

# Spending Object & SubObject Definitions

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## **A SALARIES AND WAGES**

Amounts paid to persons who provide personal services subject to the direction and control of a state agency (employer/employee relationship) are to be classified as salaries and wages, except for those persons who are considered employees for payroll tax reporting only (refer to Subobject NW). It does not matter that the state agency permits the employee considerable discretion and freedom of action as long as the state agency has the legal right to supervise and control the method and the result of the services.

### **AA State Classified**

Those state employees/positions whose salaries are set in accordance with the Washington Personnel Resources Board salary schedule and compensation plans, except those employees/positions whose salaries are set by the Washington Personnel Resources Board under the provisions of additional exemptions requested by elected officials and the executive assistants for personnel administration as prescribed by RCW 41.06.070. Also includes those employees under the Washington Management Services program.

### **AB Higher Education Classified**

All classified employees/positions of institutions of higher education and related boards under the jurisdiction of the Washington Personnel Resources Board as defined by chapter 41.06 RCW.

### **AC State Exempt**

Those employees/positions whose salaries are set by the governor, upon recommendation of the State Committee on Agency Officials' Salaries, or by appropriate boards and commissions; and those employees/positions whose salaries are set by the Washington Personnel Resources Board under the provisions of additional exemptions requested by elected officials and the executive assistant for personnel administration as prescribed by RCW 41.06.070. This category includes those employees/positions whose salaries are established by agency heads such as confidential secretaries, administrative assistants, and assistant attorney generals.

### **AD Higher Education Exempt**

All employees/positions in institutions of higher education and related boards which have been defined as exempt by chapter 41.06 RCW, by the Washington Personnel Resources Board and by the governing board of the institution excluding faculty, graduate assistants, students, and higher education other.

### **AE State Special**

All legislative staff employees/positions for which the legislature establishes compensation rates. Also includes members of statutorily established boards, commission, councils, and committees.

### **AF Higher Education Faculty**

All employees/positions in institutions of higher education whose primary responsibilities are teaching, research, public service, or a combination of these, including librarians and counselors designated as faculty. Term(s) may be for quarter, semester, year, annual year, or longer.

### **AG Commissioned State Patrol Officers**

All employees commissioned as Washington State Patrol Officers pursuant to chapter 43.43 RCW, and members of the Washington State Patrol Retirement System as prescribed by RCW 43.43.120.

### **AH Higher Education Graduate Assistants**

All employees/positions held by matriculated students who are approved by the graduate school and whose primary responsibilities are related to teaching, research, and public service at institutions of higher education.

**AJ State Other**

Those employees/positions whose salaries are set through direct negotiation between designated agencies and employee representatives (e.g. craft and trade unions or employees not covered in the other groups).

**AK Higher Education Other**

All employees/positions within the institutions of higher education not subject to other classifications.

**AL Higher Education Students**

All student employees other than graduate assistants or those covered by Washington Personnel Resources Board, including work-study students.

**AN Justices and Judges**

All Supreme Court Justices and judges of the court of appeals, superior courts, and district courts for which the Washington Citizens' Commission on Salaries for Elected Officials establishes compensation rates.

**AR Elected Officials**

State elected officials including Governor, Lieutenant Governor, Secretary of State, Treasurer, Auditor, Attorney General, Superintendent of Public Instruction, Commissioner of Public Lands, Insurance Commissioner, Senators, and Representatives for which the Washington Citizens' Commission on Salaries for Elected Officials establishes compensation rates.

**AS Sick Leave Buy-Out**

Salaries and wages expended for accrued employee sick leave as provided under RCW 41.04.340.

**AT Terminal Leave**

Salaries and wages expended for accrued vacation leave made to employees upon termination of employment.

**AU Overtime and Call-Back**

Additional amounts paid to employees for working overtime, compensatory time, and under call-back provisions of contracts and work agreements.

**B EMPLOYEE BENEFITS**

**BA Old Age, Survivors, and Disability Insurance**

The amounts expended as the State's share of Old Age, Survivors , and Disability Insurance. **Does not include** Hospital Insurance (Medicare) premiums.

**BB Retirement and Pensions**

The amounts expended as the State's share of retirement and pension benefits.

**BC Medical Aid and Industrial Insurance**

The amounts expended as the State's share of medical aid and industrial insurance.

**BD Health, Life, and Disability Insurance**

The amounts expended on the pay-as-you-go basis for the State's share of health, life, disability insurance, and the administrative fee for flexible spending and dependent care programs.

**BE Allowances**

The amounts expended for special payments to employees to cover costs of board, quarters, clothing, and commute trip reduction cash incentives.

**BF Unemployment Compensation**

The amounts expended to pay for unemployment compensation benefits received by former state employees.

