

KEAN UNIVERSITY
CHART OF ACCOUNTS

The Chart of Accounts provides guidelines and explanations of the coding necessary to process and record information in the college accounting system. The uniform system of accounts is designed to provide a standardized basis for accounting and facilitate analysis and reporting of accounting information for fiscal control and budget purposes.

The object account codes described on the following pages are used to identify articles purchased or services obtained. The definitions provide examples for each category. The examples should be considered as samples and not exhaustive definitions.

It is very important that all cost center directors review the definitions for the object accounts.

There will be periodic up-dates of our account code structure from time to time. These will be forwarded to you to be incorporated in this document.

KEAN UNIVERSITY
OFFICE OF BUSINESS SERVICES
ACCOUNT CODE STRUCTURE

XX -	XXXXX –	XXXX
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FUND	COST CENTER	OBJECT

The Kean University account number consists of a two-digit Fund, a five-digit Cost Center (organization sub-unit) and a four-digit General Ledger Object Account.

This structure was adopted after researching alternative structures in use at other colleges, both by COLLEAGUE and non- Colleague system users.

FUND

The college adopted a two-digit fund in order to provide expanded use of self balancing accounts; for federal funds, and in the area of Plant Funds.

COST CENTER

The five-digit cost center provides expansion for organizational sub-units, beyond the three-digit scheme used in the state Appropriation Account System.

OBJECT

The four-digit object allows the establishment of a full General Ledger Chart of Accounts, including revenue and expenditure codes, which relate to the state's two-digit code.

The following pages describe the coding scheme, to the lowest object level of accountability. Material presented in Fund, Cost Center, Object sequence; with the applicable section of account number highlighted at the top of the page.

KEAN UNIVERSITY
OFFICE OF BUSINESS SERVICES
ACCOUNT CODE STRUCTURE

XX-	XXXXX-	<u>XXXX</u>
FUND	COST CENTER	OBJECT

The Object section of the document number defines General Ledger classification, as follows:

1xxx	Assets
2xxx	Liabilities
3xxx	Fund Balance and Reserves
4xxx	Revenues
5xxx	Expenditures and Transfers

The organization and structure conforms to AICPA and NACUBO guidelines for colleges and universities, and is consistent with coding schemes in use at The Department of Treasury, Office of Management and Budget, for revenue and expense.

The object structure will allow the college to report financial information to diverse parties as follows:

1. To internal and external offices, who require highest degree of conformity to professional guidelines and industry standards.
2. To state offices, consistent reporting requirements for budget preparation and expenditure reporting.

3. To internal departments, deans and executive management; for the day-to-day monitoring of revenue and expense requirements.

KEAN UNIVERSITY
OFFICE OF BUSINESS SERVICES
EXPENDITURES OBJECT ACCOUNTS

CATEGORY – PERSONAL SERVICES
SUMMARY

5111	Academic Specialist
5112	Regular Salaries
5113	Adjunct
5114	Graduate Assistants
5115	Overtime
5116	Overload
5117	College Work Study
5118	Student Aids
5120	Student Stipends

All payments to Kean College employees must be classified under one of the above object codes.

CATEGORY – MATERIALS AND SUPPLIES

SUMMARY

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5020	Food
5021	Printing and Office
5022	Vehicular
5023	Education and Medical Supplies
5024	Household and Clothing/Costumes
5025	Fuel and Utilities

Material and supplies are defined as tangible consumable articles used for operations. Items used for the maintenance of machinery or equipment are not considered for operations. Also, certain services as indicated in the following definitions should be classified in this category.

5020 FOOD

This includes all food items for human consumption. Food Services are not to be included in this account, but under Official Reception account.

5021 PRINTING AND OFFICE

This account is used for all printing services and materials as well as all materials used in the general operation of an office. Items classified under this object include:

1. Stationary supplies.
2. Printing and duplicating supplies.

3. Photocopy and micro filming supplies and all charges for photocopy and electrostatic copying equipment rentals and supplies including installation, removal and relocation of equipment.

