

4100	Payments to Other Governmental Units (In-State)- Flow-through funds - where payment is received by an LEA and a portion is transferred to one or more other LEAs to provide mental health services.
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DEFINITIONS OF BUDGET OBJECTS*	
Object Number	Object
100	Salaries: Amounts paid to permanent, temporary or substitute employees on the payroll of the local education agency (LEA). This includes gross salary for personal services rendered while on the payroll of the LEA.
200	Employee Benefits: Amounts paid by the LEA on behalf of employees; these amounts are not included in the gross salary, but are over and above.
300	Purchased Services: Amounts paid for personal services rendered by personnel who are not on the payroll of the LEA and other services which the LEA may purchase. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided in order to obtain the desired results.
400	Supplies and Materials: Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use or items that lose their identity through fabrication or incorporation into different or more complex units or substances.
500	Capital Outlay: Capital Outlay: Expenditures for the acquisition of fixed assets or additions to fixed assets. -Equipment or furniture > \$500.

* Service Area Direction - activities associated with directing and managing a specified service area.

* Definitions are from the Illinois Program Accounting Manual

(For further information, see <http://www.isbe.state.il.us/sfms/html/ipam.htm>)

Supplement vs. Supplant

The provision of federal and state funded programs provides that only supplemental costs may be charged. Those funds are intended to supplement and not supplant local funds. Grantees are required to maintain, in each eligible attendance area, a level of expenditure which is at least equal to the level of expenditure that would be maintained if federal/state funds were not being expended in that area.

No project or activity can be approved which proposes to provide a service required by State law. For example, any project to singly provide special education for children with disabilities cannot be approved because special education is required by State law with special funds appropriated to pay for it. In like manner, basic kindergarten programs cannot be approved for the same reason.

In most cases, compensation for supervisory personnel (including superintendents of schools, directors of education, supervisors of instruction in regular curriculum areas, and principals) falls within the category of expenses that would be incurred if a school were not participating in a federal/state funded program. This would not be eligible for reimbursement unless additional administrative personnel are necessary and hired specifically for that purpose. Extreme care should be taken in determining the applicability of the charges to the federal/state program.

Payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees chargeable to more than one grant program or other cost objective will be supported by appropriate time distribution records.