

# Report on School Finance Accountability Board Meeting: November 15, 2018



## South Dakota Department of Education

### Office of State Aid and School Finance

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November 26, 2018

This report summarizes the recommendations of the School Finance Accountability Board to the Joint Committee on Appropriations regarding the requests for waivers submitted by school districts that failed to meet the allowable monthly cash balance percentages based on SDCL 13-13-10.1(8-9). There are no teacher compensation accountabilities in place for the Fiscal Year 2018.

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## **FY2018 General Fund Cash Balance Summary and Calculations**

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### **Summary**

The Division of Finance and Management, specifically the Office of State Aid and School Finance, within the Department of Education (DOE), have compiled General Fund Cash Balance and General Fund Expenditures from each school district's FY 2018 Annual Financial Report. Nine school districts exceeded the monthly cash balance allowance in SDCL 13-13-10.1. However, only four school districts will see a reduction in general state aid. The Deuel School District exceeded the allowable cash balance percentage but is exempt based on SDCL 13-13-73.5 because of the dissolution of the Grant-Deuel School District on July 1, 2017. Two additional school districts, Milbank and Waverly, are also exempt from excess cash balance allowable percentages due to the dissolution, but neither exceeded the allowable general fund cash balance percentage. The allowable general fund cash balance exemption for Deuel, Milbank, and Waverly school districts will end on July 1, 2020. Four other school districts exceeded the allowable general fund cash balance percentage: Agar-Blunt-Onida, Elk Mountain, Hoven, and Lead-Deadwood; however, those four school districts do not receive general state aid, so the reduction will have no effect.

### **Calculations**

Each school district reports its monthly general fund cash balance to the Department of Education. Once a school district has signed off on its annual financial report and its state aid fall enrollment (SAFE) count, the Department of Education has sufficient information to perform the excess general fund cash balance calculation.

A summary of the excess cash balance calculation steps are below:

1. Lowest Monthly Cash Balance divided by Total General Fund Expenditures equals the Lowest Monthly Cash Balance as a % of General Fund Expenditures
2. Use current year SAFE or lowest SAFE from the last two years, whichever is lowest
  - a. The SAFE count is used to assign a school district to one of three maximum allowable general fund cash balance categories:
    - i. 40% for a school district with a fall enrollment of 200 or fewer
    - ii. 30% for a school district with a fall enrollment more than 200 but fewer than 600
    - iii. 25% for a school district with a fall enrollment greater than or equal to 600
3. If the allowable cash balance percentage is exceeded based on the district's applicable SAFE; the difference between the excess general fund cash balance and the maximum allowable cash balance is the amount subject to a potential dollar for dollar reduction in general state aid.

## Requests for Waiver, District Presentations

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The following school district did exceed the allowable cash balance percentage but did not submit a waiver, therefore the penalty set forth in SDCL 13-13-73.5 will be imposed:

- **Highmore-Harrold 34-2**

The following school districts did exceed the allowable cash balance percentage but do not receive general state aid and therefore are not subject to the penalties outlined in SDCL 13-13-73.5:

- **Agar-Blunt-Onida 58-3**
- **Elk Mountain 16-2**
- **Hoven 53-2**
- **Lead-Deadwood 40-1**

The following school district did exceed the allowable cash balance percentage and is exempt for period of three years from the excess cash balance penalty due to involvement in school district reorganization, SDCL 13-13-73.5:

- **Deuel 19-4**

The following school districts did exceed the allowable cash balance percentage and attended the November 15, 2018, meeting to present their waiver request and supporting documentation for the board's consideration:

- **Arlington 38-1**

District Name	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	Excess Amount
Arlington 38-1	\$795,033	\$2,528,630	31.44%	256.00	30%	Yes	\$36,444

Superintendent Justin Downes and Business Manager Brian Sampson provided testimony on behalf of the Arlington School District's submitted waiver request. Arlington did exceed the allowable balance by 1.44% and the month of April was reported with the lowest cash balance in FY2018. April has been the lowest cash balance month for the past several years. Based on their fiscal analysis, April 2018 was projected to be at 29.4% of the total general fund expenditures. New grants awarded to the district were reimbursed during the month

of April 2018 causing an unanticipated increase in their cash balances and total general fund expenditures for the fiscal year were less than projected.

Arlington has surpassed the accountability-required increases for teacher compensation in past years in FY2019 has added two English language learners students and will need to fund voice services no longer eligible for E-rate support.

