined By User	No	Payments for legal judgments against the township.
530	Claims	180	No	Summary object code for Claims. Comprises detail object codes 531-539.
531	Liability Insurance	180	No	Self-Insurance claims for Liability Insurance
532	Health Insurance	180	No	Self-Insurance claims for Health Insurance
533	Dental Insurance	180	No	Self-Insurance claims for Dental Insurance
534	Vision Insurance	180	No	Self-Insurance claims for Vision Insurance
535	Prescription Insurance	180	No	Self-Insurance claims for Prescription Insurance
536	Worker's Compensation	180	No	Self-Insurance claims for Worker's Compensation
539	Other Claims	180	No	All other expenditures for other Self-Insurance claims not included in object codes 531-536.
590	<i>Other Expenses</i>	Defined By User	No	Other expenses not included in objects 510-520. Sub-summary object code for Other Expenses. Comprises detail object codes 591-599.

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Object Code	Object Name	Program Default	Direct Charges	Description
591	Contributions to Other Organizations	Defined By User	No	Contributions made to other non-profit organizations for patriotic, educational and similar purposes.
592	Grants to Other Governments	730	No	Amounts sub-granted to other governments and amounts returned to governmental granting agencies.
599	Other – Other Expenses	Defined By User	No	Other township expenses not included in any other object codes.
700	Capital Outlay	760	No	Summary object code for Capital Outlay costs. Comprises detail object codes 710-790.
710	Land	760	No	Land and interest in land, when acquired by purchase.
720	Buildings	760	No	The acquisition or construction of buildings and structures and additions thereto; includes increases in value of buildings and structures resulting from major alterations, restoration or modifications.
730	Improvements of Sites	760	No	Improvements of sites such as landscaping, grading, fences, when acquired by monetary outlay. Includes cost of acquisition, construction or improvement of publicly owned parking lots. Includes cost of acquisition of fixtures and equipment which are permanently attached to or form a part of buildings or structures, such as elevators, plumbing, power-plant boilers, fire alarm systems, lighting or heating systems, air conditioning or refrigeration systems (when an addition or replacement).
740	Machinery, Equipment and Furniture	760	No	Cost of acquisition of tangible property of a more or less durable nature, other than land, buildings, or improvements other than buildings, which are useful in carrying on operations and which may be expected to have a period of service of a year or more without material impairment of its physical condition. Includes furniture, furnishings and fixtures, books for permanent collections, power tools and instruments. Excludes commodities which are converted in the process of construction or manufacture, or which are used to form a minor part of equipment or fixed property.
750	Motor Vehicles	760	No	Cost of acquisition of automobiles, trucks and other motorized vehicles.

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Object Code	Object Name	Program Default	Direct Charges	Description
790	Other – Capital Outlay	760	No	Other expenses not included in object codes 710-750.
	Debt Service			
810	Principal Payments – Bonds	810	No	Payments for the retirement of outstanding bond principal balances.
820	Principal Payments – Notes	820	No	Payments for the retirement of outstanding note principal balances.
830	Interest Payments	830	No	Interest payments on outstanding note/bond indebtedness.
840	Fiscal Charges	840	No	Payments to lenders for debt service expenses not included in objects 810-830.
850	Discount on Debt	850	No	The discount on debt is the difference between the principal amount of the debt issued and the price paid (by the investor) for the debt. This difference, the discount, is caused by the stated interest rate on the bonds being less than the market interest rate (i.e. the stated rate on the bonds is 5.75% and the market rate is 6%).
890	Other – Debt Service	890	No	Other payments not included in object codes 810-850.
940	Payment to Refunded Bond Escrow Agent	890	No	Payments made <i>from resources other than bond proceeds</i> to escrow agent for bond refunding.
	Other Financing Uses			
910	Transfers – Out	910	Yes	Transfers to other funds from a fund.
920	Advances – Out	920	Yes	Disbursements temporarily allocated to another fund for cash flow purposes with the intent that the money will be repaid to the originating fund.
930	Contingencies	930	No	Expenses of an unusual, unexpected nature. Appropriation account only; no actual expenditures are charged to this account.
940	Payment to Refunded Bond Escrow Agent	990	No	Payments made <i>from bond proceeds</i> to escrow agent for bond refunding.
990	Other – Other Financing Uses	990	No	Other expenses not included in objects 910-940.

Summary and Detail Account Codes

Within each financial reporting group, there are both summary and detail account codes available. Summary account codes are shown on the chart in **bold**. Some report groups may not have a summary account code available. Please refer to the Maintenance Introduction section of the manual for a complete explanation of summary and detail account codes.

Direct Charges

If the Direct Charges column contains a 'Yes', expenditures may be charged directly to the account code. A purchase order or blanket certificate is not required before charging expenditures to the object account code.

If the Direct Charges column contains a 'No', expenditures may not be charged directly to the account code. A purchase order or blanket certificate must be established before charging expenditures to the object account code.

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TOWNSHIP TREATMENT OF INTEREST REVENUE ACCOUNTS

Interest Earned By This Fund Number	System Posts Income to This Interest Account	Conditional Interest Account
1000	1000-701	
2011	2011-701	
2021	2021-701	
2031	1000-701	
2041-2069	1000-701	
2071-2079	1000-701	
2081-2109	1000-701	
2111-2139	1000-701	
2141-2169	1000-701	
2171-2179	1000-701	
2181-2189	1000-701	
2191-2219	1000-701	
2221	1000-701	
2231	2231-701	
2241	1000-701	
2251	1000-701	
2261	1000-701	
2271	1000-701	
2272-2279	1000-701	227X-701
2281-2289	1000-701	
2291-2339	1000-701	
2401-2499	1000-701	
2901-2999	1000-701	29XX-701
3101-3199	1000-701	31XX-701
3201-3299	1000-701	32XX-701
3301-3399	1000-701	33XX-701
3901-3999	1000-701	39XX-701
4101-4199	1000-701	41XX-701
4301-4399	1000-701	43XX-701
4401-4499	1000-701	
4501-4599	1000-701	45XX-701
4901-4949	1000-701	49XX-701
4951-4999	1000-701	49XX-701
5001-5999	1000-701	5XXX-701
6001-6999	1000-701	6XXX-701
9001-9249	1000-701	9XXX-701
9501-9749	1000-701	9XXX-701
9751-9999	1000-701	9XXX-701

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Explanation of funds with conditional interest accounts:

Users will designate the funds that can receive interest at the fund level. Funds that have a conditional interest account designation will allow the users to select if that fund will receive the interest or if it will be posted to the General fund. Please refer to the Interest Posting section under Chapter 3 - Receipts for additional information.

Note: The conditional interest account must be activated prior to posting the interest receipt

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VILLAGE CHART OF ACCOUNTS

VILLAGE FUND NUMBERS

Governmental Funds: General

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
1000	General	Defined By User	1000-701	-

Governmental Funds: Special Revenue

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
2011-2019	Street Construction, Maintenance and Repair	6xx	201x-701	-
2021-2029	State Highway	6xx	202x-701	-
2031-2039	Cemetery	240	1000-701	-
2041-2049	Parks and Recreation	3xx	1000-701	-
2051-2059	Federal Grant	Defined By User	1000-701	205x-701
2061-2069	State Grant	Defined By User	1000-701	206x-701
2071-2079	Income Tax	Defined By User	1000-701	-
2081-2089	Drug Law Enforcement	110	1000-701	-
2091-2099	Law Enforcement Trust	110	1000-701	-
2101-2109	Permissive Motor Vehicle License Tax	6xx	210x-701	-
2111-2119	Permissive Sales Tax (For hotel/motel excise tax for Convention and Visitors Bureau. Ohio Revised Code (ORC) Section 5739.09b.)	Defined By User	1000-701	-
2121-2129	COPS Fast	110	1000-701	-
2131-2139	Police Disability and Pension	110	1000-701	-
2141-2149	Fire Disability and Pension	120	1000-701	-
2151-2169	Coronavirus Relief Fund	Defined By User	1000-701	21xx-701
2271-2289	Enforcement and Education	110	1000-701	-
2291-2299	Underground Storage Tank	190	1000-701	-

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Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
2401-2499	Special Assessment	Defined By User	1000-701	-
2901-2999	Other Special Revenue	Defined By User	1000-701	29xx-701

Governmental Funds: Debt Service

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
3101-3199	General Obligation Bond Retirement	850	1000-701	31xx-701
3201-3299	Sinking	850	1000-701	32xx-701
3301-3399	Special Assessment Debt Service	850	1000-701	33xx-701
3401-3499	Note Retirement	850		34xx-701
3901-3999	Other Debt Service	850	1000-701	39xx-701

Governmental Funds: Capital Projects

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
4101-4199	Bond Construction	800	1000-701	41xx-701
4201-4299	Grant Construction	800	1000-701	42xx-701
4501-4599	Special Assessment Construction	800	1000-701	45xx-701
4901-4949	Other Capital Projects	800	1000-701	49xx-701

Governmental Funds: Permanent

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
4951-4999	Permanent	Defined By User	1000-701	49xx-701

Proprietary Funds: Enterprise

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
5101-5199	Water Operating	530 Series	1000-701	-

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Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
5201-5299	Sewer Operating	540 Series	1000-701	-
5301-5399	Electric Operating	510 Series	1000-701	-
5401-5499	Parking	150, 650	1000-701	-
5501-5599	Swimming Pool	340	1000-701	-
5601-5699	Other Enterprise Operating	Defined By User	1000-701	56xx-701
5701-5709	Enterprise Improvement	800	1000-701	570x-701
5721-5739	Enterprise Debt Service	850	1000-701	572x-701 to 573x-701
5741-5759	Enterprise Debt Service Reserve	850	1000-701	574x-701 to 575x-701
5761-5779	Enterprise Reserve	Defined By User	1000-701	576x-701 to 577x-701
5781-5799	Enterprise Deposit	Defined By User	1000-701	578x-701 to 579x-701
5901-5919	Other Enterprise	Defined By User	1000-701	590x-701 to 591x-701

Proprietary Funds: Internal Service

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
6101-6199	Revolving	Defined By User	1000-701	-
6901-6999	Other Internal Service	Defined By User	1000-701	69xx-701

Fiduciary Funds: Custodial *(Only if they are being held for another government.)*

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
9101-9199	Unclaimed Monies	Defined By User	1000-701	-
9201-9209	Income Tax	Defined By User	1000-701	-
9901-9924	Other Custodial	Defined By User	1000-701	99xx-701

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Fiduciary Funds: Trust (*Only if they are being held for another government.*)

Fund Number	Fund Name	Program Default	System Posts Interest to This Interest Account	Conditional Interest Account
9951-9974	Investment Trust	881-889	1000-701	99xx-701
9976-9999	Private – Purpose Trust	881-889	1000-701	99xx-701

Conditional Interest Account

Some funds are required to receive all earned interest, and some funds are not allowed to receive any earned interest. Conditional interest funds can either receive their earned interest, or it can be allocated to the General fund. If a fund has a conditional interest account, then the fund may receive its own interest at the fund level. The fund's conditional interest account must be an active revenue account, and the conditional interest account must be designated to receive the fund's own interest under the Accounting/Maintenance/Funds area of the software. When posting interest receipts, the fund's conditional interest account can either receive the earned interest, or it can be allocated to the General fund's interest account.

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VILLAGE REVENUE CODES

Property and Other Local Taxes

Financial Report Caption Title: Property and Other Local Taxes

Revenue Code	Revenue Name	Description
110	General Property Tax - Real Estate	Semi-annual tax settlement from county auditor, including deductions.
120	Tangible Personal Property Tax	Semi-annual tax settlement from county auditor, including deductions.
130	Municipal Income Tax	Revenue received from the enactment of a local income tax.
140	Permissive Sales Tax	Sales tax levied by villages on hotel and motel lodging.
150	License Tax – Local Levied by Council	Distribution of motor vehicle license tax from the Auditor of State.
160	Kilowatt Per Hour Taxes	Taxes imposed on the operation of Village owned/operated electric utility (Per AOS Bulletin 2001-011).
190	Other - Local Taxes	Receipt of any other taxes not described in revenue codes 110-150 such as admission taxes, hotel taxes, amusement taxes, franchise taxes,...etc.

Intergovernmental

Financial Report Caption Title: Intergovernmental

Revenue Code	Revenue Name	Description
211	Local Government Distribution	State and county distribution of local government fund. Ohio Revised Code (ORC) Section 5747.50.
213	Library and Local Government Revenue Assistance	Allocations of library and local government assistance money made under ORC Section 5705.32 or 5705.321.
221	Inheritance Tax	Revenue received from county auditor settlements, including deductions.
222	Cigarette Tax	Revenue received from county auditor settlements.
224	Liquor and Beer Permit Fees	Revenue received from liquor licenses.
225	Gasoline Tax (State)	Auditor of State distributions of municipal cents per gallon and gasoline excise tax.
226	License Tax – State Levied	Auditor of State distributions for license tax.
231	Property Tax Allocation	Money provided by the State as a reimbursement for statutory tax credits and reductions granted to real and personal property taxpayers to include 10% Rollbacks, Homestead Exemptions, \$10,000 Personal Property Tax Exemption, Utility

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Revenue Code	Revenue Name	Description
		Deregulation (electric and natural gas), Property Tax Replacement (kilowatt per hour received from State for utilities not operated by the Village and natural gas consumption taxes), Excess Distribution of Utility Deregulation Taxes, Tangible Personal Property Tax Loss and Other Property Tax Allocations.
290	Other – State Shared Taxes and Permits	Other state shared taxes and permits not included in revenue codes 211-231.

