

# **Level 2 Report Explanation: Expenditure Reports**

The purpose of this report explanation is to assist EMIS Coordinators in reviewing the Expenditure Detail Report, the Expenditure Summary by Category Report, and the Expenditure Summary by Sub-Category Report.



Revised: June 26, 2018

## REVISION HISTORY

The revisions to this document are listed in the table below.

<b>Date</b>	<b>Description</b>
6/26/18	Added definitions for report fields and information for summary reports.
6/20/18	Updated report explanation to new format.
6/22/17	Created new Expenditure Detail Level 2 report explanation.

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# **(EXPD-001) EXPENDITURE DETAIL REPORT**

## **FUNCTION AND PURPOSE**

These reports provide districts with information on how expenditures related to the education of students are organized into a new series of classroom, non-classroom, and non-operating categories. Expenditures assigned to a specific category are used in the per-pupil expenditure calculations that determine rankings. The CSV file includes rows for the allocation of expenditures to buildings when those expenditures are reported by a traditional public school district without an OPU. Expenditures displayed in the CSV file are actual amounts as submitted by districts and not adjusted on a per-pupil basis. The report also provides districts with information on how expenditures are organized by the legacy categories used in the previous Expenditure Flow Model.

Certain expenditures not related to the instruction of students are excluded from the per-pupil expenditure calculations that determine rankings. They are listed in these reports as “Excluded Expenditures”.

Expenditure data for all traditional public school districts (city, exempted village, local), community schools, joint vocational school districts, and STEM districts are taken from year-end financial records submitted to the Education Management Information System (EMIS).

District recipients of these reports should use this information to ensure that expenditures are coded properly according to Uniform School Accounting System (USAS) standards so that accurate amounts are reflected in the per-pupil expenditure calculations. Traditional public school districts should closely inspect the information in the CSV file to see how expenditures are allocated to buildings when reported without an OPU. Districts should pay special attention to records coded as “NV” (Not Valid). These represent records that were submitted to EMIS with invalid fund, function, or object codes and thus cannot be assigned to the proper expenditure category.

If this report explanation—in concert with the EMIS Manual—does not answer your questions or help you to resolve your issues with the Expenditure Detail Report, then the normal path to getting help with EMIS reporting should be followed. The first point of contact should be the EMIS coordinator, followed by the Information Technology Center, then the EMIS Helpdesk, and finally ODE EMIS directly.

## **PROCESS DESCRIPTION**

### ***Derived Data Used in Report***

The following derived elements are explained in the following sections:

- Inclusion Flag
- Category Code
- Category Description
- Legacy Category Code
- Legacy Category Description
- Result Code
- Result Code Description
- General Funds Flag
- Fed Fund Flag
- Title1 MOE Includ Flag

- Speced MOE Incd Flag
- Allocation Type Description
- Bldg IRN
- Allocation Inclusion Flag
- Allocation %
- Allocated Amount

### ***Report Selection Criteria***

***Determining expenditure data to use.*** Data are selected from the current fiscal year of the year-end student data.

Records are selected when

- School Year = current fiscal year of the year-end student data
- Collection Request = “H”
- District is a traditional district, a community school, a Joint Vocational School District (JVSD), or a STEM district

***Determining expenditures to exclude.*** Expenditures to be excluded are determined by looking in sequential order at specific fund, object, and function codes.

- Step 1.* Expenditure records with fund codes 017, 021, 022, 023, 024, 026, 027, 028, and 200 are excluded and the Inclusion Flag is set to “N”
- Step 2.* Remaining expenditure records with object codes 470-479, 810-819, 881, 891, and 900-969 are excluded and the Inclusion Flag is set to “N”
- Step 3.* Remaining expenditure records with function codes between 7000 and 7990 are excluded and the Inclusion Flag is set to “N”
- Step 4.* Inclusion Flag for all remaining expenditures is set to “Y”

***Determining category code and description.*** All remaining expenditures are assigned to a category by looking at specific fund, object, and function codes in the order specified below. Once an expenditure is assigned to a category it will not be evaluated in any subsequent step. Each expenditure assigned a category will have the Inclusion Flag set to “Y”.