- **Haakon 27-1**

<b>District Name</b>	<b>Lowest Monthly Balance</b>	<b>Total GF Expenditures</b>	<b>Lowest Balance as % of Expenditures</b>	<b>Lowest SAFE Count</b>	<b>Allowable %</b>	<b>Exceed Limits</b>	<b>Excess Amount</b>
Haakon 27-1	\$986,671	\$2,852,291	34.59%	302.00	30%	Yes	\$130,984

Superintendent Jeff Rieckman and Business Manager Britni Ross provided testimony on behalf of the Haakon School District's submitted waiver request. Haakon did exceed the allowable balance by 4.59% and the month of April 2018 was reported as the lowest monthly cash balance.

The Haakon School District has been making great progress to bring their lowest month cash balance amount within the statutory allowances. In FY2016 their lowest monthly cash balance was 70.9% of the total general fund expenditures; in FY2017 their lowest monthly cash balance was 51.35% of the total general fund expenditures and in FY2018 it has been calculated to be 34.59%.

In FY2018 the Haakon School District was scheduled to complete the construction of a new K-12 facility. The completion date was spring of 2018 but due to circumstances beyond their control the construction project was delayed and not completed until July 2018. The earlier completion date would have allowed their teachers to move into their classrooms and get requisitions submitted before the end of FY2018, expending their cash balance and increasing their total general fund expenditures. The business manager estimated the additional supplies purchased for the new school cost approximately \$58,937.58. In addition to these expenditures the district has also incurred additional costs to increase staffing for the 2018-2019 school year: a part-time secretary, 3<sup>rd</sup> grade paraprofessional and a full-time custodian. Total cost for the new staff is estimated to be \$76,217.

- **Tripp-Delmont 33-5**

District Name	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	Excess Amount
Tripp-Delmont 33-5	\$800,476	\$1,922,455	41.64%	130.00	40%	Yes	\$31,494

Superintendent Andrea Powell and Business Manager Matt Jensen provided testimony on behalf of the Tripp-Delmont School District. The Tripp-Delmont School District exceeded the allowable cash balance by 1.64% and the month of October 2017 was their lowest monthly balance.

As per the Tripp-Delmont waiver request there has been a complete turnover in district administrative staff. A new superintendent, a new business manager and a new principal, were hired in either May or June 2018.

As the new business manager was researching and preparing a waiver request for the Tripp-Delmont School District he found that a large transfer from their Capital Outlay fund to the General Fund occurred in September 2017. The amount of this transfer was \$115,984.25. Although Mr. Jensen made several inquiries of past administrators and the school board, no one could explain why this amount was transferred. Due to the timing of this transfer and the expectation that the full amount of this transfer could not have been expended prior to the end of October 2017, the Tripp-Delmont's October 2017 cash balance exceeded their allowable percentage.

## Board Action on Submitted Waivers

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Following the school districts' presentation of their waiver requests and supporting documentation, the board considered each districts waiver request and took the below actions listed below.

- **Arlington 38-1**

Based on the waiver request and supporting documentation provided by the school district, the School Finance Accountability Board confirmed that the school district did exceed the allowable cash balance as per SDCL 13-13-10.1. However, due to special circumstances, the board has recommended a waiver of the penalty in its entirety.

- **Haakon 27-1**

Based on the waiver request and supporting documentation provided by the school district, the School Finance Accountability Board confirmed that the school district did exceed the allowable cash balance as per SDCL 13-13-10.1. However, due to special circumstances, the board has recommended a waiver of the penalty, in part, allowing estimated expenditures for new supplies for the new K-12 school to be included in the excess cash balance calculations. After making the appropriate adjustments to the excess cash balance calculations the district exceeds the allowable cash balance by 1.9% or \$54,365.

It is the recommendation of the School Finance Accountability Board that a penalty set forth in SDCL 13-13-73.5 be imposed on the Haakon School District in the amount of \$54,365.

**Request for Waiver - Cash Balance Penalty-SFAB Revision**

SDCL 13-13-73.5

School District: HAAKON

Click in cell C4, then click on dropdown

Penalty Fiscal Year: 2019

Lowest Monthly Cash Balance, General Fund (FY2018) \$986,671

Total General Fund Expenditures (FY2018) \$2,852,291

Cash Balance % 34.6%

State Aid Fall Enrollment, Fall 2016 310.00 30%

State Aid Fall Enrollment, Fall 2017 302.00 30%

State Aid Fall Enrollment, Fall 2018 310.00 30%

Allowable Cash Balance Percentage 30.0%

Amount Exceeding Allowable Percentage \$130,984

**Total Amount of Waiver Request** \$0

Amended Cash Balance % 34.6%

**State Aid Adjustment (FY2019)** \$130,984

**Revised per SFAB**

\$927,733 **A**

\$2,911,228 **B**

31.87% **Revised % Cash Balance (A / B)**

30.0% **Figure doesn't change**

**\$54,365** **Revised amount exceeding allowable cash %**

**Flett, Matt:**  
Subtracted \$58,938 from General Fund Cash Balance to give credit for supply purchases for a new building as if the supplies were purchased in FY18

**Flett, Matt:**  
Increased General Fund Expenditures by \$58,938 to assume supplies were purchased in FY18 rather than FY19

- **Tripp-Delmont 33-5**

Based on the waiver request and supporting documentation provided by the school district, the School Finance Accountability Board confirmed that the school district did exceed the allowable cash balance as per SDCL 13-13-10.1. However due to special circumstances, the board has recommended a waiver of the penalty in its entirety.

