

EXPENDITURE ACCOUNT DEFINITION.

The University is required by the State System of Higher Education to categorize its expenditures into three major areas:

Article I. Personnel Compensation

- Services/Supplies/Others
- Capital Expenditure

Within the major areas, expenditures are further categorized by type. Each type of expenditure is assigned a unique account code. Personnel expenditures are charged to organizations on a biweekly basis as regular and student wage payrolls are posted. Departmental discretionary budget allocations and most Independent Operation budgets are typically used for a wide range of expenditures that fall into the Services, Supplies, and Capital categories.

A. Personnel Compensation

This major object of expenditure includes all direct compensation for services performed by University employees such as salaries and wages, as well as other payments and contributions made by the University toward various fringe benefit programs. The accounts that follow include the code, title, and a brief description.

- 6100 Salaries & Wages** - Used only for posting of budgets in pooled accounts, and should not contain any actual expenditure.
- 6000- Salaries** - The cost of all salaried positions, regardless of whether the employee is full-time,
6009 part-time, temporary, or permanent. Salaried positions are those for which salary payments are made on a biweekly basis in accordance with a predetermined work schedule. Certain one-time payments, such as those for dual employment, are also charged to this account.
- 6011- Wages** - Payments made to employees for whom compensation is based on an hourly wage and
6019 who are paid on a biweekly basis in accordance with a timekeeper's work sheet submitted by the supervisor. Payments to continuing education instructors who are not regular employees are also charged to this account.
- 6020 Summer School**
- 6021 Summer School APSCUF** - Payments to faculty for teaching and other assignments during the Summer Sessions.
- 6030 Faculty Overload**
- 6031 Faculty Overload APSCUF** - All overload payments made to faculty for assignments in excess of a normal workload, as outlined in the Collective Bargaining Agreement.

- 6040 Independent Study/Indiv Instruction**
- 6041 Ind Study/Indiv Inst APSCUF** - Compensation paid to faculty who are engaged with students in an independent study or individualized instruction program and who receive extra compensation in accordance with the Collective Bargaining Agreement.
- 6060 Other Faculty Pay**
- 6061 Other Pay APSCUF**
- 6110- Overtime** - All overtime payments to non-faculty employees. This includes all time worked
- 6118** over and above the normal work schedule for the employee regardless of the rate at which it is paid.
- 6130- Shift Differential** - The cost of additional compensation paid to non-faculty employees for
- 6137** working unusual shifts.
- 6150- Higher Class Pay** - Any additional monies paid to employees as a consequence of a temporary
- 6157** assignment to a position in a higher rated classification.
- 6170/ Physician/Nurses Awards** - Any compensation paid to physicians who have fulfilled certain
- 6177** educational eligibility criteria as outlined in the Collective Bargaining Agreement.
- 1400 Cooperating Teachers Wages** - Payments made to cooperating teachers in various school districts who supervise student teachers during their field experience.
- 6181- Annual Leave Payout** - All compensation paid to employees who separate from University
- 6189** employment and who are entitled to receive a lump sum payment for unused annual leave, personal leave, deferred holidays, etc. Such compensation may also be made when an employee changes status, such as from management to faculty.
- 6190- Annual Leave Comp. Absence**
- 6199**
- 6210- Sick Leave Payout** - All compensation paid to employees who are eligible to receive lump sum
- 6219** payment upon retirement for a percentage of their accumulated, unused sick leave.
- 6220- Sick Leave Comp. Absence**
- 6229**
- 6310- Regular Student Wages** - All payments to student employees, except Graduate Assistants and
- 6320** those who are funded via the College Work-Study Program.