**BG Supplemental Retirement Payments**

Amounts expended by colleges and universities for required supplemental payments to retired individuals when pension annuity payments are less than what the retiree would be eligible to receive under the public employees' retirement system.

**BH Hospital Insurance (Medicare)**

The amounts expended as the State's share of Hospital Insurance (Medicare).

**BR Other Post Employment Benefits**

The amount that represents the State's share of the annual net other post employment benefits cost.

**BT Shared Leave Provided - Sick Leave**

The dollar value of sick leave donated by state employees in conjunction with the State's shared leave program.

**BU Shared Leave Provided - Personal Holiday**

The dollar value of personal holiday leave donated by state employees in conjunction with the State's shared leave program.

**BV Shared Leave Provided - Vacation Leave**

The dollar value of vacation leave donated by state employees in conjunction with the State's shared leave program.

**BW Shared Leave Received**

The dollar value of shared leave received by state employees, to be used in lieu of sick leave, in conjunction with the State's shared leave program.

**BZ Other Employee Benefits**

The amounts expended for benefits other than those indicated above.

**C PERSONAL SERVICE CONTRACTS**

Personal service means professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement. This category includes contracts with independent individuals or firms to perform a service or render an opinion or recommendation according to the consultant's methods and without being subject to the control of the agency except as to the results of the work.

This includes both new contracts and amendments and/or renewals of existing contracts.

Agencies are **not to include** amounts expended for architectural and engineering services on capital projects. These amounts are to be recorded as Subobject JK. Also excluded are client services, whether paid directly to the client or to the provider. These amounts are to be recorded as Subobjects NA and NB, respectively.

Where travel expenses are authorized and included as part of a contract or grant, the payment is to be recorded under the appropriate subobject code for the contract or grant. Travel related to client services should be recorded as Subobject NA and NB, as appropriate.

**CA Management and Organizational Services**

**Management Services** - The amounts expended for services that impact agency policy, regulatory and business issues, or that have broad agency or statewide policy implications. Includes services that result in operational or managerial recommendations related primarily to business and policy processes. (Services related primarily to employee issues fall under Organizational Services.) Also includes services for program development, implementation and coordination; program evaluation and/or external quality review (may be mandated by Legislature or federal funding source). Includes conduct of performance audits, business assessments, accreditation reviews, management studies, including studies requested by the Legislature; and feasibility studies with significant policy impact. Also includes services for project management, quality assurance and business process re-engineering related to the agency's business and policy responsibilities; risk management and loss prevention; mediation; arbitration, and lobbying.

Management services also includes design, development, and/or implementation of "major" agency information technology (IT) or telecommunications systems; re-engineering of major IT systems; project management of major IT systems; quality assurance on, or evaluation of, IT systems; development of significant IT strategic plans; and business analysis regarding the IT needs of an agency. "Major" systems for the purpose of this definition are those that have significant agency-wide or statewide impact and are subject to approval by the Technology Services Board or the Office of Financial Management, Office of the Chief Information Officer. Other types of IT personal services fall under Subobject CD.

**Organizational Services** - Includes services with a primary focus on agency organizational and human resource issues. Includes services to study, analyze or review the organizational structure, framework, or culture of the agency or divisions within the agency, and/or services implementing the recommendations of such an organizational study or effort. Also includes services that provide recommendations to management on enhanced efficiencies, productivity and process improvements related to employee functions at an agency and strategic planning within the organization; quality control services related to employee responsibilities within the organization; services to assist agencies in developing strategies to improve communication or processes with staff and customers to implement an agency's mission and to gain a better understanding of employee issues/concerns; personnel investigations and mediation; and facilitation services. (Services related primarily to agency business issues fall under Management Services.)

**CB Legal and Expert Witness Services**

The amounts expended for legal services and legal research and consultation by non-state employed attorneys, bond counsel, patent counsel, hearing examiners, etc. Expert witness contracts are for the purpose of providing expert testimony in litigation, but may also include other services such as case consultation, research, and legal services. **Does not include** services for court reporters, legal aides or lay witnesses, which are classified as purchased services under Subobject ER.

**CC Financial Services**

The amounts expended for financial services, actuarial services, economic analysis, cost/benefit analysis, cost allocation, accounting and financial audit services. Also includes investment management, cash management and stockbroker services.

**Does not include** amounts expended for routine bookkeeping and fiscal services or for the state actuary, attorney general, or state auditor services.

**CD Computer and Information Services**

The amounts expended for design, development, and/or implementation of agency information technology (IT) systems, and project management of systems, that are not considered “major” agency systems, as defined under Subobject CA. Includes services to analyze, enhance, modify or implement computer systems or telecommunications systems. Includes IT security analysis, security vulnerability assessments, business analysis of agency IT systems, disaster recovery planning services, and IT systems analysis.

