

The Power of Proper Account Coding

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March 13, 2026 • Rolling Meadows

Introductions

Elizabeth Shields, CSBO: Speaker

- *Business Manager*
- *Morris Community High School District 101*



Stacey Corder, MBA : Speaker

- *Governmental Financial Services Director*
- *Benning Group, LLC*



AGENDA

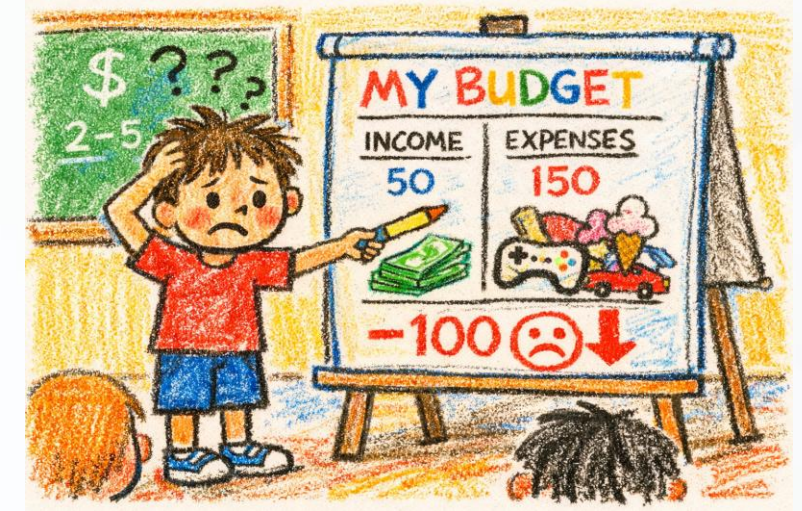
How account coding impacts:

- Financial Statements
- Tuition
- Site-Based Metrics
- Grant Reporting
- Insurance/Appraisals
- Operating Expense Per Pupil
- Fund Balances
- Transportation Claim



Financial Statements

- AFR – Annual Financial Report
 - Several calculations are based on the AFR
 - Financial Profile Score
 - Based on operating fund expenditures
 - Final Limitation of Administrative Costs
 - Did the District file meet the limit or file waivers
 - Per Capita Tuition and Operating Expense Per Pupil (discussed later)
- Budget
 - Estimated Limitation of Administrative Costs
 - Known as Admin Cost Cap
 - Certain functions must be 5% or lower than prior year spend
 - Future year projections
 - Projections for Cost Cap, IDEA Maintenance of Effort are performed based on current data.
 - Some softwares fill in the ISBE budget automatically



Per Capita Tuition Charge / Operating Expense Per Pupil

- Per capita Tuition Charge
 - Amount you would charge for out-of-district students
 - Small district might send ESL students for instruction at a neighboring district
 - CTE courses at an area Vocational Center
 - Homeschooled students
- Operating Expense Per Pupil
 - Used as a comparative metric between districts
 - For example, amount spent for athletics versus instruction or maintenance costs between old building or new building
 - These metrics are used when boards are making long-term decisions

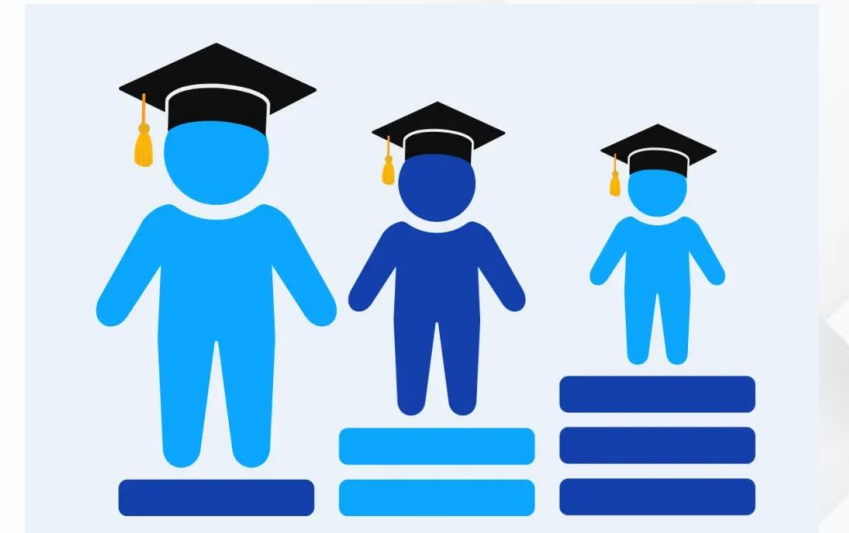
Thanks, but...

"It's too expensive"



Site-Based Reporting

- Report sent to the state annually that is included with your District's Report Card that shows the cost per pupil per building.
 - Break down costs between State/Local and Federal dollars
 - Purpose - stakeholders can check for equitable spending
- Comment section for the report
 - Provides context for the data
 - For example, one building might house self-contained special education
 - CSBO can easily reframe the numbers into more comparable amounts as long as accounts are coded properly



