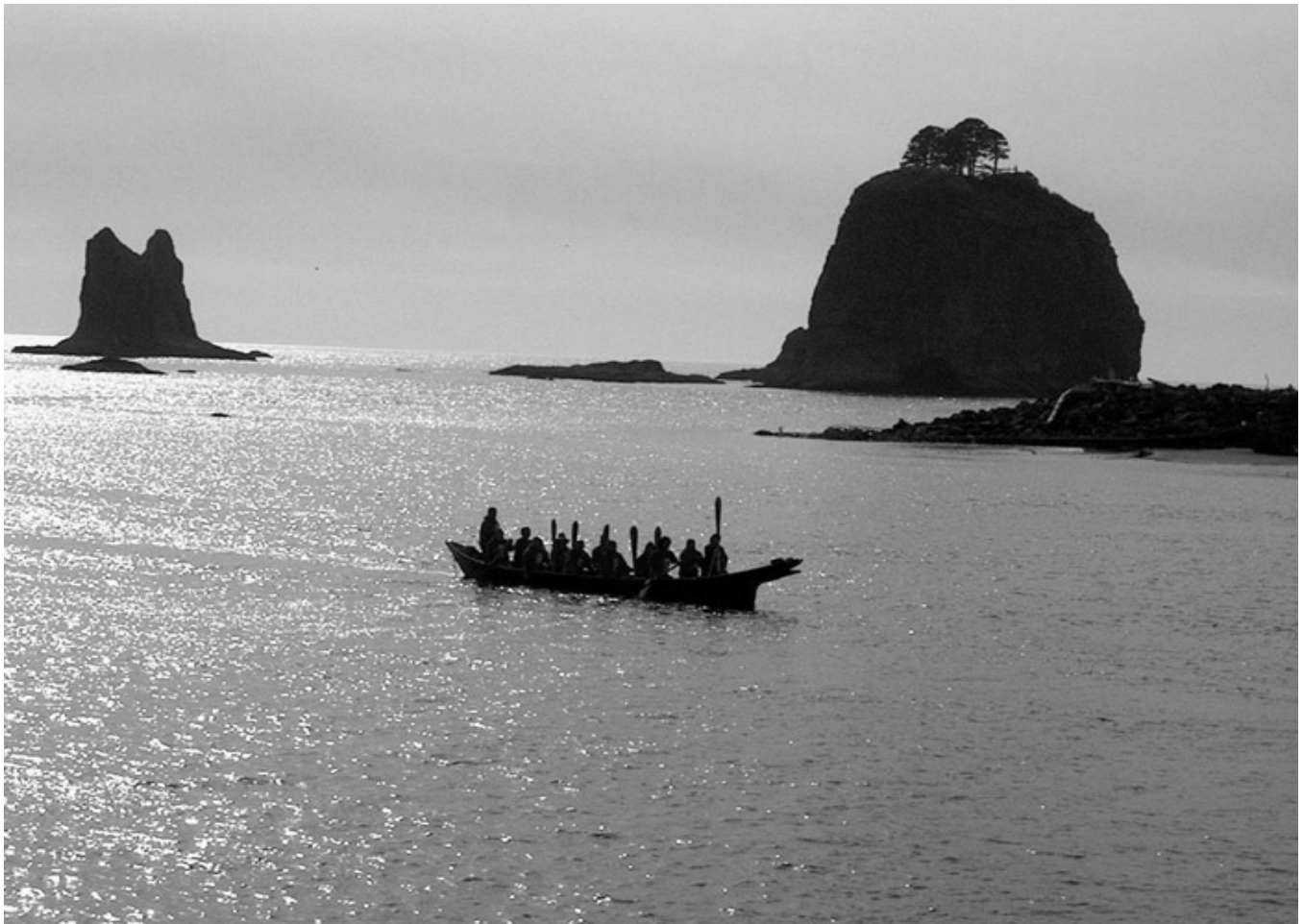


WASHINGTON STATE DEPARTMENT OF HEALTH

# Accounting and Reporting Manual for Hospitals Chapter 2000



**DOH 689-188 January 2025**

To request this document in another format, call 1-800-525-0127. Deaf or hard of hearing customers, please call 711 (Washington Relay) or email [doh.information@doh.wa.gov](mailto:doh.information@doh.wa.gov).

# Table of Contents

<b>Accounting and Reporting Manual for Hospitals Chapter 2000</b> .....	1
Preface 2001 .....	4
Functional and Responsibility Reporting Concepts 2010 .....	4
Numerical Coding System 2020 .....	5
Unrestricted Fund Assets 2110 .....	7
Current Assets 2110.1 .....	7
Assets Limited as To Use 2110.2 .....	9
Property, Plant, and Equipment 2110.3.....	9
Investments and Other Assets 2110.4 .....	10
Intangible Assets 2110.5 .....	10
<b>Plant Replacement and Expansion Fund Assets 2120</b> .....	10
<b>Specific Purpose Fund Assets 2130</b> .....	11
<b>Endowment Fund Assets 2140</b> .....	11
<b>Unrestricted Fund Liabilities 2150</b> .....	12
Current Liabilities 2150.1 .....	12
Deferred Credits 2150.2 .....	13
Long-Term Debt 2150.3 .....	13
Restricted fund liabilities .....	13
<b>Plant Replacement and Expansion Fund Liabilities 2160</b> .....	13
<b>Specific Purpose Fund Liabilities 2170</b> .....	13
<b>Endowment Fund Liabilities 2180</b> .....	13
Long Term Liabilities 2180.1 .....	13
Due to Other Funds 2180.2 .....	14
<b>Fund Balances 2190</b> .....	14
Not-for-Profit 2190.1 .....	14
Investor-Owned Corporation 2190.2 .....	14
Investor-Owned Partnership 2190.3 .....	15
<b>Chart Of Accounts - Income Statement 2200</b> .....	15
<b>Revenue Accounts 2210</b> .....	15
Daily Hospital Services Revenue 2210.1 .....	15
Ancillary Service Revenue 2210.2 .....	16

Tax Revenue 2210.3 .....	18
Other Operating Revenue 2210.4.....	18
Deductions From Revenue 2210.5.....	19
<b>Expense Accounts 2220 .....</b>	<b>20</b>
Daily Hospital Services Expense 2220.1 .....	20
Ancillary Service Expense 2220.2.....	21
Research and Education Expenses 2220.4.....	23
General Services 2220.5 .....	23
Fiscal Services 2220.6 .....	23
Administrative Services 2220.7 .....	24
Unassigned Expenses 2220.8.....	24
Nonoperating Gains and Losses 2220.9.....	24
<b>Natural Classification of Expense 2240.....</b>	<b>26</b>
.00 Salaries and Wages 2240.1.....	26
.10 Employee Benefits 2240.2 .....	26
.20 Professional Fees 2240.3 .....	26
.30 Supplies 2240.4 .....	27
.50 Purchased Services – Utilities 2240.5 .....	27
.60 Purchased Services – Other 2240.6.....	27
.70 Depreciation 2240.7 .....	28
.80 Leases and Rentals 2240.8 .....	28
.900 Other Direct Expenses 2240.9.....	28
<b>Public Hospital Districts 2260 .....</b>	<b>28</b>
<b>Unrestricted Fund 2261 .....</b>	<b>29</b>
Assets 2261.1 .....	29
Liabilities 2261.2 .....	29
Fund Balance 2261.3 .....	29
Tax Revenue 2261.4 .....	29
Natural Classification of Expense 2261.5.....	30
<b>Description Of Accounts 2263.....</b>	<b>30</b>
Assets 2263.1 .....	30
Liabilities 2263.2 .....	32
Fund Balance 2263.3 .....	32
Tax Revenue 2263.4 .....	33
Natural Classification of Expense 2263.6.....	33

# Preface

2001

A Chart of Accounts is a listing of account titles, with numerical symbols, used in the collection of financial data. This financial data includes assets, liabilities, capital, revenues, and expenses of an enterprise.