**Does not include** amounts expended for data processing charges or programming and data entry services, which are classified as purchased services under Subobject ER. **Also, does not include** design or development of major information systems, which is classified under Subobject CA.

#### **CE Social Research Services**

The amounts expended for studies or services related to health care, public health, behavioral science, criminal justice, education, medical issues, employment issues, community-based services or other social services. Includes services such as recruitment and retention of licensed foster care providers and adoptive homes; disaster relief services; technical assistance on literacy programs; development of housing opportunities for low-income population; immunization and infectious disease studies; medical records consultation; pharmaceutical consultation; behavioral consultation for special needs children; implementation of Work Force legislation, etc. Includes educational services related to the state’s student population and development and enhancement of educational programs.

**Does not include** client services whether paid directly to clients or providers/contractors of direct services to clients. Payments to clients are classified as Subobject NA; contracts with providers/contractors who provide direct services to clients that are classified as client service contracts under Subobject NB.

#### **CF Technical Research Services**

The amounts expended for studies or services related to transportation, traffic safety, commute programs, natural resources, agriculture, environment, science, biology, marine biology, water resource, hydrology and aquatic issues.

Also includes property appraisals; real estate services; historical research; archaeological and historic site surveys; aerial surveys, and photogrammetry; industrial safety and industrial hygiene services; hazardous and non-hazardous waste services; and seismic safety studies.

#### **CG Marketing Services**

The amounts expended for services to develop or implement a marketing or advertising plan or campaign; services related to marketing or promoting an agency’s services or agricultural commodities and state tourism ; public relations, market branding; media specialist and media relations services; and market research and development. Also includes public involvement and public outreach campaigns; trade development and assistance; development of market research and customer satisfaction surveys and/or assessment of survey results; conference or trade show coordination/planning/funding; fund raising; and related types of services.

#### **CH Communication Services**

The amounts expended for services to design, develop, and/or provide oversight of audio/video media productions, brochures, manuals, guidelines, newsletters, display exhibits, signs, posters, annual reports, etc.; technical writing/editing; speech writing; oral history writing; grant writing; graphic design services; development of communication strategies; and other related services to inform the public or other governmental agencies about a subject or issue.

**Does not include** services related to installation of computer system linkage and telecommunications systems, which are classified under Subobject EB.

## **CJ Employee Training Services**

The amounts expended for training provided to meet employee training needs, for training provided to all or most state agency employees on an infrequent basis (generally no more than six times each year) unless otherwise excluded in the following paragraphs.

Also includes managerial training; employee counseling services; guest speakers for most types of functions (not limited to state employees as the audience); curriculum development for all types of training services (not limited to state employee training) and includes conversion to on-line courses; and development of tests and test questions and administration of testing when it includes evaluation of candidates or similar services.

**Does not include** services to provide personal service training to local government or other public or private entities, which are classified under Subobject CZ.

**Does not include** training provided directly to agency clients or guest speakers for clients, which is classified as a client service contracts under Subobject NB.

**Does not include** purchased service training that is coded to Subobject EG that is offered to all or most state employees on a continual or recurring basis (more than six times per fiscal year), such as basic first aid, grammar review, effective writing skills, and harassment prevention.

**Also, does not include** IT purchased service training that is also coded to Subobject EG including:

Training provided incidental to the purchase of IT hardware or software (usually within one month of purchase or installation of the equipment), but not included in the purchase price;

Standard training related to hardware or software in use by an agency, such as Word and Excel, and related network administrator, system administrator, or software administrator training; and

Technology based distance learning options (satellite, e-learning, webcasting).

## **CK Recruiting Services**

The amounts expended for the services performed by a professional search firm to assist in recruitment of a successful candidate to fill vacant positions in an agency.

**Does not include** amounts paid to trade magazines, or newspapers for publishing open position announcements.

## **CZ Other Personal Services**

The amounts expended for personal service contracts other than those described above, including insurance brokering, labor negotiations, development of test questions for professional licensing exams, acquisition development, safety audits, ergonomic evaluations, ADA evaluations, and creation of original works of art. Includes personal service training provided specifically to local government or other public or private entities who are not clients of the agency.

**Does not include** training provided directly to agency clients, which is classified under Subobject NB.

## **E GOODS AND SERVICES**

### **EA Supplies and Materials**

The amounts expended for all materials and supplies whether acquired by formal contract or an open account, which are (a) ordinarily consumed or expended within one year after being put into service, (b) converted in the process of construction or manufacture, or (c) used to form an incidental part of noncapitalized equipment or a capital asset.

**EB Communications and Telecommunications Services**

The amounts expended for transmission of voice and data messages. This category includes: contractual charges for land telegraph service, radio and wireless telegraph services, telephone, including wireless service, teletype, and facsimile services; letter postage; rental of post office boxes or postage meter machines and/or mailing machines; contractual messenger service; switchboard service charges; telephone installation costs; and internet access charges. Also includes amounts expended for videoconferencing and data communication, such as data line costs, modems, routers, gateways, Internet and other bundled service costs.

