

MANAGEMENT SUPPORT SERVICES

System of Funds and Accounts

The District shall maintain a system of funds with the county treasurer in accordance with state law and the accounting manual approved by the state superintendent of public instruction. The funds are:

A. General Fund

The General Fund (GF) is financed primarily from local taxes, state support funds, federal grants, and local receipts. These revenues are used specifically for financing the ordinary and legally authorized operations of the District for all grades.

The GF includes money which has been segregated for the purpose of carrying on specific activities such as the basic education program, the special education program and so on. The GF is managed in accordance with special regulations, restrictions and limitations and constitutes an independent fiscal and accounting entity.

B. Capital Projects Fund

The Capital Projects Fund (CPF) contains the proceeds from the sale of voted bonds (unlimited tax general obligation bonds) and non-voted bonds (limited general obligation bonds), state of Washington financing assistance (state matching money) transfers from the District's basic education allotment, the proceeds of special levies earmarked for building purposes, earnings from capital projects fund investments, growth management impact fees, state environmental protection act mitigation payments, rental or lease proceeds, and proceeds from the sale of property, federal, state, and local capital improvement grants, and federal heavy impact aid.

Permissible expenditures from the proceeds derived from the sale of voted bonds, including the investment earnings thereon, is governed expressly by state law and, may include the acquisition of land or existing buildings, improvements to buildings and/or grounds, design and construction and/or remodeling of buildings, or initial equipment; provided that, the bond election resolution and ballot proposition approved by the voters authorizing the bonds includes these items. The Washington Constitution prohibits the use of voted bond proceeds to replace equipment. Proceeds from other sources are also governed by state law and may be used for major renovation and replacement including but not limited to roofing, heating and ventilating systems, floor covering and electrical systems; renovation of play fields and other district real property; energy audits, capital improvements and major items of equipment, furniture and implementing technology systems, facilities and projects, including acquiring hardware, licensing software and on-line applications that are an integral part of the district's technology systems.

C. Debt Service Fund

The Debt Service Fund (DSF) is for the payment of principal of and interest on outstanding voted and non-voted bonds. Disbursements are made by the county treasurer by means of treasurer's checks.

Provision shall be made annually for the making of a levy sufficient to meet the annual payments of principal and semiannual payments of interest. The District may transfer surplus investment earnings from the DSF to any other school district fund; provided that, such investment earnings are spent only for instructional supplies, equipment or capital outlay purposes. The proceeds from the sale of real property may be placed in the DSF or CPF, except for the amount required to be expended for the costs associated with the sale of such property.

D. Associated Student Body Program Fund

The Board is responsible for the protection and control of student body financial resources just as it is for other public funds placed in its custody. The financial resources of the Associated Student Body Program Fund (ASB Fund) are for the benefit of students. Student involvement in the decision-making processes related to the use of this money is an integral part of the associated student body, except that the Board may delegate the authority to a staff member to act as the associated student body for any school which contains no grade higher than grade six.

Money in the ASB Fund is public money and may not be used to support or oppose any political candidate or ballot measure. Money raised by students through recognized student body organizations shall be deposited in and disbursed from the ASB Fund which is maintained by the county treasurer. The ASB Fund is subject to management and accounting procedures, which are similar to those required for all other district moneys. ASB constitutions shall provide for participation by ASB representatives in the decisions to budget for and disburse ASB Fund money. Private non-associated student body fund moneys raised for scholarships, student exchanges and charitable purposes shall be held in trust by the district.

E. Transportation Vehicle Fund

The Transportation Vehicle Fund (TVF) includes the proceeds from the sale of transportation vehicles; lease, rental, non-voted bonds, or occasional use of surplus buses; depreciation reimbursement for District-owned buses; proceeds of (TVF) levies; optional transfers from the GF; and investment funds coming from the TVF may be used to purchase and/or rebuild buses on a contract or cash basis. TVF may also be used to perform major repairs of a school bus receiving prior approval of the Office of Superintendent of Public Instruction.

Money may be transferred from the TVF to the DSF exclusively for the payment of principal of and interest on non-voted debt incurred by the TVF. Such a transfer does not constitute a transfer of money from the TVF within the meaning of RCW 28A.160.130.

The District shall maintain a system of bank accounts as follows:

- A. A District depository and/or transmittal bank account;
- B. An associated student body imprest bank account for each school having an associated student body organization approved by the Board; and
- C. Petty cash accounts in such numbers as are necessary to meet the petty cash needs of the schools and divisions of the District.

Each petty cash account shall be approved by the Board. The administrator of the school or department shall be responsible for the fund.

The superintendent shall establish procedures for the management of District bank accounts.

Legal References:

Washington Constitution., Article VII, § 2 Voted bond proceeds and capital levy proceeds – Uses
RCW 28A.330.320 Investment of funds of district
RCW 28A.320.330 School funds enumerated--Deposits in -Uses
RCW 28A.325.010 Fees for optional noncredit extra curricular events--Disposition
RCW 28A.325.020 Associated student bodies--Powers and responsibilities affecting
RCW 28A.325.030 Associated student body program fund fund-raising activities-nonassociated student body program fund moneys
RCW 28A.335.060 Surplus school property – Rental, lease or use of – disposition of moneys received from
RCW 28A.505.140 Rules and regulations for budgetary procedures--Review when superintendent [SPI] determines budget irregularity--Revised budget, state board's financial plan until adoption
RCW 28A.530.010 Purposes for use of voted bond proceeds
RCW 28A.530.020 Bond issuance – Election – Resolution to specify purposes
RCW 28A.530.080 Additional authority to contract indebtedness
RCW 42.17.130 Use of public office or agency facilities in campaigns – Prohibition - Exceptions
RCW 43.09.200 Division of municipal corporations--Uniform system of accounting
RCW 43.09.210 Division of municipal corporations--Separate accounts for each fund or activity
RCW 84.52.053 Levies by school districts authorized – When – Procedure
RCW 84.52.056 Excess levies for capital purposes authorized
WAC 392-123 Finance--School District Budgeting
WAC 392-138 Finance--Associated Student Body Moneys
WAC 392-142-260 Petty cash funds
State Auditor Bulletin #301, III(E), Petty Cash

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