Investment Agency funds should be accounting codes, procurement requirements, investment requirements, fund balance, taxes, and state funding.

**CODE STRUCTURE SAMPLE**

<table>
<thead>
<tr>
<th>199</th>
<th>8</th>
<th>11</th>
<th>608</th>
<th>99</th>
<th>971</th>
<th>6112</th>
<th>0000</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUND</td>
<td>FY</td>
<td>FUNC</td>
<td>LOC</td>
<td>PROG</td>
<td>BM</td>
<td>OBJECT</td>
<td>SUB</td>
</tr>
</tbody>
</table>

**FUNCTION CODE - EXP.**

11 Instruction
12 Instructional Resources and Media Serv
13 Curriculum Dev. & Instructional Staff Dev.
21 Instructional Leadership
23 School Leadership
31 Guidance, Counseling and Eval Serv
32 Social Work Services
33 Health Services
35 Food Services
41 General Administration
51 Facility Maintenance and Operations
52 Security and Monitoring Services
53 Data Processing Services
61 Community Services
71 Debt Service
81 Facilities Acquisition & Contraction
93 Payments to Fiscal Agent
99 Other Intergovernmental Charges

**LOCATION CODES**

071 Admin Building
089 North Post Oak
601 AB School - East
602 AB School - West
607 Highpoint East
608 Highpoint North
609 North Post Oak
672 Adult Ed

**PROGRAM CODES**

00 Undistributed-use with revenue codes
99 Distributed-use with exp codes

**OBJECT CODE**

**REVENUES**
5700 Local and Intermediate Sources
5800 State Program Revenues
5900 Federal Program Revenues

**BOND RATINGS**

HCDE has an "A" Bond Rating.
HCDE has issued Lease Revenue Bonds, QZAB Bonds and Maintenance Tax Notes.
Principal Outstanding as of July 31, 2017 is: $20,219,082

**TYPES OF FUNDS**

**Governmental Funds**
1. THE GENERAL FUND — resources except those required to be accounted for in another fund.
2. SPECIAL REVENUE FUNDS — Grants
3. CAPITAL PROJECTS FUNDS — for the acquisition or construction of major capital facilities
4. DEBT SERVICE FUNDS — payment of general long-term debt principal and interest.
5. PERMANENT FUNDS — to report resources legally restricted so earnings, but not principal

**Proprietary Funds**

6. ENTERPRISE FUNDS — activity for which a fee is charged to external users for goods or services.
7. INTERNAL SERVICE FUNDS — activity that provides goods or services to other funds, dept. or agencies of the district

**ENCUMBRANCE ACCOUNTING**

Encumbrances represent commitments related to contracts not yet performed and are used to control expenditures for the year and to enhance cash management. HCDE uses purchase orders to account for encumbrances.

**INVESTMENT LAW**

Investments are handled according to CH 2256 of the Government Code (Public Funds Investment Act) Section 45.205 of the Texas Education Code requires that depository contracts for each ISD be renewed every 2 years.

**ACCOUNTING - GASB # 54**

Fund Balance are reporting in the following categories:

- Unspent
- Legally restricted by contract
- Restricted
- Restrictions imposed by law or creditors
- Committed
- Board restricted
- Assigned
- Board or Sup't. restricted
- Unassigned
- Available for Use

**ACCOUNTING - GASB # 34**

Accordingly, in June 1999, GASB introduced the new financial reporting model in Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis - for State and Local Governments (“GASB 34”). The Statement integrates the traditional focus of government fund financial statements, relating to fiscal accountability and the modified accrual basis of accounting, with new forms of reporting to meet users’ needs for longer-term financial information, and to ensure that the operational accountability objective of governments is fulfilled.

**PURCHASING LAW**

Texas Education Code 44.031 (a) states that all contracts, except for the purchase of produce or vehicle fuel, valued at $50,000 or more in the aggregate, for each 12-month period are to be made by the method that provides the best value to the district. Methods include:

- Competitive bidding
- Competitive sealed proposals
- Request for proposals, for services other than construction services
- Interlocal contracts
- Design-build contracts
- Contract to construct, rehabilitate, alter, or repair facilities that involves using a construction manager; or
- Job order contract for the minor construction, repair, rehabilitation, or alternation of a facility
- The reverse auction procedure as defined by Section 2155.062(d), Government Code
- The formation of a political subdivision corporation under Section 304.001, Local Government Code

**TAX RATES** (Max is $.01) For tax year 2016

- Taxes are authorized by the Tax Code and there are two tax rates:
  - Maintenance and Operation Rate - General Fund - 199
  - Interest and Sinking Rate Debt Service Fund - 599

**TAX LEVY**

This is the total values times the tax rates

- $21,752,256

**TAX VALUES**

Values are provided by the Harris County Appraisal District.

Certified As of July 31, 2017 $418,312,612,350

**TAX COLLECTIONS**

- Current Collections are collected by the Harris County Tax Assessor Collector
- Delinquent collections are collected by

**STATE FUNDING**

HCDE receives foundation funds from TEA for employee insurance. The amount is estimated at $900 per year.

$500,000 FY17 Budget

Investments as of July 31, 2017 are: $43,965,082

Accounting GASB #68

Accounting and financial reporting for pension which applies to state and local governmental employees and is effective FY 2015.

$500,000 FY17 Budget