OBJECT 21, continued

4. Printed materials such as letterheads and envelopes, decals, forms, publications (except periodical) and blueprints.
5. Supplies for examination purposes.
6. Service Awards.
7. Notary Public seals, stamp pads; other official seals.

None consumable items with a unit cost less than \$500.

Mailing services such as stuffing or addressing envelopes should not be paid against this account but against 5036.

5022 VEHICULAR

This account includes expenditures for gasoline, oil, grease, tires, and tubes, without limitation as to unit cost.

5023 EDUCATION and MEDICAL SUPPLIES

This account includes materials and supplies used for:

1. Teaching or instruction of students
2. Library operations including microfilm, microfiche, books, periodicals, audiovisual materials and subscriptions.
3. Medicines, drugs, and supplies for the operation of medical facilities and for medical examinations and treatment.
4. Binding and repair of library books.
5. All athletic supplies including team uniforms.
6. Tee shirts.

5024 HOUSEHOLD and CLOTHING and COSTUMES

The following items are included in this account:

1. Housekeeping supplies and furnishings such as:
 - a. Sanitary, exterminating and cleaning supplies.
 - b. Sheets, blankets, bedding, mattresses.

- c. Window shades, curtains, blinds, drapes, unattached floor coverings, flags and flagpoles.
- d. Electric light bulbs, fluorescent tubes and starters, fuses, flashlights and batteries.
- e. Towels, toweling, toilet supplies.
- f. First-aid kits (and refill items), paper towels, bottled water, ice.

OBJECT 24, continued

- g. Boiler house cleaning supplies.
- 2. Materials and supplies (except food) for preparation and serving including kitchen and dining hall supplies.
- 3. Materials and supplies for laundry and dry-cleaning.
- 4. Identification and directional signs.
- 5. Clothing including uniforms and work clothes.
- 6. Security and communication supplies such as:
 - a. Ammunition, police and traffic control supplies, emergency lights, fire hose, fire protections supplies, targets and refills and chemicals for fire extinguishers,
 - b. Communication supplies,
 - c. Protective helmets.
- 7. Safety clothing.

NOTE: CHARGES FOR PURCHASED HOUSEHOLD SERVICES SHOULD BE MADE TO ACCOUNT 35 – HOUSEHOLD AND SECURITY.

5025 FUEL and UTILITIES

This account includes all materials and supplies used to produce heat, power and water; all charges for heating and cooling, electric current, water, sewerage, and rental of utility poles and street lighting.

CATEGORY- SERVICES OTHER THAN PERSONAL
SUMMARY

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5027	Annual Projects/Events
5028	Student Travel
5029	Mileage Reimbursement
5030	Travel
5031	Telephone
5032	Postage
5033	Insurance
5034	Computer Services and Software
5035	Household and Security
5036	Professional Services
5037	Advertising
5038	Official Reception
5039	Memberships

Charges to this series of accounts represent the cost of purchased services which are primarily non-personal or of a contact nature under which no “employer-employee” relationship is established. Unless it can be clearly shown that the “employer-employee” relationship does not exist, it shall be assumed that such a relationship exists and the individual shall be considered an employee.

5030 TRAVEL

This account is used for travel of college officials and prospective employees. Rental of buses for transportation should not be charged to this account. All charges and expenses necessarily incidental to travel of college employees are charged here. This includes public carrier fares; food and lodging; automobile hire; car parking charges; mileage allowances; tolls; and registration fees for conferences. All charges must be in accordance with college travel regulations. Please check with the Office of Business Services for information regarding approval forms and requirements for reimbursement of expenses.

5031 TELEPHONE

This account includes all charges for telephone services and telegraph service, including telephone answering services and directory listings, and rental of data transmission lines.

5032 POSTAGE

This account includes the charges for postal fees, post office box rentals, parcel delivery service, and contract messenger service.

5033 INSURANCE

This account includes all charges for insurance (except life insurance and health benefits insurance) including; Fire, casualty, marine, surety bonds, boiler and elevator insurance, and any other miscellaneous types of coverage.

5034 COMPUTER SERVICES AND SOFTWARE

This account includes all expenditures for Information Processing services and software. Computer equipment is no longer purchased from this object.