Special Assessments

Financial Report Caption Title: Special Assessments

Revenue Code	Revenue Name	Description
310	Street Improvement and Maintenance	Special assessments levied against property owners for the improvement of streets.
320	Sidewalk Improvement	Special assessments levied against property owners for construction or improvement of sidewalks.
330	Sewer Improvement	Special assessments levied against property owners for construction or improvement of sewage systems.
340	Water Improvement	Special assessments levied against property owners for construction or improvement of water lines or water systems.
350	Street Cleaning and Improvement	Special assessments levied against property owners for cleaning streets and removing snow.
360	Street Lighting	Special assessments levied against property owners for street lighting.
390	Other – Special Assessments	All other special assessments levied against property owners not included in revenue codes 310-360.

Intergovernmental

Financial Report Caption Title: Intergovernmental

Revenue Code	Revenue Name	Description
411	Federal – Restricted	Federal government grants or aid.
412	Federal – Unrestricted	Federal government grants or aid.
413	Federal – Pass Through Grants	Federal government grants or aid.
419	Other – Federal Receipts	Federal government grants or aid not listed under revenue codes 411-413.
422	State – Restricted	State government grants or aid.
423	State – Unrestricted	State government grants or aid.
424	State – Pass Through Grants	State government grants or aid.

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Revenue Code	Revenue Name	Description
429	Other – State Receipts	State government grants or aid not listed under revenue codes 422-424.
430	License Tax – County Levied	Revenue from county levied motor vehicle license tax.
440	Grants or Aid (Non-Federal and Non-State)	Other Non-Federal or Non-State grants or aid.
490	Other – Intergovernmental	Other Non-Federal or Non-State grants or aid not listed under revenue codes 411-440.

Charges for Services

Financial Report Caption Title: Charges for Services

Revenue Code	Revenue Name	Description
511	Contracts for Fire Services	Receipts from furnishing fire protection services to other political subdivisions.
512	Contracts for Police Protection	Receipts from furnishing police services to other political subdivisions.
513	Parking Meters	Receipts from parking meters.
514	Garbage and Trash	Receipts derived from furnishing garbage and trash services to other political subdivisions.
515	Contracts for Emergency Medical Services	Receipts derived from furnishing emergency medical services to other political subdivisions.
519	Other – General Government Contracts	Receipts derived from furnishing contracted other general government services to other political subdivisions not described in revenue codes 511-515.
521	Swimming Pool	Fees received from use of swimming pool.
522	Concession Stands	Proceeds received from the operation of a concession stand.
523	Recreation Entry Fees	Fees received from participating recreational fees.
529	Other – Cultural and Recreational Programs	Other cultural or recreational fees not described in revenue codes 521-523.
531	Sale of Lots	Receipts derived from the sale of cemetery lots.
532	Grave Opening Fees	Proceeds for the opening and closing of grave sites.
533	Foundations	Fees for construction of monument foundations.
539	Other – Cemetery	Other fees collected for cemetery operations.
541	Consumer Rent	Revenue received from the sale of water.
542	Tap Fees	Fees to recover the cost of connecting new customers to the system.
543	Bulk Sales	Proceeds received on flat fees from the sale of bulk water.
544	Deposits	Utility deposits received.

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Revenue Code	Revenue Name	Description
549	Other – Utilities	Other utility revenues not described in revenue codes 541-544.
590	Other – Charges for Services	Other charges for services not described in revenue codes 511-549.

Fines, Forfeitures and Settlements

Financial Report Caption Title: Fines, Forfeitures and Settlements

Revenue Code	Revenue Name	Description
611	Court Costs	Fees received from court costs.
612	Court Fines	Penalties imposed for violations of law.
613	State Court Costs (Should only be used in Custodial funds.)	Additional court costs forwarded to the State to be used to fund awards in the Victims of Crime Program. ORC Sections 2743.191 and 2743.70.
618	Court Related Settlements	Settlements received through court proceeds. This account should not include insurance settlements or settlements with individuals or vendors. For example, this account should not be used for payments from construction companies related to road damage.
619	Other – Fines and Forfeitures	Other fines and forfeitures not described in revenue codes 611-613.

Licenses, Permits and Fees

Financial Report Caption Title: Licenses, Permits and Fees

Revenue Code	Revenue Name	Description
621	Building Permits	Fees received from issuance of construction permits.
622	Inspections	Charges received from inspections performed.
623	Zoning	Fees received from issuance of zoning permits.
624	Street Opening	Fees received from issuance of street opening permits.
625	Cable Franchise Fees	Revenue derived from cable franchise fees.
629	Other – Licenses and Permits	All other licenses and permits not described in revenue codes 621-625.
690	Other – Fees	All other fees not listed under revenue codes 611-629.

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Earnings on Investments

Financial Report Caption Title: Earnings on Investments

Revenue Code	Revenue Name	Description
701	Interest	Interest income received from deposits and investments.
790	Other – Earnings on Investment	Other income received from deposits and investments not included in revenue code 701.

Miscellaneous

Financial Report Caption Title: Miscellaneous

Revenue Code	Revenue Name	Description
811	Rentals	Amounts received from the rental of village property.
812	Royalties	Amounts received from royalties related to the use of the village's assets. Including oil and gas royalty payments.
820	Contributions and Donations	Revenue received from contributions and donations.
830	Payment in Lieu of Taxes	Payment by a property owner not subject to a property tax to compensate government for not being required to pay the tax.
841	Capital Contributions	Contributions of cash from individuals, other funds or other governments whose use is restricted to capital acquisition or construction.
842	Capital Contributions – Tap Fees	Charge to new customers for their fair share of capital costs of the system.
850	Contributions to a Permanent Fund (Use only with Permanent funds.)	A contribution to support a program of the reporting government through the use of the interest earned on the contribution. The original contribution must be maintained intact and may not be spent.
881	Unclaimed Monies Received (Fiduciary Funds Only)	An account for Fiduciary Funds Only. To report the receipt of unclaimed monies held for distribution.
882	Performance Deposits Received (Fiduciary Funds Only)	An account for Fiduciary Funds Only. To report the receipt of performance deposits held.
883	Amounts Held for Employees (Fiduciary Funds Only)	An account for Fiduciary Funds Only. Any employee payroll withholding that is collected to be distributed.
884	Amounts Received as Fiscal Agent (Fiduciary Funds Only)	An account for Fiduciary Funds Only. Any collections received for an entity for which the Village serves as the fiscal agent.

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Revenue Code	Revenue Name	Description
885	Other Amounts Collected for Distribution (Fiduciary Funds Only)	An account for Fiduciary Funds Only. An account for other collections made in a Fiduciary capacity.
891	Other – Miscellaneous Operating	Receipts of any other operating revenue.
892	Other – Miscellaneous Non-Operating	Receipts of any other non-operating revenue.

Other Financing Sources

Financial Report Caption Title: Other Financing Sources

Revenue Code	Revenue Name	Description
911	Sale of Bonds	Proceeds from the sale of bonds.
912	Premium and Accrued Interest – Bonds	Premium and accrued interest from the sale of bonds.
915	Sale of Refunding Bonds	Proceeds from the sale of refunding bonds.
919	Other – Sale of Bonds	Receipts from any other sale of bonds not described in revenue codes 911-912.
921	Sale of Notes	Proceeds from the sale of anticipatory notes.
922	Premium and Accrued Interest – Notes	Premium and accrued interest from the sale of notes.
923	OWDA Loans Issued	Proceeds from the issuance of OWDA loans.
924	OPWC Loans Issued	Proceeds from the issuance of OPWC loans.
925	Other Loans Issued	Proceeds from the issuance of other loans (OEPA, OAQDA, etc.)
929	Other – Sale of Notes	Receipts from any other sale of notes not described in revenue codes 921-925.
931	Transfers – In	Revenue permanently transferred to a fund from another fund.
941	Advances – In	Revenue temporarily allocated to a fund for cash flow purposes with the intent that the money will be repaid to the originating fund.
961	Sale of Fixed Assets	Revenue received from the sale of fixed assets.
971	Other Debt Proceeds	Receipts from the proceeds of any other debt.
981	Special Items	Significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence.
982	Extraordinary Items	Significant transactions or other events that are both unusual in nature and infrequent in occurrence.
999	Other – Other Financing Sources	Receipts not otherwise described in revenue codes 911-982.

VILLAGE APPROPRIATION PROGRAM CODES

Security of Persons and Property

Financial Report Caption Title: Security of Persons and Property

Program Code	Program Name
110	Police Enforcement
120	Fire Fighting, Prevention and Inspection
130	Street Lighting
140	Civil Defense
150	Traffic Signals, Signs and Marking
160	Emergency Medical Services
190	Other Security of Persons and Property

Public Health Services

Financial Report Caption Title: Public Health Services

Program Code	Program Name
210	Payment to County Health District
220	Payment to County Human Services Program
230	Other Assistance to Needy
240	Cemetery
290	Other Public Health Services

Leisure Time Activities

Financial Report Caption Title: Leisure Time Activities

Program Code	Program Name
310	Recreation
320	Provide and Maintain Parks
330	Cultural Facilities
340	Swimming Pool
350	Concessions
390	Other Leisure Time Activities

Community Environment

Financial Report Caption Title: Community Environment

Program Code	Program Name
410	Community Planning and Zoning
420	Public Housing Projects
490	Other Community Environment

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Basic Utility Services

Financial Report Caption Title: Basic Utility Services

Electric

Program Code	Program Name
511	Administration – Electric
512	Billing – Electric
513	Generation/Purchase – Electric
514	Distribution – Electric
519	Other Electric

Gas

Program Code	Program Name
521	Administration – Gas
522	Billing – Gas
523	Generation/Purchase – Gas
524	Distribution – Gas
529	Other Gas

Water

Program Code	Program Name
531	Administration – Water
532	Billing – Water
533	Supply/Purchase – Water
534	Filtration – Water
535	Pumping - Water
539	Other Water

Sanitary Sewers and Sewage

Program Code	Program Name
541	Administration – Sanitary Sewers and Sewage
542	Billing – Sanitary Sewers and Sewage
543	Pumping - Sanitary Sewers and Sewage
549	Other Sanitary Sewers and Sewage

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Storm Sewers and Drains

Program Code	Program Name
551	Administration – Storm Sewers and Drains
552	Billing – Storm Sewers and Drains
553	Waste Collection – Storm Sewers and Drains
554	Waste Disposal – Storm Sewers and Drains
559	Other Storm Sewers and Drains

Refuse Collection and Disposal

Program Code	Program Name
561	Administration – Refuse Collection and Disposal
562	Billing – Refuse Collection and Disposal
563	Waste Collection – Refuse Collection and Disposal
564	Waste Disposal – Refuse Collection and Disposal
569	Other Refuse Collection and Disposal

Other Basic Utility Service

Program Code	Program Name
591	Administration – Other Basic Utility Service
592	Billing – Other Basic Utility Service
593	Generation/Purchase – Other Basic Utility Service
594	Distribution – Other Basic Utility Service
599	Other Basic Utility Service

Transportation

Financial Report Caption Title: Transportation

Program Code	Program Name
610	Street Construction and Reconstruction
620	Street Maintenance and Repair
630	Street Cleaning, Snow and Ice Removal
640	Storm Sewers and Drains
650	Traffic Signs and Signals
660	Parking Facilities
670	Sidewalks

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Program Code	Program Name
690	Other Transportation

General Government

Financial Report Caption Title: General Government

Program Code	Program Name
710	Mayor and Administrative Offices
715	Legislative Activities
720	Mayor's Court
725	Clerk – Treasurer
730	Lands and Buildings
735	Boards and Commissions
740	Property Tax Collection Fees
745	Auditor of State Fees
750	Solicitor
755	Income Tax Administration
760	Tax Refunds
765	Distribution of Income Tax – Other Government
770	Other Income Tax
780	Self-Insurance
790	Other General Government

Capital Outlay

Financial Report Caption Title: Capital Outlay

Program Code	Program Name
800	Capital Outlay

Debt Service

Financial Report Caption Title: Debt Service

Program Code	Program Name
850	Debt Service

Intergovernmental

Financial Report Caption Title: Intergovernmental

Program Code	Program Name
870	Intergovernmental

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Fiduciary Distributions

Financial Report Caption Title: Fiduciary Distributions

Program Code	Program Name
881	Distributions as Fiscal Agent
882	Distributions to Other Governments
883	Distributions to Other Funds (Primary Gov't)
884	Distributions of Unclaimed Monies
885	Distributions of Performance Deposits
886	Distributions on Behalf of Employees
889	Other Distributions

Other Financing Uses

Financial Report Caption Title: Other Financing Uses

Program Code	Program Name
910	Transfers
920	Advances
930	Contingencies
990	Other Financing Uses

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VILLAGE APPROPRIATION OBJECT CODES

Object Code	Object Name	Program Default	Direct Charges	Description
100	Personal Services	Defined By User	Yes	Summary object code for Personal Services. Comprises detail object codes 110-190.
110	<i>Salaries – Council’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Council’s Office. Comprises detail object codes 111-119.
111	Salaries – Council	Defined By User	Yes	Salaries or wages paid to village council.
112	Salaries – Council’s Staff	Defined By User	Yes	Salaries or wages paid to village council’s staff.
119	Other – Salaries - Council’s Office	Defined By User	Yes	All other salaries or wages paid to the village council’s office not included in object codes 111-112.
120	<i>Salaries – Clerk/Treasurer’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Clerk/Treasurer’s Office. Comprises detail object codes 121-129.
121	Salary – Clerk/Treasurer	Defined By User	Yes	Salaries or wages paid to the village clerk/treasurer.
122	Salaries – Clerk/Treasurer’s Staff	Defined By User	Yes	Salaries or wages paid to village clerk/treasurer’s staff.
129	Other – Salaries – Clerk/Treasurer’s Office	Defined By User	Yes	All other salaries or wages paid to clerk/treasurer’s office not included in object codes 121-122.
130	<i>Salaries – Administrator’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Administrator’s Office. Comprises detail object codes 131-139.
131	Salary – Administrator	Defined By User	Yes	Salaries or wages paid to the village administrator.
132	Salaries – Administrator’s Staff	Defined By User	Yes	Salaries or wages paid to administrator’s staff.
139	Other – Salaries – Administrator’s Office	Defined By User	Yes	All other salaries or wages paid to the administrator’s office not included in object codes 131-132.
140	<i>Salaries – Legal Counsel’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Legal Counsel’s Office. Comprises object codes 141-149.
141	Salary – Legal Counsel	Defined By User	Yes	Salaries or wages paid to the village legal counsel.
142	Salaries – Legal Counsel’s Staff	Defined By User	Yes	Salaries or wages paid to legal counsel’s staff.

