

DEVELOPMENTAL DISABILITIES ADMINISTRATION
CHART OF ACCOUNTS

ACCOUNT DESCRIPTIONS (SECTION C)

This section contains a description of the accounts used for cost reporting purposes. The detailed lower levels of accounts are not described, as they are intended to be used for additional information and control and will vary widely in application from facility to facility.

1000 ASSET ACCOUNTS

Assets represent the economic resources of a facility. Assets are reported in the major classifications of current assets: Property, Plant, and Equipment; and Non-Current Assets.

1100/ CURRENT ASSETS

1200 Current assets consist of cash and other assets or resources which are reasonably expected to be converted into cash or consumed during the normal operating cycle of the business, usually one year. Current assets generally include cash, receivables, marketable securities, inventory, prepaid expenses, and other current assets.

1110 Cash

Cash consists of currency and coins, checks, money orders, and demand deposits in bank accounts. In general, cash is carried in a number of subsidiary accounts according to its intended use.

1120 Marketable Securities

This account reflects current securities, including negotiable stocks, bonds, treasury securities, certificates of deposit, and other temporary investments.

1130 Resident Accounts Receivable

This account consists of all unpaid billings for services and supplies provided to all residents regardless of sponsorship (state residents, private residents, etc.)

1140 Other Receivables

This account reflects amounts due for other than resident services. Included are pledges, accrued receivables, and accounts and notes receivable from employees, officers, and other individuals and organizations.

1150 Allowance for Doubtful Accounts

This is a valuation (or contra asset) account with a credit balance representing the estimated amount of uncollectible receivables from residents and others as of the reporting date.

1160 Inventories

This account reflects the cost of unused facility supplies. The balance should be based on a physical inventory count or perpetual inventory records maintained and adjusted periodically to a physical count. The extent of inventory control and

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detailed record keeping will depend upon the size and organizational complexity of the facility.

1170 Prepaid Expenses

This account represents costs incurred which are properly chargeable to a future accounting period. Included in subsidiary accounts are prepayments for insurance, interest, rent, salaries and wages, taxes, and other deferred expenses.

1180 Due From Other Funds

The balance in this account represents the amount due from other restricted and non-restricted funds.

1190 Home Office Current Assets

The balance in this account reflects that portion of home office current assets that are specifically allocated to a facility which is a part of a larger chain organization.

1210 Resident Trust Fund Assets

This account reflects the balance of the total amount of funds held by the contractor in trust for residents residing in the facility.

1220 Current Inter-company Receivables

This account is used to record funds loaned to related organizations which are reasonably expected to be received within one year.

1230 Other Current Assets

This account should include the amount of other current assets not specifically listed under the asset account titles described above.

1400 PROPERTY, PLANT, AND EQUIPMENT

These accounts are comprised of assets used over an extended period in the operation of a facility, usually greater than one year.

1410 Land

This account represents the cost of land used in facility operations, plus acquisition costs. This includes off-site sewer and water lines, public utility charges necessary to service the land, governmental assessments for street paving and sewers, the cost of permanent roadways and grading of a non-depreciable nature, and the costs of curbs and sidewalks, replacement of which is not the responsibility of the facility. As land does not usually deteriorate with time, it is not depreciable.

1420 Land Improvements

All land improvements of a depreciable nature should be charged to this account. This would include the cost of on-site sewer and water lines, paving of roadways,

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parking lots, tunnels, underpasses, curbs and sidewalks (if replacement is the responsibility of the facility), as well as the cost of shrubbery, fences, and walls.

1430 Buildings

The cost of all buildings acquired for resident care use.

1440 Building Improvements

The cost of all capital improvements made to the buildings subsequent to their acquisition. This would include additions to the buildings.

1450 Equipment

This account is divided into three sub-accounts based on the varying degrees of permanency and size.

1451 Fixed Equipment

The cost of attachments to buildings including wiring, electrical fixtures, plumbing, elevators, heating systems, and air conditioning systems. The general characteristics of this equipment are that it is affixed to the building and has a relatively long life, but shorter than the life of the building to which it is affixed.

