

Fund Accounting

Financial administration requires that each transaction be identified for administrative and accounting purposes. The first identification is by “fund” which is an independent fiscal and accounting entity, requiring its own set of books, in accordance with special regulations, restrictions, and limitations that earmark each fund for a specific activity or for attaining certain objectives. Each fund must be so accounted for that the identity of its resources and obligations and its revenues and expenditures is continually maintained.

All funds used by Wisconsin school districts must be classified into one of nine “fund types”. The major fund types are the General Fund, Special Projects Fund, Debt Service Fund, Capital Projects Fund, Food Service Fund, Agency (Pupil Activity) Fund, Fiduciary Fund, Community Service Fund, and Package and Cooperative Program Fund.

Wisconsin school districts may not need all of these fund groups at any given time. The General, Debt Service, Food Service, Pupil Activity, and Special Projects Funds will undoubtedly encompass the majority of the transactional activity that will occur in the school district. The remaining fund groups, however, are still material to the overall presentation of the financial position of the school district and as such should be maintained and reported accordingly.

Wisconsin Uniform Financial Accounting Requirements (WUFAR) Sequence of Dimensions

WUFAR, being a multidimensional accounting system with independent dimensions, could be used in many account code configurations as determined by the user. This would, however, create confusion regarding inter-district comparisons. In order to ensure statewide uniformity, the sequence of dimensions below should be utilized for dimensions that are employed on all documents of origination: i.e., requisitions, purchase orders, voucher jackets:

Fund	Location/Organization	Object or Source	Function	Program/Project
XX	---	XXX	---	XXX XXX --- XXX

The following are funds reported in the school district's Annual and Budget reports to the DPI categorized by the activities that occur within the funds. The reported funds in each category have similar function-object expenditure coding.

Instructional Funds

Instructional funds are funds where elementary and secondary instruction (i.e. K-12) activities (100 000 function series) pupil support activities (210 000 function series) or instructional staff support (220 000 function series) are recorded.

Fund 10 General Fund

This fund is used to account for all financial transactions relating to the district's current operations, except for those required to be accounted for in other funds.

Fund 21 Special Revenue Trust Fund

This fund is used to account for trust funds that can be used for district operations. The source of such funds is gifts and donations. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 27 Special Education Fund

This fund is used to account for the excess cost of providing special education and related services for students with disabilities during the regular school year or extended school year. Also included are charges for services provided to other districts as a result of being a host district for a special education package or cooperative program. School Age Parent costs are also charged to this fund. No fund balance or deficit can exist in this fund.

Fund 99 Other Package and Cooperative Program Fund

This fund is to be used for all other types of cooperative instructional funds. No fund balance or deficit can exist in this fund. Special education related cooperative programs should be accounted for in Fund 27.

Debt Service Funds

These funds are used for recording transactions related to repayment of general obligation debts. Debt tax levies must be recorded in these funds. The resources in these funds may not be used for any other purpose as long as a related debt remains. For this reason, separate checking and/or investment accounts for debt service funds is utilized.

Fund 39 Referendum Approved Debt Service Funds

This fund is used to account for transactions for the repayment of debt issues that were either authorized by school board resolution or approved by referendum. The fall tax levy includes the debt payment (principal and interest) due in the following calendar year. The annual expense includes the principal and interest payments due in the current fiscal year.

Capital Projects Funds

These funds are used to account for expenditures financed through the use of bonds issued per statute 67.12(12). Capital projects funded through other sources of revenue such as gifts, grants, sale of capital objects, etc. may be accounted for in these funds depending on the circumstances. Proceeds from the sale of buildings, sites and equipment may be placed in this fund. Any balance remaining in a sub-fund established with borrowing proceeds must be transferred to the related debt service fund account upon project completion.

The resources in capital projects funds may not be used for any purpose other than that for which the fund was established. For this reason a separate investment account for these funds is utilized.