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Object Code	Object Name	Program Default	Direct Charges	Description
149	Other – Salaries – Legal Counsel’s Office	Defined By User	Yes	All other salary or wages paid to the legal counsel’s office not included in object codes 141-142.
150	Compensation of Board and Commission Members	Defined By User	Yes	Compensation paid to members of township boards and commissions.
160	<i>Salaries – Mayor’s Office</i>	Defined By User	Yes	Sub-summary object code for Salaries – Mayor’s Office. Comprises detail object codes 161-169.
161	Salary – Mayor	Defined By User	Yes	Salaries or wages paid to the village mayor.
162	Salaries – Mayor’s Staff	Defined By User	Yes	Salaries or wages paid to the village mayor’s staff.
169	Other – Salaries – Mayor’s Office	Defined By User	Yes	All other salaries or wages paid in mayor’s office not included in object codes 161-162.
190	Other – Personal Services	Defined By User	Yes	Salaries or wages paid to all village staff not included in object codes 110-169.
	Employee Fringe Benefits			
	<i>Employer’s Retirement Contributions</i>			
211	Ohio Public Employees Retirement System	Defined By User	Yes	Village’s share of retirement contributions, payable to the Ohio Public Employees Retirement System.
212	Social Security	Defined By User	Yes	Village’s share of retirement contributions, payable to the Social Security Administration for Social Security.
213	Medicare	Defined By User	Yes	Village’s share of retirement contributions, payable to the Social Security Administration for Medicare.
214	Volunteer Firemen’s Dependents Fund	Defined By User	Yes	Village’s share of retirement contributions, payable to the Volunteer Firemen’s Dependents Fund.
215	Ohio Police and Fire Pension Fund	Defined By User	Yes	Village’s share of retirement contributions, payable to the Ohio Police and Fire Pension Fund.
219	Other – Employer’s Retirement Contributions	Defined By User	Yes	Village’s share of other retirement contributions not included in object codes 211-215.

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Object Code	Object Name	Program Default	Direct Charges	Description
220	<i>Insurance Benefits</i>	Defined By User	No	Village's payments for employee insurance benefits. Sub-summary object code for Insurance Benefits. Comprises detail object codes 221-229.
221	Medical / Hospitalization	Defined By User	No	Village's payment for the employer's share of employee hospitalization premiums.
222	Life Insurance	Defined By User	No	Village's payment for the employer's share of employee life insurance premiums.
223	Dental Insurance	Defined By User	No	Village's payment for the employer's share of employee dental insurance premiums.
224	Vision Insurance	Defined By User	No	Village's payment for the employer's share of employee vision insurance premiums.
225	Workers' Compensation	Defined By User	Yes	Payments to the Ohio Bureau of Workers' Compensation.
228	Health Care Reimbursement	Defined By User	Yes	Payment for reimbursement of health insurance premiums.
229	Other – Insurance Benefits	Defined By User	No	Village's payment for the employer's share of other employee insurance benefits not included in object codes 221-225.
240	Unemployment Compensation	Defined By User	Yes	Payments to the State for unemployment compensation.
250	<i>Employee Reimbursements</i>	Defined By User	No	Payments to village employees for uniform, tool, equipment and other reimbursements. Sub-summary object code for Employee Reimbursements. Comprises detail object codes 251-259.
251	Uniform, Tool and Equipment Reimbursements	Defined By User	No	Payments to village employees for uniform, tool and equipment reimbursements.
252	Travel and Transportation	Defined By User	No	Payments to employees, in the form of a reimbursement, for expenses incurred due to work related travel and transportation.
259	Other – Employee Reimbursements	Defined By User	No	Payments to village employees for other reimbursements not included in object codes 251-252.
260	Housing and Meals	Defined By User	No	Cost of housing and meals furnished to personnel as a condition of employment. Includes allowances paid to members of boards and commissions.
270	Uniforms and Clothing	Defined By User	No	Monetary allowances paid for maintenance of uniforms or clothing.
290	Other – Employee Fringe Benefits	Defined By User	No	Payment of other employee fringe benefits not included in objects 211-270.

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Object Code	Object Name	Program Default	Direct Charges	Description
300	Contractual Services	Defined By User	No	Summary object code for Contractual Services. Comprises detail object codes 310-369.
310	Utilities	Defined By User	No	Costs of heat, light, power, water, gas or electricity purchased from either privately owned or publicly operated utilities. Sub-summary object code for Utilities. Comprises detail object codes 310-319.
311	Electricity	Defined By User	No	Costs for electricity.
312	Water and Sewage	Defined By User	No	Costs for water and sewage.
313	Natural Gas	Defined By User	No	Costs for natural gas.
314	Heating Oil	Defined By User	No	Costs for heating oil.
315	Coal	Defined By User	No	Costs for coal.
316	Internet/Cable	Defined By User	No	Costs for cable and internet.
319	Other – Utilities	Defined By User	No	Costs for utilities not included in object codes 311-319.
320	Communications, Printing and Advertising	Defined By User	No	Expenses for telephone and fax communications, printing and advertising. Sub-summary object code for Communications, Printing and Advertising. Comprises detail object codes 321-326.
321	Telephone	Defined By User	No	Telephone and fax expense.
322	Postage	Defined By User	No	Postage and shipping expense.
323	Postage Machine Rental	Defined By User	No	Postage machine rental expense.
324	Printing and Reproduction	Defined By User	No	Cost of contractual printing and reproduction such as work done on printing presses, lithographing, and other duplication, photo stating, blueprinting, photographing and microfilming.
325	Advertising	Defined By User	No	Expenses for publication of official notes, ads, and legal advertising in newspapers and periodicals.
329	Other – Communications,	Defined By User	No	Other communications, printing and advertising expenses not included in objects 321-325.

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Object Code	Object Name	Program Default	Direct Charges	Description
	Printing and Advertising			
330	Rents and Leases	Defined By User	No	Cost of rents and leases of land, buildings, equipment and machinery.
340	<i>Professional and Technical Services</i>	Defined By User	No	Cost of professional services obtained from external sources. Sub-summary object code for Professional and Technical Services. Comprises detail object codes 341-349.
341	Accounting and Legal Fees	Defined By User	No	Accounting services provided by either the Auditor of State's Local Government Services Division or by an independent professional accounting firm. Legal services provided by an external law firm.
342	Auditing Services	Defined By User	No	Auditing services provided by either the Auditor of State Audit Division or by an independent professional accounting firm.
343	Uniform Accounting Network Fees	Defined By User	No	Participation fees paid to the Auditor of State for participation in the Uniform Accounting Network.
344	Tax Collection Fees	Defined By User	Yes	Expenses and fees as deducted by the county auditor, county treasurer and the State department of taxation for the collection and administration of taxes. Also the cost of publication of delinquent tax lists as deducted by county auditor.
345	Election Expenses	Defined By User	Yes	Election expenses deducted by the county auditor.
346	Engineering Services	Defined By User	No	Expenses for architectural and engineering services.
347	Planning Consultants	Defined By User	No	Expenses and fees paid for planning services.
348	Training Services	Defined By User	No	Expenses and fees paid for training village officials and staff.
349	Other – Professional and Technical Services	Defined By User	No	Payment for other professional and technical services not included in objects 341-348, including fees and charges paid to financial institutions for such services as fiscal agent, trustee and safety deposit box rental.
350	<i>Insurance and Bonding Services</i>	Defined By User	No	Cost of all insurance other than that related to personal services (objects 220-229). Sub-summary object code for Insurance and Bonding. Comprises detail object codes 351-359.

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Object Code	Object Name	Program Default	Direct Charges	Description
351	Insurance and Bonding	Defined By User	No	Cost of all insurance other than costs related to personal services. Including fidelity and security bonds on officials and employees.
352	Property Insurance Premiums	Defined By User	No	Cost of property insurance.
353	Liability Insurance Premiums	Defined By User	No	Cost of liability insurance.
354	Fidelity Bond Premiums	Defined By User	No	Cost of fidelity and security bonds on officials and employees.
359	Other – Insurance and Bonding Services	Defined By User	No	Other insurance costs not included in objects 351-354.
390	<i>Other Contractual Services</i>	Defined By User	No	Sub-summary code for Other Contractual Services. Comprises detail object codes 391-399.
391	Dues and Fees	Defined By User	No	Cost of membership fees and periodic dues in societies, associations of officials, trade associations and other organizations.
392	Buildings and Other Structures	Defined By User	No	Cost of service, routine maintenance or repair required to keep buildings and other structures up to a standard of serviceability and the preventions of deterioration by the accomplishment of such work as painting, re-roofing and emergency repairs of damage.
393	Motor Vehicles	Defined By User	No	Cost of service, maintenance or repair of owned motor vehicles. Includes service, maintenance or repair on leased or rented motor vehicles if such work is obtained by contracts separately from lease or rental contracts.
394	Machinery, Equipment and Furniture	Defined By User	No	Cost of service, maintenance, repair, overhaul or rework of owned machinery, equipment or furniture. Includes service, maintenance or repair on leased or rented machinery, equipment or furniture if such work is obtained by contracts separately from lease or rental contracts.
395	Land and Improvements	Defined By User	No	Cost of service, routine maintenance or repair of land or land improvements.
396	Streets, Highways, Curbs and Sidewalks	Defined By User	No	Cost of service, maintenance or repair of streets, highways, curbs and sidewalks.
397	Utility – Systems	Defined By User	No	Cost of heat, electricity, water and gas services purchased from either privately owned or publicly operated utilities.

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Object Code	Object Name	Program Default	Direct Charges	Description
398	Garbage and Trash Removal	Defined By User	No	Cost of waste disposal services purchased from either privately owned or publicly operated utilities.
399	Other – Other Contractual Services	Defined By User	No	Other contracted services not included in object codes 391-398.
400	Supplies and Materials	Defined By User	No	Summary object code for Supplies and Materials. Comprises detail object codes 410-490.
410	Office Supplies and Materials	Defined By User	No	Cost of office supplies and materials such as office stationary, forms, reproduction supplies, small items of equipment, maps and other supplies consumed in the office environment.
420	Operating Supplies and Materials	Defined By User	No	Cost of operating supplies and materials such as diesel fuel, oil and lubricants, gasoline, chains, parts, materials used in the maintenance and repair of roads, cleaning and sanitation supplies, household and institutional supplies.
430	<i>Repairs and Maintenance</i>	Defined By User	No	Sub-summary object code for Repairs and Maintenance. Comprises detail object codes 431-439.
431	Repairs and Maintenance of Buildings and Land	Defined By User	No	Cost of supplies or materials for repairs and maintenance on buildings and land. Includes painting, re-roofing, street, curb, sidewalk repair and custodial services paid by contract.
432	Repairs and Maintenance of Machinery and Equipment	Defined By User	No	Cost of supplies or materials to service, maintain, repair, overhaul or rework owned equipment or machinery.
433	Repairs and Maintenance of Motor Vehicles	Defined By User	No	Cost of supplies or materials for repairs and maintenance on motor vehicles.
439	Other – Repairs and Maintenance	Defined By User	No	Cost of supplies or materials for all other repairs and maintenance not included in object codes 431-433.
440	Small Tools and Minor Equipment	Defined By User	No	Hammers, saws, wrenches, garden tools, small power tools and other tools and equipment having a life expectancy of less than five years.
490	Other – Supplies and Materials	Defined By User	No	All other supplies and materials not included in objects 410-440.

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Object Code	Object Name	Program Default	Direct Charges	Description
500	Capital Outlay	Defined By User	No	Summary object code for Capital Outlay costs. Comprises detail object codes 510-590.
510	Land and Land Improvements	Defined By Use	No	Purchase of land and improvements of land such as landscaping, grading, fences or improvements/construction of parking lots.
520	Equipment	Defined By User	No	Cost of fixtures and equipment which from part of buildings, such as elevators, plumbing, lighting or heating systems, furniture, furnishings and fixtures.
530	Buildings and Other Structures	Defined By User	No	The acquisition or construction of buildings and structures and additions thereto; includes increases in value of buildings and structures resulting from major alterations, restoration or modifications.
540	Machinery, Equipment and Furniture	Defined By User	No	Cost of acquisition of tangible property of a more or less durable nature, other than land, buildings, or improvements other than buildings, which are useful in carrying on operations and which may be expected to have a period of service of a year or more without material impairment of its physical condition. Includes furniture, furnishings and fixtures, books for permanent collections, power tools and instruments. Excludes commodities which are converted in the process of construction or manufacture, or which are used to form a minor part of equipment or fixed property.
545	Runways, Taxiways, Ramps, Docks and Waterways	Defined By User	No	Cost of acquisition, construction or improvements of these facilities.
550	Motor Vehicles	Defined By User	No	Cost of acquisition of automobiles, trucks and other motorized vehicles.
555	Streets, Highways, Sidewalks and Curbs	Defined By User	No	Cost of new construction and replacement of streets, highways, sidewalks and curbs.
560	Utility Distribution Systems	Defined By User	No	Cost of new construction and replacement of systems for distribution of sewage, water, gas and electricity.
590	Other – Capital Outlay	Defined By User	No	Other expenses not included in object codes 510-560.