1452 Major Moveable Equipment

The costs of equipment including beds, desks, refrigerators, ranges, etc. The general characteristics of this equipment are: A relatively fixed location in the building; the capability of being moved as distinguished from fixed equipment; a unit cost sufficient to justify ledger control; sufficient size and identity to make control feasible by means of identification tags; and, a minimum useful life of greater than one year.

1453 Vehicles

The costs of automobiles and vans used to provide services related to resident care.

1454 Other

The costs of equipment including, but not limited to, wastebaskets, silverware, mops, and buckets. The general characteristics of minor equipment are in general: No fixed location and subject to use by various departments, small in size and unit cost, subject to inventory control, a large number in use, and generally a useful life of one to three years.

1460 Leasehold Improvements

Leasehold improvements are the cost of all improvements to leasehold property. Included are central air conditioning, wall-to-wall carpeting, additions, paving of roadways and parking lots, as well as the cost of shrubbery, fences, and walls.

1470 Construction in Progress,

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Constructions in progress represent the balance of funds expended to date on a construction project. Included are additions, expansions, or other facility modifications which have not been completed and put into use.

1480 Home Office Fixed Assets

This account is used to record fixed assets specifically allocated to the facility which is a part of a larger chain organization.

1600 ACCUMULATED DEPRECIATION

The balance in Accumulated Depreciation represents the amount of depreciation accumulated on the assets in each asset category used in a facility's operations. Recorded in these accounts is the accumulation of credits, which serves as a means to write off the cost of each asset over their estimated useful life. The accumulated balance represents the amount written off, less retirements.

1620 Accumulated Depreciation - Land Improvements

The balance in this account represents the amount written off, less retirements, relating to the assets which are recorded in Account 1420.

1630 Accumulated Depreciation - Buildings

The balance in this account represents the amount written off, less retirements, relating to the assets which are recorded in Account 1430.

1640 Accumulated Depreciation - Building Improvements

The balance in this account represents the amount written off, less retirements, relating to the assets which are recorded in Account 1440.

1650 Accumulated Depreciation - Equipment

The balance in this account represents the amount written off, less retirements, relating to the assets which are recorded in Account 1450.

1660 Accumulate Depreciation - Leasehold Improvements

The balance in his account represents the amount written off, less retirements, relating to the assets which are recorded in Account 1460.

1680 Accumulated Depreciation - Home Office

The balance in this account represents the amounts written off, less retirements, relating to the allocated assets which are recorded in Account 1480.

1800 NON-CURRENT ASSETS

Non-current assets consist of assets not reasonably expected to be converted into cash, sold, or consumed during the normal operating cycle of a business, but not recognized in the Property, Plant, and Equipment account. Non-current assets generally include such accounts as Long Term investments, unamortized start-up costs, and goodwill.

1810 Long Term Investments

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This account reflects the income-producing investments which are not intended to be converted to cash, sold, or consumed within a one-year period. Included are certificates of deposit, government securities, and other Long Term investments.

1820 Inter-company Receivables

This account is used to record inter-company loans and transactions which result from the transferring of services or funds between related companies.

1830 Unamortized Start-Up/Organization Costs

This account reflects the expenses incurred in the organization of a facility less a prorated portion of that expense amortized over a period of at least five years.

1840 Goodwill

Goodwill represents the excess of the price paid to acquire a facility over the fair market value of the facility's assets. Goodwill must be amortized over the life of the assets. The balance of this account represents the unamortized portion of goodwill.

1850 Home Office - Non-Current Assets

This account is used to reflect non-current assets specifically allocated to a facility which is a part of a larger chain organization.

1860 Other Non-Current Assets

The balance of this account represents the non-current assets of the facility not included in the above accounts.