#### ***Assignment of category by fund code***

- II.10 Elementary/Secondary Non-Instructional Enterprise Operations
  - fund codes 011, 014, or 020
- II.12 Non-Elementary/Secondary Programs Community Services
  - fund code 13
- II.13 Non-Elementary/Secondary Programs Adult Ed
  - fund codes 012, 413, 414, 426, 501, or 535
- II.14 Non-Elementary/Secondary Programs Other
  - fund codes 025 or 401

**Assignment of category by object code**

- III.3 Equipment - Instructional
  - object code 645 **and** function code between 1000-1390, 1900-1990, 4100-4390, 4600-4690
- III.4 Equipment - Other
  - object code 645 **and** function code not between 1000-1390, 1900-1990, 4100-4390, 4600- 4690
  - object code 650, 660

**Assignment of category by function code**

- II.1 Instruction
  - function codes between 1000-1390, 1900-1990, 4100-4390, and 4600-4690
- II.2 Pupil Support Services
  - function codes between 2100 and 2190 excluding 2110, 2121, 2131, 2141, 2151, and 2171
- II.3 Instructional Staff Support Services
  - function codes between 2200 and 2290 excluding 2211, 2221, and 2231
- II.4 General Administration
  - function codes between 2300 and 2419
  - if the operational unit (OPU) is the central office then function codes 2110, 2121, 2131, 2141, 2151, 2171, 2211, 2221, 2231, or 2490
- II.5 School Administration
  - function codes between 2420 and 2429
  - if the operational unit (OPU) is not the central office then function codes 2110, 2121, 2131, 2141, 2151, 2171, 2211, 2221, 2231, or 2490
- II.6 Operation and Maintenance of Plant
  - function codes between 2700 and 2790
- II.7 Pupil Transportation
  - function codes between 2800 and 2890
- II.8 Other and Non-Specified Support Services
  - function codes between 2500-2690 and 2900-2990
- II.9 Elementary/Secondary Non-Instructional Food Service
  - function codes between 3100 and 3190
- II.10 Elementary/Secondary Non-Instructional Enterprise Operations
  - function codes between 3400 and 3431
- II.11 Elementary/Secondary Non-Instructional Other
  - function code 3900 or function codes between 4500 and 4590
- II.12 Non-Elementary/Secondary Programs Community Services
  - function codes between 3200 and 3250, or function code 3290
- II.13 Non- Elementary/Secondary Programs Adult Ed
  - function codes between 1400 and 1490
- II.14 Non- Elementary/Secondary Programs Other
  - function code 3260
- III.1 Construction
  - function codes between 5200 and 5900

- III.2 Land and Existing Structures
  - function code 5100
- IV.6 Interest on Debt
  - function codes between 6000 and 6100
- NV Invalid Records
  - All remaining expenditure records not assigned a category

### ***Allocation Process Description***

Allocation is the process of spreading the cost of shared expenses among various entities, in this case individual school buildings. A district can report an expense that belongs to a specific building by reporting the expenditure with an operational unit (OPU) code that identifies the building. However, expenses that are truly district-wide in nature are reported with an OPU that identifies the district as opposed to a specific building. In these cases, the expense must be allocated by ODE to each building in the district in order to accurately determine expenditure per pupil rankings for Classroom Instructional and Operating-Non-Classroom activities.

### ***Allocation Methods***

Depending on the object code or function code reported on an expenditure record, one of the allocation methods listed below will be used to allocate the expense to buildings if the expense is reported without a building-level OPU. Each method ensures that 100% of the cost is allocated.