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Object Code	Object Name	Program Default	Direct Charges	Description
600	Other	Defined By User	No	Summary object code for Other. Comprises detail object codes 610-690.
610	Deposits Refunded	Defined By User	Yes	Deposits refunded.
620	Deposits Applied	Defined By User	Yes	Deposits applied.
630	Compensation and Damages	Defined By User	No	Payments for legal judgments against the village.
640	Payment to Another Political Subdivision	Defined By User	No	Payments made to another political subdivision for contracted services provided to the village, such as fire protection, county health fees, police services, emergency medical services, and garbage and refuse.
641	Excise Tax Expense - Electric	511-519	No	Payment of kilowatt per hour tax to State on village owned/operated electric utility (Per AOS Bulletin 2001-011).
650	Contributions to Other Organizations	Defined By User	No	Contributions made to other non-profit organizations for patriotic, educational and similar purposes.
651	Grants to Other Governments	870	No	Amounts sub-granted to other governments and Amounts returned to governmental granting agencies.
660	Claims	780	No	Summary object code for Claims. Comprises detail object codes 661-669.
661	Liability Insurance	780	No	Self-Insurance claims for Liability Insurance
662	Health Insurance	780	No	Self-Insurance claims for Health Insurance
663	Dental Insurance	780	No	Self Insurance claims for Dental Insurance
664	Vision Insurance	780	No	Self-Insurance claims for Vision Insurance
665	Prescription Insurance	780	No	Self-Insurance claims for Prescription Insurance
666	Worker's Compensation	780	No	Self-Insurance claims for Worker's Compensation
669	Other Claims	780	No	All other expenditures for other Self-Insurance claims not included in object codes 661-666.
690	Other – Other	Defined By User	No	All other expenses not included in detail object codes 610-669.

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Object Code	Object Name	Program Default	Direct Charges	Description
	Debt Service			
710	Principal	850	No	Payments for retirement of outstanding note principal balances.
711	Payment of Capital Appreciation Bonds	850	No	Original principal of capital appreciation bonds at maturity.
720	Interest	850	No	Interest payments on outstanding note/bond indebtedness.
721	Payment of CAB Accretion	850	No	Accreted interest of capital appreciation bonds at maturity. The accreted amount represents the difference between the original principal and the bond payment at maturity.
730	Discount on Debt	850	No	The discount on debt is the difference between the principal amount of the debt issued and the price paid (by the investor) for the debt. This difference, the discount, is caused by the stated interest rate on the bonds being less than the market interest rate (i.e. the stated rate on the bonds is 5.75% and the market rate is 6%).
780	Issuance Costs	850	No	Issuance costs on debt issued.
790	Other – Debt Service	850	No	All other debt service payments not included in object codes 710-780.
940	Payment to Refunded Bond Escrow Agent	850	No	Payments made <i>from resources other than bond proceeds</i> to escrow agent for bond refunding.
	Other Financing Uses			
910	Transfers – Out	910	Yes	Transfers to other funds from a fund.
920	Advances – Out	920	Yes	Disbursements temporarily allocated to another fund for cash flow purposes with the intent that the money will be repaid to the originating fund.
930	Contingencies	930	No	Expenses of an unusual, unexpected nature. Appropriation account only; no actual expenditures are charged to this account.
940	Payment to Refunded Bond Escrow Agent	990	No	Payments made <i>from bond proceeds</i> to escrow agent for bond refunding.
990	Other – Other Financing Uses	990	No	Other expenses not included in objects 910-940.

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Summary and Detail Account Codes

Within each financial reporting group, there are both summary and detail account codes available. Summary account codes are shown on the chart in **bold**. Some report groups may not have a summary account code available. Please refer to the Maintenance Introduction section of the manual for a complete explanation of summary and detail account codes.

Direct Charges

If the Direct Charges column contains a 'Yes', expenditures may be charged directly to the account code. A purchase order or blanket certificate is not required before charging expenditures to the object account code.

If the Direct Charges column contains a 'No', expenditures may not be charged directly to the account code. A purchase order or blanket certificate must be established before charging expenditures to the object account code.

VILLAGE TREATMENT OF INTEREST REVENUE ACCOUNTS

Interest Earned By This Fund Number	System Posts Income to This Interest Account	Conditional Interest Account
1000	1000-701	
2011-2019	201X-701	
2021-2029	202X-701	
2031-2039	1000-701	
2041-2049	1000-701	
2051-2059	1000-701	205X-701
2061-2069	1000-701	206X-701
2071-2079	1000-701	
2081-2089	1000-701	
2091-2099	1000-701	
2101-2109	210X-701	
2111-2119	1000-701	
2121-2129	1000-701	
2131-2139	1000-701	
2141-2149	1000-701	
2151-2169	1000-701	21XX-701
2271-2289	1000-701	
2291-2299	1000-701	
2401-2499	1000-701	
2901-2999	1000-701	29XX-701
3101-3199	1000-701	31XX-701
3201-3299	1000-701	32XX-701
3301-3399	1000-701	33XX-701
3401-3499	1000-701	34XX-701
3901-3999	1000-701	39XX-701
4101-4199	1000-701	41XX-701
4201-4299	1000-701	42XX-701
4501-4599	1000-701	45XX-701
4901-4949	1000-701	49XX-701
4951-4999	1000-701	49XX-701
5101-5199	1000-701	
5201-5299	1000-701	
5301-5399	1000-701	
5401-5499	1000-701	
5501-5599	1000-701	
5601-5699	1000-701	56XX-701
5701-5709	1000-701	570X-701
5721-5739	1000-701	572X-701 to 573X-701
5741-5759	1000-701	574X-701 to 575X-701



Dave Yost • Auditor of State

Bulletin 2011-004

Auditor of State Bulletin

Date Issued: September 29, 2011

TO: All Fiscal Officers

FROM: Dave Yost, Ohio Auditor of State

SUBJECT: Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions

The Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, introduces five fund balance classifications and clarifies the existing governmental fund type definitions. The fund balance classifications relate to constraints placed upon the use of resources reported in governmental funds. The five classifications are nonspendable, restricted, committed, assigned and unassigned. This bulletin references specific paragraphs from GASB 54.

The GASB included supplementary information related to GASB 54 in their 2010 - 2011 Comprehensive Implementation Guide. The Implementation Guide is organized in a question and answer format. This bulletin references specific questions from the Implementation Guide.

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Fund reclassifications made to conform to the provisions of this Statement should be applied retroactively by restating fund balance for all prior periods presented. The change in fund balance presentation to the five classifications of fund balance in GASB 54 is not a restatement.

Fund Balance Classifications

Following are the definitions of the five fund balance classifications (these definitions are taken directly from GASB 54):

Nonspendable Fund Balance The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. (GASB 54 ¶6)

Restricted Fund Balance The restricted classification is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (i.e., State Statutes); or (b) imposed by law through constitutional provisions (City Charter) or enabling legislation. (GASB 54 ¶8)

Committed Fund Balance The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. (GASB 54 ¶10)

Assigned Fund Balance Assigned fund balance includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed (GASB 54 ¶13).

Unassigned Fund Balance Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund (GASB 54 ¶17).

Nonspendable Fund Balance

The nonspendable definition addresses two components of nonspendable fund balance – (a) not in spendable form or (b) legally or contractually required to be maintained intact. Items are considered "not in spendable form" if they are not expected to be converted to cash; examples include inventories and prepaid amounts. Long-term loans and notes receivable, as well as property acquired for resale are also considered "not in spendable form." However, if once the receivables are collected or the assets are sold the proceeds are restricted, committed, or assigned, then those amounts should be included in the appropriate fund balance classification (restricted, committed, or assigned) rather than nonspendable fund balance. The principal reported in a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. (GASB 54 ¶6)

Restricted Fund Balance

The restricted fund balance definition addresses enabling legislation. GASB 54 defines enabling legislation as follows:

Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stated in the legislation. Legal enforceability means that a government can be compelled by an external party-such as citizens, public interest groups, or the judiciary-to use resources created by enabling legislation only for the purposes specified by the legislation. (GASB 54 ¶9)

In Ohio, municipalities have the ability to enact enabling legislation (i.e., impact fees) while most other local governments (counties, townships, school districts etc.) operate solely within State statute. If legislation is passed to generate revenues for a local government under the authority of State statute, it is not enabling legislation.

Restricted fund balance constraints are externally imposed, typically by way of grant agreements, State statute, and debt covenants. Federal and State grant agreements generally include language placing constraints on the resources, thus restricting the fund balance. Constraints placed on

resources collected under the authority of State statute are identified in the respective section of the Ohio Revised Code. Debt agreements typically stipulate how the debt proceeds may be spent and what resources are to be used for repayment. These constraints are sufficient to restrict fund balance. The charts on the attached pages will assist in identifying when fund balance is restricted.

Local match requirements are bound by the constraints in the grant agreement; thus, if the grant is restricted the local match will be also. (Z.54.8) The grant agreement or State statute will specify constraints placed on interest earned on restricted resources. If the interest can be used only for the same purposes as the restricted resources, as indicated in the grant agreement or State statute, the interest will also be restricted, otherwise the interest is assigned. (Z.54.9)

ORC Section 5705.10 (H), states: "Money paid into any fund shall be used only for the purposes for which such fund is established." Therefore, all fund inflows, once recorded in a fund, are to be used for the same purpose as the specific revenue source serving as the foundation of that fund, and fund balance may be limited to one classification, the same as the foundation revenue. Thus, once the foundation revenue of a special revenue fund has been identified and classified as restricted (or committed), other inflows into the same fund are also restricted (or committed). If the foundation revenue ceases to be collected, the same constraints continue to exist. See the special revenue fund definition section of this bulletin.

Committed Fund Balance

Committed fund balance amounts are internally imposed by the governing body. Once an amount is committed, it cannot be used for any other purpose unless the government, by taking the same type of action (resolution or ordinance), removes or changes the constraint. The difference between restricted and committed fund balance is committed fund balance constraints are imposed by the local government, separate from the authorization to raise the underlying revenue, and compliance with constraints imposed by the local government is not considered to be legally enforceable. (GASB 54 ¶11) Restricted fund balance constraints are externally imposed or are enacted through enabling legislation and are legally enforceable.

Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The type of contractual obligations that would meet the committed criteria would be a contract awarded by resolution or through the bid process authorized by resolution of the governing board. Typically, this issue will be limited to the general fund because of its residual (unassigned) fund balance classification.

While an Ohio local government may impose constraints on certain resources and change those constraints prospectively by taking the same action that originally imposed the constraints, redirecting the existing resources (the cash balance of the fund) requires compliance with State statutes for the transfers of money, specifically ORC Sections 5705.14 - 16.

Certain "Charges for Services" and "Fees" have no external constraints; instead the constraints are internally generated by the government's highest level of decision-making authority. To commit the resource, the language in the ordinance/resolution creating the constraint should identify both the revenue source and the constraint. Examples include: charges for services related to swimming pools, parking lots, recreation centers, garbage collections, and transit services. See discussion of "Charges for Services" later in this bulletin.

Assigned Fund Balance

In governmental funds other than the general fund, assigned fund balance is the default classification which represents the remaining amount that is not restricted or committed. The assigned fund balance definition addresses the government's intent. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. (GASB 54 ¶13)

The governing body's intent may be expressed by a motion, but not by formal action such as a resolution or ordinance. In other words, a formal legislative process is not needed to add, remove, or modify assigned amounts. In a School District, a board policy indicating intended use of certain fees or charges for services would be considered an assignment. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed. Some governments may not have both committed and assigned fund balances, as not all governments have multiple levels of decision-making authority. (GASB 54 ¶14)

When the appropriation measure is adopted for the subsequent year, if a portion of existing fund balance is included as a budgetary resource, then that portion of fund balance should be classified as assigned. (GASB 54 ¶16 and Z.54.13) Stated differently, if appropriations (temporary or annual) exceed estimated receipts (not resources), the excess is to be assigned as it uses existing fund balance at year-end. This would be applicable to the general fund as it is the only fund with a positive unassigned fund balance.

Unassigned Fund Balance

Unassigned fund balance is the residual classification for the general fund. In governmental funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from expenditures exceeding amounts that have been restricted, committed, or assigned. If a deficit exists, there should be no amounts reported in any other fund balance classifications.

Encumbrances

Accounting for encumbrances will continue; however, reserved for encumbrances will no longer appear on the financial statements. Encumbered amounts will be included in the restricted, committed, and assigned fund balance classifications. (Z.54.27) Issuing a purchase order assigns the amount of the purchase order to a specific purpose; thus, the outstanding encumbrance amount is included in assigned fund balance, unless the purchase order relates to restricted or committed resources. (Z.54.28) If resources have already been restricted or committed for encumbrances, the encumbered amounts will be included with restricted or committed resources. Encumbrances cannot further restrict or commit resources.

Stabilization Arrangements

Some governments set aside money in a rainy-day fund, specifying when and how the dollars can be spent. The criteria for the use of the resources should be specific, and the resources should not be expected to be spent routinely. "In an emergency" or to offset "anticipated revenue shortfall" are not specific enough to meet the criteria for restricted or committed. Stabilization amounts should be reported in the general fund as restricted or committed if they meet the criteria for restricted or committed, based on the source of the constraint on their use. Stabilization arrangements that do not meet the criteria to be reported within the restricted or committed fund balance classifications should be reported as unassigned in the general fund.

