MINIMUM Direct Classroom Expenditures - 65% Legislation

July 21, 2008

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Beginning in FY2008, local school systems are required to spend a *minimum* of 65% of the system's total operating expenditures on Direct Classroom Instruction.

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Failure to meet 65% Minimum Direct Classroom Expenditures may result in sanctions imposed against the local school district by the State Board of Education.

In FY2007, Direct Classroom Expenditures for Houston County Schools were 65% of our total operating expenditures.

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Direct Classroom Expenditures are those activities directly associated with the interaction between teachers and students and are charged to function 1000.

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Direct Classroom Expenditures shall not include costs for administration, plant operations and maintenance, food services, transportation, instructional support including media centers, teacher training, and student support such as nurses and guidance counselors.

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Also excluded from Direct Classroom Expenditures are purchases charged to the following objects:

Rental Payments	Objects 440 – 449
Tuition Payments	Objects 561 – 562
Equipment Purchases	Objects 730 – 734
Federal Indirect Costs	Object 880

Changes in Account Codes for 65% Legislation

Changes have been made to the State Chart of Accounts definition of equipment, which will help local school systems to meet the minimum 65% legislation.

The new definition of equipment and computers is $5,000 per unit cost.

Changes in Account Codes for 65% Legislation

Expendable equipment and computers are now defined as items costing less than $5,000 per unit and should be charged to objects 615 and 616.

Expendable equipment and computers are included in the calculation of the Minimum Direct Classroom Expenditures.

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In general ...

If the expense is for the Classroom, charge it to Instruction – function 1000!

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Your careful consideration in the reporting of all Instructional expenditures will help ensure that Houston County Schools will meet the Minimum Direct Classroom Instructional Expenditure requirement.

Questions and Answers