

TO USE AS A GUIDE WITH THE MUNIS FINANCIAL REPORT TO HELP  
UNDERSTAND THE REPORT  
PROVIDED TO BOARD OF EDUCATION MONTHLY

- Fund 1, GENERAL FUND – this is the “operating” fund of the school district. The two biggest revenue streams to fund the budget for the district are the taxes collected from the taxpayers along with state funding which is called “SEEK” (Support Education Excellence in Kentucky). Another revenue stream a district could have is what is called beginning balance. This amount is determined by what is left over from the prior year that was not spent in the general fund. This beginning balance fluctuates year-to-year in the district.
- Fund 2, SPECIAL REVENUE FUND – this is where any projects or grants that come into the district are recorded in MUNIS. Some well-known grants are Title 1, IDEA-B, FRYSC, and KETS. Many of these grants are allocated by the number of free & reduced lunch numbers that we have for our district. This free & reduced number does fluctuate yearly.

Also, the district is very competitive in writing grants to help supplement services for our students. Some well-known competitive grants are 21<sup>st</sup> Century, Violence Prevention and McKinney Vento.

# KENTUCKY DEPARTMENT OF EDUCATION

## UNIFORM CHART OF ACCOUNTS

### FUNDS

- 1 General Fund** The primary operating fund of the school district. It is used to account for financial transactions except those required to be accounted for in another fund.
- 2 Special Revenue Fund** These funds account for the proceeds of specific revenue sources (other than trusts or major capital projects) that are legally restricted or committed (by external parties, enabling legislation, or by board action) to expenditure for specified purposes other than debt service or capital projects. Project codes are used to distinguish specific revenue sources.
- 21 Special Revenue District Activity Fund (annual)** Optional fund to account for district activity funds that are legally restricted to expenditure for specified purposes imposed by external parties, enabling legislation, or by board action. Project codes in the range of 7xxx shall be locally assigned to distinguish specific revenue sources and expenditures. This fund shall be used as a single year fund.
- 22 Special Revenue District Activity Fund (multi-year)** Optional fund to account for district activity funds that are legally restricted to expenditure for specified purposes imposed by external parties, enabling legislation, or by board action. Project codes in the range of 7xxx shall be locally assigned to distinguish specific revenue sources and expenditures. This fund shall be used as a multi-year fund.
- 23 Special Revenue Academy Fund (annual)** Fund to account for academy funds that are legally restricted to expenditure for specified purposes imposed by external parties, enabling legislation, or by board action. Project codes are used to distinguish specific revenue sources. This fund shall be used as a single year fund.
- 25 Special Revenue Student Activity Fund (annual)** Fund to account for student activity funds that are legally restricted to expenditure for specified purposes imposed by external parties, enabling legislation, or by board action. Project codes in the range of 7xxx shall be locally assigned to distinguish specific revenue sources and expenditures. This fund shall be used as a single year fund.
- 3XX Capital Projects Funds** These funds account for financial resources that are restricted, committed, or assigned to be used to acquire or construct capital facilities. Common sources of revenue for these funds are capital outlay allotment, building fund tax levies, and bond proceeds.
- 310 Capital Outlay Fund** This fund accounts for the SEEK capital outlay allotment of \$100/AADA required by KRS 157.420 to be kept in a separate account and be used for projects approved by the commissioner of education. Allowable expenditures include the following: direct payment of construction costs, debt service on bonds, lease-rental agreements under which the board will eventually acquire ownership of a school plant, retirement of deficit resulting from over expenditure for capital construction, and reserve fund for these purposes to be carried forward in subsequent fiscal years. Under certain circumstances capital outlay can be used for purchasing land for a new school, modifying an existing school, operating a new school for the first two (2) years, maintenance expenditures, purchasing property insurance, energy conservation measures, current expenses, replacement of equipment, purchase of buses, and purchase of modern technology equipment.
- 320 Building Fund (5 Cent Levy)** This fund accounts for the equivalent tax rate of five cents (\$0.05) as required by KRS 157.440(b) to be placed in a separate fund for the purpose of the Facilities Support Program of Kentucky (FSPK). KRS 157.621 allows districts meeting certain criteria to levy additional taxes. These funds are to be used only for debt service, new facilities, major renovations of existing

## Kentucky Department of Education Uniform Chart of Accounts

school facilities, purchase of land if approved by the commissioner of education, and energy conservation measures.