2000 LIABILITY ACCOUNTS

2100 Current Liabilities

Current Liabilities are debts or other obligations that must be paid or liquidated within one year or one operating cycle, and whose payment or liquidation will require the use of current assets. Common current liabilities are accounts payable, notes payable, accrued payroll and related liabilities and deferred revenue.

2110 Accounts Payable

The balance of this account reflects balances due trade and other creditors for supplies and services purchased by the facility. This account is used as a control account, and detailed ledgers should be maintained to identify individual creditor balances.

2120 Notes Payable

This account reflects liabilities incurred by the facility and payable to vendors, banks, and other creditors. These liabilities are commonly evidenced by promissory notes due and payable within one year or the operating cycle of the facility.

2130 Accrued Payroll and Related Liabilities

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The balance of this account reflects the actual or estimated liabilities of the facility for salaries and wages payable, related amounts payable for payroll taxes withheld from salaries and wages, payroll taxes to be paid by the facility, and accrued fringe benefits.

2140 Current Portion of Long Term Debt

The balance in this account should reflect the liability for mortgage and bond obligations and other Long Term debt evidenced by promissory notes which are due and payable within the next 12 months.

2150 Due to Other Funds

This account reflects the amounts due on advances from other funds.

2160 Home Office Current Liabilities

This account reflects that portion of home office current liabilities specifically allocated to a facility which is a part of a larger chain organization.

2170 Resident Trust Fund Liability

This account reflects liability for the total amount of funds held by the contractor in trust for residents residing in the facility.

2180 Current Inter-company Payables

This account is used to record the amount of funds loaned from related organizations which is reasonably expected to be paid back within one year.

2190 Other Current Liabilities

This account should include the amount of other current liabilities not specifically listed under the above liability accounts. Included items are interest payable, rent payable, property taxes payable, dividends payable, and other taxes payable.

2500 LONG TERM LIABILITIES

Long Term Liabilities are debts or other obligations that are not due and payable for a comparatively long period, usually more than one year. Common items are mortgages, notes payable, capitalized leases, and deferred expenses.

2510 Mortgage Payable

Amounts in this account are recorded to reflect mortgage payments and other obligations incurred in connection with the acquisition of land, buildings, and equipment. This account would exclude amounts due within one year which are included in Account 2140.

2520 Notes Payable

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Amount in this column reflect notes not due to mature for a least one year. Amounts due within one year would be excluded from this account if recorded in Account 2140.

- 2530 Capitalized Lease Obligations
This account reflects the amount of debt imputed on leases that have been capitalizing in accordance with Generally Accepted Accounting Principles (GAAP).
- 2540 Inter-company Payables
This account is used to record inter-company loans and transactions which result from the transferring of services or funds from related companies.
- 2550 Deferred Income Tax
This account reflects the accrual of the tax liability of income reported in the current or previous accounting periods that is not subject to income tax until a future period.
- 2560 Other Long Term Liabilities
This account is used to record liabilities with over one year maturity that is not classified in other accounts described above.

3000 EQUITY AND FUND BALANCE ACCOUNTS

Equity represents the excess of the assets of a facility over its liabilities. Equity consists of the investment of the owners plus or minus the increase or decrease in assets resulting from its operations. The title of equity accounts vary according to the type of ownership.

Corporation

A corporation is a group of individuals who have obtained a charter from the appropriate governmental organization, granting them, as a body, certain legal powers, rights, privileges, and liabilities. A corporation may engage in the buying and selling of goods and services.

- 3100 Capital
The amount of capital stock issued and outstanding. The balance of the capital accounts, common stock, preferred stock, and treasury stock.
- 3200 Additional Paid-In Capital
The balance in this account reflects the proceeds from the sale of stock in excess of the par or stated value.
- 3300 Retained Earnings
This account consists of owner's equity that has arisen through the retaining of assets from earnings of a facility. These earnings include earnings from normal operations, as well as gains from extraordinary items.
- 3400 Divisional Equity

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This account is to be utilized by facilities with legal and accounting entities differing from the cost reporting entity. For facilities owned and operated by a central office, this account is used to report and record the allocated portion of the home office equity.

