

HOUSE RESEARCH

Bill Summary

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Overview

The legislature requires school districts to adopt and use a uniform system of records and accounting for public schools. The adopted system, a modified accrual accounting system, is known as Uniform Financial Accounting and Reporting Standards (UFARS). Under UFARS and state laws, every district must maintain a series of funds and reserve accounts, and transfers among funds are limited. A school district is also prohibited from diverting money from a reserved account to another purpose.

A special law passed in 2013 (see Laws 2013, chapter 116, article 7, section 19), and applying for FY 2014 and FY 2015 only, allows a school district to make transfers among accounts and funds if the transfer doesn't change the district's state aid or local levy authority. Transfers are prohibited from the community service fund and the food service fund. Transfers are allowed among accounts in the community service fund.

This bill authorizes the Barnum school district to transfer money between its ECFE reserved account and its school readiness reserved account.

Section

- 1 Community service fund account transfers; Barnum school district.** Authorizes the Barnum school district to transfer any positive balances between its early childhood family education (ECFE) reserved account and the school readiness reserved account through fiscal year 2018. Allows the transfer to proceed only after the Barnum school board has taken public testimony on the proposed transfer and approved a written resolution authorizing the transfer.