An outline of the required Chart of Accounts for hospitals is in this chapter along with an explanation of the numerical coding system. A description of the nature and content of each account is also in this chapter.

This Chart of Accounts will not fulfill the requirements of all hospitals. Many hospitals will not require the detailed information provided in the Chart. Alternatively, other hospitals may require even more detailed classification. The Chart adapts to meet specific requirements while also keeping uniformity for accounting and reporting financial information. Section 2260 explains the unique accounting requisites of public hospital districts.

Hospitals must maintain all balance sheet accounts indicated in the Chart of Accounts, when such assets and liabilities exist.

Some hospitals do not have separate departments organized in and required by the Chart of Accounts. However, it is essential to have information on revenues and expenses of each cost center. If a hospital does not follow this level of detail, then the Manual requires reclassifications for reporting purposes. This ensures the revenue and expense of the functional cost centers are properly reflected.

# Functional and Responsibility Reporting Concepts 2010

**Functional Reporting:** the reporting of costs according to type of activity.

**Responsibility Reporting:** the reporting of costs according to organizational units, such as departments.

Total costs are the same with either functional or responsibility reporting. Each reporting system serves different purposes. Responsibility reporting is necessary for evaluations made of and by management. Organization structures vary among hospitals and responsibility reporting is not the same as reporting to the Department. We developed an accounting and reporting system that allows comparable reporting of hospital activity and does not disturb a system of responsibility accounting and reporting.

The accounting and reporting concepts and principles in this Manual should not alter the hospital's responsibility accounting and reporting. When differences occur, which varies with individual hospitals, reclassifications may be necessary for the Department's reporting requirements. However, to minimize the number of reclassifications, hospitals should align their responsibility centers as close as possible to the functional centers described in this Manual. Factors influencing this alignment include the type of services and size of the hospital.

## **Numerical Coding System**

**2020**

The numerical coding system in the Chart of Accounts has six digits. However, some hospitals may use one or more additional digits, depending upon the amount of additional detail desired. Account numbers include four digits to the left of a decimal point which identify primary account classifications, and two digits to the right, which identify secondary account classifications.

The first digit of an account is the financial statement classification of the account:

1. Assets
2. Liabilities and Capital or Fund Balance
3. Daily Hospital Services Revenues
4. Ancillary Revenues
5. Deductions from Revenue and Other Operating Revenue
6. Daily Hospital Services Expenses
7. Ancillary Expenses Research and Education Costs; General Services; Fiscal Services; Administrative Services; Unassigned Costs
8. Nonoperating Gains and Losses

The second, third, and fourth digits of the daily hospital service centers and the ancillary centers are the same for revenue and expense. Account titles with capital letters and a fourth digit of zero represent the required level of reporting.

In the balance sheet accounts, the fifth and sixth digits are used to identify primary and secondary sub-classifications. The specific sub-classifications depend on the individual hospital's requirements for accounting and reporting. For revenue accounts, please refer to the table under "Sub-classifications of Patient Services" (Section 2230) to see how you can use the fifth and sixth digits.

The required level of reporting for the natural classification of expense include the following categories:

- Salaries and wages

- Employee benefits
- Professional fees
- Supplies
- Purchased services (utilities)
- Purchased services (other)
- Depreciation
- Rentals and leases
- Other direct expenses

In addition, the salaries and wages specified in natural classification accounts .01 to .08 should be maintained. The job titles in the table under Section 2450 will ensure uniformity in the classification of salaries and wages.

It is acceptable to add digits to assigned account numbers to provide additional detail including distinguishing between facilities.

## Numerical Coding System - Balance Sheet Accounts

First Digit	Second Digit	Third and Fourth Digits	Decimal Point	Fifth and Sixth Digits
0 - Not Used Classification	0 - Unrestricted Fund	x0 - Required Reporting Level	.	0 - According to Individual Hospital Requirements
1 - Asset	1 - Unrestricted Fund	x1 - Primary Sub-Classification	.	1 - According to Individual Hospital Requirements
2 - Liability and Equity	2 - Unrestricted Fund	x2 - Primary Sub-Classification	.	2 - According to Individual Hospital Requirements
3 - Income Statement Accounts	3 - Unrestricted Fund	x3 - Primary Sub-Classification	.	3 - According to Individual

<b>First Digit</b>	<b>Second Digit</b>	<b>Third and Fourth Digits</b>	<b>Decimal Point</b>	<b>Fifth and Sixth Digits</b>
				Hospital Requirements
4 - Income Statement Accounts	4 - Unrestricted Fund	x4 - Primary Sub-Classification	.	4 - According to Individual Hospital Requirements
5 - Income Statement Accounts	5 - Plant Replacement and Expansion Fund	x5 - Primary Sub-Classification	.	5 - According to Individual Hospital Requirements
6 - Income Statement Accounts	6 - Specific Purpose Funds	x6 - Primary Sub-Classification	.	6 - According to Individual Hospital Requirements
7 - Income Statement Accounts	7 - Endowment Fund	x7 - Primary Sub-Classification	.	7 - According to Individual Hospital Requirements
8 - Income Statement Accounts	8 - Not Used	x8 - Primary Sub-Classification	.	8 - According to Individual Hospital Requirements
9 - Income Statement Accounts	9 - Not Used	x9 - Primary Sub-Classification	.	9 - According to Individual Hospital Requirements

## **Unrestricted Fund Assets**

### **Current Assets**

- 1010 Cash
- 1011 General Checking Accounts
- 1012 Payroll Checking Accounts

**2110**

**2110.1**

- 1013 Other Checking Accounts
- 1014 Imprest Cash Funds
- 1015 Savings Accounts
- 1016 Certificates of Deposit
- 1017 Other Cash Accounts
- 1020 Marketable Securities**
  - 1021 Unrestricted Marketable Securities
  - 1022 Other Current Investments
- 1030 Accounts And Notes Receivable**
  - 1031 Inpatient Receivables - Unbilled
  - 1032 Inpatient Receivables - Discharged
  - 1033 Outpatient Receivables
- 1040 For Uncollectible Receivables And Third Party Contractual Withholds**
  - 1041 Allowance for Bad Debts
  - 1043 Allowance for Contractual Adjustments - Inpatients
  - 1044 Allowance for Contractual Adjustments - Outpatients
  - 1045 Allowance for Charity Service
  - 1047 Other Allowances
- 1050 Receivables From Third Party Payers**
  - 1051 Other Receivables - Cost Report Settlement
- 1060 Pledges And Other Receivables**
  - 1061 Pledges
  - 1062 Allowance for Uncollectable Pledges
  - 1063 Grants and Legacies
  - 1064 Accrued Receivables
  - 1065 Accounts and Notes Receivable - Employees
  - 1067 Other Receivables
- 1070 Due From Restricted Funds**
  - 1071 Due from Plant Replacement and Expansion Funds
  - 1072 Due from Specific Purpose Funds
  - 1073 Due from Endowment Funds
- 1080 Inventory**
  - 1081 General
  - 1082 Pharmacy
  - 1083 Central Supply
  - 1084 Dietary
  - 1089 Other
- 1090 Prepaid Expenses and Other Current Assets**
  - 1091 Prepaid Insurance
  - 1092 Prepaid Interest
  - 1093 Prepaid Rent
  - 1094 Prepaid Pension Plan Expense
  - 1095 Prepaid Taxes
  - 1096 Prepaid Service Contracts
  - 1097 Deposits
  - 1098 Other Prepaid Expenses