Proprietorship/Partnership

Proprietorship and partnerships are non-stock, non-corporate entities organized by an individual, groups of individuals, and/or corporations under a contractual agreement to carry on a business for profit.

3100 Capital

This account represents the proprietor's or partners' capital equity invested and the more or less permanent changes in the partners' equity. A separate account is established for each member of a partnership.

3200 Drawings

Represents the proprietor's or partners' withdrawals of money from the facility for personal use. A separate account is set up for each partner. At the end of the fiscal year, each partner's drawings account should be closed out to his capital account so that each capital account discloses a net figure.

3400 Divisional Equity

This account is to be utilized by facilities with legal and accounting entities differing from the cost reporting entity. For facilities owned and operated by a central office, this account is used to report and record the allocated portion of the home office equity.

Non-Profit

These accounts are to be used by non-profit facilities utilizing fund accounting.

3100 Fund Balance

This account represents the excess of assets of a fund for a facility over its liabilities when such facility uses the principals of fund accounting.

3400 Divisional Equity

This account is to be utilized by facilities with legal and accounting entities differing from the cost reporting entity. For facilities owned and operated by a central office, this account is used to report and record the allocated portion of the home office equity.

4000 REVENUE ACCOUNTS

Revenues are the monetary measure of the gross revenue generated from the services rendered by the facility. The major classifications of revenue are: Routine Care Revenue, Other Resident Revenue, Other Operating Revenue, and Non-Operating Revenue.

41** Routine Care Revenue

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This account is used to record the gross revenues earned from routine daily services rendered to residents. Sub-accounts should be established to reflect the appropriate resident sponsor. Routine daily services are defined as those services allowable for reimbursement under cost reimbursement systems. (IMR regulations Chapter 275-38 WAC; Group Home regulations Chapter 275-26 WAC and contractual obligations; or tenant support or alternative living regulations Chapter 275-36 WAC and contractual obligations).

42** Other Resident Revenue

43** These accounts are to be credited with the separate charges made to residents for the supplies or services provided to the resident exclusive of Routine Care Revenues. Other resident revenue is also commonly referred to as ancillary revenue.

44** Other Operating Revenues

This account is used to record revenues earned in the day-to-day operation of the facility except routine services revenues and other resident revenues. Included are revenues from vending machine commissions, laundry, gift shop, rentals, meals, sales, and purchase discounts.

45** Deductions From Revenue

Facilities may receive less than their full established fee for services. It is important that reporting information reflect both the gross revenue and revenue "adjustments" resulting from inability to collect established charges for services provided. These revenue "adjustments" are called Deductions From Revenue and classified in the following primary categories: Contractual adjustments, charity allowances, provisions for bad debts, and administrative adjustments. These items must be reported as deductions from gross operating revenue on an accrual basis.

46** Non-Operating Revenue

This account reflects revenue earned from sources external to a facility's resident care operations. Typically included are interest and dividend income, donations, grants, gifts, and gain on sale/retirement of fixed assets.

5000 ROUTINE EXPENSE ACCOUNTS

Expenses are expired costs which have been used up in carrying on a facility function and from which no measurable benefit will be obtained beyond the present accounting period. Expenses are accumulated into accounts which describe the general nature of the expense. The numerical listing of accounts outlines the expenses delineation used in cost reporting for the divisions residential programs. The accounts are aggregated into four functional cost centers within the cost report. These cost centers are: Resident Care, Training and Rehabilitative Services; Food; Property; and, Administration and Operations.

5110 Other Staff Lodging

The cost of maintaining a residential unit for on-duty overnight staff accommodations when it is not the primary residence of the staff person.

