

# HOUSE RESEARCH

## Bill Summary

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**Authors:** Moe

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**Analyst:** Tim Strom, 651-296-1886

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### Overview

School districts are required to adopt and use a uniform system of records and accounting. The adopted system, a modified accrual accounting system, is known as Uniform Financial Accounting and Reporting System (UFARS). Under UFARS (see Minn. Stat. §§ 123B.75 to 123B.83), every district must maintain three operating funds and three nonoperating funds. UFARS and the state's public indebtedness statute for municipalities prohibit certain types of fund transfers between nonoperating and operating funds.

A school district is also prohibited from diverting money from a reserved account to another purpose. Money in the reserved for disability access account that was raised from the disability access levy must be reserved and spent only on accessibility projects.

This bill authorizes Independent School District No. 118, Northland, to transfer up to \$196,905 from its reserved account for disability access to its undesignated general fund balance.

#### Section

- 1 Fund transfer; Northland.** Authorizes Independent School District No. 118, Northland, to transfer up to \$196,905 from its disability access account to its operating capital account in the general fund balance.