



Financial Accounting for Local and State School Systems (2003 Edition)

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Financial Accounting for Local and State School Systems (2003 Edition) represents a national set of standards and guidance for school system accounting. It incorporates guidance from Governmental Accounting Standards Board (GASB) statements (through statement 39) and is intended to help ensure that education fiscal data are reported comprehensively and uniformly. This revised and restructured guidance focuses on:

- defining account classifications that provide meaningful financial management information for its users;
- complying with generally accepted accounting principles (GAAP), as established by the GASB;
- recognizing the changes that have taken place in technology, safety, and security; and
- supporting federal reporting requirements.

There are chapters on budgeting, governmental accounting, and financial reporting. Moreover, account codes have been updated to reflect changes in the new reporting requirements and developments in technology and security. There is also a chapter on student activity fund accounting and a model for school level program cost accounting.

Because statutes and regulations guiding school accounting differ from state to state, it is understood that states, school districts, and schools may need to adapt the guidance that appears in this document. However, consistent practices and terminology are critical to ensuring the accountability of public funds. For example, accounting methods should be able to produce financial reports that conform with GAAP and with the legal requirements of each state, if the two differ.

This publication is available electronically at http://nces.ed.gov/forum/pub_2004318.asp. Instructions for ordering print copies are also available on the National Forum on Education Statistics website.

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