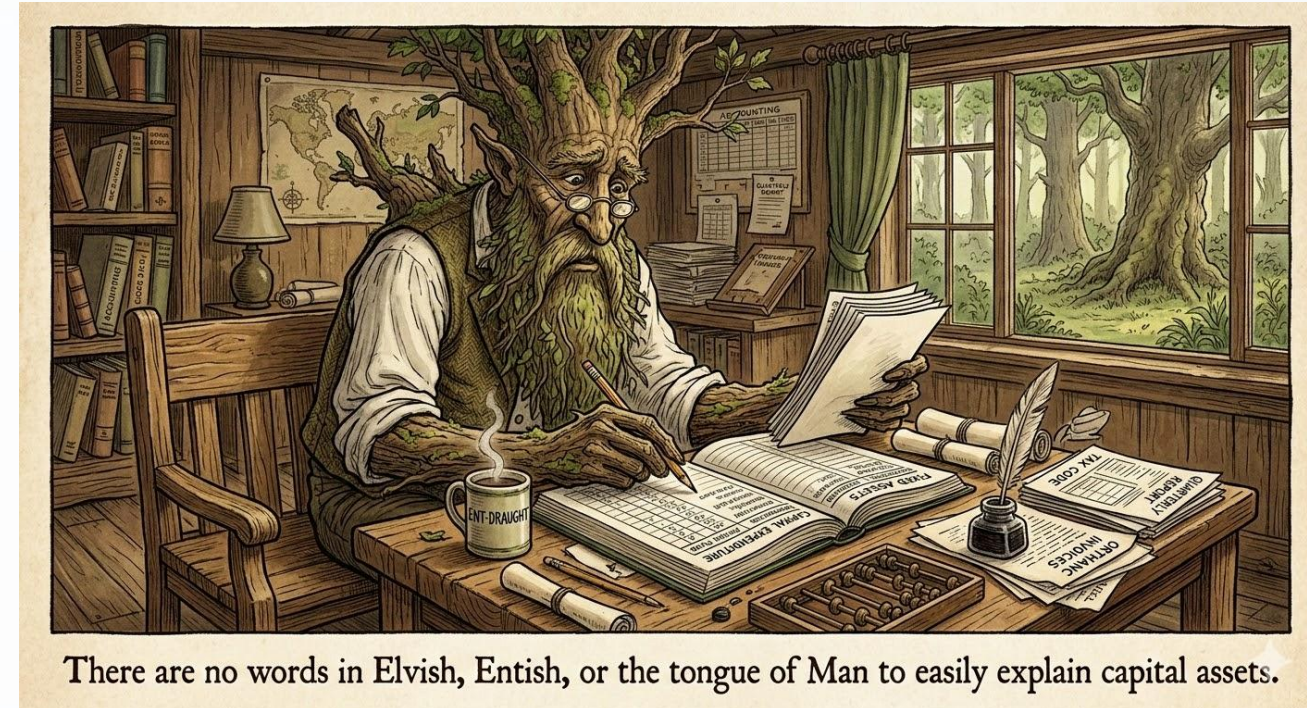
Grant Reporting

- Grant Code included in the expenditure code
 - Flows to reports for easy input into IWAS
 - Easier to calculate the 10% allowance and carryover limits
 - Properly calculate Indirect Costs
- Maintenance of Effort
 - MOE for IDEA depends on making sure the function codes are appropriate
 - State calculates this based on iStar and AFR data
 - CSBOs and Special Education Directors will project MOE for a few years based on current data
- Excess Costs
 - Partially based on proper function codes in the AFR
 - Other part comes from individual areas in the general ledger
 - Function codes plus a grant identifier or other identifier in the account code structure



Capital Assets - Recap

- Capital Asset Coding Recap
 - Definition - An item or improvement that costs more than a specific threshold and will be in service for longer than one year
 - Object 500 - Project/Equipment is over the Board Policy (PRESS \$5,000)
 - Object 700 - Project/Equipment more than \$500, but less than Board Policy
 - Capital Asset includes all costs needed to put into service
 - Architects, asbestos abatement, shipping, vehicle add-ons, etc.
 - Often coded in Object 300
 - Build into account code, **if possible**



Capital Assets - Appraisal Report

- Additions include all costs to put the asset into service
 - Again, account code structure, if possible, to capture any Object 300 or 400 items.
 - If not, use descriptors with the same text for easy excel sort
- Proper Liability Insurance Coverage
 - Costs have skyrocketed in the last few years
 - Accurate appraisal report ensures district strikes the balance in coverage limits
- Sale of Equipment
 - Function 7300 Sale or Compensation of Fixed Assets
 - Identifies potential decreases to asset listing
 - Review Asset List periodically for items that can come off
 - Example: Roofs



Salary Coding

- Adequate Workers Comp Coverage
 - WC categories are different than ISBE Function Codes
 - Workers' Comp Audit
 - Build into Object Codes
 - Payroll Module for WC Codes
- Medicaid Quarterly Reporting
 - Build into Object Codes
 - Payroll Module for Medicaid Codes



Fund Balances

- Non PTELL Districts
 - Even though the levy is not capped, the state mandates certain funds have a rate limit (unless your District passed a limiting rate referendum).
 - Tort Fund has no limit
 - Review Risk Management plan for allowable Tort expenses
 - Board approved document
- Tracking IMRF versus SS/Medicare - Funds 50 and 51
 - IMRF Audits
 - Do not want IMRF money sent for SS/Medicare
 - Excess IMRF Funds
 - Lower the IMRF property tax levy
 - Pay the Unfunded Actuarial Liability
 - Brings down employer annual rate



Transportation Claim

- Route Types
 - Regular Ed
 - Special Ed
 - Vocational
 - Pre-K - exclusive
- Non Claimable Expenses
 - Certain Staffing
 - IMRF
 - CDL related costs
 - Incentives
 - Indirect Equipment and Supplies



Questions and Answers

We thank you for your time!



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Presenters:

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