- 1099 Other Current Assets
- 1100 Intercompany Receivables

### Assets Limited as To Use

2110.2

- 1110 Board Designated Cash
  - 1111 Board Designated Checking Accounts
  - 1112 Board Designated Savings Accounts
  - 1113 Board Designated Certificates of Deposit
  - 1114 Board Designated Other Cash Accounts
- 1120 Board Designated Marketable Securities
  - 1121 Board Designated Marketable Securities
  - 1122 Board Designated Other Current Investments
- 1130 Board Designated Other Assets
  - 1131 Board Designated - Pledges Receivable
  - 1132 Board Designated - Allowance for Uncollectable Pledges
  - 1133 Board Designated - Investments in Real Property
  - 1134 Board Designated - Other Investments
  - 1135 Board Designated - Other Assets
- 1140 Proceeds Of Debt Issues
- 1150 Other Assets Limited as To Use

### Property, Plant, and Equipment

2110.3

- 1210 Land
- 1220 Land Improvements
  - 1221 Parking Lot
  - 1222 Other
- 1230 Buildings
  - 1231 Hospital Buildings
  - 1234 Parking Structures
  - 1235 Other
- 1240 Fixed Equipment - Building Services
- 1250 Fixed Equipment - Other
- 1260 Equipment
  - 1261 Major Movable Equipment
  - 1262 Minor Equipment
- 1270 Leasehold Improvements
- 1280 Construction-In-Progress
- 1320 Accumulated Depreciation - Land Improvements
  - 1321 Parking Lots
  - 1322 Other
- 1330 Accumulated Depreciation - Buildings
  - 1331 Hospital Buildings
  - 1334 Parking Structures
  - 1335 Other
- 1340 Accumulated Depreciation - Fixed Equipment -Building Services

- 1350 Accumulated Depreciation - Fixed Equipment - Other
- 1360 Accumulated Depreciation - Equipment
  - 1361 Accumulated Depreciation - Major Movable Equipment
  - 1362 Accumulated Depreciation - Minor Equipment
- 1370 Accumulated Depreciation - Leasehold Improvements

**Investments and Other Assets** **2110.4**

- 1410 Investment In Property, Plant, And Equipment
- 1420 Accumulated Depreciation - Investments in Plant and Equipment
- 1430 Other Investments
- 1440 Other Assets

**Intangible Assets** **2110.5**

- 1450 Purchased Goodwill
- 1460 Unamortized Loan Cost
- 1470 Pre-Opening and Other Organization Costs
- 1480 Other Intangible Assets Affiliated Organizations
- 1490 Intercompany Receivables

**Plant Replacement and Expansion Fund Assets**

**2120**

- 1510 Cash
  - 1511 Checking Accounts
  - 1512 Savings Accounts
  - 1513 Certificates of Deposit
  - 1514 Other Cash Accounts
- 1520 Investments
  - 1521 Marketable Securities
  - 1522 Other Investments
- 1530 Receivables
  - 1531 Pledges Receivable
  - 1532 Allowance for Uncollectable Pledges
  - 1533 Grants, Legacies, and Bequests Receivable
  - 1534 Interest Receivable
  - 1535 Other Receivables
- 1540 Due From Other Funds
  - 1541 Due from Unrestricted Fund
  - 1542 Due from Specific Purpose Fund
  - 1543 Due from Endowment Fund
- 1550 Other Accounts (As Needed)

## **Specific Purpose Fund Assets**

**2130**

- 1610 **Cash**
  - 1611 Checking Accounts
  - 1612 Savings Accounts
  - 1613 Certificates of Deposit
  - 1614 Other Cash Accounts
- 1620 **Investments**
  - 1621 Marketable Securities
  - 1622 Other Investments
- 1630 **Receivables**
  - 1631 Pledges Receivable
  - 1632 Allowance for Uncollectable Pledges
  - 1633 Grants Receivable
  - 1634 Legacies and Bequests Receivable
  - 1635 Accrued Interest Receivable
  - 1636 Other Receivables
- 1640 **Due From Other Funds**
  - 1641 Due from Unrestricted Fund
  - 1642 Due from Plant Replacements and Expansion Fund
  - 1643 Due from Endowment Fund
- 1650 **Other Accounts (as needed)**

## **Endowment Fund Assets**

**2140**

- 1710 **Cash**
  - 1711 Checking Accounts
  - 1712 Savings Accounts
  - 1713 Certificates of Deposit
  - 1714 Other Cash Accounts
- 1720 **Investments**
  - 1721 Marketable Securities
  - 1722 Mortgages
  - 1723 Real Property
  - 1724 Accumulated Depreciation on Real Property
  - 1725 Other Investments
- 1730 **Receivables**
  - 1731 Legacies and Bequests
  - 1732 Pledges
  - 1733 Allowance for Uncollectable Pledges
  - 1734 Interest Receivable
  - 1735 Rent Receivable
  - 1736 Dividends Receivable
  - 1737 Trust Income Receivable
  - 1738 Other Receivables
- 1740 **Due From Other Funds**

- 1741 Due from Unrestricted Fund
- 1742 Due from Plant Replacements and Expansion Fund
- 1743 Due from Specific Purpose Fund
- 1750 Other Accounts (as needed)

## **Unrestricted Fund Liabilities**

**2150**

### **Current Liabilities**

**2150.1**

- 2010 Notes and Loans Payable**
  - 2011 Notes and Loans Payable - Vendors
  - 2012 Notes and Loans Payable - Banks
  - 2013 Construction Loans - Interim Financing
  - 2014 Other Notes and Loans Payable
  - 2020 Accounts Payable
  - 2021 Trade Payables
  - 2022 Other Accounts Payable
- 2030 Accrued Compensation and Related Liabilities**
  - 2031 Accrued Payroll
  - 2032 Accrued Vacation, Holiday, and Sick Pay
  - 2033 Other Accrued Salaries and Wages Payable
  - 2034 Federal Income Taxes Withheld
  - 2035 Social Security Taxes Withheld and Accrued
  - 2036 Workers' Compensation Payable
  - 2037 Unemployment Taxes Payable
  - 2038 Other Payroll Taxes and Deductions Payable
- 2040 Other Accrued Expenses**
  - 2041 Interest Payable
  - 2042 Rent Payable
  - 2043 Property Taxes Payable
  - 2044 Fees Payable - Medical Specialists
  - 2045 Fees Payable - Other
  - 2046 Other Accrued Expenses Payable
- 2050 Advances From Third Party Payers**
- 2060 Payable To Third Party Payers**
  - 2061 Reimbursement Settlement Due
- 2070 Due To Restricted Funds**
  - 2071 Due to Plant Replacement and Expansion Fund
  - 2072 Due to Specific Purpose Fund
  - 2073 Due to Endowment Fund
- 2080 Income Taxes Payable**
  - 2081 Federal Income Taxes Payable
- 2090 Other Current Liabilities**
  - 2091 Deferred Income - Patient Deposits
  - 2092 Deferred Income - Tuition and Fees
  - 2093 Deferred Income - Other