**ADM.** Each building's share of district-wide ADM.

**Grade-Level ADM.** Each building's share of district-wide ADM in each of the following grade bands: K-5, 6-8, and 9-12.

**Certified Salaries.** Each building's share of district-wide expenditures reported with object code 111 or 113 (regular and supplemental certificated employee salaries and wages). This allocation is calculated separately for every combination of fund code, function code, and special cost center.

**Classified Salaries.** Each building's share of district-wide expenditures reported with object code 141 or 143 (regular and supplemental classified employee salaries and wages). This allocation is calculated separately for every combination of fund code, function code, and special cost center.

**Certified + Classified Salaries.** Each building's share of district-wide expenditures reported with object code 111, 113, 141, or 143 (regular and supplemental, certificated and classified employee salaries and wages). This allocation is calculated separately for every combination of fund code, function code, and special cost center.

**Lunchroom Percent.** Each building's share of district-wide lunchroom meals served

**Transportation Percent.** Each building's share of district-wide students transported

**Square feet.** Each building's share of district-wide square footage

### ***Allocation Steps***

The following steps determine whether an expense needs to be allocated, and if so, by which allocation method. Once an expense is either excluded, assigned to an OPU, or allocated to individual buildings it is eliminated from consideration in subsequent steps.

**1) Exclude expenses that do not get allocated**

Eliminate from consideration any expenses for which the inclusion flag has been set to “N”. Eliminate from consideration any expenses that are not assigned to categories II.1 through II.9. Exclude from consideration any expenses reported by Community Schools, STEM Districts, and JVSs.

**2) Exclude expenses that are identified with an OPU**

If an expense is reported with an OPU and the function code is not one that is allocated to the Central Office regardless of OPU, then the expense is assigned to the building IRN identified by the OPU and does not get allocated.

**3) Assign to central office**

If an expense is reported with the Central Office flag = ‘Y’ (and not reported with an instructional function code) or if the expense is reported with a function code that gets allocated to the central office regardless of OPU (i.e. Support Services-Board of Education, Executive Administration Services), then the expense is assigned to the central office and does not get allocated.

**4) Allocate based on certified salaries**

If an expense is reported without an OPU and the expense is for certain objects such as temporary/overtime salaries and wages, leave benefits, other compensation, retirement, or insurance benefits for certified employees, then the expense is allocated to each building based on certified salaries. If no certified salaries are reported for the specific combination of fund, function, and special cost center associated with the expense, then ADM is used as the allocator.

**5) Allocate based on classified salaries**

If an expense is reported without an OPU and the expense is for certain objects such as temporary/overtime salaries and wages, leave benefits, other compensation, retirement, or insurance benefits for classified employees, then the expense is allocated to each building based on classified salaries. If no classified salaries are reported for the specific combination of fund, function, and special cost center associated with the expense, then ADM is used as the allocator.

**6) Allocate based on certified + classified salaries**

If an expense is reported without an OPU and the expense is for certain objects such as employee reimbursements, fringe benefits, worker’s compensation, deferred compensation, etc., then the expense is allocated to each building based on certified plus classified salaries. If no certified or classified salaries are reported for the specific combination of fund, function, and special cost center associated with the expense, then ADM is used as the allocator.

**7) Allocate based on ADM for certain objects**

For a small number of staff-support expenses (i.e., instructional improvement services, meeting expenses) identified by object codes 412, 432, 434, and 439, the allocation is by ADM if the expense is not reported with an OPU.

**8) Allocate based on grade-level ADM for specific classroom instructional expenses**

- a. If an expense is not reported with an OPU and the expense is reported with function code 1110 (Elementary Instruction), then the expense is allocated to buildings based on each building’s share of ADM in grades K-5. If no ADM is found for grades K-5, the allocation is by total ADM.
- b. If an expense is not reported with an OPU and the expense is reported with function code 1120 (Middle/Junior High), then the expense is allocated to buildings based on each building’s share of ADM in grades 6-8. If no ADM is found for grades 6-8, the allocation is by total ADM.
- c. If an expense is not reported with an OPU and the expense is reported with function code 1130 (High School), then the expense is allocated to buildings based on each building’s



share of ADM in grades 9-12. If no ADM is found for grades 9-12, the allocation is by total ADM.