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- 5200 Food
The food cost center includes all costs for bulk and raw food and beverages purchased for the dietary needs of a facility's residents.
- 5211 Food - Resident
All costs for bulk and raw food and beverages associated with resident consumption as a part of a resident care and training program.
- 5212 Food - Staff
Those costs for bulk and raw food and beverages associated with staff consumption as a part of a resident care and training program.
- 5220 Revenue Offset
The portion of revenue which is generated as a result of costs contained in this cost center should be recorded in this account.
- 5300 Property
This cost center includes lease payments and depreciation on all depreciable assets (land improvements, buildings, equipment and leasehold improvements), as well as interest expense related to purchasing or financing property, plant and equipment. The specific accounts are as follows:
- 5320 Depreciation - Land Improvements
The depreciation expense of Land Improvements for the cost reporting period should be included in this account. Refer to Account 1420 for the definition of land improvements.
- 5300 Depreciation - Buildings
The depreciation expense of buildings for the cost reporting period should be included in this account. Refer to Account 1430 for the definition of buildings.
- 5340 Depreciation - Building Improvements
The depreciation expense of building improvements for the cost reporting period should be included in this account. Refer to Account 1440 for the definition of building improvements.
- 5350 Depreciation - Equipment
The depreciation expense of equipment for the cost reporting period should be included in this account. The depreciation expense in this account is further categorized by type of equipment, i.e., Fixed, Movable, and Other. Refer to Account 1450 for the definition of equipment.
- 5360 Depreciation - Leasehold Improvements
The expenses of amortizing leasehold improvements should be included in this account. Refer to Account 1460 for the definition of leasehold improvements.

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5370 Interest

This account should contain interest costs incurred incidental to the financing or purchase of property, plant, and equipment. Interest incurred for debt to provide working capital should be included in Account 5421.

5375 Allocated Expenses

This account should be used to record the allocation of property costs to unallowable activities.

5380 Lease Payments

Payments for leased property, plant, and equipment should be charged to this account. Payments made for the temporary rental of property, plant, and equipment should be charged to this account.

5390 Revenue Offset

The portion of miscellaneous revenue which is generated as a result of the property costs contained in this cost center should be recorded in this account.

5410-5430 MANAGEMENT AND GENERAL ADMINISTRATION EXPENSES

5411 Management and General Administration Salaries and Wages

Salaries and wages include all remuneration for services performed by an employee of the facility. Independent contractors are included under Account 5414. Personnel charged to this sub-cost center include the Qualified Mental Retardation Professional, Administrator, Assistant Administrator, and Administrator-in-Training as well as those staff providing administrative support functions.

The salaries and wages related to the following personnel should be included as Administrative Support:

Chaplain (for allowable services only)
General Office
Purchasing
Receptionist
Secretarial

Other personnel's salaries and wages charged to the Management and General Administration cost center would include:

Accounting/Bookkeeping
Data Processing
Legal Services

5412 Management and General Administration Fringe Benefits and Payroll Taxes

This account contains the fringe benefits and employer payroll taxes related to the salaries and wages charged to the management and general administration cost center. Fringe benefits include the cost

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of benefits available to all employees including vacation, holiday, and sick leave. Other benefits might include medical, life, and/or disability insurance plus retirement plans.

5413 Administrative Supplies

The cost of the supplies which are used in the administrative support of the facility would be recorded in this account. These supplies could include general office supplies, bookkeeping supplies, postage, and forms.

5414 Management and General Administration Purchased Services

The costs of administrative support services provided by independent contractors are included in this account. These administrative support services could include data processing, legal and accounting. Computer maintenance agreements could also be included.

5417 Management Fees

This account includes the fees paid for general management services provided by an independent contractor. Any fees related to specific services should be charged as a purchased service in the appropriate account. Fees paid to members of the board of directors are also included in this account.

5421 Working Capital Interest

This account should contain the allowable interest costs related to debts incurred to provide working capital for the facility. All allowable interest costs from debt not related to the financing or purchase of land, building, equipment, and vehicles should be included in this account. All interest paid on trade accounts should be included in this account.

5423 Telephone/Communications

This account should contain the cost of the telephone/communication (i.e., beeper, radio and other communication devices) services which is related to resident care including basic charges of business telephones and other necessary costs, such as long distance charges.

