

# GLOSSARY

**Account** – A record used to summarize all increases and decreases in a particular asset or any other type of asset, liability, fund equity, revenue or expenditure.

**Accounting Period** – Calendar months that separate accounting transactions into definite and distinct segments.

**Accounts Payable** – Amounts that the district owes to its creditors for goods and services.

**Accounts Receivable** – Amounts that a district expects to collect for services rendered to the public.

**Accrual** – A basis of accounting which calls for recording revenue in the period in which it is earned and recording expenses in the period in which they are incurred.

**AP Checks** – Checks generated out of the Accounts Payable Department.

**Appropriation** – The setting aside by resolution of a specified amount of money for a fund with an authorization to make expenditures and incur obligations for specific purposes.

**APS Reports** – Reports generated by the Oracle Financial Systems, which display or provide both summary and transaction detail necessary for monitoring district funds.

**Asset** – A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events.

**Auditing** – The principal activity of a Certified Public Accountant (CPA). It consists of an independent examination of the accounting records, the internal control system and other evidence relating to the district to support the expression of an impartial expert opinion about the reliability of the financial statements.

**Authorized Signature List** – A list of the site's personnel able to authorize financial transactions, or generate journal entry requests for the site. This list is updated at the beginning of every year and must be updated, as needed, to reflect any changes in a site's personnel/responsibility.

**Budget** – A summary statement of plans expressed in quantitative terms; a forecast of future events including anticipated revenue and expenditures, and the financial position of a district at some future point in time.

**Budget Authority** – A person who is authorized by the district to oversee and manage funds allocated in a specific budget.

**Building Fund** – (also known as Capital Projects Fund) Used to account for all resources used for acquiring capital sites, building and equipment as specified by the related bond issue. Capital projects funds are designated to account for requisition or construction of capital outlay assets that are not acquired directly by the General Fund, Special Revenue Funds, or Enterprise Funds. Capital Projects have been developed to account for the proceeds of a specified bond issue and revenue from other possible sources which is designated for capital outlay.

**Carryover** – End of year General Fund unspent PPA amounts.

**Encumbrances** – Purchase order, contracts and/or other obligations which are chargeable to an appropriation and which a part of the appropriation is reserved. They cease to be encumbrances when paid, when liability is established, or when cancelled.

**Expenditure/Expense** – An outflow of resources to support current operations.

**Fund** – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Balance** – The difference between governmental fund assets and liabilities.

**General Fund** – A fund to account for all financial resources except those required to be accounted for in another fund. Any lawful expenditure of the school district may be made from the General Fund.

**Grant** – Funds given by an external government agency or private source and restricted to achieve specific objectives.

**Indirect Costs** – Indirect costs or overhead costs (such as utilities) and other support costs that are allowable in accordance with a grant’s specific requirements. Generally these costs are not easily identifiable.

**Instructional Supplies and Materials** – Instructional supplies and materials include, but are not limited to, supplies, textbooks, library books, periodicals, warehouse inventory, and other supplies and materials.

**Journal Entry** – A record of transactions affecting accounts.

**Object** – A category of goods or services purchased as defined by CDE.

**P-Card** – A district authorized credit card issued through a financial institution that may be used by employees to purchase approved items and services necessary to school/site operations.

**PPA** – Per Pupil Allocation. A “per student” dollar amount set by the State, which requires a school district to budget and spend a certain amount in specific non-salary instructional areas.

**Prepayment** – Making payment in advance for any charges to be incurred.

**Purchase Order** – A commercial document used to request someone to supply something in return for payment, which becomes a legally binding contract once the supplier accepts it.

**Purchased Services** – Amounts paid for personal services rendered by outside suppliers who are not on the payroll of the school district and other services that the district may purchase. While a product may or may not result from the transactions, the primary reason for the purchase is the service provided.

**Requisition** – An internal request for goods or services which is submitted for budget approval prior to the creation of a Purchase Order.

**Revenue** – An inflow of resources to support operations.

**Supplier** – An outside individual or company that provides services or goods to the district.

**Supplies and Materials** – Material items of an expendable nature that are consumed, worn out, or deteriorated by use.