

North Dakota Department of Public Instruction
Dr. Wayne G. Sanstead, State Superintendent
600 E. Boulevard Ave., Dept. 201
Bismarck, ND 58505-0440

Guidance to Clarify the Difference Between Object Codes 300, 600, and 800

It is extremely important that the budgets on your local accounting records match those approved and on file in the state Title I office. The state Title I office uses the North Dakota School District Financial Accounting and Reporting Manual (NDSDFARM) to determine the activities that go under each object code. There is often confusion from school personnel regarding whether some expenditures are coded to object code 300, 600, or 800. This guidance is meant to help clarify and provide examples for each cost code.

Object Code 300

Object code 300 in the fiscal accounting process is labeled as “Purchased Professional and Technical Services.” This code is to be used any time funds will be utilized to purchase a service. The following are examples of a purchased service:

- Paying a consultant or speaker to do a presentation for staff development.
- Paying a company, such as NWEA, to access an assessment, receive technical assistance, and obtain reports on testing results.
- Paying a provider, such as Sylvan Learning Center, to provide tutoring services to at-risk students.

In coding to object code 300, you do not pay for a product; rather, you are paying a person or a company to provide you with a service (i.e., purchased services).

If funds are being used to purchase a service and will be listed in the object code 300, the school district must have a contract with the vendor. The contract should, at a minimum, include:

- A. scope of services,
- B. duration of the contract,
- C. method and amount of payment, and
- D. be executed by both parties.

A contract template can be found on the department’s website at www.dpi.state.nd.us/title1/resource/sample.pdf. School districts can use or modify this form to fit their needs.

If you are paying a vendor with federal funds, it is crucial to have a contract with that vendor which shows exactly how the funds will be used to demonstrate that the services are appropriate for the program. A document that sets forth the specific goods and services being purchased with your federal funds proves to auditors and the U.S. Department of Education (USDE) your intentions for spending federal funds.

Object Code 600

Object code 600 in the fiscal accounting process is labeled as “Materials and Supplies.” The following are examples of expenditures that get coded to object code 600:

- Books and classroom supplies (tangible items).
- Computer software.
- Periodicals.
- Books for study groups.
- Parent involvement supplies/materials.

* Equipment such as printers, white boards, furniture, iPads, etc. will always fall under object code 730, even if the purchase price is under \$750 per items.

Object Code 800

Object code 800 in the fiscal accounting process is labeled as “Dues, Memberships, and Registration Fees.” The following are examples of expenditures that get coded to object code 800:

- Paying dues for Title I personnel to belong to the International Reading Association.
- Registration fees for Title I staff to attend trainings.
- Paying an annual membership fee for the school to participate in an organization (schoolwide programs only).
- Registration expenses for teachers to take for college courses (tuition, books).
- Paying for licenses for Title I students to access a computer-based intervention program.
- Paying for online courses.

If you have further questions regarding how to code Title I expenditures, please contact Mary Neigum, Title I fiscal officer at mneigum@nd.gov or (701) 328-2281, your Title I contact person, or Laurie Matzke at lmatzke@nd.gov or (701) 328-2284.