

Overview of Major Funds

Schools in the State of Indiana must follow a prescribed set of rules called Fund Accounting. Specific funds are allocated for each specific type of activity.

Fund 0101 Education Fund

The Education Fund is to be used to record all receipts of tuition support distributions and disbursements for expenses allocated to student instruction and learning. Per IC 20-40-2-6, transfers are allowed from the Education Fund to the Operations Fund after they are authorized by the governing body in a public meeting typically during the budgeting process. The transfers would allow for tuition support distributions to be used for expenditures not allocated to student instruction and learning.

Fund 0200 Debt Service Fund

The fund is to be used to record all receipts and disbursements for (1) all debt and other obligations arising out of funds borrowed or advanced for school buildings when purchased from the proceeds of a bond issue for capital construction; (2) a lease to provide capital construction; (3) interest on emergency and temporary loans; (4) all debt and other obligations arising out of funds borrowed or advanced for the purchase or lease of school buses when purchased or leased from the proceeds of a bond issue, or from money obtained from a loan made under IC 20-27-4-5, for that purpose; (5) all debt and other obligations arising out of funds borrowed to pay judgments against the school corporation; or (6) all debt and other obligations arising out of funds borrowed to purchase equipment. Included are payments of school bonds and coupons, lease-rental agreements, civil bond obligations assumed through reorganization, veterans' memorial fund repayments and common school fund repayments, but shall not include emergency and temporary loans obtained for the benefit of any other fund.

Fund 0300 Operations Fund

The Operations Fund shall be used to record receipts of the operation property tax levy; may be used to record receipts of excise taxes and local income tax; and transfers from the Education fund or Operating Referendum Tax Levy Fund. The Operations fund may be used to carry out a capital projects plan; to pay transportation costs; to carry out a school bus replacement plan; or to pay expenses allocated to overhead and operational activities. This fund is used for all expenses that formerly fell under the Capital Projects Fund, Transportation Operating Fund and the Bus Replacement Fund.

Funds 0700-0729

These are funds created through the sale of bonds either through the normal General Obligation bond process or lease financing. Typically used for capital-type expenditures like construction, equipment purchases, bus purchases, large maintenance projects, roofing, etc.

Fund 0800 School Lunch Fund

This fund is to be used to record all receipts from the sale of lunches, federal and state reimbursement, gifts and other receipts. The School Lunch Fund will also be used to record all disbursements for personal service, food, supplies and equipment for the school lunch program.

Fund 0900 Curricular Materials Rental Fund

This fund is to be used to record receipts of fees collected for rent of curricular materials furnished to students; also, to record disbursements for purchase of curricular materials, for repair of curricular materials and for supplemental materials to be used with rented curricular materials furnished to students for a designated fee. Disbursements from the fund may be made without appropriation or the application of other laws relating to budgets of municipal corporations.

Funds 1000-2999

These are considered local funds and can include items such as our self-insurance funds, local donations, local grants, etc.

Funds 3000-3999

These funds are for state grants such as the Formative Assessment Grant, Special Education Excess Cost, High Ability, Adult Education, Secured Safety Grant, etc. Funds come directly from the Indiana Department of Education (or other state departments) and are not passed through from the federal government. Many of these grants often run into the negative as they are “reimbursable” grants. This means that we must expend (spend) funds before receiving reimbursement from the appropriate entities overseeing the grants.

Funds 4000-7999

Funds in this range are federal grants such as Title I, Title II, Title III, Special Education, Carl Perkins Vocational, and ESSER. Federal grants typically run in the negative as they are “reimbursable” grants. This means that we must expend (spend) funds before receiving reimbursement from the appropriate entities overseeing the grants.

Funds 8000-9999

Funds in this range are clearing funds. Clearing funds are basically “in and out” accounts in which money flows in and out of typically for things like taxes and benefits. As an example, when payroll processing is done, the federal taxes out of an employee’s paycheck flows into a clearing fund. When we pay that tax back out after payroll is complete, the expense comes from the same clearing fund.