

DEPOSITORY OF FUNDS

Each year at its annual meeting, the board will designate by resolution the name and location of the Iowa located financial depository institution or institutions to serve as the official school district depository or depositories. The maximum deposit amount to be kept in the depository will be stated in the resolution. The amount stated in the resolution must be for all depositories and include all of the school district's funds.

It is the responsibility of the board secretary to include the resolution in the minutes of the meeting.

Legal Reference: Iowa Code §§ 122C; 279.33 (2013).

Cross Reference: 210.1 Annual Meeting  
206.4 Treasurer [*or 206.3, Secretary-Treasurer*]  
704.1 Local - State - Federal - Miscellaneous Revenue

Approved: 1/08

Reviewed: 6/11, 7/15

Revised:

TRANSFER OF FUNDS

When the necessity for a fund has ceased to exist, the balance may be transferred to another fund or account by board resolution. School district monies received without a designated purpose may be transferred in this manner. School district monies received for a specific purpose or upon vote of the people may only be transferred, by board resolution when the purpose for which the monies were received has been completed. Voter approval is required to transfer monies to the general fund from the capital projects fund and debt service fund.

It is the responsibility of the board secretary to make recommendations to the board regarding transfers and to provide the documentation justifying the transfer.

Legal Reference: Iowa Code §§ 24.21-.22; 279.8; 298A (2013).

Cross Reference: 701.3 Financial Records  
703 Budget  
704.2 Sale of Bonds

Approved: 1/08

Reviewed: 6/11, 7/15

Revised:

## FINANCIAL RECORDS

Financial records of the school district are maintained in accordance with generally accepted accounting principles (GAAP) as required or modified by law. School district monies are received and expended from the appropriate fund and/or account. The funds and accounts of the school district will include, but not be limited to:

## Governmental fund type:

- General fund
- Special revenue fund
  - Management levy fund
  - Physical plant and equipment levy fund
  - Public education and recreation levy fund
  - Student activity fund
- Capital projects fund
- Debt service fund

## Proprietary fund type:

- Enterprise fund
  - School nutrition fund
  - Child care fund
- Internal service fund

## Fiduciary funds:

- Trust or agency funds
  - Expendable trust funds
  - Nonexpendable trust funds
  - Agency funds
  - Pension trust funds

## Account groups:

- General fixed assets account group
- General long-term debt account group

As necessary the board may, by board resolution, create additional funds within the governmental, proprietary and fiduciary fund types. The resolution shall state the type of fund, name of the fund and purpose of the fund.

The general fund is used primarily for the education program. Special revenue funds are used to account for monies restricted to a specific use by law. Proprietary funds account for operations of the school district operated similar to private business, and they account for the costs of providing goods and services provided by one department to other departments on a cost reimbursement basis. Fiduciary funds are used to account for monies or assets held by the school district on behalf of, or in trust for, another entity. The account groups are the accounting records for fixed assets and long-term debt.

It is the responsibility of the superintendent to implement this policy and bring necessary changes in the maintenance of the school district's financial records to the attention of the board.

Legal Reference: Iowa Code §§ 11.23; 298A (2013).

Cross Reference: 704 Revenue  
705 Expenditures

Approved: 1/08

Reviewed: 6/11, 7/15

Revised:

GOVERNMENTAL ACCOUNTING PRACTICES AND REGULATIONS

School district accounting practices will follow state and federal laws and regulations, generally accepted accounting principles (GAA) and the uniform financial accounting system provided by the Iowa Department of Education. As advised by the school district's auditor, determination of liabilities and assets, prioritization of expenditures of governmental funds and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

In Governmental Accounting Standards Board (GASB) Statement No. 54, the board identifies the order of spending unrestricted resources applying the highest level of classification of fund balance – restricted, committed, assigned, and unassigned – while honoring constraints on the specific purposes for which amounts in those fund balances can be spent. A formal board action is required to establish, modify and/or rescind a committed fund balance. The resolution will state the exact dollar amount. In the event, the board chooses to make changes or rescind the committed fund balance, formal board action is required.

The Board authorizes the superintendent and/or the board secretary to assign amounts to a specific purpose in compliance with GASB 54. An 'assigned fund balance' should also be reported in the order of spending unrestricted resources, but is not restricted or committed.

It is the responsibility of the superintendent to develop administrative regulations implementing this policy. It is also the responsibility of the superintendent to make recommendations to the board regarding fund balance designations.

Legal Reference: Iowa Code §§ 257.31(4); 279.8; 297.22-.25; 298A (2013)

Cross Reference: 701.3 Financial Records  
703 Budget  
704 Revenue

Approved: 1/08

Reviewed: 10/11, 7/15

Revised: