

# FINANCIAL MANAGEMENT FOR GEORGIA LOCAL UNITS OF ADMINISTRATION

<b>Date Issued</b>	<b>Effective Date</b>	<b>Section</b>	<b>Title:</b>
New	New	VII	<b>Appendices</b>
<b>Revision No.</b>	<b>Date Revised</b>	<b>Appendix</b>	<b>Title:</b>
New		4	<b>Revenues – GASB 34</b>

Governmental Accounting Standards Board (GASB) Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments and GASB Statement 37, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an Amendment of GASB Statements No. 21 and No. 34 define categories of revenues for presentation on the Statement of Activities. Activities are financed by four sources –

1. Those who purchase and directly benefit from government goods and services (Program Revenue),
2. Those outside the government's citizenry which includes other governments and nongovernmental entities or companies (can be Program revenue if restricted or otherwise defined as General revenue),
3. The government's taxpayers (General revenue),
4. The government itself (for example investing) (typically considered General revenue but may be Program revenue if restricted).

Program revenue is further divided into three categories: a) charges for services, (b) program-specific *operating* grants and contributions, and (c) program-specific *capital* grants and contributions.

Charges for services are amounts received from those who purchase, use, or directly benefit from a program. Tuition for out of district students and meal charges are examples for LUAs.

Program-specific *operating* grants and contributions and program-specific *capital* grants and contributions are amounts received from parties outside the LUA that are restricted to one or more specific programs. Examples of these include QBE and Title I revenues. For multipurpose grants, the amount attributable to each program must be identified in either the grant award or the grant application to qualify as program revenue. In addition, the grants and contributions must be separated between those received for operations and capital purchases. Grants or contributions that may be used for either capital or operating

purposes should be treated as operating grants or contributions.

Program revenue also includes earnings on endowments or permanent fund investments if restricted to a program or programs specifically identified in the endowment or permanent fund agreement or contract. If earnings on these sources are used to finance general operating expenses, they should be classified as general revenue. In addition, interest earnings on grants legally restricted for use in a specific program should be reported as program revenue.

All revenues that do *not* qualify as program revenues should be reported as general revenues. General revenue includes all taxes, even those that are levied for a specific purpose, and should be reported by type of tax— (e.g., special purpose local option sales tax, property tax). General revenues also include non-tax revenues, including grants and contributions not restricted to specific programs. Gains on the sale of capital assets, if material, should be reported as general revenue. Immaterial gains may be reported as an adjustment to the current period's depreciation expense or as other miscellaneous revenue under the local revenue source.

Following General revenues are contributions to term and permanent endowments and contributions to permanent fund principal. Special and extraordinary items should be reported on a separate line after contributions. If special items and extraordinary items occur in the same period, the two should be reported separately within a single category, with special items reported before extraordinary items. The sale of land might be a special item and costs or cost recovery related to a flood might be an example of an extraordinary item.

Following special and extraordinary items are transfers between governmental and business-type activities.

Below are revenue accounts with classification for Statement of Activities presentation.

### **Statement of Activities - Classification of Revenues**

<b>Revenue Classification</b>	<b>Code</b>	<b>Account</b>
General	1110	Ad Valorem Taxes
General	1120	Local Option Sales Tax
General	1121	Other Sales Taxes
General	1130	Special Purpose Local Option Sales Tax
General	1170	Appropriation From City Or County
General	1190	Other Taxes
General	1210	Concession Sales
General	1215	Club Dues And Fees
General	1220	Donations
General	1225	Fundraising/Misc. Sales
General	1230	Gate Receipts
Program-Charges for Services	1310	Tuition From Individuals
Program-Charges for Services	1320	Tuition From Other Georgia LUAs
Program-Charges for Services	1330	Tuition From LUAs Outside Georgia
Program-Charges for Services	1340	Tuition From Other Sources