**9) Allocate based on ADM for remaining classroom instructional expenses**

Any remaining expenses reported with function codes defined as instructional, pupil support service, or instructional staff support service are allocated to buildings based on ADM if the expense is not reported with an OPU.

**10) Allocate based on square feet**

Expenses identified as operation and maintenance of plant are allocated to buildings based on square feet. If no square feet data have been reported, then the expense is allocated by ADM.

**11) Allocate based on transportation percentage**

Expenses identified as vehicle operation services are allocated to buildings based on transportation percentage. If no transportation data have been reported, then the expense is allocated by ADM.

**12) Allocate based on lunchroom percentage**

Expenses identified as food service operations are allocated to buildings based on lunchroom percentage. If no lunchroom data have been reported, then the expense is allocated by ADM.

## REPORT

### *Collections and Records*

A report is to be created for each traditional public school district (city, exempted village, local), community school, STEM district, and JVSD that submits data during the Financial (H) Collection Request. In general, this report will include the most recently reported data. Expenditure data come from the QC (EXPENDITURE RECORD and OPERATIONAL UNIT DESCRIPTION RECORD) tables in the EMIS data base. From these, the elements in Table 1 are used.

*Table 1. Submitted Data Used in Creating the Expenditure Detail Report*

<b>Element Name</b>	<b>Record Field #</b>	<b>File Name</b>
District IRN	QC040	<i>Expenditure</i>
District Name		<i>OEDS</i>
ITC Name		<i>OEDS</i>
Fund Code	QC110	<i>Expenditure</i>
Special Cost Center	QC120	<i>Expenditure</i>
Function Code	QC130	<i>Expenditure</i>
Object Code	QC140	<i>Expenditure</i>
Subject Code	QC150	<i>Expenditure</i>
Operational Unit	QC160	<i>Operational Unit Description</i>
Entity Type	QC365	<i>Operational Unit Description</i>
Instructional Level Code	QC170	<i>Expenditure</i>
Job Code	QC180	<i>Expenditure</i>
Actual Expenditure Amount	QC290	<i>Expenditure</i>

### *Layout and Fields*

The Expenditure Detail Report is a Level 2 Report in the Data Collector. The report name is (*EXPD-001*) *Expenditure Detail*. As with other Level 2 reports, it is possible to view the entire report or portions of the report by Severity Code.

Collection Request / Report Name	LEA	Fatal	Critical	Warn	Info	Total	Category
▼ Financial Collection (FY17) (2017H0000)							
<a href="#">(EXPD-001) Expenditure Detail Report</a>	Hogwarts_123456	0	0	1100	1854	2954	Financial

Given the number of fields appearing on this report, a complete picture is not provided in this report explanation. Only the first columns appear in the table below; however, all fields are listed out below the table, with explanations or definitions provided as warranted.

RPTG LEA IRN	BLDG IRN	SEVERITY CODE	FUND CODE	SPECIAL COST CTR NAME	FUNC CODE	OBJCT CODE	SUBJCT CODE	OPU
123456	123456	I	001	0000	1100	249	000000	120

**RPTG LEA IRN (Reporting LEA IRN).** The IRN of the district receiving the report.

**BLDG IRN (Building IRN).** The IRN of the building as reported on the Financial (QC) Record, or the IRN to which the expense is being allocated.

**SEVERITY CODE.** Every row on the Expenditure Detail Report will be assigned a Severity Code. The Severity Code is set to ‘W’ (Warning) for each expenditure that is allocated. The Severity Code for all other expenditure is set to ‘I’ (Informational).