In Ohio, a taxing authority of a subdivision, by resolution or ordinance, may establish reserve balance accounts to accumulate currently available resources to stabilize its budgets against cyclical changes in revenues and expenditures under ORC Section 5705.13. The criterion for using the budget stabilization is not specific enough to meet the committed criteria and it does not meet the restricted criteria as the budget stabilization is not mandated by State statute. Therefore, a budget stabilization/reserve account should be reported as unassigned in the general fund. While statute also gives the authority to have stabilization reserve accounts in other operating funds, the fund balance is reported as restricted, committed, or assigned and the reserve account does not change the fund balance classification.

Balance Sheet Presentation

On the face of the financial statements, amounts for the two components of nonspendable fund balance may be presented separately or in total. If the financial statements present the total amount, then the separate components should be disclosed in the notes. Specific purpose amounts for restricted, committed or assigned fund balance amounts may be presented on the financial statements or disclosed in the notes. (GASB 54 ¶22 and ¶25)

Required Note Disclosure

Governments are required to disclose information about the processes through which constraints are imposed on amounts in the committed and assigned classification:

For committed fund balance: (1) the government's highest level of decision-making authority and (2) the formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment. (GASB 54 ¶23)

For assigned fund balance: (1) the body or official authorized to assign amounts to a specific purpose and (2) the policy established by the governing body pursuant to which that authorization is given. (GASB 54 ¶23)

Governments should also disclose (1) whether the government considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, and (2) whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. (GASB 54 ¶23)

Significant encumbrances should be disclosed in the notes to the financial statements as part of the construction and other significant commitments note. This disclosure should include amounts for each major fund with a separate total for all non-major funds. (GASB 54 ¶24)

Governments that establish stabilization arrangements, even if they don't meet the restricted or committed criteria, should disclose: (a) the authority for establishing stabilization arrangements (for example, by statute or ordinance), (b) the requirements for additions to the stabilization amount, (c) the conditions under which stabilization amounts may be spent, and (d) the stabilization balance, if not apparent on the face of the financial statements. (GASB 54 ¶26)

If a governing body has formally adopted a minimum fund balance policy, the government should describe in the notes to its financial statements the policy established by the government that sets forth the minimum amount. (GASB 54 ¶27)

Governmental Fund Type Definitions

The definitions of the general, special revenue, capital projects, debt service, and permanent fund types are clarified in GASB 54. The new governmental fund type definitions are (these definitions are taken directly from GASB 54):

General Fund The general fund should be used to account for and report all financial resources not accounted for and reported in another fund. (GASB 54 ¶29)

Special Revenue Funds Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. (GASB 54 ¶30)

Capital Projects Funds Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. (GASB 54 ¶33)

Debt Service Funds Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. (GASB 54 ¶34)

Permanent Funds Permanent funds should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. Permanent funds do not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments. (GASB 54 ¶35)

Special Revenue Funds

The special revenue fund type definition addresses proceeds of specific restricted or committed revenue sources as the basis for a special revenue fund. Various revenues or resources can be reported in a special revenue fund; however, the fund is required to include substantial restricted or committed revenues as its foundation. Assigned revenues, transfers-in, or other financing sources (inflows) cannot be the foundation for establishing a special revenue fund. Substantial restricted or committed revenues means a material amount and it does not imply a quantitative range (more or less than some percentage of inflows).

When a special revenue fund is established to account for restricted or committed revenue, but the fund has a limited life expectancy and the inflows into the fund ultimately cease, the balance in that fund does not have to be reported as part of the general fund provided there **are no continuing inflows** (i.e., transfers) into the fund. The separate fund can continue to be reported until the restricted resources have been used for their specified purposes (Z.54.33). Governments should

discontinue reporting a special revenue fund and instead report the fund's remaining resources in the general fund, or another fund with a similar purpose that meets the criteria to be reported as a special revenue fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources.

The new definition for special revenue funds includes a requirement that a specific source of revenue at least be committed. A fund with committed resources may require Auditor of State approval under ORC Section 5705.12. Most Ohio local governments can only do what is authorized in State statute, so the ability to commit an otherwise unrestricted general fund revenue for some other specific purpose may not exist. Municipalities may, because of home rule, be able to commit, by ordinance, a specific source of revenue to a specific purpose.

Debt Service and Capital Projects Funds

Debt service and capital projects funds do not need a foundation revenue to exist and can have transfers as their sole inflow. If a capital projects fund has a transfer as its sole inflow and the governing body has identified a specific purpose by ordinance or resolution, then the fund balance is committed. However, if the governing body has not identified a purpose, the fund balance is assigned.

Required Note Disclosure

Governments should disclose in the notes to the financial statements the purpose for each major special revenue fund. This definition should identify the foundation revenues in each fund and the source of the restriction or commitment.

Change in Fund Classification

GASB 54 changes the definitions of governmental funds; therefore, some funds that are maintained for day-to-day accounting purposes may no longer meet the fund type criteria for reporting in the year-end external financial statements. These funds should be presented as part of the general fund or a qualifying special revenue fund in the year-end financial statements. The budgetary comparison information in the year-end financial statements should be the legally adopted budget for the general fund or major special revenue funds, without modification for the funds no longer meeting the special revenue criteria. Differences in fund structure between budgetary reporting and GAAP reporting are "perspective differences." (See GASB Codification 2400.113) This perspective difference should be explained in the reconciliation of budgetary information to generally accepted accounting principles information. (Z54.41) Changes in fund structure should be applied retroactively and will result in restating fund balance for all prior periods.

Specific Issues/Additional Information

Proprietary Funds

The new GASB 54 fund balance classifications apply to governmental fund financial statements only. They do not apply to net assets in proprietary funds or to the government-wide statement of net assets.

Relationship of net assets to fund balance

Restricted fund balance on the governmental fund financial statements will generally be different from restricted net assets for governmental activities reported on the government-wide statement of net assets. There are three reasons for this difference. First, the principal amount of a permanent fund is classified as nonspendable fund balance in the governmental fund financial statements, but is included in restricted net assets in the government-wide statement of net assets.

Second, the fund financial statements are prepared on the modified accrual basis of accounting and the government-wide statement of net assets is prepared on the accrual basis of accounting. The differences between the two bases of accounting will generate differences in the two amounts. And finally, the internal service fund is not included on the governmental fund financial statements; however, on the government-wide statement of net assets, the internal service fund is generally included with governmental activities. (Z.54.10)

Transfers

Transfers in are an inflow of resources to a fund, not a revenue source. A governing board can pass a resolution to annually transfer amounts from the general fund to a special revenue fund; however, when the transfer is the only inflow to be used for a specified purpose, it does not meet the criteria for restricted or committed revenues necessary to meet the definition of a special revenue fund. The separate fund can be reported as a special revenue fund even if the transfers-in exceed the foundation revenue for that fund. Following the constraint placed on fund resources by State law (5705.10(H), R.C.), the transferred resources would be reported the same as the restricted or committed revenues. Transfers from the general fund to any other governmental fund would be classified as part of assigned fund balance unless the governing board, by ordinance or resolution, identifies a specific purpose for the funds, in which case the resources would be reported as committed fund balance.

Cemetery Funds

Municipalities: Sale of cemetery lots under ORC Section 759.13 are restricted, “No more shall be charged for lots than is necessary to reimburse the city for the expense of lands purchased or appropriated for cemetery purposes, and to keep in order and embellish the grounds.” If the charges for services received under ORC Section 759.13 are considered the foundation revenue of the cemetery fund, then it would be a special revenue fund with a restricted fund balance. If the foundation revenue under ORC Section 759.13 is no longer collected, reevaluate the fund.

Cemetery money coming in under ORC Section 759.12 and ORC Section 759.15 should be reported as a permanent fund or private purpose trust fund. ORC Section 759.12 states that the dollars received under this section is “... for the perpetual care of the lots designated, using only the interest or income of the money.” ORC Section 759.15 states that the city shall “...forever hold such money as a permanent fund (statutory use and does not match GASB definition), and pay to the director (director of public service) in semiannual payments as interest on the funds, a sum sufficient to provide perpetual care of the lots as agreed by the director.”

GASB 34 and 54 defines permanent funds as funds “...used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs—that is, for the benefit of the government or its citizenry.” Private purpose trust funds “...should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments.” Investing a specific portion of the fee charged to everyone for the sale of lots and using the interest to cover on-going maintenance of a cemetery (mowing) is benefitting the government or its citizenry and would be a permanent fund. Allowing individuals the option to contribute with the principal and/or interest designated for placing flowers on specific grave sites is benefitting individuals and would be a private purpose trust fund.

Under GASB 54, the principal of a permanent fund is reported as nonspendable. On the statement of net assets, amounts that are required to be retained in perpetuity are to be classified as nonexpendable within the restricted net asset category. GASB 34, paragraph 35 states that

permanent fund principal amounts should be shown in two additional categories of restricted net assets—expendable and nonexpendable.

Donations received under ORC Section 759.14 could be a special revenue, capital projects, permanent or private purpose trust fund depending on the nature of the donation. ORC Section 759.14 states that the donation may be “...used for the enlargement, improvement, embellishment, or care of the cemetery grounds generally, or for any particular parts or lots therein, as the donor directs, or as the director determines if no such direction is given.” Embellishment or care of the grounds generally could be a special revenue fund if the GASB 54 restricted or committed criteria are met. Enlargement or improvement of the grounds generally would be a capital projects fund. Enlargement, improvement, embellishment or care of a particular lot directed by the donor would be a private purpose trust. A permanent fund would only be used if the principal cannot be spent and the earnings are used for government programs. (See permanent fund definition above.)

Townships: ORC Section 517.07 establishes the township’s ability to sell cemetery lots, “Upon application, the board of township trustees shall sell at a reasonable price the number of lots as public wants demand for burial purposes.” ORC Section 517.08 places the restriction on these dollars, “The proceeds arising from the sale of cemetery lots under ORC Section 517.07 shall be used in maintaining, improving, beautifying, and embellishing such grounds, ...” If the charges for services received under ORC Section 517.07 are considered the foundation revenue of the cemetery fund, then it is a special revenue fund with a restricted fund balance.

Dollars receipted into a Cemetery Fund under ORC Section 517.15 can be for a variety of purposes, as follows:

- (A) “Gifts, devises, or bequests received for the purpose of maintaining, improving, or beautifying township cemeteries;” These dollars would be presented in a special revenue fund with a restricted fund balance.
- (B) “Charges added to the price regularly charged for burial lots for the purpose of maintaining, improving, or beautifying township cemeteries;” These dollars may be presented in a permanent fund with a nonspendable fund balance.
- (C) “Contributions of money from the township general fund;” These dollars would most likely not be the foundation revenue of the fund. These dollars would be presented in a special revenue fund with a restricted fund balance.
- (D) “An individual agreement with the purchaser of a burial lot providing that a part of the purchase price is to be applied to the purpose of maintaining, improving, or beautifying any burial lot designated and named by the purchaser;” These dollars would be presented in a private purpose trust fund – not subject to GASB 54 fund balance classifications.
- (E) “Individual gift, devises, or bequests made for the maintenance, improvement, and beautification of any burial lot designated and named by the person making the gift, devise, or bequest.” These dollars would be presented in a private purpose trust fund – not subject to GASB 54 fund balance classifications.

State statute allows this activity to be in one fund; however, maintaining separate funds may simplify financial reporting issues.

Municipal Income Tax

A municipal income tax enacted under ORC Section 718.01(C), results in various classifications of fund balance as follows:

- An income tax (up to one percent) is enacted without voter approval and no constraints are placed on the use of the revenue. This income tax revenue is to be included with the general fund and is part of the unassigned fund balance. There is no basis for a separate fund, even on a budgetary basis.
- An income tax is enacted with voter approval and no constraints are placed on the use of the revenue. This income tax revenue is included with the general fund and is part of the unassigned fund balance. Again, there is no basis for a separate fund.
- An income tax is enacted with or without voter approval and constraints on the use of the revenue are imposed by a separate ordinance. For GASB 54 purposes, this income tax revenue is included with the general fund if it is used for municipal operations. It could also be reported as a separate special revenue or as a capital projects fund depending on the use of the revenue. Regardless of how the fund is reported, the fund balance will be committed.
- An income tax (up to one percent) is enacted without voter approval and constraints on the use of the revenue are imposed through enabling legislation – original ordinance. For GASB 54 purposes, this income tax fund is reported as a separate special revenue or capital projects fund depending on the use of the revenue, and reports a restricted fund balance.
- An income tax is enacted with voter approval and constraints on the use of the revenue are imposed externally by the voters. For GASB 54 purposes, this revenue is reported as a separate special revenue or capital projects fund depending on the use of the revenue, and is classified as restricted fund balance.

School District Income Tax

A school district income tax is enacted with voter approval and no constraints are placed on the use of the revenue. For GASB 54 purposes, this income tax revenue is included with the general fund and is part of unassigned fund balance. If however, the revenue is for capital improvements, this income tax revenue is included in the permanent improvements capital projects fund and is classified as restricted fund balance

Charges for Services

When a fund has “Charges for Services” as its foundation revenue, each situation should be evaluated separately:

- Certain “Charges for Services” have external constraints and meet the definition of restricted fund balance. See the Restricted Fund Balance section of this bulletin.
- Certain “Charges for Services” have no external constraints; instead the constraints are internally generated by the government’s highest level of decision-making authority. To commit the resource, the language in the ordinance/resolution creating the constraint should identify both the revenue source and the constraint and indicate the revenue is to support the activity. Examples include: charges for services related to swimming pools, parking lots, recreation centers, garbage collections, and transit services.

- If the criteria for restricted and committed are not met, the revenue will be reported with the general fund and report an assigned or unassigned fund balance, as appropriate.
- If “Charges for Services” is not the foundation revenue, and the foundation revenue is restricted, the “Charges for Services” would also be restricted. See the Restricted Fund Balance section of this bulletin.