OBJECT 34, continued

Charges to this object include:

1. Information processing services performed.
2. Information processing support services such as customer engineering, systems engineering, and EDP consulting.
3. Rental payments for information processing equipment (excluding lease purchase agreements) and maintenance costs.
4. Software purchases, rental/license payments and maintenance costs.

NOTE: Rental of data transmission lines and devices shall be charged to the object 5031 account.

5035 HOUSEHOLD and SECURITY

This account includes charges for:

1. Custodial and security services; uniform; towel and linen rentals; laundry and dry cleaning; extermination; refuse disposal; armored car service; installation, rental and maintenance of vendor owned security equipment.

5036 PROFESSIONAL SERVICES

This account includes charges for:

1. Medical and psychiatric examination, diagnosis, treatment, and consultations.
2. Hospital charges for room and board, drugs, appliances, supplies, x-ray and fluoroscopy, and laboratory tests.
3. Educational consultants, special instruction, speech evaluation, and corrective therapy.
4. Psychological consultants and therapy
5. Fees and honorariums paid to speakers at meetings, assemblies, and baccalaureate and commencement exercises.
6. Payments to cooperating teachers (for students teaching supervision).
7. Firms or individuals who, for a fee, render professional services of a technical nature directly to management in areas such as: program planning and evaluation, organization development, work program planning and evaluation, organization development, work analysis, information system development, operation analysis, management policies and practices, financial information, and engineering services.
8. Legal fees, court reporting services, court and hearing transcripts, hearing stenographers.
9. Modeling services.
10. Fees to collection agencies.

OBJECT 36, continued

11. Accreditation fees.
12. Fees for Notary Public Commissions
13. Leadership Development seminars and workshops includes i.e. meals, lodgings, meeting rooms, audio-visual aids, etc.
14. All other services not classified in any other account.

5037 ADVERTISING

This account includes all charges for legal and other advertising, such as solicitation of bids, publication of official notices and personnel recruitment.

5038 OFFICIAL RECEPTION

This account includes charges for entertainment of students and other sponsored social activities or functions; commencement and convocation expenses; and meals and refreshments served to guests at official receptions, meetings or conferences. Charges to this account must be in accordance with college regulations. No alcohol.

5039 MEMBERSHIPS

Charges for memberships, representation or association with organizations or institutions established in fields pertinent to the College's activities or programs charged to this object. Only institutional memberships may be charged to this account. Also, subscriptions can be charged to this account.

CATEGORY – MAINTENANCE AND FIXED CHARGES

SUMMARY

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5040	Repair – Buildings and Grounds
5041	Repair – Equipment
5042	Maintenance of Vehicles
5043	Snow Removal
5044	Rent – Buildings and Grounds
5047	Rent – Other

This series of accounts is used for recurring charges. Recurring charges are defined as those necessary for routine repair and maintenance of buildings, property and equipment in order to keep them in operation and prevent deterioration. Included are:

1. Preventative maintenance.
2. Maintenance contracts.
3. Repair and construction projects under \$2,500, including repairs to equipment and replacement of component parts thereof; repair and replacement of buildings and parts thereof; and building renovations and alterations.

5040 REPAIR – BUILDINGS AND GROUNDS (RECURRING)

This account includes all repairs and maintenance to college real property, by departmental personnel or by contract, which does not affect the purpose for which the property was originally intended. It includes the cost of maintaining buildings and sewer, boiler, heating and cooling, electrical, water supply, and plumbing systems. It includes the maintenance of maintenance equipment such as the following: generators, concrete mixers, air compressors, power saws, planer, welders, chain saws, and pumps.

OBJECT 40, continued

This account also includes costs of grounds maintenance and landscaping (materials and services). In addition, the costs of architectural or engineering services for construction projects for maintenance or repair shall be charged to this account.

New or replacement maintenance equipment with unit cost of less than \$1,000 should be charged to this object. Maintenance equipment items with a unit cost of \$1,000 or more should be charged to object 5070.