Program-Charges for Services	1350	Summer School Tuition
Program-Charges for Services	1400	Transportation Fees
General	1500	Investment Income
Program-Charges for Services	1611	Student Sales - Lunch Programs
Program-Charges for Services	1612	Student Sales - Breakfast Programs
Program-Charges for Services	1613	Student Sales - Snack Programs
Program-Charges for Services	1614	Student Sales – Special Milk
Program-Charges for Services	1621	Supplemental Sales - Breakfast And Lunch Programs
Program-Charges for Services	1622	Adult Sales - Breakfast And Lunch Programs
Program-Charges for Services	1623	Contracted Sales - Breakfast And Lunch Programs
General	1700	Student Activities - Centralized
General	1800	Community Service Activities
General	1910	Rental Of Property
General	1920	Contributions From Private Sources
General	1930	Gain (Loss) On Sale Of Fixed Assets (Proprietary Fund Types Only)
General	1940	Textbook Sales
General	1950	Services Provided Other LUAs Or Other Governmental Units
General	1960	Cost Of Sales (Contra To Account 1950)
General	1970	Operating Revenues
General	1985	Student Supply Fees
General	1990	Federal Indirect Cost Reimbursement
General	1995	Other Local Revenues
Program-Operating Grants and Contributions	3120	Total Quality Basic Education Formula Earnings (State and Local Funds)
Program-Operating Grants and Contributions	3122	QBE Allotment (Operating Costs)
Program-Operating Grants and Contributions	3124	QBE Contra Account - Austerity Reduction
Program-Operating Grants and Contributions	3125	Total State Categorical Grants
Program-Operating Grants and Contributions	3140	QBE Contra Account (Debit)
Program-Operating Grants and Contributions	3200	Equalization (Parity)
Program-Operating Grants and Contributions	3300	Grants From K-12 Lottery
Program-Operating Grants and Contributions	3400	Grants From Pre-K Lottery
Program-Operating Grants and Contributions	3510	School Nutrition Service Grants (State Funds Only)
Program-Capital Grants and Contributions	3600	Capital Outlay Grants
Program-Operating Grants and Contributions	3800	Other Grants From Georgia Department Of Education
Program-Operating Grants and Contributions	3911	On Behalf Payments – Health Insurance
Program-Operating Grants and Contributions	3912	On Behalf Payments – Teachers’ Retirement
Program-Operating Grants and Contributions	3913	On Behalf Payments – Public School Employees’ Retirement
Program-Operating Grants and Contributions	3995	Funds From Other State Agencies
Program-Operating Grants and Contributions	4300	Categorical Grants - Direct From Federal Government
Program-Operating Grants and Contributions	4510	Child Nutrition Program Service Grants (All Federal Funds Except Breakfast Program)
Program-Operating Grants and Contributions	4511	Child Nutrition Program Grants (Federal Funds- Breakfast Program)

Program-Operating Grants and Contributions	4512	Child And Adult Care Food Program (Cacfp) Federal Grants
Program-Operating Grants and Contributions	4513	Federal Reimbursement For After-School Snacks
Program-Operating Grants and Contributions	4520	Other Federal Grants Through Georgia Department Of Education
Program-Operating Grants and Contributions	4530	All Other Federal Grants
Program-Operating Grants and Contributions	4820	Impact Aid - Maintenance And Operation (PL 81-874)
Program-Operating Grants and Contributions	4821	Emergency Impact Aid
General	4830	Revenue In Lieu Of Taxes
Program-Operating Grants and Contributions	4900	Revenues Attributable To USDA Commodities
Program-Operating Grants and Contributions	4995	Revenue From Federal Sources Not Otherwise Classified
Transfer	5200	Operating Transfers From Other Funds (Other Than Governmental Funds)
General	5300	Sale Or Compensation For Loss Of Fixed Assets
General	5995	Other Sources
Contributions (after General Revenues)	6100	Capital Contributions
Special Items (After Contributions)	6300	Special Items
Extraordinary Items (After Special)	6400	Extraordinary Items

Note – grants that are intended for the purchase or construction of capital assets must be categorized as Program Revenue – Capital Grants and Contributions. The classification of a grant as operating in this schedule assumes proceeds will be used for operating expenditures.