**FUND CODE.** The Fund Code as reported on the Financial (QC) Record.

**SPECIAL COST CTR NAME.** The Special Cost Center Code as reported on the Financial (QC) Record.

**FUNC CODE.** The Function Code as reported on the Financial (QC) Record.

**OBJCT CODE.** The Object Code as reported on the Financial (QC) Record.

**SUBJCT CODE.** The Subject Code as reported on the Financial (QC) Record.

**OPU.** The Operational Unit Code as reported on the Financial (QC) Record.

**INSTR LEVEL CODE.** The Instructional Level Code as reported on the Financial (QC) Record.

**JOB CODE.** The Job Code as reported on the Financial (QC) Record.

**LEVEL 2 REC TYPE CODE.** This is the code/name of the report.

**RESULT CODE.** Every row on the report will be assigned a Result Code.

**RESULT DESCR (Result Code Description).** The Result Code Description indicates how an expenditure is allocated. For example, if the Allocation Type Description is “Allocated: Building” then the Result Code Description will indicate the method of allocation, such as “Allocated based on ADM” or “Allocated based on Certified Salaries”. Each Result Code and corresponding description is listed below:

**Table 3. Result Codes appearing on the Expenditure Detail Report**

<b>Result Code</b>	<b>Result Code Description</b>
EX0001	Assigned to OPU
EX0002	Assigned to Central Office
EX0003	Allocated based on Certified Salaries
EX0004	Allocated based on Classified Salaries
EX0005	Allocated Based on Certified + Classified Salaries
EX0006	Allocated based on ADM
EX0007	Allocated based on Grade-Level ADM
EX0008	Allocated based on Square Feet
EX0009	Allocated based on Transportation Percentage
EX0010	Allocated based on Lunchroom Percentage
EX0011	Not Allocated

**CATEGORY CODE.** The Category Code and Category Description are assigned (as described earlier in this document) based on the fund, object, and function code.

**CATEGORY DESCR (Category Description).**

**Table 4. Category Codes appearing on the Expenditure Detail Report**

<b>Category Code</b>	<b>Category Description</b>
II.1	Instruction
II.2	Pupil Support Services
II.3	Instructional Staff Support Services
II.4	General Administration
II.5	School Administration
II.6	Operation and Maintenance of Plant
II.7	Pupil Transportation
II.8	Other and Non-specified Support Services
II.9	Elem-Sec Noninstructional Food Service
II.10	Elem-Sec Noninstructional Enterprise Operations
II.11	Elem-Sec Noninstructional Other
II.12	Nonelem-Sec Programs Community Svcs
II.13	Nonelem-Sec Programs Adult Ed
II.14	Nonelem-Sec Programs Other
III.1	Construction
III.2	Land and Existing Structures
III.3	Equipment - Instructional
III.4	Equipment - Other
IV.3-5	Payments to Other Governments
IV.6	Interest on Debt
EX	Excluded
NV	Not a Valid Code

**LEGACY CATEGORY CODE.** Indicates which legacy category an expenditure has been assigned to.

**LEGACY CATEGORY DESCR (Legacy Category Description).**

Legacy Category Code	Legacy Category Description
IN	Instruction
PS	Pupil Support
SS	Staff Support
AD	Administration
OS	Operations Support

**INCL FLAG (Inclusion Flag).** Excluded expenditures are displayed with the Inclusion Flag set to “N”. All other expenditures are displayed with the Inclusion Flag set to “Y”.

**GEN FUND FLAG (General Fund Flag).** If an expense is reported with Fund Code 001, 016, 494, or 532, then the General Fund Flag is set to “Y”; otherwise the flag is set to “N”.

**ALLOC TYPE DESCR (Allocation Type Description).** Indicates whether an expense is allocated. Each record type is described below:

**Excluded.** Inclusion Flag = “N”, no allocation required.

**Non-Operating.** Category Code is not one of the following: II.1-II.9, no allocation required

**Allocation: None for Org Type.** District is not a traditional public district, no allocation required.

**Reported: Central Office.** Expense was reported as central office and was not reported with an instructional function code.