5041 REPAIR – EQUIPMENT (RECURRING)

This account includes:

1. Maintenance of all office furniture, office machines, and related equipment (EXCEPT DATA PROCESSING EQUIPMENT).
2. Maintenance of housekeeping and furnishing items, such as upholstering, carpeting and drapes; food preparation and serving equipment; laundering and cleaning equipment; security and communication equipment.
3. Maintenance of all equipment not classified elsewhere.

5042 MAINTENANCE – VEHICLES

This account includes costs of all vehicle parts and maintenance (including tools), other than those enumerated in account 5022, without limitation as to unit cost. Maintenance for all types of vehicular equipment is included here.

5044 RENT – BUILDINGS AND GROUNDS

This account includes charges for any building or land except storage garages or charges for emergency or short term facilities.

5047 RENT – OTHER

This account includes all rental charges not elsewhere classified such as equipment rental, charter fees for buses, garage rentals and vehicle storage charges, postage meter rental, safe deposit rental, and short-term, emergency or emergency storage charges.

CATEGORY – SPECIAL PURPOSE

SUMMARY

Object code 505X are special purpose objects used for unique program identification.

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5050	Extraordinary
5051	Taxable awards
5052	Reimbursement, non-taxable
5056	Worker's Compensation
5058	Tort Claims
5060	Special Projects
5067	Student Events
5089	Book Voucher Expense

CATEGORY – CAPITAL ADDITIONS, IMPROVEMENTS, AND EQUIPMENT

SUMMARY

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5070	Improvements, Buildings and Grounds
5071	Equipment Construction
5074	Vehicular Equipment
5075	Audio Visual Equipment
5076	Other Equipment
5077	Computer Equipment

Included in this category are all expenditures for the purchase of land; purchase and construction of realty improvements, new or additional items of equipment or other property; all improvements to buildings and land which result in a material improvement to, or alternation of, the property beyond its original purpose or capability. Additionally, non-recurring maintenance and replacements, as defined below.

Non-recurring maintenance and replacement constitutes unusual or essentially “one time” repairs and the replacement of major items. It also includes (1) repair and maintenance, including the replacement of components of a routine nature where the project cost is \$2,500 or more, and (2) equipment replacement where the unit cost exceeds the limits imposed under definitions of various accounts.

Any project with an estimated cost of \$50,000 or more shall be considered as a ‘capital’ project and shall be charged the appropriate capital projects fund.

5070 IMPROVEMENTS, BUILDINGS AND GROUNDS

This account includes renovation and alteration projects and additions which materially affect the structure or the purpose for which the structure was used. Any improvement which results in increased capacity or increased operational effectiveness should be included in this account.

Additionally, maintenance equipment items with a unit cost of \$1,000 or more shall be charged to the 5070 account.

5071 NEW CONSTRUCTION

Included in this category are all expenditures for the purchase and construction of realty improvements.

5074 VEHICULAR EQUIPMENT

Included in this category are all expenditures for completed vehicular and equipment units including automobiles, trucks, snow removal equipment, cranes, bulldozers, power shovels, forklifts and other construction and materials handling equipment.

5076 OTHER EQUIPMENT

Included in this category are all expenditures for office equipment, housekeeping and furnishing items, education equipment, and all other equipment not classified elsewhere.

5077 COMPUTER EQUIPMENT

Included in this category are all expenditures for:

1. Data Processing Equipment.
2. Word Processing Equipment.
3. Equipment used in conjunction with Data Processing Equipment and Word Processing Equipment such as monitors, modems, printers, and expansion boards.

5120 STUDENT STIPENDS

5971 EQUIPMENT CONSTRUCTION

CATEGORY – STUDENT AID

<u>OBJECT CODE</u>	<u>ACCOUNT TITLE</u>
5325	Room Rent Waiver Expense
5326	Board
5327	Room Rent

5325 ROOM RENT WAIVER EXPENSE

This account is used by Residential Student Services to expense the waivers associated with providing housing to Resident Assistants.

5326 BOARD

Included in this category are all expenditures for providing meals to students. This account is to be used instead of “5038” official reception.

5327 ROOM RENT

This account is used to expense rooms provided to students by Residential Students Services.