Donations

Donations received by a local government can be classified two ways. First, donations received with constraints imposed by the contributor are nonspendable (corpus) or restricted. Second, donations can be given to a specific department or fund in which case there is an implied constraint imposed by the donor. When this is combined with a resolution/ordinance recognizing the implied consent on the use of the dollars, the fund balance is committed. Donations received without written directive of how it is to be used from the donor should be considered a general fund receipt and reported as unrestricted fund balance.

OCBOA and Regulatory Financial Statements

Those local governments preparing OCBOA and regulatory statements should implement both the new fund balance classifications and the governmental fund type definitions. New templates will be available to facilitate this process. A failure to follow these classifications would usually preclude auditors from expressing an unqualified opinion on the statements.

Unclaimed Monies Fund

For unclaimed monies, the difference between the amount of cash in the fund and the estimated liability for payments to claimants would be classified as nonspendable fund balance until the end of the five year holding period. Unclaimed funds are legally required (ORC Section 9.39) to be maintained for five years. For a cash basis entity, the entire cash balance would be reported as nonspendable.

School District Issues

Property Tax Advances and Subsequent Years' Appropriations

When the appropriation measure is adopted for the subsequent year, if a portion of existing fund balance is included as a budgetary resource (appropriated for general fund uses or appropriations exceed estimated receipts), then that portion of fund balance should be classified as assigned. (GASB 54 ¶16 and Z.54.13) For School Districts, the amount available as an advance against the August real property settlement (booked as a receivable/revenue at June 30) is part of fund balance. Therefore, when making this calculation, the estimated receipts should not include the amount available as an advance against the August real property settlement. Since the general fund is the only fund with a positive unassigned fund balance, this calculation is only needed for the general fund.

Allocation of Inside Millage

School Districts have the ability to allocate inside millage from the general fund to the permanent improvement fund. This reallocation process goes through a formal legislative process, public hearings, and the county budget commission. The allocated millage/revenues, such as those directed for permanent improvements, should be reported as committed fund balance as the same process is followed to return the inside millage to the general fund.

Classroom Facility Maintenance Fund (034)

School districts are required to establish and maintain a Classroom Facility Maintenance Special Revenue Fund and have a voted half mill property tax levy to finance the maintenance of completed School Facility Projects for 23 years. As an alternative to the half mill levy, a school district may earmark a portion of an existing continuing permanent improvement property tax levy or the proceeds of an income tax levy that may be used for permanent improvements. By statute, these resources are transferred to the Classroom Facility Maintenance Fund. In order to report the Classroom Facility Maintenance Special Revenue Fund, the transfers-in, on a GAAP basis, should be reclassified to property or income tax revenues and the transfers-out should be eliminated by reducing property or income tax revenues in the originating fund. This allows the Classroom Facility Maintenance Fund to report a specific revenue source (the foundation revenue) meeting the criteria necessary to have a special revenue fund. The transfers should continue to be presented on the budget and actual financial statements.

Set-Asides

School District set-asides established by ORC Sections 3315.17 and .18 represent restricted fund balance within the general fund. Effective July 1, 2011, the textbook set-aside is no longer required and has been removed from existing law.

Unspent refunds or rebates from Bureau of Workers' Compensation received prior to April 10, 2001, (previously required by law to be deposited into a budget reserve) are limited to the following purposes:

- To offset a budget deficit;
- For school facility construction, renovation or repair;
- For textbooks or instructional materials, including science equipment or laboratories;
- For the purchase of school buses; or
- For professional development of teachers.

The last four items above would be reported as restricted fund balance because of the constraints placed on the use by State statute and should be reported within the general fund according to the purpose chosen by the board of education. The choice to offset a budget deficit parallels a budget stabilization arrangement which is reported as unassigned fund balance. This presentation differs from the guidance in GASB 54 which has constraints imposed by State statute (laws of another government) as restricted fund balance.

GASB 54 Fund Balance Classification Analysis Charts

The following pages contain charts presenting the more common funds and foundation revenue/inflow for Cities/Villages, Schools Districts, Counties, Townships and Libraries.

The charts identify the "GASB 54 fund classification" and the "prior fund classification" to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The charts do not include all possible grant funds; however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

The chart may identify multiple foundation revenues/inflows for a single fund. Local governments should identify which resource or resources they will be using as their foundation revenue and classify fund balance as appropriate. For example on the county chart, the jail operations special revenue fund could have property taxes or charges for services as its foundation revenue. If property taxes are the foundation revenue, fund balance would be restricted; however, if charges for services are the foundation revenue, fund balance would be committed.

Questions

If you have any questions regarding the information presented in the Bulletin, please contact Local Government Services at the Auditor of State's Office at (800) 345-2519.

A handwritten signature in black ink, reading "Dave Yost". The signature is fluid and cursive, with the first name "Dave" and last name "Yost" clearly legible.

Dave Yost
Ohio Auditor of State

Cities/Villages

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
General	General	General	Various sources	None	None	Unassigned
General	SR	Compensated Absences	Transfers +	ORC Section 5705.13(B), transferred from other funds	City's intent--pmt of sick/vacation/comp at termination	Committed
General	SR	Underground Storage Tanks	Transfers from other funds +	AOS Bulletin 94-04	Remediation deductible; no specific source, transfers	Committed
General	General	Unclaimed Monies Fund	Various unclaimed funds	ORC Section 9.39	Externally imposed by State Statute	Nonspendable
General	General	General	Hotel/Motel Tax - 50% for municipality	ORC Section 5739.09(B)	None	Unassigned
SR	SR	Police Pension	3/10 mill Property Taxes	ORC Sections 5705.06(G) & 742.33(B)	Externally imposed by State Statute	Restricted
SR	SR	Fire Pension	3/10 mill Property Taxes	ORC Sections 5705.06(G) & 742.34(B)	Externally imposed by State Statute	Restricted
SR	SR	Special Levy	Property Taxes	ORC Section 5705.19	Externally imposed by voters	Restricted
SR	SR	Hotel/Motel Tax	Hotel/Motel Tax - 50% for municipality	ORC Section 5739.09(B)	Internally imposed by City Ordinance	Committed
SR	SR	Hotel/Motel Tax	Hotel/Motel Tax - 50% for convention and visitors' bureau	ORC Section 5739.09(B)	Externally imposed by State Statute	Restricted
SR + a	SR	Tax Increment	Increment Taxes	ORC Sections 5709.40 - 5709.43	Externally imposed by State Statute	Restricted
SR	SR	Service Assessments	Special Assessments	ORC Chapters 727 & 729	Externally imposed by State Statute	Restricted
SR + b	SR	CDBG	Intergovernmental-Grant Monies	Grant Award/Agreement	Externally imposed by Grantor	Restricted
SR	SR	CDBG Revolving Loan	Intergovernmental	Grant Award/Agreement	Externally imposed by Grantor +	Restricted +
SR	SR	Cops	Intergovernmental-Grant Monies	Grant Award/Agreement	Externally Imposed by Grantor	Restricted
SR	SR	FEMA	Intergovernmental	ORC Section 131.35	Externally imposed by State Statute/grant award	Restricted
SR	SR	HUD Housing	Intergovernmental-Grant Monies	Grant Award/Agreement	Externally imposed by Grantor	Restricted
SR	SR	Joint Economic Develop District	Intergovernmental - City's share of JEDD income tax collections	ORC Sections 715.72-715.83	Externally Imposed by State Statute	Restricted
SR	SR	Street Maintenance (SCMR)	Intergovernmental		Externally imposed by State Statute	Restricted
			- Gas Tax	ORC Section 5728.06 & ORC Chapter 5735		
SR	SR	State Highway	Intergovernmental	- Motor Vehicle License Fees ORC Chapter 4503	Externally imposed by State Statute	Restricted
			- Gas Tax	ORC Section 5728.06 & ORC Chapter 5735		
			- Motor Vehicle License Fees	ORC Chapter 4503		
SR	SR	Permissive Motor Vehicle License	Intergov't - Permissive MVL	ORC Chapter 4504	Externally imposed by State Statute	Restricted
SR	SR	Drug Law Enforcement	Fines and Forfeitures	ORC Section 2925.03, AOS Bulletin 86-16	Externally imposed by State Statute	Restricted
SR	SR	Enforcement and Education	Fines and Forfeitures	AOS Bulletin 90-25	Externally imposed by State Statute	Restricted
SR	SR	Federal Equitable	Fines and Forfeitures	US Treasury & Justice Departments	Externally imposed by Federal Law	Restricted
SR	SR	Indigent Alcohol	Fines and Forfeitures	ORC Sections 4511.191(H)(1) & 2949.094(A)	Externally imposed by State Statute	Restricted
SR	SR	Law Enforcement Trust	Fines and Forfeitures	ORC Section 2981.13 (C)(1)	Externally imposed by State Statute	Restricted
SR	SR	Mandatory Drug Fines	Fines and Forfeitures	ORC Section 2925.03, AOS Bulletin 86-16	Externally imposed by State Statute	Restricted
SR + c	SR	Municipal Court Special Programs	Fines and Forfeitures	ORC Section 1901.26 (B)(1)	Externally imposed by State Statute	Restricted
SR	SR	Cemetery	Charges for Services-Sale of Lots	ORC Section 759.13	Externally imposed by State Statute	Restricted
SR + d	SR	City Donation Fund	Donations	External resource providers	Externally imposed by contributor	Restricted
			Donations	External resource providers	Implied by donor, internally imposed by ordinance	Committed
DS	DS	G.O. Bond Retirement	Property Taxes	ORC Sections 5705.19; 133.10 & 133.25	Externally imposed by State Statutes	Restricted
			Income Taxes	ORC Sections 5705.09; 133.10 & 718.01	Externally imposed by State Statutes	Restricted
			Transfers +	Transfers from General Fund	City intends to use for specific purpose	Assigned
DS	DS	Special Assessment Bond Retirement	Special Assessments	ORC Sections 133.17 & 6115.50	Externally imposed by State Statutes	Restricted
CP	CP	Capital Grants	Intergovernmental	Grant Award/Agreement	Externally imposed by Grantor	Restricted
CP	CP	Federal Stimulus	Intergovernmental	Grant Award Letter	Externally imposed by Grantor	Restricted
CP	CP	Issue II Improvements	Intergovernmental	OPWC Money	Externally imposed by grantor/OPWC	Restricted
CP	CP	Municipal Court Improvements	Fines and Forfeitures	ORC Section 1901.26 (B)(1)	Externally imposed by State Statute	Restricted
CP	CP	Capital Improvement Assessment Fund	Special Assessments	ORC Chapters 727 & 729	Externally imposed by State Statute	Restricted

Cities/Villages

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
CP	CP	Construction/Improvement Fund	Specific source TBD by City	ORC Section 5705.13 (C) & City Ordinance	Internally imposed by City ordinance	Committed
			Transfers +	ORC Section 5705.13 (C) & City Ordinance	City has identified a specific purpose by ordinance	Committed
			Transfers +	ORC Section 5705.13 (C)	City has not identified a specific purpose	Assigned
CP	CP	Construction Fund	Initial Debt Proceeds +	ORC Sections 133.15, & .32	Externally imposed by debt covenants	Restricted
Perm	Perm	Cemetery Investment/Perpetual Care	Charges for Services	ORC Sections 759.12 & .15	Imposed by State Statute	Nonspendable
Perm + e	Perm	Endowment	Donations-Corpus can't be spent	ORC Section 5705.09 (F), Trust Law	Externally imposed by donor	Nonspendable
			Earnings on corpus	ORC Section 5705.09 (F), Trust Law	Externally imposed by donor	Restricted

Cities/Villages Explanatory Notes

The preceding chart shows the “prior fund classification” and the “GASB 54 fund classification” to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The preceding chart does not include all possible grant funds: however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

+ GASB 54 Fund Classification

- a AOS Bulletin 2010-003 addresses the appropriate fund classification to account for Tax Increment Financing (TIF) and other funds that maybe necessary for external reporting. Regardless of fund classification, the fund balance related to TIF’s would be restricted.
- b Some of the grant funds that are presented as special revenue funds could also be capital projects funds based on the use of the award; however, the fund balance classification will still be restricted.
- c The municipal court computerization funds could be classified as special revenue or capital projects funds based on the use of the dollars; however, the fund balance classification will still be restricted.
- d Some of the donation funds could be capital projects funds based on the use of the dollars; however, the fund balance classification will not change.
- e The use of a permanent fund requires an evaluation of each individual circumstance, and the chart is illustrating the GASB 54 fund balance classification for those situations when a permanent fund is appropriate.

+ Foundation Revenue/Inflow

Transfers and debt proceeds represent an inflow not a revenue.

+ Type of Constraint

Review grant agreement for constraints on use of interest payments and collection of receivable.

+ Fund Balance Classification

The fund balance classification related to the loan receivable may be presented as restricted if the proceeds from the collection of the receivable are restricted.

