

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Kathy Johnson, director, finance, ext. 2376

Re: Transfer of Summer School Funds to General Fund

Date: May 19, 2016

Background:

Under 2015 House Substitute for Senate Bill 7, the Board of Education can elect to transfer back to General Fund, unencumbered fund balances from certain special revenue funds. The Summer School Fund is one of these funds. The Board of Education for the 2015-16 budget year did not initially make an election to do this. Instead, the budget was built with smaller transfers to the special revenue funds that receive transfers and in turn using unencumbered cash balances in lieu of the transfer.

The Summer School Fund does not receive a transfer from the General or LOB Funds, so there is no transfer to reduce. After careful review of the summer school fund's unencumbered cash balances, plus revenues and expenditures over time, there is a portion of funds that could be transferred out of the Summer School Fund and not have a negative impact on current summer school programming.

Rationale:

Current summer school programming is the Novice Music program and the high school Summer Weights and Conditioning program. Both are fee-based programs. The fee charged is to offset expenditures incurred as closely as possible.

The unencumbered cash balance has been stable and, in fact, increased some over the past four years.

<b>Source: State Budget Forms and USD497 Financials</b>	<b>2012-2013 Actual</b>	<b>2013-2014 Actual</b>	<b>2014-2015 Actual</b>	<b>2015-2016 Est. Actual</b>	<b>2016-2017 Est. Budget</b>
Beginning Unencumbered Cash	151,551	168,326	178,326	197,549	82,549
Revenues	27,365	26,845	41,975	40,000	25,000
Expenditures	10,590	16,845	22,752	30,000	25,000
Transfer Out - Proposed		0	0	125,000	0
<b>Ending Unencumbered Cash</b>	<b>168,326</b>	<b>178,326</b>	<b>197,549</b>	<b>82,549</b>	<b>85,549</b>

Recommendation:

Administration recommends board approval of a transfer back to the district's General Fund from the Summer School Fund up to the amount of \$125,000, providing revenues to help offset excess expenditures in the district's general operating funds.

Motion:

"I move the Board of Education approve a transfer from the Summer School Fund to the General Fund of up to the amount of \$125,000 during the 2015-16 fiscal year."