5424 Dues and Subscriptions

This account should contain the necessary and ordinary dues and subscriptions directly or indirectly related to resident care. The expenses of maintaining professional licenses and membership in professional organizations are unallowable and should be excluded from this account.

5425 Education and In-Service Training

The costs of providing on-the-job training and in-service training required for employee orientation and certification training directly related to the performance of duties should be charged to this account. This account should not include any portion of the salaries and wages of the employees.

5426 Facility Insurance

This account includes all the costs of insurance for a facility other than vehicle insurance which should be recorded in Account 5513. Costs of key-man insurance are not allowable expenses unless made available to all employees.

5428 Business Taxes

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The costs of general business taxes, such as Business and Occupational taxes, should be included in this account. Payroll Taxes should not be included. Real estate and personal property taxes are to be included under Account 5483 - Property Taxes.

5429 Amortization of Start-Up Organization Costs

This account should contain the amortization expense of allowable start-up and organization costs for the accounting period.

5431 Advertising

Allowable advertising should be charged to this account. This includes the costs incurred for help-wanted advertising.

5435 Activities/Rehabilitative/Nursing/Training Supplies

The costs of supplies which are used in direct resident care and training should be recorded in this account. These supplies would include, but are not limited to, items furnished routinely and relatively uniformly to all residents, such as art or craft supplies, phonograph records, and baseballs; items stocked in gross supply and distributed or used individually in small quantities, such as aspirins, bandages, and lotion; and items which are used by individual residents but which are reusable and expected to be available, such as ice bags and art smocks. Expenses for assets (equipment) with a unit cost of less than \$1,000 should be included in Account 5486. *DO NOT INCLUDE SUMMER PROGRAM EXPENSES*. Summer program expenses are to be segregated from all other expenses and listed in the aggregate in Account 6293.

5436 Activity Fees

Fees charged by unrelated sources for providing activities to residents would be included in this account. Such fees might include recreational and camp fees. *DO NOT INCLUDE SUMMER PROGRAM EXPENSES*. Summer program expenses are to be segregated from all other expenses and listed in the aggregate in Account 6294.

5439 Other General Administrative Expenses

This account provides an opportunity to include any other costs not previously recorded in other accounts in the Management and General Administration cost center. This account would also include the cost of out-of-town travel for the administrator. Such costs would include meals, lodging, and transportation.

Under each of the following functional areas: Maintenance, Laundry, Housekeeping, and Dietary, are included the below described categories:

54*1 Salaries and Wages

Salaries and wages include all remuneration for services performed by an employee of the facility. Independent contractors are not included in this account.

54*2 Fringe Benefits and Payroll Taxes

DEVELOPMENTAL DISABILITIES ADMINISTRATION CHART OF ACCOUNTS

This account contains the fringe benefits and payroll taxes related to the salaries and wages charged to the cost center. Fringe benefits include the cost of benefits available to all employees including medical, life, and/or disability insurance, retirement plans, and vacation, holiday, and sick leave.

Continuing a general description of each of the categories listed under the functional areas, Maintenance, Laundry, Housekeeping, and Dietary:

54*3 Supplies

The cost of supplies associated with the applicable cost center is to be included in this account.

54*4 Purchased Services

The cost of services provided by independent contractors should be included in this account.

54*5 Allocated Expenses

This account includes costs allocated from a central office or joint facility. A facility operated as a part of another facility should only include those costs which it directly or indirectly incurred.

