

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 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 or and interest on capital outlay certificates
 - Purchase of textbooks

- o Purchase of renewal of instructional software
 - o Purchase of warranties on capital assets if the warranties do not include supplies
 - o Bussing contracts, not to exceed fifteen percent (15%) of the contract amount, if the District contracts for student transportation
 - o Mileage reimbursements, not to exceed fifteen percent (15%) of the reimbursement costs, if the District reimburses for mileage instead of providing transportation
- **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 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).

LEGAL REFS.: SD DLA; SDCL 13-8-39.2; 13-8-50; 13-16-1; 13-16-2;
13-16-3; 13-16-4; 13-16-6; 13-16-13; 13-16-30; 13-16-31; 13-28-
5; 13-30-3; 13-37-16

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