

## **BUDGET BY STATE CODES**

The Massachusetts Department of Education distributed Guidelines for Student and Financial Reporting including Regulations on School Finance and Accountability (603 CMR 10.00) in June 1998. In 2000, the Department of Education issued New State Codes that further updated and defined Criteria for Financial Reporting.

This classification system enables the commissioner to determine each school district's actual net school spending in the prior year and the estimated net school spending in the current year from information contained in the End-of-Year Pupil and Financial Report. Each school district shall report the following expenditures in the annual Department of Education End-of-Year Pupil and Financial Report in accordance with G.L. c. 72, s.3.

- 1000 ADMINISTRATION: Activities which have as their purpose the general direction, execution, and control of the affairs of the school district that are system wide and not confined to one school, subject, or narrow phase of school activity.
- 2000 INSTRUCTIONAL SERVICES: Instructional activities involving the teaching of students, supervising of staff, and developing and utilizing curriculum materials and related services.
- 3000 OTHER SCHOOL SERVICES: Services other than instructional provided for students.
- 4000 OPERATION and MAINTENANCE OF PLANT: Housekeeping activities relating to the physical plant and maintenance activities for grounds, buildings, and equipment.
- 5000 FIXED CHARGES: Retirement and insurance programs, rental of land and buildings, debt service for current loans, and other recurring items, which are not generally provided for under another function.
- 9000 PROGRAMS WITH OTHER SCHOOL DISTRICTS: Transfers of payments to other school districts or to non-public schools for services provided to students residing in the sending city or town.

The state code classification system specifies the criteria for reporting functional categories of expenditures and gives the specific items, which should be reported under these categories. Thus, the presentation of our Fairhaven Public School District Budget is presented using the same rules in compliance with the state classification system. We are now presenting a budget that is in alignment with the annual Department of Education End-of-Year Pupil and Financial Report in accordance with G.L. c. 72, s.3.