**360 Construction Fund** (one per project, or bond issue, as needed.) This fund accounts for the costs arising out of the construction, renovation, or remodeling of any school facilities. The construction fund requires revenues and expenditures be accounted for using a project number since it is a multi-year fund where the budgeted amounts may be received and expended over a period extending beyond one fiscal year. A project number should be assigned to any activity requiring a Project Application Form (BG-1) and should reflect the budget as shown on the Proposed Plan to Finance Application section.

**400 Debt Service Fund** This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**5X Enterprise Funds** These funds account for any activity for which a fee is charged to external users for goods or services. Enterprise funds are required to be used when the stated intent or legal requirement is that the costs of providing goods or services are financed or recovered primarily through user charges.

**51 Food Service Fund** This fund accounts for Food Service activity.

**52 Day Care Operations** This fund accounts for Day Care Operations.

**54 Adult Education Operations** This fund accounts for Adult Education Operations.

**6X Fiduciary Funds –Agency Funds** These funds account for funds that are held in a custodial capacity by the school district for individuals, private organizations, or other governments. Agency funds may include those used to account for student activity funds. This fund may also be used to account for funds passed through the district acting as fiscal agent for an entity.

**7000 – 7999 Fiduciary Funds—Pension, Investment, and Private-Purpose Trust Funds** These funds account for assets held by a school district in a trustee capacity for others—e.g., members and beneficiaries of pension plans and other post-employment benefit (OPEB) plans, external investment pools, or private-purpose trust arrangements—and that therefore cannot be used to support the school district's own programs. Trust funds are generally accounted for using the economic resources measurement focus and the accrual basis of accounting (except for the recognition of certain liabilities of defined benefit pension plans and certain postemployment health care plans; refer to GASB Statements 26, 27, 43, 45, 67, and 68 for guidance on the recognition of these liabilities). **Pension Trust Funds** These funds account for resources that are required to be held in trust for members and beneficiaries of defined benefit pension plans, defined contribution plans, OPEB plans, or other benefit plans. Typically, these funds account for local pension and other employee benefit funds that are provided by a school district in lieu of or in addition to any state retirement system. **Investment Trust Funds.** These funds account for the external portion (i.e., the portion that does not belong to the school district) of investment pools operated by the school district. **Private-Purpose Trust Funds.** These funds account for other trust arrangements under which the principal and income benefit individuals, private organizations, or other governments.

**8 Governmental Assets, Governmental Funds (OPTIONAL)** This optional fund accounts for the capital assets associated with governmental funds.

## **Kentucky Department of Education**

### **Uniform Chart of Accounts**

**8X Other Business Type Fund Assets** Records the cost of property, plant and equipment not accounted for in the proprietary (Enterprise) or fiduciary (Trust & Agency) funds. General fixed assets include sites, site improvements, buildings and building improvements, machinery and equipment.

**81 Business Type Assets, Food Service Fund (OPTIONAL)** This optional fund accounts for capital assets not accounted for in the proprietary (Enterprise) fund for food service.

**82 Business Type Assets, Day Care Fund (OPTIONAL)** This optional fund accounts for the capital assets not accounted for in the proprietary (Enterprise) fund for day care.

**84 Business Type Assets, Adult Education Fund (OPTIONAL)** This optional fund accounts for the capital assets not accounted for in the proprietary (Enterprise) fund for adult education.

**9 Long-term Debt (OPTIONAL)** This optional fund accounts for the principal amount of long-term liabilities not recorded in the proprietary funds.