Fund 49 Other Capital Project Fund

The District accounts for revenue and expenses related to the 2019 referendum in this fund. Revenue may include gifts, investment interest and other income related to the project. Expenses include architectural, construction, and other related costs. A fund balance may exist in this fund.

Food and Community Service Funds

These funds are used to account and report transactions of the district's food and community service activities. No K-12 instructional (100 000 series) or instructional support related functions are recorded in these funds.

Fund 50 Food Service Fund

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. A fund balance in the Food Service Fund is permitted. There may be no deficit in the district's Food Service Fund. Any food service fund deficit, resulting from **student** food services, must be eliminated by an operating transfer from the General Fund.

Fund 80 Community Service Fund

This fund is used to account for activities such as adult education, community recreation programs such as evening swimming pool operation and other programs which are not elementary and secondary educational programs but have the primary function of serving the community. Actual, additional expenditures for these activities, includes salaries, benefits, travel, purchased services, etc. are to be included in this fund to the extent feasible. The district may adopt a separate tax levy for this Fund.

Statute 120.13(19) permits a school board to establish and maintain community education, training, recreational, cultural or athletic programs and services, outside regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the costs of such programs and services.

The school board must establish a Community Service Fund pursuant to s. 120.13(19). A budget for the Community Service Fund must be adopted as required by s. 65.90. Any tax necessary to operate the Community Service Fund is considered an "operation" levy subject to s. 120.10(8) and s. 120.12(3).

Access to Community Service Fund activities cannot be limited to pupils enrolled in the district's K-12 educational programs. Other funds, such as the General Fund and the Special Projects Funds, carry out the day to day K-12 educational operations of the district. All activities associated with a well-rounded curriculum (curricular and extra-curricular activities) are to be accounted for in these funds and in pupil organization accounts contained in the Agency Fund (Fund 60).

Excluded from a Community Service Fund are any academic subjects and extra-curricular activities available only to pupils enrolled in the district. Student activities such as inter-scholastic athletics and other extra-curricular activities, pupil clubs, dances, field trips, student seminars and symposiums also may not be funded through Community Service.

A school board may, under s. 120.13(17), grant temporary use of school grounds, buildings, facilities or equipment, under conditions, including fees as determined by the school board. A Community Service Fund should not be established for providing access to district property for organizations such as youth, theater, and other groups not under the control of the school board unless the district is incurring additional direct cost that will not be recovered through fees, therefore requiring a tax levy subsidy.

Agency Fund

Fund 60 Agency Fund (Student Activity Accounts)

This fund is used primarily to account for assets held by the district for pupil organizations. Funds held for parent organizations may be accounted for in this fund and are accounted for as a liability to the parent organization. Parent organization funds may be accounted for in Fund 60. The parent organization may not be a separate 501(c) (3) entity.

Only balance sheet accounts for this fund are reported in the Budget and Annual Reports. However, auxiliary records of receipts and disbursements must be maintained in at locations administering the accounts. Pupil organizations accounted for in this fund may give money to the district. It is recorded as a gift in the receiving fund.

Trust Funds

These funds are used to account for assets held by the district in a trustee capacity for individuals, private organizations, other governments and/or other funds.

Fund 72 Private Purpose Trust Fund

This fund is used to account for gifts and donations specified for the benefit of private individuals and organizations not under the control of the school board. Scholarships are recorded in this fund. Cash and investments in this fund are expended pursuant to donor specifications. There may be a fund balance in this fund.

Fund 73 Employee Benefit Trust Fund

This fund is used to account for resources held in trust for formally established defined benefit pension plans, defined contribution plans, or employee benefit plans. Such plans must be legally established in accordance with state statutes, federal laws and Internal Revenue Service requirements. Specific requirements for use of this fund have been established by the Department of Public Instruction. This fund applies to all post-employment benefit plans where the district is providing such benefits by contribution to a legally established irrevocable trust.