**EC Utilities**

The amounts expended to heat, cool, and light state owned and/or leased facilities not obtained through the Department of Enterprise Services, where energy costs are not included as part of the monthly lease payments. Also includes the amounts expended for water, sewer, and garbage.

**ED Rentals and Leases – Land and Buildings**

The amounts expended for leases and rentals for the occupancy and continued use of property owned by the Department of Enterprise Services and other state agencies, private landlords, and other public and non-profit entities. This category includes: land, buildings, and structures. Refer to Subobject EH for temporary use of space for conferences and meetings, and rentals and leases for furnishings, equipment, and to Subobject EY for software licenses and maintenance.

**EE Repairs, Alterations, and Maintenance**

The amounts expended for the normal upkeep and restoration of buildings, structures, equipment, or other improvements. Includes expenditures to remodel, restore, and recondition which do not extend the useful life of the asset. Also includes support and/or maintenance agreements on equipment, including hardware. Refer to Subobject EY for software licenses and maintenance.

**EF Printing and Reproduction**

The amounts expended for contractual printing and reproduction, binding operations, and all common processes of duplication performed by the Department of Enterprise Services' Printing and Imaging or commercial printers. Includes printed matter such as publications, books, pamphlets, digital and scanned images, and the cost of office copier supplies.

**EG Employee Professional Development and Training**

The amounts expended for the payment of tuition, fees, and/or other related expenses for individuals engaged in or conducting educational or training programs which are offered to all or most employees on a continual or recurring basis (more than six times per fiscal year) such as:

Basic first aid, grammar review, effective writing skills and harassment prevention;

Standard training related to hardware or software used by an agency, such as Word and Excel, and related network administrator, system administrator, or software administrator training;

Distance learning training options such as satellite, e-learning, and webcast training; and

Training provided incidental to the purchase of an asset but not included in the purchase price of the asset.

Also includes the amounts expended for individual and/or agency participation in associations, organizations, conventions, and the cost of subscriptions that accompany these memberships. Also, includes nontaxable employee recognition and productivity awards of nominal economic value **excluding** cash or cash equivalents, such as gift certificates, which are taxable and are to be reported under Subobject NZ.

**Does not include** training and related services provided under Subobject CJ. **Also, does not include** lodging or subsistence costs except where meals and/or lodging are included as an integral part of the fee.

**EH Rentals and Leases – Furnishings and Equipment**

The amounts expended for the possession and use of furnishings, equipment (excluding travel expense rentals), and the temporary use of space for conferences and meetings. Refer to Subobject ED for rentals and leases for continued use of land and buildings, and structures, and to Subobject EY for software licenses and maintenance.

**EI Retailer Commissions**

The amounts paid to retailers for selling lottery tickets, agents for selling liquor, and agents for selling state health insurance.

**EJ Subscriptions**

The amounts expended for subscriptions to newspapers, periodicals and databases, and/or services providing informational reports. Includes items purchased for use in state libraries that do not have a useful life greater than one year whether or not they are cataloged.

**Does not include** subscriptions accompanying individual and/or agency memberships. **Also, does not include** items purchased for use in state libraries that are cataloged and have a useful life greater than one year. These are classified as capital outlays and coded to Subobject JD.

**EK Facilities and Services**

Charges by the Department of Enterprise Services for central services provided to agencies. Includes, but is not limited to, maintenance of capital buildings and grounds, campus mail service, and fees charged by the Office of State Procurement.

**EL Data Processing Services (Interagency)**

Charges by state agencies for information technology services. Examples include computing services, hosting services, network services, web services, statewide systems (AFRS, HRMS, etc.), and planning and policy assessment by agencies such as the Department Enterprise Services, the Office of Financial Management, Office of the Chief Information Officer and Consolidated Technology Services.

**EM Attorney General Services**

Charges by the Office of Attorney General for legal services.

**EN Personnel Services**

Charges by the Department of Enterprise Services and the Office of Financial Management, Office of the State Human Resources for services in connection with the appointment, training, promotion, transfer, layoff, recruitment, retention, classification, compensation, removal, discipline, labor relations, and welfare of state classified and higher education classified employees. Also includes charges by the Office of Financial Management for labor relations.

**EP Insurance**

The amounts expended for liability, property, vehicle, fire, accident, including risk management and self-insurance payments and all other forms of insurance except for state employee insurance benefits.

**ER Other Purchased Services**

The amounts expended for contractual services provided to accomplish routine, continuing and necessary functions not otherwise specifically mentioned or included under the other subobjects within Object E "Goods and Services," Object C "Personal Service Contracts," Object N "Grants, Benefits, and Client Services," or Subobject JK "Architectural and Engineering Services."