- 6325 Student Wage Reserve**
- 6340 FWS Wages** - All payments made to student employees who are funded through the College Work-Study Program. This includes the portion of wages funded through the federal government and the portion funded through matching contributions from PHEAA.
- 6350 Graduate Assistant Stipend** - All payments to Graduate Assistants. Such payments are based on a stipend for a fixed time period.
- 6410& Personnel Transfer** - Charges (credits) for various personnel costs which represent labor transfers from (to) another account. This code is used to facilitate the budgeting process and is closed out at year end.
- 6420**
- 6700 Benefits Budget Pool** - Used only for posting of budgets in pooled accounts, and should not contain actual expenditures.
- 6710- Health and Welfare Fund** - All expenditures for contributions to the various Health and Welfare Funds.
- 6719**
- 6730- Medical/Hospital Insurance-** The University's costs for employee hospitalization insurance
- 6739** premiums.
- 6750- Annuitant Medical Insurance** - The University's costs for annuitant hospitalization insurance
- 6759** premiums.
- 6770- Annuitant APBO**
- 6779**
- 6790- Group Life Insurance** - The University's costs for employee group life insurance premiums.
- 6799**
- 6810- Retirement** - The University's share of retirement contributions, including contributions to the
- 6819** Public School Employees' Retirement System (PSERS), the State Employees' Retirement System (SERS), and TIAA/CREF.
- 6840- Social Security** - The University's share of social security contributions.
- 6850**
- 6860- Worker's Compensation** - The University's costs for Worker's Compensation insurance premiums.
- 6870**
- 6880- Unemployment Compensation** - All reimbursement by the University to the Office of Employment Security for Unemployment Compensation claims paid by them to current or prior University employees.
- 6889**

- 6910 Out-Service Training** - Educational costs such as tuition, fees, and other approved costs for
- 6919** work-related training of University employees involved in credit-bearing courses. All such costs for non-credit training activities are charged to Travel/Conference Expense.
- 6930- Employee Tuition Waivers** - The scholarship expense (value of tuition waiver) for faculty,
- 6939** staff, spouses, and dependents taking courses at the University under approved tuition waiver programs.

B. Services, Supplies, and Other Expense.

This major object of expenditure includes all operational expenses, such as the cost of goods or commodities, services, etc., used or consumed in current operations. It may also include the cost of minor equipment and other expenditures not meeting the criteria for capital expenditures as set forth in the definition of major object 7000. Additional account codes may be created to capture detailed expenditures within certain minor object codes. For example, 32xx may be used to capture the travel expenses incurred by individual faculty members.

- 7000 Operating/Capital Pool** - Used only to post the overall discretionary operating budget for an account. No expenditures are posted to this account code.
- 7010 Postage/Freight** - The cost of postal services, including stamps, metered mail, permits in lieu of postage, registered mail, stamped postcards and envelopes, rental of post office boxes, and contracted mailing services. All commercial carrier services, delivery services, and other "freight-out" costs. As a general rule, "freight in" would be included in the purchase price of the item transported and thus would be charged with the item purchased. If the costs for freight and express cannot be charged properly with the item purchased, they may be charged to this account code.
- 7020 Telephone-Service** - Recurring monthly costs for telephone equipment and line rental. This includes service charges and surcharges and is generally billed for the month in advance.
- 7022 Telephone Service Charge back** – The credits received by the Telecommunications Department from certain Independently Budgeted Operations and all Auxiliary Operations for the recurring monthly costs of telephone equipment and line rental.
- 7024 Telephone-Equipment Installation** - The costs for one-time charges for installing or changing telephone equipment or service.
- 7026 Telephone-Long Distance** - All toll charges, including credit card, collect, and third-party charges, and telegrams.
- 7030 Advertising** - The cost of space in newspapers and other publications, time on radio and television, promotional tapes, and all advertising agency fees. Generally, the majority of

advertising expenditures incurred by the University are for recruitment and public relations activities and are not charged to a department's discretionary budget. However, on occasion, a department may wish to advertise a special event and would be charged with the expenditure.

- 7040 Subscriptions** - The cost of subscriptions for periodicals such as technical and scientific journals, magazines, newspapers, and similar services purchased on a subscription basis. Library periodicals are charged to the appropriate library materials account.
- 7045 Memberships** - The cost of membership dues paid to organizations and associations.
- 7050 Contracted Printing** - The cost of all printing, engraving, duplicating, binding, blueprinting, photostating, and similar services performed by outside agencies. This should include the cost of paper or other supplies necessary and billed as part of the service. The cost of library binding is charged to the appropriate library materials account.
- 7060 In-House Printing** - The cost of all printing and copy work performed by the MU Print Shop. This code is used for interdepartmental charge-back purposes and is not used for externally contracted printing.
- 7070 Travel** - Reimbursement to University employees, students, officials, and others, for transportation (including mileage allowance for use of private vehicles), meals, lodging, conference registration fees, communication expense, tolls, parking fees, and other necessary expenses incurred while traveling on official University business. This account code also includes the cost of office moving expenses and any authorized employee moving expenses. With respect to special conferences, meetings, workshops, or out-service training sessions (which do not lead to the earning of academic credit), this account code is used to cover registration fees, space rental, etc. Booth rentals by the Admissions Office are included here.
- 7080 Travel-Applicant** - Reimbursement for job applicant transportation, meals, lodging or other eligible expenses incurred in conjunction with a job interview.
- 7090 Use of MU Vehicle** - Costs for the use of University vehicles including cars, vans, trucks, etc. This code is used for interdepartmental charge-back purposes only.
- 7110 Data Processing Contracted Maintenance** - The costs of maintenance and service contracts on all types of electronic data processing hardware and software.
- 7120 Data Processing Hardware/Software Rental** - The rental costs for computer hardware, microcomputers, terminals, printers, and other peripherals. This also includes rental costs for proprietary software such as operating systems, data base management systems, and other specialized software products. This account code does not include the cost of data processing services, contracted hardware and software maintenance, or data circuits and modems.
- 7130 Other Data Processing Services** - The cost of vendor-provided electronic data processing services such as data entry services, systems design, backup facilities, rental costs for dial up and dedicated leased communication lines and modems, and the cost of the PALINET library contract.