- 2094 Dividends Payable
- 2095 Bank Overdrafts
- 2097 Construction Retention Payable
- 2098 Construction Contracts Payable
- 2099 Other Current Liabilities
- 2100 Intercompany Payables**

**Deferred Credits**

**2150.2**

- 2110 Deferred Income Taxes**
  - 2111 Deferred Taxes Payable
- 2120 Deferred Third Party Revenue**
  - 2121 Deferred Revenue
- 2130 Other Deferred Credits**
  - 2131 Other Deferred Items

**Long-Term Debt**

**2150.3**

- 2210 Mortgages Payable**
- 2220 Construction Loans - Interim Financing (Over One Year)**
- 2230 Notes Payable**
- 2240 Capitalized Lease Obligations**
- 2250 Bonds Payable**
- 2260 Intercompany Payables**
- 2270 Other Long-Term Liabilities**
- 2280 Emergency Funding (Loans)- Local, State, Federal**

**Restricted fund liabilities**

**Plant Replacement and Expansion Fund Liabilities**

**2160**

- 2510 Due To Unrestricted Fund
- 2520 Due To Specific Purpose Fund
- 2530 Due To Endowment Fund

**Specific Purpose Fund Liabilities**

**2170**

- 2610 Due To Unrestricted Fund
- 2620 Due To Plant Replacement And Expansion Fund
- 2630 Due To Endowment Fund

**Endowment Fund Liabilities**

**2180**

**Long Term Liabilities**

**2180.1**

- 2710 Mortgages

2720	Other Long-Term Liabilities	
<b>Due to Other Funds</b>		<b>2180.2</b>
2730	Due To Unrestricted Fund	
2740	Due To Plant Replacement and Expansion Fund	
2750	Due To Specific Purpose Fund	
<b>Fund Balances</b>		<b>2190</b>
<b>Not-for-Profit</b>		<b>2190.1</b>
2400	Unrestricted Fund Balance	
2410	Fund Balance	
2420	Capital Outlay	
2430	Donated Property, Plant, and Equipment	
2570	Restricted Funds - Plant Replacement and Expansion	
2571	Fund Balance	
2572	Capital Outlay	
2573	Transfers to Unrestricted Fund for Operations	
2670	Restricted Funds - Specific Purpose	
2671	Fund Balance	
2672	Capital Outlay	
2673	Transfers to Unrestricted Fund for Operations	
2770	Restricted Funds - Endowment	
2771	Fund Balance	
2772	Capital Outlay	
2773	Transfers to Unrestricted Fund for Operations	
<b>Investor-Owned Corporation</b>		<b>2190.2</b>
2410	Preferred Stock	
2420	Common Stock	
2430	Additional Paid-In Capital	
2440	Retained Earnings - Unrestricted	
2450	Treasury Stock	
2570	Restricted Funds - Plant Replacement and Expansion	
2571	Fund Balance	
2572	Capital Outlay	
2573	Transfers to Unrestricted Fund for Operations	
2670	Restricted Funds - Specific Purpose	
2671	Fund Balance	
2672	Capital Outlay	
2673	Transfers to Unrestricted Fund for Operations	
2770	Restricted Funds - Endowment	
2771	Fund Balance	
2772	Capital Outlay	
2773	Transfers to Unrestricted Fund for Operations	

<b>Investor-Owned Partnership</b>	<b>2190.3</b>
2410 Capital - Unrestricted	
2420 Partner's Draw	
2570 Restricted Funds - Plant Replacement And Expansion	
2571 Fund Balance	
2572 Capital Outlay	
2573 Transfers to Unrestricted Fund for Operations	
2670 Restricted Funds - Specific Purpose	
2671 Fund Balance	
2672 Capital Outlay	
2673 Transfers to Unrestricted Fund for Operations	
2770 Restricted Funds - Endowment	
2771 Fund Balance	
2772 Capital Outlay	
2773 Transfers to Unrestricted Fund for Operations	

<b>Chart Of Accounts - Income Statement</b>	<b>2200</b>
---	-------------

<b>Revenue Accounts</b>	<b>2210</b>
-------------------------	-------------

<b>Daily Hospital Services Revenue</b>	<b>2210.1</b>
--	---------------

3010 Intensive Care	
3011 Medical/Surgical	
3012 Coronary	
3013 Heart Transplant	
3014 Burn Care	
3015 Pediatric	
3016 Neo Natal	
3017 Other	
3030 Semi-Intensive Care	
3031 Medical/Surgical	
3032 Renal Dialysis	
3022 Other	
3070 Acute Care	
3071 Medical	
3072 Surgical	
3073 Oncology	
3074 Geriatric	
3075 Pediatric	
3076 Orthopedics	
3077 Isolation	
3078 Obstetric	
3079 Other	
3100 Alternative Birthing Center	
3120 Physical Rehabilitation Care	

- 3140 Psychiatric**
  - 3141 Isolation
  - 3143 Long-Term
  - 3144 Acute - Adult
  - 3145 Acute - Adolescent and Child
- 3150 Chemical Dependency Services**
  - 3151 Alcohol Detoxification
  - 3152 Drug Detoxification
  - 3153 Alcohol Rehabilitation
  - 3154 Drug Rehabilitation
- 3170 Nursery**
  - 3171 Newborn
  - 3172 Premature
  - 3173 Boarder
- 3200 Skilled Nursing**
  - 3201 Private Patients
  - 3202 Skilled Nursing Facility - Medicare
  - 3203 Skilled Nursing Facility - Medicaid
- 3210 Swing Bed**
- 3330 Hospice Inpatient Services**
- 3400 Other Daily Hospital Services (Specify)**

## Ancillary Service Revenue

**2210.2**

- 4010 Labor and Delivery**
  - 4011 Labor Room
  - 4012 Delivery Room
  - 4013 Birthing Room
  - 4014 Satellite Birthing Center
- 4020 Surgical Services**
  - 4021 Surgery - General
  - 4022 Surgery - Orthopedic
  - 4023 Surgery - Organ Transplants
  - 4024 Surgery - Open Heart
  - 4025 Surgery - Neurosurgery
  - 4026 Surgery - Other
- 4030 Recovery Room**
- 4040 Anesthesiology**
- 4050 Central Services**
- 4060 Intravenous Therapy Services**
- 4070 Laboratory**
  - 4071 Hematology
  - 4072 Microbiology
  - 4073 Chemistry
  - 4074 Immunology
  - 4075 Urine and Feces