Other contractual services could include, but are not limited to, custodial, interagency, court reporters, lay witnesses, process servers, security, data entry, keypunch, testing and application programming services, offsite data storage, and network monitoring.

**ES Vehicle Maintenance and Operating Costs**

The amounts expended for the maintenance and operation of state owned vehicles. Includes, but is not limited to, such costs as gasoline, oil, tires, parts, and supplies.

**ET Audit Services**

Charges by the Office of State Auditor for audit services

**EV Administrative Hearings Services**

Charges by the Office of Administrative Hearings for hearings services.

**EW Archives and Records Management Services**

Charges by the Secretary of State for archiving, storage, and records management services.

**EX OMWBE Services**

Charges by the Office of Minority and Women's Business Enterprises for services.

**EY Software Licenses and Maintenance**

Amounts expended for purchased software or licenses of commercially available software with a useful life of one year or less, including upgrades and/or maintenance agreements. Software licensing includes, but is not limited to, the right to use the software, support for the software, and upgrades.

**Note:** Prior to July 1, 2009, software repairs and maintenance were coded to Subobject EE and software rentals and leases were coded to Subobject EH.

**EZ Other Goods and Services**

The amounts expended for goods and services other than those described above. Includes such items as bonds, freight (when not allocable to items purchased), advertising, and other goods and services from vendors or other agencies.

**F COST OF GOODS SOLD (Proprietary Funds Only)**

In budgeted accounts, to be used with General Ledger Code 6516 "Cost of Goods Sold" only. Revenue Source code 0450 "Sales of Goods and Supplies - Proprietary Funds" is to be used by agencies recording cost of goods sold with one exception; the Liquor Control Board is to use 0455 "Sales of Liquor."

**FA Net Cost of Goods Sold**

Amounts expended for the acquisition of merchandise purchased for resale, including purchase costs, freight-in costs, and inventory adjustments less returns and discounts. (For use by agencies not using itemized Subobjects FB through FF.)

**FB Purchases**

Amounts expended to acquire merchandise purchased for resale. (Agencies electing not to separately identify returns, freight costs, and discounts may record purchases net of these items.)

**FC Returned Purchases**

Amounts recovered from total purchase costs for merchandise returned to the vendor.

**FD Freight-In**

Amounts expended to common carriers for delivery of merchandise purchased for resale by the agency.

**FE Discounts**

Amounts deducted by vendors from the total invoiced amount of merchandise due to prompt payment or cash payment by the agency.

**FF Inventory Adjustments**

Amounts recorded to increase or decrease the cost of goods sold due to inventory losses or gains recognized during the accounting period.

**FG Direct Labor**

Labor expended directly upon the materials comprising the finished product.

**FH Raw Materials (Direct Materials)**

All materials that represent an integral part of the finished product and that can be included directly in calculating the cost of the product.

**FJ Manufacturing Overhead**

The cost of indirect materials, indirect labor, and all other manufacturing expenses that cannot readily be direct charges to specific units, jobs, or products.

**G TRAVEL**

In addition to state employees, these subobject codes are to be used to record travel expenses paid to or for individuals who serve on boards, commissions, councils, committees and task forces, or volunteers and other individuals who are authorized to receive travel expense reimbursements.

Where travel expenses are authorized and included as part of a contract or grant, the payment is to be recorded under the appropriate subobject code for the contract or grant.

**GA In-State Subsistence and Lodging**

The amounts paid for lodging and/or subsistence expenses incurred while traveling within the state's boundary on official state business, including lodging taxes.

**GB In-State Air Transportation**

The amounts paid for air transportation expenses incurred while traveling within the state's boundary on official state business.

**GC Private Automobile Mileage**

The amounts paid as reimbursement for private car mileage incurred while traveling on official state business.

**GD Other Travel Expenses**

The amounts paid for all other costs incurred while traveling on official state business. Includes, but is not limited to: prospective employee interview expenses; employee relocation expenses; rail, bus, ferry, shuttle, or taxi fares; tolls; rental cars; parking fees; stenographic services; telephone calls; and other miscellaneous expenses.

**GF Out-of-State Subsistence and Lodging**

The amounts paid for lodging and/or subsistence expenses incurred while traveling outside the state's boundary on official state business, including lodging taxes.

**GG Out-of-State Air Transportation**

The amount paid for air transportation expenses incurred while traveling outside the state's boundary on official state business.

**GN Motor Pool Services**

The amounts expended for use of vehicles obtained from either the central or agency- operated motor pools. The expenditures incurred may be for vehicles used on either a specific trip(s) or permanently assigned basis.

