

NORTH FORK LOCAL SCHOOLS



DOLLAR & SENSE

Volume 1 | Understanding School Finance

Making school finances easier to understand, one dollar at a time.

SCHOOL FINANCE DOESN'T HAVE TO BE COMPLICATED

Let's Start with the Basics

North Fork Local Schools, like all public school districts in Ohio, uses the **Uniform School Accounting System (USAS)**. This system is developed and maintained by the Ohio Auditor of State's Office, with regular updates to ensure consistent financial reporting across school districts.

USAS uses a standardized accounting code system to track financial transactions. These codes are organized into classifications that help identify where money comes from, where it goes, and how it can be spent.

While the accounting codes may seem complicated at first, understanding one important concept can make school finance much easier to follow: **funds**.

In this newsletter, we'll focus on the fund level to explain how district revenue is organized and why certain funds have specific rules for spending.

FOLLOW THE MONEY: IT STARTS WITH REVENUE

Although district revenue is organized into separate funds, the district's financial records must reconcile with its actual cash balances and investments.

When revenue comes in, one of the most important steps is identifying its source and assigning it to the correct fund. This classification determines how the money can legally be used.

For example: Property Tax Revenue

North Fork Local Schools receives property tax settlements twice a year from both Licking County and Knox County.

Although the district receives the funds in a lump sum, the settlement statements provided by the county auditors show how the revenue is allocated between funds, including:

- **General Fund (001)**
- **Permanent Improvement Fund (003)**

This initial classification matters because each fund has its own rules governing how the money may be spent.

GETTING TO KNOW OUR DISTRICT FUNDS

The General Fund and Permanent Improvement Fund aren't the only funds that support our schools! Let's take a closer look at some of the other funds and what they do.

FOOD SERVICE FUND (006)

Supporting Student Meals

Revenue comes primarily from breakfast and lunch fees and the National School Lunch Program (NSLP).

The NSLP provides federal subsidies for qualifying meals that meet U.S. Department of Agriculture (USDA) requirements. If the Food Service Fund ends the fiscal year with a negative balance, the General Fund will cover the deficit with Board approval.

PUBLIC SCHOOL SUPPORT (018)

Supporting School Activities

Revenue comes from local sources such as fundraisers, school picture sales, vending machines, and donations. This fund does not include tax revenue or state funding. Accounts within this fund are normally principal accounts.

LOCAL GRANTS (019)

Investing in Local Opportunities

This fund accounts for grants from **local** organizations and entities, excluding state and federal sources. These grants are restricted to specific purposes and include support from the Licking County Foundation.

OFCC MAINTENANCE FUND (034)

Maintaining Our School Buildings

This fund is supported by a state-required ½-mill tax levy for building improvements through the Ohio Facilities Construction Commission (OFCC). Currently, expenditures are limited to the High School, Utica Elementary, and Newton Elementary buildings.

TERMINATION BENEFITS (035)

Planning for Employee Benefits

This fund requires a transfer from the General Fund. The state established this fund to ensure termination benefits are tracked separately and appropriately.

CAPITAL PROJECTS FUND (070)

Planning for Long-Term Improvements

This fund requires a transfer from the General Fund, and expenditures are limited to capital improvements. The Board must also maintain a plan on file for this fund.

STUDENT-MANAGED STUDENT ACTIVITIES (200)

Student-Led Experiences

Revenue comes from fundraisers and participation fees for student-managed activities, including Student Council, FFA, and National Honor Society.

DISTRICT-MANAGED STUDENT ACTIVITIES (300)

Enriching Student Life

Revenue supports activities managed by the district, including those associated with the Athletic Department, Band, and academic overnight trips.

STATE GRANTS (4XX)

State-Funded Programs

This category includes state grants, such as Bus Safety and Bureau of Workers' Compensation (BWC) funding. These funds are restricted to their designated purposes.

FEDERAL GRANTS (5XX)

Federally Funded Programs

Federal grants include IDEA Part B, Title I, Title II-A, and Title IV. These funds are restricted and must be used in accordance with the requirements of their respective programs.

WHY IT MATTERS

Every dollar has a purpose. Understanding how district funds work helps explain why some revenue can be used for everyday school operations while other revenue must be reserved for specific programs, student activities, or building improvements.

By organizing and tracking revenue carefully, North Fork Local Schools can maintain financial accountability, follow applicable requirements, and make informed decisions in support of our students.

That's Dollar & Sense!

North Fork Local Schools | Financial Transparency Through Understanding

Visit **Northfork.k12.oh.us** to learn more about our district.