School Districts

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
General	General	General Fund (001)	Various Sources	None	None	Unassigned
General + a	SR	Uniform School Supplies (009)	Tuition and Fees	ORC Section 3313.811	None, statute too broad	Unassigned
			Tuition and Fees	ORC Section 3313.811	Board Policy indicating intended use of revenues	Assigned
General	SR	Rotary Fund - Special Services (011)	Charges for Services	ORC Section 5705.12, AOS Permission Req'd	None	Unassigned
			Charges for Services	ORC Section 5705.12, AOS Permission Req'd	Board Policy indicating intended use of revenues	Assigned
General + a	SR	Adult Education (LSD, CSD & EVSD)	Tuition and Fees	ORC Section 5705.12, AOS Permission Req'd	None, No Board Policy	Unassigned
			Tuition and Fees	ORC Section 5705.12, AOS Permission Req'd	Board Policy indicating intended use of revenues	Assigned
General	SR	Emergency Levy Fund (016)	Property Taxes	ORC Section 5705.194	No restrictions in ballot language	Unassigned
General	SR	Public School Fund (018)	Sales	ORC Section 5705.12, AOS Permission Req'd	School Board approval	Assigned
General	SR	Underground Storage Tanks (031)	Transfers +	AOS Bulletin 94-04	Remediation deductible; no specific source, transfers	Committed
General	SR	Termination Benefits (035)	Transfers +	ORC Section 5705.13(B)	Termination payments; no specific source, transfers	Committed
SR + a	SR	Food Service (006)	Charges for Services, Intergov't	ORC Section 3313.81	Externally imposed by State Statute	Restricted
SR	SR	Special Trust (007)	Donations	External resource providers	Externally imposed by donor	Restricted
			Donations	External resource providers	Implied by donor, internally imposed by resolution	Committed
SR + a	SR	Adult Education (012)	Intergov't - JVS State Funding	ORC Sections 5705.12 & 3301.40, AOS Permission Req'd	Externally imposed by State Statute	Restricted
SR	SR	Emergency Levy Fund (016)	Property Taxes	ORC Section 5705.194	Externally imposed by voters, see ballot language for constraints	Restricted
SR + b	SR	Other Grants Funds (019)	Donations, Intergov't	External resource providers/grant agreement	Externally imposed by State Statute or the Grantor	Restricted
SR	SR	Ed Foundation Fund (029)	Donations - with conditions	ORC Section 3315.40	Externally imposed by Donor	Restricted
			Donations - without conditions	ORC Section 3315.40	Directed by Board resolution	Committed
SR	SR	Special Levy Fund (030)	Property Taxes	ORC Sections 5705.199 & .21	Externally imposed by Voters	Restricted
SR	SR	School Improvement Models (032)	Intergovernmental	Grantor	Externally imposed by the Grantor	Restricted
SR	SR	Classroom Facilities Maintenance (034)	Property Taxes	ORC Section 3318.06	Externally imposed by Voters	Restricted
SR	SR	District Managed Student Activity (300)	Extracurricular Activities	ORC Section 3315.062	Externally imposed by State Statute	Restricted
SR	SR	School Bus Driver Training Program (421)	Intergovernmental	Ohio Department of Highway Safety PL 89-654, CFDA 20.600	Externally imposed by Ohio Dept of Highway Safety	Restricted
SR	SR	Motorcycle Safety & Education (430)	Intergovernmental	ORC Section 4501.13	Externally imposed by State Statute	Restricted
SR	SR	All other State Grant Funds	Intergovernmental	State biennium budget bill, See USAS	Externally imposed by State General Assembly	Restricted
SR	SR	Federal Grant Funds	Intergovernmental	Catalog of Federal Domestic Assistance	Externally imposed by Federal Granting Agency	Restricted
DS	DS	Bond Retirement (002)	Property Taxes	ORC Sections 5705.09 & 133.18	Externally imposed by State Statute & Voter Approval	Restricted
CP	CP	Permanent Improvement (003)	Property Taxes	ORC Section 5705.21	Externally imposed by State Statute & Voter Approval	Restricted
			Property Taxes-diverted inside millage	ORC Chapter 5705	Internally imposed by Board of Education & Budget Commission Approval	Committed
			Income Tax	ORC Section 5748.02	Externally imposed by State Statute & Voter Approval	Restricted
			Sale of Permanent Improvement	ORC Section 5705.10F	Externally imposed by State Statute	Restricted
			Transfers +	Transfers from General, ORC Section 5705.12, AOS Permission Req'd	Board of Education has identified a specific purpose by resolution	Committed
			Transfers +	Transfers from General, ORC Section 5705.12, AOS Permission Req'd	Board of Education has not identified a specific purpose	Assigned
CP	CP	Building Fund (004)	Debt Proceeds +	ORC Section 133.32	Externally imposed by State Statute	Restricted
CP	CP	Classroom Facilities (010)	Intergovernmental	ORC Sections 3318.04, .080 & .15	Externally imposed by State Statute/OSFC/Voters	Restricted
CP	CP	Library Construction (017)	Debt Proceeds +	ORC Sections 3375.43 & .44	Externally imposed by State Statute/Voters	Restricted
CP	CP	Special Levy (Capital Projects) (033)	Property Taxes	ORC Sections 5705.21	Externally imposed by the Voters	Restricted
CP	CP	Capital Projects (070)	Specific Source TBD by School	ORC Section 5705.13 (C) & Board Resolution	Internally imposed by Board of Education	Committed
			Transfers +	ORC Section 5705.13 (C) & Board Resolution	Board of Education has identified a specific purpose by resolution	Committed
			Transfers +	ORC Section 5705.13 (C) & Board Resolution	Board of Education has not identified a specific purpose	Assigned
CP	CP	Capital Grants Fund (071)	Intergovernmental	Grant agreement	Externally imposed by State Statute	Restricted
CP	CP	Vocational Education Equipment (420)	Intergovernmental	HB 1, 128th GA appropriation line item 200-526	Externally imposed by State General Assembly	Restricted
CP	CP	School Net (450)	Intergovernmental	HB 1, 128th GA appropriation line item 228-539	Externally imposed by State General Assembly	Restricted

School Districts						
GASB 54 Fund Balance Classification Analysis						
GASB 54 Fund	Prior Fund	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance
Classification	Classification					Classification
CP	CP	Telecommunity (453)	Intergovernmental	HB 1, 128th GA appropriation line item 228-630	Externally imposed by State General Assembly	Restricted
CP	CP	School Building Ass't Limited Fund (496)	Intergovernmental	Senate Bill No. 102	Externally imposed by Senate Bill 102	Restricted
CP	CP	CAP (498)	Intergovernmental	House Bill 810 (122 GA)	Externally imposed by House Bill 810	Restricted
CP	CP	Emergency School Repair (583)	Intergovernmental	Catalog of Federal Domestic Assistance #84.3542	Externally imposed by Federal Grant	Restricted
Perm + c	Perm	Special Trust (007)	Donations-Corpus can't be spent	External resource providers	Externally imposed by donor	Nondisposable
			Earnings on corpus	External resource providers	Externally imposed by donor	Restricted
Perm + c	Perm	Endowment (008)	Donations-Corpus can't be spent	External resource providers	Externally imposed by donor	Nondisposable
			Earnings on corpus	External resource providers	Externally imposed by donor	Restricted

School Districts Explanatory Notes

The preceding chart shows the “prior budgetary USAS fund classification” and the “GASB 54 fund classification” to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The preceding chart does not include all possible grant funds; however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

+ GASB 54 Fund Classification

- a Some of the funds with charges for services or tuition and fees revenue could be reported as enterprise funds and would not report fund balance.
- b Some of the donation funds could be capital projects funds based on the use of the dollars; however, the fund balance classification will not change.
- c The use of a permanent fund requires an evaluation of each individual circumstance, and the chart is illustrating the GASB 54 fund balance classification for those situations when a permanent fund is appropriate.

+ Foundation Revenue/Inflow

Transfers and debt proceeds represent an inflow not a revenue.

+ Type of Constraint

Fund 018 has no legal restrictions, at best fund balance is assigned

Counties

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
General	General	General	Various, all unrestricted	None	None	Unassigned
General	SR	Certificate of Auto Title Administration	Fees retained by clerk of courts	ORC Section 325.33	State Statute - Residual Balance Unrestricted	Unassigned
General	SR	Equipment Recorders Supply	Charges for Services	ORC Section 317.321	State Statute - Residual Balance Unrestricted	Unassigned
General	SR	Public Defender	Charges for Services	ORC Sections 120.18 & 120.28	Reimbursement of costs	Unassigned
General	SR	Various	Charges for Services	No resolution establishing funding source	Resolution establishing intent of fund	Assigned
General	General	Unclaimed Monies	Unclaimed Funds	ORC Section 9.39	Externally imposed by State Statute	Nonspendable
General	SR	Underground Storage Tanks	Transfers from other funds +	AOS Bulletin 94-04	Remediation deductible; no specific source, transfers	Committed
General	SR	Compensated Absences	Transfers +	ORC Section 5705.13 (B), Cash transferred from other funds	County's intent--pmt of sick/vacation/comp-time at termination	Committed
SR	SR	Mental Health Programs	Property Taxes	ORC Section 5705.221	Externally imposed by State Statute	Restricted
SR	SR	Jail Operating Levy	Property Taxes	ORC Section 5705.19 (MM)	Externally imposed by State Statute	Restricted
SR	SR	Emergency 911 Operating Fund	Property Taxes	ORC Section 5705.19 (BB)	Externally imposed by State Statute	Restricted
SR	SR	Mental Retardation	Property Taxes	ORC Section 5705.19 (L)	Externally imposed by State Statute	Restricted
SR	SR	Children Services Levy	Property Taxes	ORC Section 5705.24	Externally imposed by State Statute	Restricted
SR	SR	Senior Citizens Levy	Property Taxes	ORC Section 5705.19 (Y)	Externally imposed by State Statute	Restricted
SR	SR	County Home Levy	Property Taxes	ORC Section 5705.19 (K)	Externally imposed by State Statute	Restricted
SR	SR	Special Levy	Property Taxes	ORC Section 5705.19	Externally imposed by State Statute	Restricted
SR	SR	Criminal and Administrative Justice	Permissive Sales Tax	ORC Sections 5739.021 & 5741.021	Externally imposed by State Statute & Resolution	Restricted
SR	SR	Specific Purpose Permissive	Permissive Sales Tax	ORC Sections 5739.026 & 5741.021	Externally imposed by State Statute & Resolution	Restricted
SR	SR	Dog and Kennel	Charges for Services	ORC Sections 955.19 & .20	Externally imposed by State Statute	Restricted
SR	SR	Real Estate Assessment	Charges for Services	ORC Sections 325.31 & 319.54	Externally imposed by State Statute	Restricted
SR	SR	Geographic Information System (GIS)	Charges for Services	ORC Section 325.31	Externally imposed by State Statute	Restricted
SR	SR	Dispute Resolution Fees	Charges for Services	ORC Section 2101.163	Externally imposed by State Statute	Restricted
SR	SR	Delinquent Real/Assessment Collection	Charges for Services	ORC Section 321.261	Externally imposed by State Statute	Restricted
SR	SR	Indigent Guardianship	Charges for Services	ORC Section 2111.51	Externally imposed by State Statute	Restricted
SR	SR	Marriage License	Charges for Services	ORC Sections 3113.34, 2101.16 & 2303.201	Externally imposed by State Statute	Restricted
SR	SR	County Home	Charges for Services	Resolution establishing funding source	Internally imposed by county resolution	Committed
SR	SR	Developmental Disabilities	Charges for Services	Resolution establishing funding source	Internally imposed by county resolution	Committed
SR	SR	Children's Services	Charges for Services	Resolution establishing funding source	Internally imposed by county resolution	Committed
SR	SR	Jail Operations	Charges for Services	Resolution establishing funding source	Internally imposed by county resolution	Committed
SR	SR	Motor Vehicle Gas Tax (MVGT)	Intergovernmental - Gas Tax	ORC Sections 5735.25, 27,28, 29, 292, 30 & 5728.06	Externally Imposed by State Statute	Restricted
SR + a	SR	Airport	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Beautification	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR + a	SR	CDBG:				
		CDBG	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		Community Home Improvement Program	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		CDBG Revolving Loan	Intergovernmental - Grants	Grant Award/Agreement	Externally imposed by Grantor +	Restricted +
SR	SR	Child Support Enforcement Agency	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Children Services Grants	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Community Corrections Act Program	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Continuing Prof. Training Sheriff	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Crime Victims Assistance Office	Intergovernmental - Grants	ORC Section 307.62 & Federal/State Grantors	Externally imposed by Statute & Grantor	Restricted
SR	SR	Developmental Disabilities Grants:				
		Preschool Grant	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		Title I	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		MR Lunch	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		Family Resources	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Domestic Violence Investigator	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Felony Delinquent Care & Cust.	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Juv Prob Serv Enhancement	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Juvenile Acct Incentive Block Grant	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted

