**Major Object Account Definitions**

In developing the budget, it is imperative that staff members and supervisors utilize the Major Object Account classification and definitions listed below. A complete list of object account codes will be found in the Account Hierarchy Report. These numbers will be utilized throughout the budget development process. Should you have any questions as to proper numbering or definition of expenditures, please contact the appropriate Business Office.

1000  **FACULTY SALARIES**

Faculty Salaries in the controlling account which recaps those amounts posted in Objects 1100 through 1400.

These objects include charges for salaries of employees in positions which require faculty minimum qualifications. If the individual is occupying two positions only one of which requires minimum qualifications, then that portion of the individual's salary related to the minimum qualification position shall be reported as "faculty salaries."

1100 Instructional, Regular Contract

1200 Non-Instructional, Regular Contract

1300 Instructional, Other Non-Regular (Hourly)

1400 Non-Instructional, Other Non-Regular (Hourly)

2000  **CLASSIFIED SALARIES**

Classified Salaries include charges for salaries of employees whose positions do not require faculty minimum qualifications.

2100 Non-Instructional, Regular

2200 Instructional Assistants, Regular

2300 Non-Instructional, Hourly

2400 Instructional Assistants, Hourly

3000  **STAFF BENEFITS**

Employee Benefits is the controlling account which recaps those amounts posted in Objects 3100 through 3900. These objects include all expenditures for the employer's share of contributions to retirement plans, Social Security/Medicare Hospitalization, health and welfare benefits for current and retired employees and their dependents, unemployment insurance, and workers' compensation.
The District Business Office shall record expenditures for employee benefits by the appropriate prescribed subordinate classification. The Business Office shall make all calculations and allocate required funds to the appropriate accounts:

- 3100 State Teachers' Retirement System
- 3200 Public Employees' Retirement System
- 3300 Old Age, Survivors, Disability, and Health Insurance
- 3400 Health and Welfare Benefits
- 3500 State Unemployment Insurance
- 3600 Workers' Compensation Insurance
- 3700 Alternate Retirement System
- 3900 Other Benefits

**4300 SUPPLIES AND MATERIALS**

Supplies and Materials, Object 43XX, is the controlling account used to report all expenditures for instructional and non-instructional supplies and materials, including freight and cartage and taxes.

Supplies and materials are items that are expendable and quickly consumed or easily broken, damaged or lost.

Included in this object are office, library, medical and food service supplies as well as tests, periodicals, magazines, pictures, maps, and supplies and materials used in the care and upkeep of equipment, buildings and grounds, and other like items.

**5000 OTHER OPERATING EXPENSES AND SERVICES**

Other Operating Expenses and Services, Object 5XXX, is the controlling account which recaps those amounts posted in the following objects which include expenditures for contracted services, leases, rents, travel and other operating expenses.

**Personal and Consultant Services (51XX)**

Amounts expended as payments for personal or consultant services provided by an individual who is not an employee of the District, firm or a governmental agency.

This object includes, but is not limited to, payments to lecturers, professional experts, performing artists, consultants and other non-employees. Costs may include salaries, fringe benefits, travel costs, per diem, operating costs, etc., if specified and budgeted in the contract.
Travel and Conference Expense (52XX)

Amounts expended as per diem and/or actual and necessary expenditures incurred by employees, Board members, and other District or College representatives for authorized meetings, transportation (including mileage allowance), meals and lodging.

Dues and Membership (53XX)

Amounts expended as fees for District or college membership in any authorized society, association or organization and for membership fees of the governing board, its members, or its employees who are required to join a society, association or organization because of their position.

Insurance (54XX)

Amounts expended for all forms of casualty, liability, power, telephone, waste disposal, laundry, dry cleaning and other similar expenses including contracts for these services.

Rents, Leases, and Repairs (56XX)

Amounts expended as payments for rent or lease of land, sites, athletic fields, equipment, and buildings; as well as payments to independent vendors for transportation, maintenance, and repairs to buildings or equipment; and payments for repairs (including architect fees for repairs) and other services not otherwise designated.

Amounts expended for lease purchase agreements are to be recorded in Object 6000, Capital Outlay.

Legal, Election, and Audit Expenses (57XX)

Amounts expended as assessments for other than capital improvements, advertisements of bond issues and other advertisements required by law, judgments, lawyers' fees, election costs, audit costs, and so forth.

Other (58XX)

Amounts expended for the costs of surveys, appraisals, loan costs, interest on current loans (money borrowed and repaid during the fiscal year), physical examinations, fingerprinting, damage to personal property, and all other operating costs not identifiable under any other Object 5000 category.
Capital Outlay is the controlling account which recaps those amounts posted in Objects 6100 through 6400.

Capital Outlay expenditures include amounts paid for the acquisition of fixed assets or additions to fixed assets, as well as for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, and equipment.

Lease purchase (agreement constitutes a purchase) shall be reported appropriately as Sites, Buildings or Equipment. A lease without purchase is to be reported under Object 5000, Rents, Leases and Repairs.

Capital Outlay expenditures shall be recorded in the appropriate subordinate classification.

**Site Improvement (6120)**

Amounts expended for the costs of developing new sites or improving old ones.

**Building Alterations and Improvements (62XX)**

Amounts expended for the costs of construction or purchase of new buildings, additions to existing buildings, and replacement of obsolete buildings.

Costs of purchase include fees for inspection, transfer title insurance, etc.

**Library Books (63XX)**

Amounts expended for purchase of books for the college library.

The purchase of books for departmental libraries shall be reported as Supplies and Materials, Object 4000, under the appropriate Activity/Cost Center.

**Equipment (64XX)**

Amounts expended for the purchase of tangible property with a purchase price of at least $200 and a useful life of more than one year, other than land or buildings and improvements thereon, such as for desks, chairs, vehicles, machinery, instruments, etc.

Items purchased with a unit value of under $200 shall be recorded as Supplies and Materials, Object 4000.

Built-in fixtures that are an integral part of the building or building service system are reported in Object 6200, Buildings.