5440 MAINTENANCE EXPENSES

5441-Salaries & Wages	These functionally related accounts include the direct expense resulting from maintenance and operation of the facility. The personnel charged to the Maintenance cost center include a licensed plant engineer, maintenance supervisor, other maintenance personnel including that portion of RCT allocated to maintenance activities. Expenses for assets (equipment) purchased with a unit cost of less than \$1,000 should be reported under Account 5486.
5442-Fringe & Payroll Taxes	
5443-Supplies	
5444-Purchased Services	
5445-Allocated Services	

5450 LAUNDRY EXPENSES

5451-Salaries & Wages	These functionally related accounts include the expenses related to storing, issuing, mending, washing, and processing in-service linens and residents' clothing. In-service linens would include uniforms, kitchen, table and bed linens.
5452-Fringe & Payroll Taxes	
5453-Supplies	
5454-Purchased Services	
5455-Allocated Services	

5460 HOUSEKEEPING EXPENSES

5461-Salaries & Wages	These functionally related accounts include the direct expenses related to the cleaning of the interior of the facility's building, such as the washing and waxing of the floors, walls, windows, ceilings, and partitions. Also included are cleaning of the fixtures, furnishings, and emptying trash containers.
5462-Fringe & Payroll Taxes	
5463-Supplies	
5464-Purchased Services	
5465-Allocated Services	

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5470 DIETARY EXPENSE

5471-Salaries & Wages
5472-Fringe & Payroll Taxes
5473-Supplies
5474-Purchased Services
5475-Allocated Services

These functionally related accounts include the direct expenses for procuring, storing, processing, and delivering nourishment. Also included are the direct expenses of operating the kitchen, dining room, and cafeteria. Raw bulk food costs are not included. Personnel charged to this cost include dietitian, cook, food service supervisor, and food service helpers.

5480 PROPERTY COSTS

5481 Utilities

Utility costs include the current costs to provide water, sewer, heat and light, and cable service for residents' comfort and use.

5483 Property Taxes

Real estate and personal property taxes should be charged to this account,

5485 Property Allocated Expenses

The costs which are allocated from a related organization and have been incurred either directly or indirectly by this facility.

5486 Minor Equipment

Expenses for assets (furniture or equipment) with a unit cost of less than \$500 (i.e., small tools and attractive items such as computer gizmos and the like) should be included in this account.

5487 Other Property Costs

Other miscellaneous costs pertaining to the property cost center should be included in this account. Such costs would include fire and security alarm system maintenance.

5491 REVENUE OFFSET - SALARIES AND WAGES

The portion of miscellaneous revenue which is generated as a result of Administration and Operations remuneration costs should be included in this account. Administration and Operation remuneration costs include the salaries, wages, fringe benefits, and payroll taxes of all personnel charged to the Administration and Operation cost centers (all 5400 and 5500 accounts) except the Administrator, Assistant Administrator, Administrator-in-Training and QMRP. These administrative positions' expenses should be reduced by any revenue offset.

5492 REVENUE OFFSET

The portion of miscellaneous revenue which is generated as a result of Administration and Operations-purchased services should be included in this account. Administration and Operations-purchased services costs include services provided by independent contractors.

5500 TRANSPORTATION

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These functionally related accounts include the costs related to transporting residents as a part of care and training and costs of staff transportation in conducting facility business. Vehicle costs should include only those costs which are supported by a record of use (mileage log) indicating the use is related to resident care/activities or facility operations.

5511 Drivers' Salaries and Wages

The personnel charged to the transportation cost center are drivers. All of the allocated portion of the drivers' salaries and wages should be reported under this account.

5512 Drivers' Fringe Benefits and Payroll Taxes

This account contains the fringe benefits and payroll taxes related to the salaries and wages charged to this cost center.

5513 Vehicle Insurance

Costs for insuring vehicles for drivers' liability and physical damage.

5514 Purchased Services - Public Transportation

This account should include the costs associated with resident transportation such as an intercity bus system ticket or pass.

5516 Staff Mileage Reimbursement

This account should include the amount given staff as reimbursement for using their private vehicle for resident transportation. Amounts paid per mile should be specified in the personnel manual maintained in each facility.

5600 RESIDENT CARE, TRAINING, AND HABILITATIVE SERVICES

This cost center contains the direct expenses incurred for the care of residents. Direct expenses include: salaries and wages, payroll taxes, employee benefits, and consultant fees.

