

Chapter 3- Chart of Accounts

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The chart of accounts used by the Boy Scouts of America for local council fiscal operations is based on the “*Unified Chart of Accounts*” for the United Way of America Reporting Guide. This was established to support health and welfare non-profit organizations and sets the ranges of numbers for specific classes and types of accounts. Use of this system allows easy compliance with GAAP reporting and useful comparison to similar organizations in the public community forum. **The complete chart of accounts is found in Appendix 4 of this User Guide.**

- An account is defined as a four-digit number used to record specific transactions.
- Chart of accounts is the list of possible account numbers that are available, whether they are currently in use or not. This listing is created by the National Council BSA to provide consistency of reporting and training across the local council spectrum.
- Chart fields is the string of information that is needed to fully define the transaction and includes four elements:

Chartfield	Limits	Controlling Entity	Examples
Fund	1 Digit Number	FASB ruling and the BSA	1 – Operating Fund 2- Capital Fund 3- Endowment Fund
Account	4 Digit Number	BSA within the Unified Chart of Accounts guidelines	1001 – Checking Acct 4001- Contributions FOS 8301 - Postage
Project Code	3-8 Digit Number	Local Council	555 – Summer Camp 556 – Camp Property 100 – XYZ Bank
Class Code	2-4 Digit Number	BSA to reflect different classes of accounts and support functional expense reporting.	00 – Unrestricted Net Asset 20 – Activity Inc/Exp 99 – Unallocated Expense

3.1 Fund Accounting

The Boy Scouts of America uses fund accounting for local council fiscal recording. The funds that are used and how they are reported are defined by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA).

3.1.1 Operating Fund – Fund 1

This fund is used to record assets, liabilities and related transactions that occur in the general operation of the council in fulfilling the mission of the BSA in the community. Contributions, revenues and net assets in the operating fund may be temporarily restricted by donors for time, purpose or both. No permanently restricted funds are allowed in the operating fund by BSA determination.

3.1.2 Capital Fund – Fund 2

The capital fund records fixed assets, property related incomes and expenses including capital campaigns and other revenues. Contributions, revenues and net assets in the capital fund may be temporarily restricted by donors for time, purpose or both, or may be permanently restricted by donors.

3.1.3 Endowment Fund – Fund 3

The endowment fund is designed for council trusts, split interest agreements, quasi-endowment funds and other investment instruments that support council operations. Contributions,

revenues and net assets in the endowment fund may be temporarily restricted by donors for time, purpose or both, or may be permanently restricted by donors.

3.2 Account Number Groupings

Based on the guidance of the *Unified Chart of Accounts* for non-profit organizations account numbers are grouped by ranges in the following manner.

Account Range	Type of Accounts	Natural Balance
1000 Series	Assets	Debit
2000 Series	Liabilities	Credit
3000 Series	Net Assets	Credit
4000, 5000 & 6000 Series	Support and Revenue	Credit
7000, 8000, & 9000	Expenses	Debit

3.3 Project Codes

This is a 3-8-digit field that is defined by the local council to identify various projects in which reporting is desired. Each code should be unique in its meaning and may be used in all three funds and with any combination of accounts and classes as needed.

CAUTION: Be careful as you expand the use of the field to 6 characters as other software may not support that expansion immediately. It should also be noted that lookup of your codes in drop-down lists will left align so that your codes may appear like this:

000
100
100567
101
123456
124

3.4 Class Codes

Class is the final segment of the chart fields that further defines the transactions based on several areas of needed segregation.

3.4.1 Functional Expense

The primary use of class codes is driven by the need to segregate expenses by the FASB defined groupings of the BSA 501(c)(3) program mission, management & general and the costs of fund-raising.

3.4.2 Donor Restrictions

Class codes are also used define donor restrictions on contributions, revenues and follow those restrictions into net asset accounts.

3.4.3 Future Year Pledges

The class field may be expanded to 4-digit characters that allow tracking for future year pledges and allowances based on the year in which they are to be received.

Class Code	Usage	Notes
00	Asset, Liability and Net Asset Unrestricted	Funds 1, 2 & 3
01	Net asset accounts that are temporarily restricted by donors	Funds 1, 2 & 3
02	Net asset accounts that are permanently restricted by donors	Funds 2 & 3
20	Revenues & expenses for activities	Fund 1, 2 & 3
21	Revenues & expenses for camps	Funds 1, 2 & 3
25	Expenses purely program in function	Funds 1, 2 & 3
50	Expenses purely management in function	Funds 1, 2 & 3
70	Expenses purely fund-raising in function including special event expenses	Funds 1, 2 & 3
90	Contributions and Revenues that is unrestricted – including special event direct benefits.	Funds 1, 2 & 3
91	Contributions and revenues that are temporarily restricted by donors	Funds 1, 2 & 3
92	Contributions and revenues that are permanently restricted by donors	Funds 2 & 3
99	Expenses that are not allocated by function	Funds 1, 2 & 3
2019, 2020, 2021, 2022, etc.	Contribution pledges receivable in future years by the year that they become current.	Funds 1, 2 & 3

NOTE: There are a few exceptions to the listing above for special circumstances. Please see the Chart of Accounts in the Appendix