

DIB – TYPES OF FUNDS

School District revenue will be deposited in one of the funds authorized by law. Sources for School District revenue:

- income from school property;
- borrowing through bonds, capital outlay certificates, or promissory notes;
- local property taxes;
- funds received from federal, state or other political subdivisions;
- funds received from individuals or organizations through paid admission or facility use;
- funds received from fines and penalties;
- funds held in a trustee capacity for others; and
- funds received by the District from any other source.

The following are the primary funds of the School District:

General Fund - The general fund is the fund to meet all the operational costs of the District, excluding capital outlay fund and special education fund expenditures, and to redeem all outstanding warrants against the general fund. The general fund may be used to purchase or lease computer hardware and software.

Capital Outlay Fund -The capital outlay fund is used to pay for:

- acquisition of land or facilities
- construction of new facilities
- additions to and remodeling of current facilities
- improvement of grounds
- purchase or lease of equipment
- installment or lease-purchase payments for the purchase of real property facilities, or equipment, which have a contracted terminal date not exceeding twenty years from the date of the installment contract or lease-purchase payment of the principal of and interest on capital outlay certificates
- purchase of textbooks
- purchase or renewal of instructional software
- purchase of warranties on capital assets if the warranties do not include supplies
- bussing contracts, not to exceed fifteen percent of the contract amount, if the District contracts for student transportation mileage reimbursements, not to exceed fifteen percent of the reimbursement costs, if the District reimburses for mileage instead of providing transportation. Out of the total tax revenues deposited into the capital outlay fund during the current school fiscal year, the Board may transfer up to forty-five percent from the District's capital outlay fund to the District's general fund.

Special Education Fund - The proceeds derived from the special education levy shall be placed in the special education fund and used to pay for the special education of children in need of

special education or special education and related services. Money in the special education fund may be expended for the purchase or lease of any assistive technology that is directly related to special education and specified in a student's individualized education plan.

Impact Aid Fund - Funds received from the federal government under the provisions of Title VIII of the Elementary and Secondary Education Act for basic support shall be deposited into the Title VIII of the Elementary and Secondary Education Act (Impact Aid) fund. Transfers shall be made to other District funds authorized by law, and made at the discretion of the Board.

Bond Redemption Funds - Payment of interest and principal on all bonded indebtedness must be paid from bond redemption funds. Enterprise Funds – Funds from any activity for which a fee is charged are deposited into enterprise fund ASBSD Sample Policies Associated School Boards of South Dakota accounts. Examples of enterprise fund accounts are Food Service Fund, Daycare, Before and After School Programs, Preschool, and other non-credit activities for which students or parents pay a fee.

Fiduciary Funds - Fiduciary fund accounts are used when the District holds funds in a trustee capacity for others. Examples include: Custodial funds (such as class, booster club and post prom accounts) and Private Purpose Trust Funds (such as scholarship funds).

Federal Funds - 200.302 Financial management.

(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450.

(b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.334, 200.335, 200.336, and 200.337):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports

on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303.

(5) Comparison of expenditures with budget amounts for each Federal award.

(6) Written procedures to implement the requirements of § 200.305.

(7) Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

Adopted: April 12, 2021