Counties

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund	Prior Fund	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance
Classification	Classification					Classification
SR	SR	Litter Control	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Mediation Juvenile Program	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Mental Health	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Prisoner Incentive	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Public Assistance:				
		Human Services	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
		WIA	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR	SR	Revolving Loan	Intergovernmental - Grants	Grant Award	Externally imposed by Grantor	Restricted
SR	SR	Victim Witness	Intergovernmental - Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
SR + b	SR	Clerk of Courts Computer Fund	Fines and Forfeitures	ORC Section 2303.201(A)	Externally imposed by State Statute	Restricted
SR + b	SR	Conduct of Business	Fines and Forfeitures	ORC Section 2101.19	Externally imposed by State Statute	Restricted
SR + b	SR	County Probation Services	Fines and Forfeitures	ORC Section 321.44	Externally imposed by State Statute	Restricted
SR + b	SR	Court Computer Equipment	Fines and Forfeitures	ORC Section 2303.201(B)	Externally imposed by State Statute	Restricted
SR + b	SR	Court Computer Research	Fines and Forfeitures	ORC Section 1907.261	Externally imposed by State Statute	Restricted
SR + b	SR	Court Special Projects	Fines and Forfeitures	ORC Sections 1907.24(B)(1), 2303.201 (E)(1), & 4511.19(G)(5)(e)	Externally imposed by State Statute	Restricted
SR	SR	Drug Law Enforcement	Fines and Forfeitures	ORC Section 2925.03, Technical Bulletin 86-16	Externally imposed by State Statute	Restricted
SR	SR	Enforcement and Education	Fines and Forfeitures	Technical Bulletin 90-25	Externally imposed by State Statute	Restricted
SR	SR	Indigent Drivers Alcohol Treatment	Fines and Forfeitures	ORC Section 2949.094	Externally imposed by State Statute	Restricted
SR	SR	Law Enforcement Trust	Fines and Forfeitures	ORC Section 2981.13	Externally imposed by State Statute	Restricted
SR	SR	Juvenile Diversion	Fines and Forfeitures	ORC Section 5139.43	Externally imposed by State Statute	Restricted
SR	SR	Concealed Handgun Lic Exp	Fees, Licenses and Permits	ORC Section 311.42	Externally imposed by State Statute	Restricted
SR + c	SR	County Donation Fund	Donations	External resource providers	Externally imposed by contributor	Restricted
SR + c	SR	County Donation Fund	Donations	External resource providers	Implied by donor, internally imposed by resolution	Committed
DS	DS	Bond Retirement	Permissive Sales Tax	ORC Sections 5739.026 & 133.081	Externally imposed by State Statute & Resolution	Restricted
			Property Taxes	ORC Sections 5705.19; 133.10, .18, & .25	Externally imposed by State Statute or voters	Restricted
			Rental Revenue	ORC Section 133.151	Externally imposed by State Statute	Restricted
			Transfers +			Assigned
DS	DS	Special Assessment Bond Retirement	Special Assessments	ORC Sections 133.17 & 6115.50	Externally imposed by State Statutes	Restricted
CP	CP	Capital Improvements	Note Proceeds +	ORC Section 133.32	Externally imposed by Debt Covenants	Restricted
CP	CP	Capital Improvements	Grants	Federal/State Grantors	Externally imposed by Grantor	Restricted
CP	CP	Capital Improvements	Property Taxes	ORC Section 5705.19 (G)	Externally imposed by State Statute	Restricted
CP	CP	Capital Improvements	Permissive Sales Tax	ORC Section 5739.026	Externally imposed by State Statute	Restricted
CP	CP	Issue II Improvements	Intergovernmental	OPWC Money	Externally imposed by grantor/OPWC	Restricted
CP	CP	Capital Improvement Assessment Fund	Special Assessments	ORC Section 5705.09	Externally imposed by State Statute	Restricted
CP	CP	Construction	Specific Source TBD by County	ORC Section 5705.13 (C) & County Resolution	Internally imposed by county resolution	Committed
			Transfers +	ORC Section 5705.13 (C) & County Resolution	Commissioners have identified a specific purpose by resolution	Committed
			Transfers +	ORC Section 5705.13 (C) & County Resolution	Commissioners have not identified a specific purpose	Assigned
CP + b	CP	Court Computer Fund	Fines and Forfeitures	ORC Section 2303.201(B)	Externally imposed by State Statutes	Restricted
Perm + d	Perm	Endowment	Donations-Corpus can't be spent	External resource providers	Externally imposed by donor	Nonspendable
Perm + d	Perm	Endowment	Earnings on corpus	External resource providers	Externally imposed by donor	Restricted

Counties

Explanatory Notes

The chart shows the “prior fund classification” and the “GASB 54 fund classification” to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The preceding chart does not include all possible grant funds; however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

+ GASB 54 Fund Classification

- a Some of the grant funds which are presented as special revenue funds could also be capital projects funds based on the use of the award; however, the fund balance classification will not change.
- b Some of the court computerization funds could be capital projects funds based on the use of the dollars; however, the fund balance classification will still be restricted.
- c Some of the donation funds could be capital projects funds based on the use of the dollars; however, the fund balance classification will still be restricted.
- d The use of a permanent fund requires an evaluation of each individual circumstance, and the chart is illustrating the GASB 54 fund balance classification for those situations when a permanent fund is appropriate.

+ Foundation Revenue/Inflow

Transfers and debt proceeds represent an inflow not a revenue.

+ Type of Constraint

Review grant agreement for constraints on use of interest payments and collection of receivable.

+ Fund Balance Classification

The fund balance classification related to the loan receivable may be presented as restricted if the proceeds from the collection of the receivable are restricted.

Townships

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
General	General	General (1000)	Various sources	None	None	Unassigned
General	SR	Compensated Absences	Transfers +	ORC Section 5705.13(B) Cash transferred from other funds	Township's intent--payment of sick/vacation/comp-time at termination	Committed
General	SR	Underground Storage Tank (2291 - 2339)	Transfers +	AOS Bulletin 94-04	Remediation deductible; however, no specific source, transfers	Committed
General	General	Unclaimed Monies Fund	Various unclaimed funds	ORC Section 9.39	Externally imposed by State Statute	Nonspendable
General	SR	Zoning	None	ORC Chapter 519	None	Unassigned
General	SR	Various	Charges for Services	No resolution establishing funding source	Resolution establishing intent of fund	Assigned
General	General	General	Hotel/Motel Tax - 50% for general fund	ORC Section 5739.09(B)	None	Unassigned
SR	SR	Motor Vehicle License Tax Fund (2011)	Motor Vehicle License Fees	ORC Chapter 4503	Externally imposed by State Statute	Restricted
SR	SR	Gasoline Tax Fund (2021)	Gas Tax	ORC Section 5728.06 & Chapter 5735	Externally imposed by State Statute	Restricted
SR	SR	Road and Bridge Fund (2031)	Property Taxes	ORC Section 5705.19 (G)	Externally Imposed by State Statute	Restricted
SR	SR	Road and Bridge Fund (2031)	Property Taxes--inside millage	ORC Section 5705.06 (F)	Internally Imposed by Trustees	Committed
SR	SR	Cemetery (2041 -2069)	Property Taxes	ORC Sections 517.03 & 5705.19 (T)	Externally Imposed by State Statute	Restricted
SR	SR	Cemetery (2041 -2069)	Charges for Services	ORC Section 517.15 A, C	Externally Imposed by State Statute	Restricted
SR	SR	Cemetery (2041 -2069)	Charges for Services	ORC Sections 517.07 & 517.08	Externally Imposed by State Statute	Restricted
SR	SR	Garbage and Waste Disposal District (2071 - 2079)	Property Taxes--inside millage	ORC Section 505.29,	Internally Imposed by Trustees	Committed
SR	SR	Garbage and Waste Disposal District (2071 - 2079)	Property Taxes	ORC Section 5705.19 (V)	Externally Imposed by State Statute	Restricted
SR	SR	Garbage and Waste Disposal District (2071 - 2079)	Charges for Services	ORC Section 505.29 - no separate fund req'd - Resolution establishing funding source	Internally imposed by township resolution	Committed
SR	SR	Police District (2081 -2109)	Property Taxes	ORC Sections 505.48, 505.51, & 5705.19 (J)	Externally Imposed by State Statute	Restricted
SR	SR	Police District (2081- 2109)	Charges for Services	ORC Section 505.431 - no separate fund req'd - Resolution establishing funding source	Internally imposed by township resolution	Committed
SR	SR	Fire District (2111-2139)	Taxes	ORC Sections 505.39 & 5705.19 (I)	Externally Imposed by State Statute	Restricted
SR	SR	Fire District (2111 - 2139)	Charges for Services	ORC Sections 505.371 & 505.375 - separate fund - rate set by fire district board	Externally imposed by State Statute	Restricted
SR	SR	Road District (2141 -2169)	Property Taxes	ORC Section 5573.211	Externally Imposed by State Statute	Restricted
SR	SR	Park Levy (2171 - 2179)	Property Taxes--inside millage	ORC Section 511.27	Internally Imposed by Trustees	Committed
SR	SR	Park Levy (2171 - 2179)	Property Taxes	ORC Section 5705.19 (H)	Externally Imposed by State Statute	Restricted
SR	SR	Special Levy (2191 -2219)	Property Taxes	ORC Sections 5705.19, 505.46 & 47	Externally imposed by voters	Restricted
SR	SR	Drug Law Enforcement (2221)	Fines and Forfeitures	ORC Section 2925.03, Technical Bulletin 86-16	Externally imposed by State Statute	Restricted
SR	SR	Permissive Motor Vehicle License (2231)	Intergovernmental		Externally imposed by State Statute	Restricted
			- Permissive MVL	ORC Chapter 4504	Externally imposed by State Statute	Restricted
SR	SR	Permissive Sales Tax (2241)	Hotel/Motel Tax - 50% for convention and visitors' bureau	ORC Section 5739.09(B)	Externally imposed by State Statute	Restricted
SR	SR	Federal Law Enforcement (2251)	Fines and Forfeitures	AOS Bulletin 88-18	Externally imposed by State Statute	Restricted
SR	SR	Law Enforcement Trust (2261)	Fines and Forfeitures	ORC Section 2981.13 (C)(1)	Externally imposed by State Statute	Restricted
SR	SR	Enforcement and Education (2271)	Fines and Forfeitures	AOS Bulletin 90-28	Externally imposed by State Statute	Restricted
SR	SR	Fire and Rescue, Ambulance and Emergency Medical Services (2281 - 2289)	Charges for Services	ORC Section 505.84 - separate fund - rate set by township trustees	Externally imposed by State Statute	Restricted
SR	SR	Service Assessments (2401 - 2599)	Special Assessments	ORC Section 515.11 - lighting	Externally imposed by State Statute	Restricted
SR	SR	Miscellaneous Special Revenue (2901 - 2999)	TBD by township	TBD by township	TBD by township	TBD by township
DS	DS	General Retirement Fund (2101 - 3199)	Property Taxes	ORC Sections 5705.19; 133.10 & 133.25	Externally imposed by State Statutes	Restricted
			Transfers +	Transfers from General Fund		Assigned
DS	DS	Special Assessment Bond Retirement (3301 -3399)	Special Assessments	ORC Sections 133.17 & 6115.50	Externally imposed by State Statutes	Restricted

Townships

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund	Prior Fund	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance
Classification	Classification					Classification
DS	DS	Miscellaneous Debt Service (3901 - 3999)	TBD by Township	TBD by township	TBD by township	TBD by township
CP	CP	Bond Fund (4101 - 4999)	Initial Debt Proceeds +	ORC Sections 133.15, .32, & 504.20	Externally imposed by debt covenants	Restricted
CP	CP	Permanent Improvement (4301 - 4399)	TBD by Township	TBD by township	TBD by township	TBD by township
CP	CP	Public Works Commission Project (4401 - 4499)	Intergovernmental	OPWC Money	Externally imposed by grantor/OPWC	Restricted
CP	CP	Capital Improvement Assessment Fund (4501 - 4599)	Special Assessments	ORC Sections 504.18, 515.16 & 521.06 - water and sewer	Externally imposed by State statute	Restricted
CP	CP	Miscellaneous Capital Projects (4901 - 4949)	TBD by township	TBD by township	TBD by township	TBD by township
Perm	Perm	Cemetery (2041 -2069)	Charges for Services	ORC Section 517.15 B - endowment	Externally imposed by State Statute	Nonspendable
Perm +	Perm	Permanent (4951 - 4999)	Donations-Corpus can't be spent	ORC Section 5705.09(F)	Externally imposed by donor	Nonspendable
			Earnings on corpus	ORC Section 5705.09(F)	Externally imposed by donor	Restricted

Townships Explanatory Notes

The chart shows the “prior fund classification” and the “GASB 54 fund classification” to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The preceding chart does not include all possible grant funds; however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

+ GASB 54 Fund Classification

The use of a permanent fund requires an evaluation of each individual circumstance, and the chart is illustrating the GASB 54 fund balance classification for those situations when a permanent fund is appropriate.

+ Foundation Revenue/Inflow

Transfers and debt proceeds represent an inflow not a revenue.

Libraries

GASB 54 Fund Balance Classification Analysis

GASB 54 Fund Classification	Prior Fund Classification	Fund Name	Revenue Source Foundation Revenue (SR only)/ Inflow	Source of Constraint	Type of Constraint	Fund Balance Classification
General	General	General	Various sources	None	None	Unassigned
General	General	Unclaimed Monies Fund	Various unclaimed funds	ORC Section 9.39	Externally imposed by State Statute	Nonspendable
SR	SR	Miscellaneous Special Revenue	Intergovernmental - Grants	Federal/State Grantors	Externally Imposed by Grantor	Restricted
DS	DS	General Retirement Fund	TBD by Library	TBD by Library	TBD by Library	TBD by Library
CP	CP	Capital Projects	TBD by Library	TBD by Library	TBD by Library	TBD by Library
CP	CP	Building and Repair Fund	TBD by Library	TBD by Library	TBD by Library	TBD by Library
Perm +	Perm	Permanent	Donations-Corpus can't be spent	ORC Section 5705.09(F)	Externally imposed by donor	Nonspendable
Perm +	Perm	Permanent	Earnings on corpus	ORC Section 5705.09(F)	Externally imposed by donor	Restricted

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Explanatory Notes

The chart shows the “prior fund classification” and the “GASB 54 fund classification” to illustrate situations necessitating the change in fund classification resulting from the implementation of GASB 54. If the two columns are the same, then no change in fund classification resulted.

The preceding chart does not include all possible grant funds; however, if a special revenue fund or capital projects fund has been properly established to account for a grant, the fund balance would be restricted based on the language in the grant agreement.

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Interest Earned By This Fund Number	System Posts Income to This Interest Account	Conditional Interest Account
5761-5779	1000-701	576x-701 to 577X-701
5781-5799	1000-701	578X-701 to 579X-701
5901-5919	1000-701	590X-701 to 591X-701
6101-6199	1000-701	
6901-6999	1000-701	69xx-701
9101-9199	1000-701	
9201-9209	1000-701	
9901-9924	1000-701	99XX-701
9951-9974	1000-701	99XX-701
9976-9999	1000-701	99XX-701

Explanation of funds with conditional interest accounts:

Users will designate the funds that can receive interest at the fund level. Funds that have a conditional interest account designation will allow the users to select if that fund will receive the interest or if it will be posted to the General fund. Please refer to the Interest Posting section under Chapter 3 - Receipts for additional information.

Note: The conditional interest account must be activated prior to posting the interest receipt.