- 4076 Histology
- 4077 Specimen Procurement and Dispatch
- 4078 Blood Bank
- 4079 Miscellaneous Procedures
- 4110 Electrodiagnosis**
  - 4111 Electrocardiology
  - 4112 Electroencephalography
  - 4113 Electrophysiology
- 4120 Magnetic Resonance Imaging**
- 4130 Ct Scanning Services**
- 4140 Radiology - Diagnostic**
  - 4141 Special Procedures
  - 4142 Echocardiology
  - 4143 Ultrasonography
  - 4149 Other
- 4150 Radiology - Therapeutic**
  - 4151 Chemotherapy
  - 4152 Radiation Therapy
  - 4153 Oncology
  - 4159 Other
- 4160 Nuclear Medicine**
  - 4161 Diagnostic
  - 4162 Therapeutic
- 4170 Pharmacy**
- 4180 Respiratory Services**
  - 4181 Respiratory Therapy
  - 4182 Pulmonary Function
- 4190 Dialysis**
- 4200 Physical Therapy**
- 4220 Psychiatric Day Care**
- 4230 Emergency Room**
  - 4231 Emergency Service
  - 4232 Primary Care
  - 4233 Observation Room
  - 4234 Trauma
  - 4239 Other
- 4240 Ambulance**
  - 4241 Emergency
  - 4249 Other
- 4250 Short Stay Unit**
  - 4251 Ambulatory Surgery
  - 4252 Observation Rooms
  - 4253 Outpatient Recovery
  - 4254 Psychiatric Day Care
  - 4255 Dialysis
  - 4256 Alternative Birthing Center

- 4259 Other
- 4260 Clinics**
  - 4261 Admitting
  - 4262 Diabetics
  - 4263 ENT
  - 4264 Eye
  - 4265 Obstetrics/Gynecology
  - 4266 Orthopedic
  - 4267 Pediatrics
  - 4268 Surgery
  - 4269 Cardiology
  - 4271 Physical Medicine
  - 4272 Urology
  - 4273 - 4299 Other Clinics (specify)
- 4310 Occupational Therapy**
- 4320 Speech Pathology**
- 4330 Recreation Therapy**
- 4340 Electromyography**
- 4350 Observation Unit**
- 4380 Free Standing Clinic Services**
- 4390 Air Transportation**
- 4400 Home Care Services**
- 4410 Lithotripsy**
- 4420 Organ Acquisition**
  - 4421 Heart
  - 4422 Lung
  - 4443 Kidney
  - 4429 Other
- 4430 Outpatient Chemical Dependency**
- 4490 Other Ancillary Services**

**Tax Revenue**

**2210.3**

- 5110 State Appropriation
- 5120 Operation And Maintenance Tax Levy
- 5130 General Obligation Bond - Principal
- 5140 General Obligation Bond - Interest
- 5190 Other

**Other Operating Revenue**

**2210.4**

- 5210 Transfer From Restricted Funds for Research Expense
- 5270 Educational Revenue
- 5280 Transfer From Restricted Funds for Education Expense
- 5330 Non-Patient Food Sales
- 5350 Laundry And Linen Revenue
- 5360 Social Services Revenue
- 5370 Non-Patient Supply Sales
- 5380 Employee Housing Revenue

- 5390 Non-Patient Drug Sales
- 5420 Purchasing Services Revenue
- 5450 Parking Revenue
- 5460 Janitorial And Maintenance Services Revenue
- 5510 Interest On Funds Held by Trustees
- 5520 Telephone And Telegraph Revenue
- 5540 Data Processing Services Revenue
- 5550 Telephone And Telegraph Revenue
- 5560 Cash Discounts on Purchases
- 5570 Sales Of Scrap and Waste
- 5580 Rebates And Refunds
- 5590 Vending Machine Commissions
- 5600 Medical Records/Abstract Sales
- 5610 Other Commissions
- 5620 Television/Radio Rentals
- 5630 Non-Patient Room Rentals
- 5640 Management Services Revenue
- 5650 Interest On Accounts Receivable
- 5660 Child Care Services Revenue
- 5670 Other Operating Revenue (specify)
  - 5681 Donations
  - 5682 Grants
  - 5683 Joint Venture Revenue
  - 5684 Local Taxes
  - 5685 Outpatient Pharmacy
  - 5686 Parking
  - 5687 Quality Incentive Payments
  - 5688 Reference Laboratories
  - 5689 Rental Income
  - 5690 Retail Cafeteria
  - 5691 Other Noncategorized Revenues
- 5790 Transfers From Restricted Funds for Other Operating Expenses (Specify)

## **Deductions From Revenue**

**2210.5**

- 5810 Contractual Adjustments - Medicare
- 5820 Contractual Adjustments - Medicaid
- 5830 Contractual Adjustments - Workers' Compensation
  - 5831 Labor and Industries
  - 5832 Self-Insured
- 5840 Contractual Adjustments - Other Government Programs
  - 5841 Crippled Children's Services
  - 5842 Vocational Rehabilitation
  - 5843 CHAMPUS
  - 5844 Indian Health Services
  - 5849 Other

- 5850 Contractual Adjustments - Negotiated Rates
- 5860 Contractual Adjustments - Other
- 5900 Charity Care - Inpatient
- 5910 Charity Care - Outpatient
- 5970 Administrative Adjustments
- 5980 Other Deductions from Revenue (specify)

## Expense Accounts

**2220**

### Daily Hospital Services Expense

**2220.1**

- 6010 Intensive Care
  - 6011 Medical/Surgical
  - 6012 Coronary
  - 6013 Heart Transplant
  - 6014 Burn Care
  - 6015 Pediatric
  - 6016 Neo Natal
  - 6017 Other
- 6030 Semi-Intensive Care
  - 6031 Medical/Surgical
  - 6032 Renal Dialysis
  - 6033 Other
- 6070 ACUTE CARE
  - 6071 Medical
  - 6072 Surgical
  - 6073 Oncology
  - 6074 Geriatric
  - 6075 Pediatric
  - 6076 Orthopedics
  - 6077 Isolation
  - 6079 Other
- 6100 Alternative Birthing Center
- 6120 Physical Rehabilitation Care
- 6140 Psychiatric
  - 6141 Isolation
  - 6143 Long-Term
  - 6144 Acute - Adult
  - 6145 Acute - Adolescent and Child
- 6150 Chemical Dependency Services
  - 6151 Alcohol Detoxification
  - 6152 Drug Detoxification
  - 6153 Alcohol Rehabilitation
  - 6154 Drug Rehabilitation
- 6170 Nursery
  - 6171 Newborn
  - 6172 Premature

- 6173 Boarder
- 6200 Skilled Nursing**
  - 6201 Private Patients
  - 6202 Skilled Nursing Facility - Medicare
  - 6203 Skilled Nursing Facility - Medicaid
- 6210 Swing Bed**
- 6330 Hospice Inpatient Services**
- 6400 Other Daily Hospital Services (specify)**