**J CAPITAL OUTLAYS**

The amounts expended for the acquisition of, or addition to, capital assets intended to benefit future periods. Also includes those capital assets acquired through capital leases. Refer to Subsection 30.20.30 for capital lease criteria.

**Note:** In budgeted proprietary funds, except for Subobjects JA and JB, the use of these subobjects also requires a corresponding entry to General Ledger code 6525 "Expense Adjustments/Eliminations (GAAP)."

**JA Noncapitalized Assets**

The amounts expended for capital assets with a useful life of greater than one year and not considered a capital asset in accordance with the state's capitalization policy in Subsection 30.20.20.

**Does not include** minor assets with a useful life of greater than one year such as staplers, waste containers, and tape dispensers.

This subobject is used for acquisitions falling under the capitalization limit in the following categories:

Infrastructure (other than the state highway system).

Buildings, building improvements, leasehold improvements.

Intangibles (other than noncapitalized software reported in Subobject JB).

Other capital assets individually or as a group falling below the limits set in Subsection 30.20.20.

**JB Noncapitalized Software**

The amounts expended for purchased software or licenses of commercially available software, types of intangible assets, with a useful life of greater than one year and not considered a capital asset in accordance with the state's capitalization policy in Subsection 30.20.20.

**JC Furnishings and Equipment**

The amounts expended for furnishings and equipment considered a capital asset in accordance with the state's capitalization policy.

**JD Library Resources**

The amounts expended for: the cost of books, maps, and films formally cataloged by a library or audiovisual center; sound film strips, slide sets, prepared transparencies, and prerecorded audio or video recordings; and periodicals and other electronic resources purchased and cataloged for libraries.

**Does not include** items with a useful life less than one year, whether they are cataloged or not.

**JE Land**

The amounts expended for the acquisition of land. Includes: cost of acquiring land; clearing and grading costs; and the cost of razing buildings or other improvements acquired with land which were not intended for permanent use at time of acquisition. Also includes indefinite land use rights acquired with the purchase of the underlying land.

**JF Buildings**

The amounts expended for the acquisition of already constructed buildings including broker and appraisal fees, legal expenses, and repairs to put buildings in required condition for intended use.

The amounts expended on contracts for construction, additions, alterations, and modernization of buildings including contracts for general, mechanical, and electrical costs, even though negotiated separately. Also, includes the cost of all change orders or contract extensions negotiated for the construction of the building, and the amount of interest on project loans that accrues during the period of construction.

The amounts expended for equipment installed as an integral part of the structure, whether the building is purchased or constructed.

**Does not include** those items classified as equipment under Subobject JC "Furnishings and Equipment"

**JG Highway Construction**

The amounts expended for the construction, improvement, or addition to the state highway system.

**JH Improvements Other Than Buildings (Non State Highway System)**

The amounts expended for the construction, addition, and/or alteration of improvements other than buildings and infrastructure not related to the state highway system, such as: tunnel and utility systems; water and sewer systems; street lights and signs; braces and retaining walls; parking facilities; toll bridge construction; and shoreline protection projects; and leasehold improvements. State highway system construction is recorded to Subobject JG.

**JJ Grounds Development**

The amounts expended for landscaping and other grounds development unrelated to a building or other facility for general aesthetic, weed control, or other purposes.

**JK Architectural and Engineering Services**

The amounts expended for the services of architectural or engineering firms or individuals relating to the development and/or construction of a specific capital project.

**JL Capital Planning**

The amounts expended for the purpose of planning or determining the feasibility of a specific capital project or projects.

**JM Art Collections, Library Reserve Collections, and Museum and Historical Collections**

The amounts expended for the acquisition and maintenance of permanent works of art and historical artifacts.

**JN Relocation Costs**

The amounts expended as reimbursement for personal moving costs associated with the relocation of either individuals or items associated with capital projects.

**JQ Software**

The amounts expended for purchased software or licenses of commercially available software, types of intangible assets, with a useful life of greater than one year and considered a capital asset in accordance with the state's capitalization policy.

**JR Intangible Assets**

The amounts expended for the purchase or construction of intangible assets considered a capital asset in accordance with the state's capitalization policy.

Examples of intangible assets include:

Patents, trademarks, copyrights.

Land use rights having definite useful lives if the cost can be separately identified from the land purchase.

**Does not include** Software, Subobject JQ, and any intangible land use rights included in Land, Subobject JE.

**JZ Other Capital Outlays**

The amounts expended for capital projects not specifically indicated above.

**M INTERFUND OPERATING TRANSFERS**

**MA Interfund Operating Transfers In**

Fund transfers specified in the appropriations act that are recorded as a reduction of expenditures.

**MB Interfund Operating Transfers Out**

Fund transfers specified in the appropriations act that are recorded as an increase of expenditures.

**MC Interfund Transfers In - Principal**

Debt service transfer into a debt service fund for principal payments paid by the General Fund.