- 7150 Professional Services/Honoraria** - The cost of all consultant fees, honoraria, and other professional services. This includes consultant contracts with outside agencies, specialists, or experts to obtain advice and recommendations on a course of action or to obtain an evaluation of an existing program. It also includes the costs of all honoraria and charges for other professional services purchased from outside organizations, individuals, or Commonwealth agencies. Such professional services include architect fees, training workshops, design services, legal fees and services, accounting and auditing services, banking and investment services.
- 7170 One-Time Repairs** - The cost of all one-time repair services to buildings, grounds, equipment, furniture, motorized equipment, etc. Repairs are defined as costs which will restore the asset to that condition that will permit the effective use of the asset up to but not beyond its previously determined useful life.
- 7180 Major Repairs/Renovations** - All major contracted repair projects for buildings and grounds initiated by the Physical Plant Department. Such projects generally require a blueback contract.
- 7190 Contracted Maintenance of Buildings/Grounds/Equipment** - The cost of annual maintenance and service contracts on office equipment, typewriters, copiers, printing equipment, postage equipment, alarm systems, educational and scientific equipment, musical instruments, language laboratories, etc. In addition, the costs of janitorial services, window-cleaning, garbage and refuse removal, laundry and dry cleaning, elevator maintenance, exterminating services, etc., provided by outside vendors are charged to this account code.
- 7230 Temporary Help** - The contracted costs of temporary personnel hired through independent employment contractors. The temporary personnel are not considered University employees or paid through the University payroll system. This includes contracts with temporary help agencies.
- 7250 Insurance** - Expenditures for insurance and bonds. This includes the cost of fine arts insurance, employee liability insurance, employee faithful performance bonds, boiler and machinery insurance, auto liability insurance, etc. Although discretionary budgets generally do not incur this type of expense, certain independently budgeted operations may.
- 7260 Electric** - The cost of electric power.
- 7264 Gas** – The costs for propane, UGI natural gas, and other gas used for heating, cooking, or other purposes. Gasoline is charged to expenditure account code 7610.
- 7268 Fuel Oil** - The cost of fuel oil used for heating purposes.
- 7272 Water** - The cost of water as billed by Millersville Borough.
- 7276 Sewerage** - The cost of sewerage as billed by Millersville Borough.