## Ancillary Service Expense

2220.2

- 7010 Labor And Delivery**
  - 7011 Labor Room
  - 7012 Delivery Room
  - 7013 Birthing Room
  - 7014 Satellite Birthing Center
- 7020 Surgical services**
  - 7021 Surgery - General
  - 7022 Surgery - Orthopedic
  - 7023 Surgery - Organ Transplants
  - 7024 Surgery - Open Heart
  - 7025 Surgery - Neurosurgery
  - 7026 Surgery - Other
- 7030 Recovery Room**
- 7040 Anesthesiology**
- 7050 Central Services**
- 7060 Intravenous Therapy Services**
- 7070 Laboratory**
  - 7071 Hematology
  - 7072 Microbiology
  - 7073 Chemistry
  - 7074 Immunology
  - 7075 Urine and Feces
  - 7076 Histology
  - 7077 Specimen Procurement and Dispatch
  - 7078 Blood Bank
  - 7079 Miscellaneous Procedures
- 7110 Electrodiagnosis**
  - 7111 Electrocardiology
  - 7112 Electroencephalography
  - 7113 Electrophysiology
- 7120 Magnetic Resonance Imaging**
- 7130 Ct Scanning Services**
- 7140 Radiology - Diagnostic**
  - 7141 Special Procedures
  - 7142 Echocardiology

- 7143 Ultrasonography
- 7149 Other
- 7150 Radiology - Therapeutic**
  - 7151 Chemotherapy
  - 7152 Radiation Therapy
  - 7153 Oncology
  - 7159 Other
- 7160 Nuclear Medicine**
  - 7161 Diagnostic
  - 7162 Therapeutic
- 7170 Pharmacy**
- 7180 Respiratory Services**
  - 7181 Respiratory Therapy
  - 7182 Pulmonary Function
- 7190 Dialysis**
- 7200 Physical Therapy**
- 7220 Psychiatric Day Care**
- 7230 Emergency Room**
  - 7231 Emergency Service
  - 7232 Primary Care
  - 7233 Observation Room
  - 7234 Trauma
  - 7239 Other
- 7240 Ambulance**
  - 7241 Emergency
  - 7249 Other
- 7250 Short Stay Unit**
  - 7251 Ambulatory Surgery
  - 7252 Observation Rooms
  - 7253 Outpatient Recovery
  - 7254 Psychiatric Day Care
  - 7255 Dialysis
  - 7256 Alternative Birthing Center
  - 7259 Other
- 7260 Clinics**
  - 7261 Admitting
  - 7262 Diabetics
  - 7263 ENT
  - 7264 Eye
  - 7265 Obstetrics/Gynecology
  - 7266 Orthopedic
  - 7267 Pediatrics
  - 7268 Surgery
  - 7269 Cardiology
  - 7271 Physical Medicine
  - 7272 Urology

- 7273 - 7299 Other Clinics (specify)
- 7310 Occupational Therapy
- 7320 Speech Therapy
- 7330 Recreation Therapy
- 7034 Electromyography
- 7350 Observation Unit
- 7380 Free-Standing Clinic Services
- 7390 Air Transportation
  - 7391 Airplane
  - 7392 Helicopter
  - 7393 Other
- 7400 Home care services
- 7410 Lithotripsy
- 7420 Organ acquisition
  - 7421 Heart
  - 7422 Lung
  - 7423 Kidney
  - 7429 Other
- 7430 Outpatient Chemical Dependency
- 7490 Other Ancillary Services

**Research and Education Expenses**

**2220.4**

8200 Research And Education

**General Services**

**2220.5**

- 8310 Printing And Duplicating
- 8320 Dietary
- 8330 Cafeteria
- 8350 Laundry And Linen
- 8360 Social Services
- 8370 Central Transportation
- 8420 Purchasing
- 8430 Plant
  - 8431 Plant Operations
  - 8432 Plant Maintenance
  - 8433 Grounds
  - 8434 Security
  - 8435 Parking
- 8460 Housekeeping
- 8470 Communications
- 8480 Data Processing
- 8490 Other General Services (specify)

**Fiscal Services**

**2220.6**

8510 Accounting

- 8530 Patient Accounts
- 8560 Admitting
- 8590 Other Fiscal Services (specify)

### Administrative Services

2220.7

- 8610 Hospital Administration
  - 8611 Office of Administrative Director
  - 8612 Governing Board Expense
  - 8613 Planning
- 8630 Public Relations
- 8640 Management Engineering
- 8650 Personnel
- 8660 Auxiliary Groups
- 8670 Chaplaincy Services
- 8680 Medical Library
- 8690 Medical Records
- 8700 Medical Staff
- 8710 Utilization Management
- 8720 Nursing Administration
- 8730 Nursing Float Personnel
- 8740 Inservice Education
- 8770 Community Health Education
- 8790 Other Administrative Services (specify)

### Unassigned Expenses

2220.8

- 8810 Depreciation
- 8820 Leases And Rentals
- 8830 Insurance - Hospital and Professional Malpractice
- 8840 Insurance - Other
- 8850 Licenses And Taxes (Other Than on Income)
- 8860 Interest - Working Capital
- 8870 Interest - Other
- 8880 Employee Benefits
  - 8881 Payroll Related
  - 8889 Non-payroll Related
- 8890 Amortization
- 8900 Provision For Bad Debts
- 8910 Other Unassigned Expenses (specify)

### Nonoperating Gains and Losses

2220.9

- 9010 Gains On Sale of Hospital Nondepreciable Assets
- 9020 Losses On Sale of Hospital Nondepreciable Assets
- 9040 Unrestricted Contributions
- 9050 Donated Services
- 9060 Gains Or Losses from Unrestricted Investments



- 9070 Unrestricted Gains from Endowment Funds
- 9080 Unrestricted Gains from Other Restricted Funds
- 9090 Term Endowment Funds Becoming Unrestricted
- 9100 Transfers From Restricted Funds for Nonoperating Purposes
- 9110 Transfers From Restricted Funds for Research
- 9120 Transfers From Restricted Funds for Education
- 9130 Transfers From Restricted Funds for Operating Purposes
- 9210 Gains From Physicians' Offices and Other Rentals
- 9220 Gains From Medical Office Buildings
- 9230 Gains From Child Care Services
- 9240 Gains From Retail Operations
- 9250 - 9299 Other Nonoperating Gains (specify)
- 9310 Losses From Physicians' Offices and Other Rentals
- 9320 Losses From Medical Office Buildings
- 9330 Losses From Child Care Services
- 9340 Losses From Retail Operations
- 9350 - 9399 Other Nonoperating Losses (specify)
- 9400 Provision For Income Taxes
  - 9401 Federal - Current
  - 9402 Federal - Deferred
- 9403 Unrelated Business Income Tax

## Sub-Classification of Patient Service Revenue and Deductions from Revenue 2230

Decimal Point	Patient Classification Description (A)	Financial Status Classification Description (B)	Clinical Classification Description (C)	Accommodation Class Description (C)
.	0 Inpatient-General Hospital	0 Self Pay	0 medical	0 Private
.	1 Inpatient-Skilled Nursing Care	1 Blue Cross	1 Surgical	1 Semi-private
.	2 Inpatient-Intermediate Care	2 Commercial Insurance	2 Pediatric	2 Private Ward
.	3 Inpatient-Other	3 Workers' Compensation	3 Psychiatric	3 Ward
.	4 Outpatient - Emergency	4 Medicare	4 Obstetric/Gynecologic	4 Other
.	5 Outpatient-referred	5 Medicaid	5 Newborn Nursery	5 Other

.	6 Outpatient-Clinics	6 Other Government	6 Dental	6 Other
.	7 Home Health Care	7 HMO/PPO Contracts	7 Podiatric	7 Other
.	8 Non-Patient	8 Charity care	8 other	8 Other
.	9 Day Care	9 Other	9Other	9 Other

- (A) Details of inpatient classifications (0-3) are required for different levels of licensed care. Outpatient classification detail (4-6) is not required; only total outpatient revenue in each revenue center is required. Other classifications are required, if appropriate.
- (B) Classification is optional if logs are maintained for Medicare and Medicaid charges and for inpatient and outpatient charity care services provided. If no such logs are maintained, these financial status classifications are required. Other financial status classifications are optional in all cases.
- (C) Classification optional.