**MD Interfund Transfers In - Interest**

Debt service transfer into a debt service fund for interest payments paid by the General Fund.

**MI Interfund Transfers Out - Interest**

Debt service transfer for interest payments paid by the General Fund to a debt service fund.

**MM Agency Incentive Savings Transfers Out**

Fund transfer from the General Fund for agency program incentive savings. (OFM Only)

**MP Interfund Transfers Out - Principal**

Debt service transfer for principal payments paid by the General Fund to a debt service fund.

## **N GRANTS, BENEFITS, AND CLIENT SERVICES**

### **NA Direct Payments to Clients**

**Amounts paid directly to clients** for such items as income maintenance, child support, child care, food stamps, job counseling and training, medical and mental health treatments, tuition assistance programs, and transportation expenses. Payments may be made as either grants or reimbursements of expenses incurred by the clients.

### **NB Payments to Providers for Direct Client Services**

**Amounts paid under client service contracts** entered into for professional, technical or other services, which will result in the delivery of direct services to individual clients. Client services include such items as medical and mental health treatments, and related transportation; job counseling and training; childcare; foster care; and chore services.

For subobject NB coding purposes, clients are members of the public who have social, physical, medical, economic, or educational needs, for whom the agency has statutory responsibility to serve, protect or oversee. Clients are individuals, such as residents of state and non-state institutions, outpatients, unemployed workers, indigents, crime victims, and including (but not limited to) students in the public schools system and institutions of higher education.

Clients in the public school system may include parents, if they meet the requirements of a "client" as previously defined.

Note: For payments related to federal assistance programs, refer to Section 50.30 for vendor versus subrecipient information.

### **NF Workers' Compensation Payments**

The amounts paid for qualifying individuals sustaining work related injuries. (To be used by the Department of Labor and Industries only.)

### **NH Public Employee Benefit, Basic Health, and Community Health Service Payments**

The amounts paid to contractors for qualifying individuals covered by the State-administered health and benefits programs. (To be used by the Health Care Authority only.)

### **NL Lottery Prize Payments**

The amounts paid for winning lottery tickets. (To be used by the State Lottery Commission only.)

### **NR Loan Disbursements**

Allotment charges for budgeted long-term loan issues.

### **NT Pension Refund Payments**

The amounts refunded to qualifying individuals under a state-sponsored retirement system.

### **NU Pension Benefit Payments**

The benefits paid to qualifying individuals under a state-sponsored retirement system.

### **NW Special Employment Compensation**

The amounts expended on salaries for individuals considered employees for payroll tax reporting, but not for state staff reporting (FTE) such as; Washington Conservation Corps, Ecology Youth Corps, Voluntary Separation and Retirement Incentive Program (Financial Incentive Payments only), and supported employment groups. (OFM approval is required to use this subobject.)

**Note:** Do not code participants in the state internship program under this code. Refer to the Object A series as appropriate. FTEs generated for interns and executive fellows will not count as budgeted FTEs.

**NX Distributions to Local Governments Other Than General Fund State**

Amounts distributed to local units of government including excess monies collected by the Liquor Control Board that are required by statute to be distributed to local units of government, and amounts distributed to the Washington Wine Commission for dedicated wine tax. Also included are amounts distributed by the State Lottery Commission to local governments as required by statute.

**NY Participant Withdrawals**

The amounts withdrawn by participants from various state sponsored programs such as; the Local Government Investment Pool, the Deferred Compensation Program, and the Guaranteed Education Tuition Program.

**NZ Other Grants and Benefits**

The amounts expended for grants and benefits other than those described above. Also includes taxable employee recognition and productivity awards such as gift certificates.

Note: For payments related to federal assistance programs, refer to Section 50.30 for vendor versus subrecipient information.

**P DEBT SERVICE**

**PA Principal**

The amounts expended for the payment of principal on the various forms of indebtedness incurred by the state.

**PB Interest**

The amounts expended for interest on the various forms of indebtedness incurred by the state.

**PC Other Debt Costs**

The amounts expended for other related charges on the various forms of indebtedness incurred by the state.

**PD Principal COP Lease/Purchase Agreements**

The amounts expended for the payment of principal on COP (Certificates of Participation) lease/purchase agreements with the Office of State Treasurer.

**PE Interest COP Lease/Purchase Agreements**

The amounts expended for the payment of interest on COP (Certificates of Participation) lease/purchase agreements with the Office of State Treasurer.

**PF Amortization of Gain/Loss on Bond Refunding**

Expense that represents the portion of the deferred gain/loss on bond refunding that is allocable to the accounting period. (Only used with General Ledger code 6512 - "Amortization Expense.")

