

ADMINISTRATIVE REPORT

DATE: November 11, 2021
TOPIC: 8.6 – Approve Resolution regarding Fund Balance Transfers
PRESENTER: Dan Pyan – Director of Finance and Operations
REFERENCE TO POLICY/STATUTE: 701 School District Budget

A. PURPOSE OF REPORT

- a. Minnesota state law allows Minnesota school districts to transfer operating funds, including restricted and reserved funds, for the fiscal years of 2020 and 2021 to help offset costs in other operating funds from the COVID-19 pandemic.
- b. To facilitate a transfer, a School Board must pass a resolution and submit a “Request for Fund Transfer” to the Minnesota Department of Education.
- c. South Washington County Schools is requesting to transfer \$500,000 from the General Fund reserve for State Approved Alternative Programs to the Community Education reserve due to COVID related impacts, in particular, the decreased fee-based revenue related to inability to hire staff and more requirements for COVID-19 related protocols. The resolution and request to transfer is attached.

B. RECOMMENDATION

- a. Administration recommends approval of the resolution.



Transfer of Funds Request under Minnesota Laws 2020, Chapter 116/House File 4415, Article 3 Section 8

Please submit this form with attachments via email to MDE.UFARS-Accounting@state.mn.us.

District Information

District Name: South Washington County Schools District Number: 833 District Type: 01
Superintendent's Name: Julie Nielsen Fiscal Year: 2021
Requested Amount of Transfer: \$ 500,000

	Fund	Program Code	Finance Code	Balance Sheet Reserve Account Number	Balance Sheet Reserve Name	Funding Statute
To:	04	570	321	431	Community Education	Minn. Stat. 124D.20
From:	01	211	305	436	State Approved Alternative Programs	Minn. Stat. 126C.05, subd. 15

Summarize the intended purpose and uses of the transferred funds (Please be specific):

The intended purpose and use of the transferred funds is to provide financial support to the Community Education fund due to COVID related impacts, in particular the increased costs to provide proper COVID protocols and decreased fee-based revenue. The fund transfer will not interfere with the equitable delivery of distance learning or social distancing models.

The following must be attached:

- ☐ Copy of the board resolution stating the fund transfer must not interfere with the equitable delivery of distance learning or social distancing models.
- ☐ Copy of the board minutes documenting adoption of the board resolution (above) and board approval for the transfer of funds in the amount of this application.

Verification of Information

I hereby verify that the information provided on this form is true and accurate to the best of my knowledge.

Superintendent – Signature

11/18/2021
Date

Board Chair or Board Designee – Signature

11/18/2021
Date

The following resolution was moved by _____ and seconded by _____:

RESOLUTION REGARDING FUND BALANCE TRANSFERS

WHEREAS, Minnesota Laws 2020, Chapter 116/House File 4415, Article 3 Section 8, Subdivision 1, which stated in part:

“Section 8. FUND TRANSFERS; FISCAL YEARS 2020 AND 2021 ONLY. Subdivision 1.

Fund and account transfers allowed. Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal years 2020 and 2021 only, a school district, charter school, or cooperative unit may transfer any funds not already assigned to or encumbered by staff salary and benefits, or otherwise encumbered by federal law, from any accounts or operating fund to the undesignated balance in any other operating fund...”

WHEREAS, a fund transfer is allowed if the transfer meets the criteria set forth in Section 8 of Minnesota Laws 2020, Chapter 116/House File 4415, Article 3:

1. The transfer does not increase state aid obligations to the district or result in additional property tax authority for the district or charter school.
2. A transfer is limited to the operating funds of a district or charter school.
3. A school board must approve a fund transfer by the fiscal year reporting deadline.
4. A district or charter school must maintain accounting records for the purpose of this Executive Order that are sufficient to document both the specific funds transferred and use of those funds. Such accounting records are subject to auditor review.
5. Any execution of this flexibility must not interfere with or jeopardize funding per federal requirements.
6. Any transfer must not interfere with the equitable delivery of distance learning or social distancing models

WHEREAS, the School Board of South Washington County Schools, Independent School District 833, has determined that that the criteria identified under Section 8 have been satisfied for a fund transfer pursuant to Minnesota Laws 2020, Chapter 116/House File 4415, Article 3;

WHEREAS, the School Board of Independent School District 833 has reviewed and approved the attached *Request for Fund Transfer*

THEREFORE, BE IT RESOLVED, that the School Board of Independent School District 833 authorizes the School District administration to submit the attached *Request for Fund Transfer*.

The vote on adoption of the Resolution was as follows:

Aye:

Nay:

Absent:

Whereupon, said Resolution was declared duly adopted.

By: _____
Chair

By: _____
Clerk