## Natural Classification of Expense

**2240**

### **.00 Salaries and Wages**

**2240.1**

- .01 Management and Supervision
- .02 Technician and Specialist
- .03 Registered Nurses
- .04 Certified Nursing Assistants
- .05 Physicians
- .06 Non-physician Medical Practitioners
- .07 Other Salaries and Wages
- .08 Non-work Time - Vacation, Holiday and Sick Leave

### **.10 Employee Benefits**

**2240.2**

- .11 FICA
- .12 SUI and FUI
- .13 Workers' Compensation Insurance
- .14 Group Health Insurance
- .15 Group Life Insurance
- .16 Pension and Retirement
- .17 Disability Benefits
- .18 "Cafeteria Plan"
- .19 Other

### **.20 Professional Fees**

**2240.3**

- .21 Medical - Physicians
- .22 Medical - Therapists and Other

.23	Consulting and Management Fees	
.24	Legal	
.25	Audit	
.26	Collection Agencies	
.27	Registry Nurses	
.29	Other	
<b>.30</b>	<b>Supplies</b>	<b>2240.4</b>
.31	Prosthesis	
.32	Surgical Supplies - General	
.33	Anesthetic Materials	
.34	Oxygen and Other Medical Gases	
.35	IV Solutions	
.36	Pharmaceuticals	
.37	Radioactive Materials	
.38	Radiology Films	
.39	Other Medical Care Materials and Supplies	
.41	Food - Meats, Fish, and Poultry	
.42	Food - Other	
.43	Linen and Bedding	
.44	Cleaning Supplies	
.45	Office and Administrative Supplies	
.46	Employee Wearing Apparel	
.47	Instruments and Minor Medical Equipment	
.48	Other Minor Equipment	
.49	Other Nonmedical Supplies	
<b>.50</b>	<b>Purchased Services – Utilities</b>	<b>2240.5</b>
.51	Electricity	
.52	Fuel	
.53	Gas	
.54	Water	
.55	Disposal Service	
.57	Telephone/Telegraph	
.59	Other	
<b>.60</b>	<b>Purchased Services – Other</b>	<b>2240.6</b>
.61	Medical	
.62	Repairs and Maintenance	
.63	Medical School Contracts (education cost center only)	
.64	Management Services	
.65	Other	

**.70 Depreciation** **2240.7**

- .71 Depreciation - Land Improvements
- .72 Depreciation - Buildings and Improvements
- .73 Depreciation - Leasehold Improvements
- .74 Depreciation - Fixed Equipment
- .75 Depreciation - Major Movable Equipment
- .76 Depreciation - Minor Equipment
- .79 Depreciation - Other

**.80 Leases and Rentals** **2240.8**

- .81 Leases and Rentals - Buildings
- .82 Leases and Rentals - Equipment
- .83 Leases and Rentals - Other

**.900 Other Direct Expenses** **2240.9**

- .901 Insurance
- .902 Licenses and Taxes (other than on income)
- .903 Dues and Subscriptions
- .904 Travel, Meetings, and Outside Training Sessions
- .905 Interest
- .906 Amortization of Intangible Assets
- .907 Provision for Bad Debts
- .908 Blood Supplies
- .909 Contract Staffing
- .910 Information Technology, Including Licenses and Maintenance
- .911 Insurance and Professional Liability
- .912 Laundry Services
- .913 Legal, Audit and Tax Services
- .914 Purchased Laboratory Services
- .915 Repairs and Maintenance
- .916 Shared Services or System Office Allocation
- .917 Staff Recruitment
- .918 Training Costs
- .919 Taxes
- .920 Utilities
- .999 Other Noncategorized Expenses

**Public Hospital Districts** **2260**

This Chart of Accounts may be expanded with additional sub-accounts when necessary. Necessary events include identifying multiple funds in a like category, meeting an individual hospital's own management needs, or receiving modifications from the Office of the State Auditor.

# Unrestricted Fund

# 2261

All public hospital districts will use the same account titles and numbers indicated by the Department. Exceptions to this include accounts that must be separately identified to meet the unique accounting requirements of public-owned hospitals. In these cases, we added sub-accounts to conform with the legal and fiscal requirements for Washington state municipal corporations.

The State Auditor's Office has approved the following sub-account titles within the unrestricted fund to meet the needs of the public hospital district:

## Assets

### 2261.1

- 1011.00 General Revenue Fund Cash - Depository
- 1011.01 General Revenue Fund Cash - District Treasurer
- 1014.00 Imprest Cash - Depository
- 1014.01 Imprest Cash - Advance Travel Expense
- 1021.01 Temporary Investments of Operating Funds
- 1063.01 Taxes Receivable - Operations
- 1111.02 Cash for Public Hospital Bond Redemption and Interest
- 1111.03 Construction Fund Cash
- 1121.03 Construction Fund Investments
- 1131.02 Taxes Receivable - Bond Redemption and Interest
- 1464.00 Unamortized Bond Issue Expense

## Liabilities

### 2261.2

- 2021.01 Warrants Payable - Operations
- 2021.02 Warrants Payable - Bond Redemption and Interest
- 2021.03 Warrants Payable - Construction Fund
- 2022.01 Vouchers Payable - Operations
- 2022.03 Vouchers Payable - Construction Fund
- 2250.00 General Obligation Bonds Payable
- 2270.00 Unamortized Premium on Bonds

## Fund Balance

### 2261.3

- 2411.00 Equity from Grants and Donations
- 2412.00 Equity from Hospital Operations
- 2413.00 Equity from Taxation

## Tax Revenue

### 2261.4

- 5120.00 Taxation for Operations
- 5130.00 Taxation for Principal on Public Hospital Bonds

## 5140.00 Taxation for Interest on Public Hospital Bonds

### Natural Classification of Expense

2261.5

- .95 Interest - Public Hospital Bonds
- .95 Interest - Unredeemed Warrants
- .96 Amortization
- .99 Election Expenses

## Description Of Accounts

2263

This section describes the accounts and sub-accounts which public hospital districts must maintain to identify transactions from the issuance of bonds. We explain the relationship of specific accounts, if relevant. Some districts do not require certain accounts, while other districts do. Districts may expand these accounts by adding sub-accounts or using the fifth and sixth digit for a more detailed breakdown.

Except for transactions due to issuance of bonds, the district hospital will maintain the same account titles and numbers as prescribed in Sections 2100 and 2200. When reporting to the Department, district hospitals will use the required accounts as shown by capital letters and a fourth digit of zero.