**Allocated: Central Office.** Expense was not reported as central office; however, the function code that was reported is allocated to central office regardless of the OPU reported.

Expense was reported with an Operation and Maintenance of Plant function code and no OPU. A portion of the expenditure is allocated to the central office based on square feet.

**Reported: OPU.** Expense was reported with an OPU and does not require allocation.

**Reported: Requires Allocation.** Expense was not reported with an OPU and will be allocated to individual buildings within the district. The allocation % will be zero for rows with this record type. The row will be followed by building-level rows for which the allocation percentages will add up to 1, indicating that the entire expenditure has been allocated.

**Allocated: Building.** Expense was not reported with an OPU and a portion of the expense is being allocated to this building.

**Allocated: Non-Public.** Expense was not reported with an OPU and a portion of the expense is being allocated to a non-public entity. This primarily occurs when the lunch-room or transportation percentages do not add up to 100%. The difference is allocated to non-public.

**ALLOC INCLD FLAG (Allocation Inclusion Flag).** The Allocation Inclusion Flag is set to “N” if the expense is reported with an OPU that represents a building that is not within the hierarchy of the district, or if the expense is allocated to a non-public building.

**ALLOC PCT (Allocation Percent).** The Allocation Percent will be 1 for community schools, STEM districts, and JVSs. The Allocation Percent will be 1 for traditional districts if the expense is reported with a building or central office OPU or if the expense is reported with a central office function code (however, if an instructional function code is reported as central office, the expense will be allocated). The Allocation Percent will be zero if the expense is not reported with an OPU and requires allocation. If the Allocation Percent is greater than zero and less than one, then the expense is being allocated.

**ALLOC AMT (Allocated Amount).** The Allocated Amount is the product of the allocation percentage and the amount of the expenditure reported. Please note that the Reported/Allocated amount that is displayed on the CSV report is rounded to two decimal places. As a result of this rounding, adding these amounts may produce totals that do not exactly match the sum of expenditures actually reported.

**FED FUND FLAG (Federal Funds Flag).** If an expense is reported with a fund code between 501 and 599, then the Federal Fund Flag is set to “Y”; otherwise, the flag is set to “N”.

**TITLE I MOE INCLD FLAG (Title I MOE Include Flag).** If the Inclusion Flag = “Y” and the expense is reported with fund code 001 or 016, then the Title 1 MOE Include Flag is set to “Y”; otherwise, the flag is set to “N”.

**SPECED MOE INCLD FLAG (Special Education MOE Include Flag).** If an expense is reported with values for fund, function, and object that are in the following listing, then the Special Ed MOE Flag is set to “Y”; otherwise, the flag is set to “N”.

- Fund: 001-300, 400-499, 504, and 532.
- Function: 1230-1239, 1240-1249, 1280, 1290, 1330-1339, 1350, 2140-2149, 2150-2159, 2180-2187, 2416, 2417, 2821, and 3412.
- Object: 100 -190, 200-292, 400-499, 500-590, 600-690, and 844

**ERR SEV NUM (Error Severity Number).** This value is for technical purposes only and does not have an impact on any report values. It is used for separating data into different severity counts.

## SUMMARY REPORTS

The following Expenditure Reports contain information at a summary level.

(EXPD-002) Expenditure Summary Report by Category

- Summary of Total and General Fund expenditures by category

(EXPD-003) Expenditure Summary Report by Sub-Category

- Summary of Total and General Fund expenditures for the following sub-categories:
  - Classroom Instruction
  - Non-Classroom
  - Non-Operating
  - Not a Valid Code
  - Included (sum of Classroom Instruction, Non-Classroom, and Non-Operating)
  - Excluded
  - Grand Total