## **S INTERAGENCY REIMBURSEMENTS**

To record payments received by a state agency as reimbursements of expenditures/expenses incurred for another state agency/agencies. These reimbursements are to be broken out to reflect which subobject is reimbursed. This will allow the tracking of reimbursements as well as provide sufficient detail for input to the *Comprehensive Annual Financial Report*. Whenever possible, Object S is not to be used by internal service funds. Reimbursements to internal service funds should generally be recorded as revenue.

### **SA Salaries and Wages**

Payments received by a state agency from other state agencies as reimbursements of salaries and wages.

### **SB Employee Benefits**

Payments received by a state agency from other state agencies as reimbursements of employee benefits.

### **SC Personal Service Contracts**

Payments received by a state agency from other state agencies as reimbursements of personal service contracts.

### **SE Goods and Services**

Payments received by a state agency from other state agencies as reimbursements of goods and services (Subobjects E) and noncapitalized furnishings and equipment (Subobject JA) and noncapitalized software (Subobject JB).

### **SG Travel**

Payments received by a state agency from other state agencies as reimbursements of travel.

### **SJ Capital Outlays**

Payments received by a state agency from other state agencies as reimbursements of capital outlays, which does not include noncapitalized furnishings and equipment (Subobject JA) and noncapitalized software (Subobject JB). For reimbursements of Subobject JA and JB expenditures, use Subobject SE, Goods and Services.

### **SN Grants, Benefits, and Client Services**

Payments received by a state agency from other state agencies as reimbursements of grants, benefits, and client services.

### **SP Debt Service**

Payments received by a state agency from other state agencies as reimbursements of debt service.

### **SZ Unidentified**

Payments received by a state agency from other state agencies as reimbursements of expenditures. **Note: Agencies must reallocate to the appropriate subobject of expenditure within Object S at least annually at fiscal year end.**

## **T INTRA-AGENCY REIMBURSEMENTS**

The reallocation of expenditures and accruals within an agency by transfers between accounts and programs. This code is not to be used for payment of services or recovery of expenditures from a proprietary fund. The total for this object at the subobject level is to equal zero for all accounts within the fiscal year.

### **TA Salaries and Wages**

Reallocation of expenditures within an agency for salaries and wages.

**TB Employee Benefits**

Reallocation of expenditures within an agency for employee benefits.

**TC Personal Service Contracts**

Reallocation of expenditures within an agency for personal service contracts.

**TE Goods and Services**

Reallocation of expenditures within an agency for goods and services (Subobjects E) and noncapitalized furnishings and equipment (Subobject JA) and noncapitalized software (Subobject JB).

**TG Travel**

Reallocation of expenditures within an agency for travel.

**TJ Capital Outlays**

Reallocation of expenditures within an agency for capital outlays, which does not include noncapitalized furnishings and equipment (Subobject JA), and noncapitalized software (Subobject JB). For reallocations of Subobjects JA and JB expenditures, use Subobject TE, Goods and Services.

**TN Grants, Benefits, and Client Services**

Reallocation of expenditures within an agency for grants, benefits, and client services.

**TP Debt Service**

Reallocation of expenditures within an agency for debt service.

**TZ Unidentified**

Reallocation of expenditures within an agency. **Note: Agencies must reallocate from subobject TZ to the appropriate subobject of expenditure within Object T at least annually at fiscal year end.**

**W OTHER**

**WA Depreciation/Amortization**

Expense that represents the portion of the expired service cost of capital assets during the accounting period. Only used with General Ledger codes 6511 and 6591 "Depreciation/Amortization Expense."

**WB Amortization**

Expense that represents the portion of the amortization of premiums and/or discounts on bonds or other debt instruments, and amortization of the deferred gain/loss on bond refunding that is allocable to the accounting period. Only used with General Ledger codes 6512 "Amortization Expense" and 6593 "Amortization Expense (General Long-Term Obligations Subsidiary Account Only)."

**WC Bad Debts**

Expense that represents the portion of receivable balances, recorded previously as revenue, which has now been determined to be uncollectible. Only used with General Ledger code 6515 "Bad Debts Expense."

**WD Change in Capitalization Policy**

This amount represents the total immaterial book value of capital assets that are to be deleted from the records due to changes in the State's capitalization policy. Only used with General Ledger code 6525 "Expense Adjustments/Eliminations (GAAP)."

**WE Pollution Remediation Expense (General Long-Term Obligations Subsidiary Account only)**

Expense that represents the pollution remediation costs associated with governmental fund type accounts. Only used with General Ledger code 6594 "Pollution Remediation." Expense (General Long-Term Obligations Subsidiary Account only).

**WR Other Post Employment Benefits Expense (General Long-Term Obligations Subsidiary Account only)**

Expense that represents the cost of post employment benefits for employees of governmental fund type accounts. Only used with General Ledger code 6595 "Other Post Employment Benefits." Expense (General Long-Term Obligations Subsidiary Account only).