### Assets

2263.1

**1011.00 General Revenue Fund Cash** – Depository: You can use this account for accumulation of cash prior to deposit in the district treasurer's cash account. It represents the balance of cash on deposit in a bank checking account which has been collected for normal operating purposes. You should periodically transfer (at least weekly) cash in the account to the district treasurer's cash account.

**1011.01 General Revenue Fund Cash** – District Treasurer: This account should show the actual monthly balance of cash available for normal use on deposit in the office of the district treasurer. It must consider all receipts and disbursements for normal operating purposes. You should reconcile the balance of the account monthly to the district treasurer's cash report.

**1014.00 Imprest Cash** – Depository: This account represents the balances of cash working funds within the district hospital. It includes amounts in the custody of employees such as change funds, petty cash, and revolving or incidental expense funds. Relatively minor expenditures may be made and accounted for from these categories.

**1014.01 Imprest Cash** – Advance Travel Expense: This account represents the balance of cash in the advance travel revolving funds. Receipts received from the following sources will be deposited to the account:

- The treasurer or other disbursing officer in the total amount originally establishing the revolving fund or subsequently added thereto
- Officers and employees representing refunds of any unexpended advances

- The warrant-issuing officer reimbursing the custodian for travel expenses allowed in the settlement of employee advances.

You must make employee advances for travel expenses within ten days following the close of the travel period by filing an expense voucher as required by [RCW 42.24.090](#).

**1021.01 Temporary Investments of Operating Funds:** This account represents the cost of investments acquired by the district treasurer, within legally authorized limitations, for temporarily investing operating fund cash. The cost of investments does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be immediately expensed and not recorded in the investment account.

**1063.01 Taxes Receivable – Operations:** This account should record the uncollected balance of property taxes levied for maintenance and operation of the hospital. You can debit the account for the annual property tax levy. (Account 5120.00) "Taxation for Operations" is credited with the same amount.

**1111.02 Cash for Public Hospital Bond Redemption and Interest:** This account shows the actual monthly balance of cash on deposit with the district treasurer. The monthly balance of cash on deposit is available for redemption of public hospital bonds and payment of related interest. You should reconcile account balances monthly to the district treasurer's cash report.

**1111.03 Construction Fund Cash:** This account represents the balance of cash on deposit with the district treasurer which is available for construction or acquisition of plant assets. You should reconcile the account balance monthly to the district treasurer's cash report.

**1121.02 Temporary Investment of Bond Redemption and Interest Fund:** This account should reflect the cost of investments acquired, within legally authorized limitations, for temporarily investing cash for public hospital bond redemption and interest. Cost does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be expensed immediately and not recorded in the investment.

**1121.03 Construction Fund Investments:** This account shows cost of investments acquired, within legally authorized limitations, for temporarily investing cash for construction or acquisition of plant assets. Cost does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be immediately expensed and not recorded in the investment.

**1131.02 Taxes Receivable – Bond Redemption and Interest:** This account should show the uncollected property taxes levy for public hospital district bond redemption and interest.

**1464.00 Unamortized Bond Issue Expense:** You should charge substantial expenditures made in connection with the issuance of bonds to this account. Expenditures include legal fees, bond printing costs, and election expenses.

Bond expense should be amortized over the life of the bonds. You should credit periodic entries for amortization to this account and debit to cost center 8890 - "Amortization."

The balance of this account, and related amortization, should be detailed and identify the debt expense applicable to each bond issue.

## Liabilities

2263.2

**2021.01 Warrants Payable – Operations:** The balance of this account represents warrants issued by the district for general or operating purposes. A warrant issued in payment of an obligation is a draft on the treasurer to pay money by check or cash when the warrant presents for redemption.

**2021.02 Warrants Payable – Bond Redemption and Interest:** The balance of this account should record warrants payable from the bond redemption and interest funds of the district which are not yet redeemed by the district treasurer.

**2021.03 Warrants Payable – Construction Fund:** The balance of this account should record warrants payable from the construction funds of the district which are not yet redeemed by the district treasurer.

**2022.01 Vouchers Payable – Operations:** This account records liabilities incurred for general or operating purposes for warrants not issued as of the balance sheet date.

**2022.03 Vouchers Payable – Construction Fund:** This account records liabilities at the balance sheet date. They are paid from construction funds for warrants not yet issued.

**2250.00 General Obligation Bonds Payable:** This account represents the face (par) value of issued and unmatured hospital bonds on the balance sheet date. Maintain separate sub-accounts using accounts 2250.01 to 2250.99 for each class and series of bonds.

**2270.00 Unamortized Premium on Bonds:** You can sell public hospital bonds at a price more than the face (par) value of the bonds. The excess is a premium amortized over the life of the bonds. Use either the straight- line or bonds outstanding method of amortization.

The balance of this account should represent the unamortized premium at the balance sheet date. You should periodically debit amounts of amortization concurrently credited to cost center 8890 - "Amortization."

## Fund Balance

2263.3

**2411.00 Equity from Grants and Donations**

**2412.00 Equity from Hospital Operations**

**2413.00 Equity from Taxation**

Unrestricted fund balances represent the net assets of the unrestricted fund. They are the difference between the total of unrestricted fund assets and unrestricted fund liabilities. You should maintain separate sub-accounts to record the cumulative credit arising from donations, grants, and contributions; from the district hospital annual operating revenue or loss; and from district property taxes levied for redemption of public hospital bonds or for capital improvements. Taxes levied for operations and public hospital bond interest are not credited to this account but rather to accounts 5120.00 and 5140.00.



## Tax Revenue

2263.4

**5120.00 Taxation for Operations:** You should credit this account annually with the amount of district property taxes levied for operating purposes. You should also credit to the account all amounts receivable for taxes levied for maintenance and operation of the hospital.

**5130.00 Taxation for Principal on Public Hospital Bonds:** You should credit this account annually with the amount of district property taxes levied for principal on public hospital bonds. Please allocate taxation for bond redemption and interest between Accounts 5130.00 and 5140.00.

If taxation for bond redemption and interest is not sufficient to cover both principal and interest, the deficit should reflect in Account 5140.00, "Taxation for Interest on Public Hospital Bonds." However, if there is any excess of taxation over the current need for principal and interest, the excess shall reflect in Account 5130.00, "Taxation for Principal on Public Hospital Bonds."

**5140.00 Taxation for Interest on Public Hospital Bonds:** You should credit this account annually with the amount of district property taxes levied for interest on public hospital bonds. The credit balance in this account should not exceed the amount in cost center 8870.85 "Interest - Public Hospital Bonds."

## Natural Classification of Expense

2263.6

### 95 Interest - Public Hospital Bonds

#### .95 Interest - Unredeemed Warrants

These classifications should record interest in cost centers 8860 and 8870.

**.96 Amortization:** You should use this classification in cost center 8890 "Amortization" to record the amortization of expenditures made in connection with the organization of a hospital district and/or the issuance of bonds. Contra-accounts are (1470 - 1479) "Pre-opening and other Organizational Costs" and (1460 - 1469) "Unamortized Loan Costs."

**.99 Election Expenses:** This classification should record expenses of the hospital district in connection with the holding of elections.



DOH 689-188 January 2025

To request this document in another format, call 1-800-525-0127. Deaf or hard of hearing customers, please call 711 (Washington Relay) or email [doh.information@doh.wa.gov](mailto:doh.information@doh.wa.gov)