- 7280 Equipment Rental** - The cost of renting office equipment, motorized equipment, buses, and all other equipment and commodities such as chairs, sound systems, press shelters, tables, etc.
- 7290 Building Rental** - The cost of rent for leasing buildings, office space, classroom space, etc. Short-term space rentals associated with conferences, etc., should be charged to account 7070 – Travel.
- 7320 Interdepartmental Miscellaneous** - Miscellaneous services provided by University departments, such as Costume Shop rentals. This account code is used for interdepartmental charge-back purposes only and is not used for externally procured services.
- 7330 Interdepartmental Housing** - The cost of housing guests, such as job applicants, in campus dormitories. This account is used for interdepartmental charge-back purposes only.
- 7340 Interdepartmental Dining** - The cost of all dining services provided by the University's Dining and Conference Service Department to University departments and programs. This account code is used for interdepartmental charge-back purposes only.
- 7350 Miscellaneous Services** - The cost of miscellaneous services not defined elsewhere. Examples of such miscellaneous services include participation fees, accreditation fees, chemical disposal costs, clipping services, music license agreements, modeling services, etc.
- 7360 Chancellor's Services** - The remittance to the Chancellor's Office of 1/2 of one percent of applicable university revenues.
- 7400& 7410 Supplies** - The cost of supplies consumed or used in the day-to-day operation of offices, departments, and in the classroom. This includes paper, envelopes, forms, binders, waste baskets, ribbons, pencil sharpeners, copying and printing supplies, etc. In addition, this account code includes the cost of instructional supplies such as laboratory supplies, recreational supplies, educational videos, etc.
- 7550 Palmer Storeroom Supplies** - The cost of all office supplies such as pens, pencils, paper, ribbons, tape, batteries, paper towels, etc requisitioned through the University's Palmer Storeroom. This account code is used for interdepartmental charge-back purposes only and is not used for externally procured supplies.
- 7560 Roddy Storeroom Supplies** - The cost of educational supplies requisitioned through the Roddy Storeroom by departments within the School of Sciences and Mathematics. This account code is used for interdepartmental charge-back purposes only and is not used for externally procured supplies.
- 7570 Maintenance Supplies** - The cost of all replacement and repair parts for machinery and equipment, and materials and supplies used in the repair, alteration or upkeep of buildings or grounds. Also included is the cost of small tools used in repair or maintenance work and the cost of supplies and parts necessary for the operation of motorized equipment (oil, tires, batteries, etc.). The majority of maintenance supply expenditures incurred by the University are charged to the Physical Plant department.

- 7580 Custodial Supplies** - The cost of all materials and supplies used in connection with the performance of general housekeeping services. Examples include bedding supplies (mattresses, bedspreads, sheets, pillows, etc.), cleaning supplies (detergents, soaps, brooms, mops, brushes, etc.), linens, yard goods for housekeeping supplies, window coverings and accessories (shades, blinds, curtains, drapes, etc.), tableware and kitchenware (tablecloths, cutlery, dishes, pots and pans, and other kitchen utensils), etc. The majority of custodial supply expenditures incurred by the University are charged to the Physical Plant department
- 7590 Grounds Supplies** - The cost of agricultural and grounds keeping supplies such as seeds, fertilizers, mulch, sprays, grounds-keeping tools, sod, athletic field marking powder, minor plants and shrubs, softball infield materials, etc.
- 7610 Gasoline** - The cost of all gasoline used in vehicles.
- 7620 Wearing Apparel** - The cost of all clothing and accessories such as University Police uniforms.
- 7630 Drugs/Medical Supplies** - The cost of all drugs used in the treatment of patients, athletes, etc. by Health Services Department or used for instructional and research purposes by other departments.
- 7640 Food** - The cost of food and beverages consumed by humans. This account code is generally used by the University's Dining Services Department for grocery items and is used for the external purchase of any general food or beverage items by other University departments or programs.
- 7651 Food Transfers** – The cost of food initially purchased by Student Dining but transferred to Catering and the Sweet Shop. Only the University Dining Operation uses this expenditure account code.
- 7700 Other Expense Budget Pool** - Used only for posting of budgets in pooled accounts, and should not contain any actual expenditure.
- 7705 Bad Debt Expense** - The cost of uncollectible receivables.

Article II. Article I. 7706 Inventory Over/Short

- 7708 Write-off Recovery Student** - Normally a credit entry to reflect the recovery of a previously written-off student account.
- 7709 Write-off Recovery Non-student** - Normally a credit entry to reflect the recovery of a previously written-off non-student account.
- 7710-7739 Scholarships** - The cost of all scholarships awarded to students.
- 7740 Tuition Waiver**

7745 Graduate Assistants Waiver - The cost of all scholarships (waivers) awarded to Graduate Assistants to cover tuition.

7750 Fee Waiver

Section 2.01 Section 1.01 7755 Grant/Contract Waiver

7760 Room Waiver - The cost of all scholarships (waivers) awarded to CAD students during the Summer Sessions to cover room fees.

7765 Board Waiver - The cost of all scholarships (waivers) awarded to CAD students during the Summer Sessions to cover board fees.

7769 Summer Orientation Waivers - The cost of all scholarships (waivers) awarded to CAD students during the Summer Sessions to cover orientation fees.

7770 Indirect Cost - Indirect costs assessed of programs to support administrative overhead, etc. Also used to transfer various operating expenses from one account to another.