5611 Salaries and Wages

Salaries and wages include all remuneration for services performed by an employee for care of residents at the facility. Independent contractors are excluded under this classification. Amounts paid for time not worked such as vacation, holidays, and sick leave are fringe benefits and should not be included in this account.

5612 Fringe Benefits and Payroll Taxes

This account contains the fringe benefits and the employer's share of payroll taxes associated with the salaries and wages included in Account 5611. Fringe benefits would include all insurance and retirement plans provided, vacation, holiday and sick leave.

5614 Purchased Services

The cost of services provided by non-employees including temporary contracted labor. Purchased services consist of the resident care services purchased from outside organizations

5615 Allocated Expenses

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This account includes costs allocated from a central office or joint facility. A facility operated as a part of another facility should include only those costs which it directly or indirectly incurred.

5620 Revenue Offset

The portion of miscellaneous revenues generated for services which pertain to costs included in the Resident Care, Training, and Rehabilitative Services Cost Center should be included in this account.

6000 OTHER EXPENSE ACCOUNTS (UNALLOWABLE)

These accounts are used to record costs that are associated with services unallowable for reimbursements. The unallowable costs are separated into three categories: Other Resident Expenses, Other Operating Expenses, and Non-Operating Expenses.

6200 Other Resident Expenses (Unallowable)

6300 This series of accounts may be used by a facility to identify the costs associated with Other Resident Revenues. The accounts in this category provide a cost center for each Other Resident Revenue account. These accounts provide a mechanism to account for the direct and indirect cost related to Other Resident Revenue in lieu of offsetting revenue against costs.

6290 Resident Activities Including Summer Program Expenses

6291 Resident Activities' Salaries and Wages

Salaries and wages paid as remuneration for services associated with other resident expenses performed by an employee. Independent contractors are excluded from this classification. Amounts paid for time not worked such as vacations, holidays, and sick leave are fringe benefits and should not be included in this account. Salaries and wages associated with providing a summer program to qualified residents should be maintained in this separate account. *BE SURE NOT TO DUPLICATE EXPENSES BY RECORDING BOTH IN THIS ACCOUNT AND ACCOUNT 5611.*

6292 Resident Activities' Fringe Benefits and Payroll Taxes

This account contains fringe benefits and payroll taxes associated with the salaries and wages reported in Account 6291. Fringe benefits include the cost of benefits to all employees including all insurance and retirement plans provided and payment for time not worked such as vacations, holidays, and sick leave. *BE SURE NOT TO DUPLICATE EXPENSES BY RECORDING BOTH IN THIS ACCOUNT AND ACCOUNT 5612.*

6293 Resident Activities' Supplies

The cost of supplies which are used to provide summer program activities to qualified residents should be maintained in this account. *BE SURE NOT TO DUPLICATE EXPENSES BY RECORDING BOTH IN THIS ACCOUNT AND ACCOUNT 5435.*

6294 Resident Purchased Services

The cost of services provided by non-employees including temporary contracted labor. Purchased services consist of resident care services purchased from outside organizations for summer program activities. *BE SURE NOT TO DUPLICATE EXPENSES BY RECORDING BOTH IN THIS ACCOUNT AND ACCOUNT 5414.*

DEVELOPMENTAL DISABILITIES ADMINISTRATION CHART OF ACCOUNTS

6295 Resident Allocated Expenses

The costs which are allocated from a related organization for costs associated with summer program activities to qualified residents should be recorded in this account.

6400 Other Operating Expenses (Unallowable)

6500 These accounts provide a mechanism for identifying costs related to Other Operating Revenues as described above. These accounts also provide a mechanism to account for all other costs which are unallowable.

6600 Non-Operating Expenses (Unallowable)

These accounts are utilized for the recording costs not related to the day-to-day operations of a facility. Included in this category are loss on the sale of fixed assets not replaced, income taxes, and extraordinary expenses. Loss on the sale of fixed assets that are replaced would be reported as an adjustment to the depreciable basis of the replacement asset.