7775 Cost Sharing

7780 Principal Payment

7781 Interest Payment

7790- Depreciation Expense
7795

7800 Capital Expense

This major object of expenditure includes assets which normally are expected to have a useful life of more than two years, which cost greater than \$500 per item, which can be used repeatedly without materially changing or impairing their physical condition, and which can be kept in serviceable condition by normal repair, maintenance, or replacement of components. The cost to be charged to these capital expenditure accounts includes the net price of the article, transportation charges paid, installation or set-up charges necessary to place the article in service, the cost of accessories included with the article, and the cost of major accessories or specially designed items to be used with the equipment (such as snow-plows to be tractor mounted).

7810 Library Materials - Used only for posting of budgets in pooled accounts, and should not contain any actual expenditure.

7811 Library Books - The cost of all books purchased by the library.

7812 Library Standing Orders - The cost of all books purchased by the library from standing book orders.

7813 Library Software

- 7814 Library Audio Cassettes**
- 7815 Library Video Cassettes/Rec**
- 7816 Library Miscellaneous**
- 7817 Library Optical Technology**
- 7820 Library Periodical Subscriptions** - The cost of all periodical subscriptions purchased by the library.
- 7821 Library Periodical Microfilm** - The cost of all periodical microfilm purchased by the library.
- 7822 Library Indexes/Abstracts** - The cost of all indexes and abstracts purchased by the library.
- 7825 Library Binding** - The cost of all binding services purchased by the library.
- 7840 Non-Computer Equipment** – Used for all equipment (other than computer-related hardware and software) regardless of dollar value which is expected to have a useful life of more than two years, which can be used repeatedly without materially changing or impairing its physical condition, and which can be kept in serviceable condition by normal repair, maintenance, or replacement of components. Examples of non-computer equipment are instructional and non-instructional equipment, telecommunications equipment, scientific equipment, VCR's, overhead projectors, copiers, typewriters, paper shredders, fax machines, maintenance and grounds equipment, etc. Those items costing \$1,000 or more will be capitalized and tracked in the Fixed Asset inventory system.
- 7850 Computer Equipment/Software** – Used for the purchase of all computer hardware, software and peripheral computer-related items, regardless of dollar value. Examples include personal computers, peripheral items such as keyboards, monitors, and printers, scanners, network servers, database management software, office management software, operating systems, communication handlers, word processing software, and other specialized software products. Also charged to this account code are the costs of purchased private data transmission lines and modems. Those items over \$1,000 will be capitalized and tracked in the Fixed Asset inventory system.
- 7855 Computer Equip/Software Under 1,000**
- 7860 Motor Vehicles** - The cost of motor vehicles such as automobiles, vans, trucks, etc.
- 7870 Furniture** – Used for the purchase of all furniture, regardless of dollar value. Examples of items to be charged to the furniture account code are tables, sofas, chairs, lab stools, file cabinets, bookcases, computer workstations, other modular workstations, and library shelving. Those items over \$1,000 will usually be capitalized and tracked in the Fixed Asset inventory system.
- 7880 Furnishings, Carpeting, & Draperies** - The account code should be used for the purchase of all furnishings, carpeting, and draperies, regardless of dollar value. Examples of items to be charged to this account code are window coverings and

accessories such as shades, blinds, curtains, and drapes. Also included are carpeting and furnishings which are not considered consumable supplies. Those items over \$1,000 will be capitalized and tracked in the Fixed Asset inventory system.

- 7910 Land** - The cost of all land purchased by the University, including acquisition costs such as legal fees, title search fees, etc.
- 7920 Non-structural Improvements** - The cost of all alterations or improvements to land (fences, roadways, walks, grading and terracing, landscaping, etc.), or the construction or installation of exterior waterlines, sanitary sewer lines, telephone lines, electric lines, steam lines, etc.
- 7930 Buildings** - The cost of all buildings and structures and all attached fixtures and fixed equipment (wiring, plumbing pipes, heating and cooling fixtures, boilers, generators, etc.).
- 7940 Building Improvements** - The cost of capital improvements to existing buildings and structures providing the improvement extends the life, increases the usefulness or book value of the asset, or changes the function of the structure.
- 7949 Expended for Plant** - The cost of capital projects undertaken by the University but not yet completed. This account is used only for *major* building construction. Construction in Progress is most likely accounted for within a general ledger account with an account control of 1790.
- 7950 Disposal of Capital Assets**