## Summary

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In FY2018 there was a total of 149 public school districts, only nine (6%) of which exceeded the allowable general fund cash balance percentages. Included in the nine school districts that exceeded the allowable percentage, four do not receive any general state aid and therefore the penalty prescribed in SDCL 13-13-73.5 could not be imposed. Another district was exempt from the cash balance percentage limit due to an involvement in reorganization. This left four districts that potentially could request a waiver from the School Finance Accountability Board. One of these districts, Highmore-Harrold, chose not to submit a waiver, and accepted the penalty. The three remaining districts presented their testimony to the board, each requesting a waiver.

The board carefully considered each district's waiver request and testimony. The board decided that two districts, Arlington and Tripp-Delmont, provided sufficient documentation of special circumstances to be granted a full waiver. The board waived, in part, the excess of the Haakon School District and reduced its penalty from \$130,984 to \$54,365.

The board acknowledged as of October 31, 2018, the Arlington, Haakon, and Tripp-Delmont School Districts were under the allowable General Fund Cash Balance percentage when compared to the excess cash calculation from June 30, 2018

Following board action on submitted waiver requests the board directed the Department of Education to prepare a report summarizing the results of the requests for waiver applications presented to this board. The report, after receiving approval of this board, shall be forwarded to the Joint Committee on Appropriations for their consideration.



## Appendix A: Draft Meeting Minutes for November 15, 2018

## **School Finance Accountability Board**

Date: Thursday, November 15, 2018 - 2:00 p.m. CST
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Location: Capitol Building, Fourth Floor, Room 412  
500 E Capitol Avenue, Pierre, South Dakota 57501

Public telephonic access: 1-866-410-8397/conference code: 6057735407

Present: Terry Nebelsick, President  
Susan Proefrock, Vice-President  
Jarod Larson, Member  
Eric Stroeder, Member  
Liza Clark, Member

Absent:

DOE staff in attendance: Matt Flett, Bobbi Leiferman, Holly Farris, and Olivia Waggoner

Others in attendance: Andrea Powell, Tripp-Delmont School District; Matt Jensen, Tripp-Delmont School District; Brian Sampson, Arlington School District; Justin Downes, Arlington School District; Britni Ross, Haakon School District; Jeff Rieckman, Haakon School District, and members of the public via telephone.

### **Call to Order and Roll Call:**

Meeting was called to order by President Nebelsick at approximately 2:06 p.m. CST.

### **Adoption of Agenda:**

Motion by Eric Stroeder, seconded by Liza Clark, to adopt the November 15, 2018, proposed agenda. Roll call, all present voted in favor. Motion carried.

### **Approval of Minutes:**

Motion to approve the minutes from the March 12, 2018, meeting was made by Eric Stroeder, seconded by Vice-President Proefrock. All present voted in favor. Motion carried.

### **Public Comments:**

No public comments were made at this time.

## **School Finance Accountability Board**

### **Summary of General Fund Cash Balances & Calculations:**

Matt Flett provided a summary of the general fund cash balances and calculations. Nine school districts exceeded the monthly cash balance allowance set out in SDCL 13-13-10.1. Four school districts will see a reduction in State Aid. Arlington School District, Haakon School District, Tripp-Delmont School District, and Highmore-Harrold School District. Highmore-Harrold School District is not requesting a waiver from the cash balance caps. Agar-Blunt-Onida School District, Elk-Mountain School District, Hoven School District, and Lead-Deadwood School District exceeded the cash balance caps, but do not receive general State Aid. Deuel School District also exceeded the cash balance cap but is exempt due to a reorganization of the Grant-Deuel School District.

### **Presentation of Waiver Requests by Districts:**

Arlington School District:

Superintendent Downes and Business Manager Sampson provided testimony to the Board on behalf of the Arlington School District. The Arlington School District exceeded the General Fund Cash Balance by a dollar amount of \$36,444.

Haakon School District:

Superintendent Rieckman and Business Manager Ross provided testimony to the Board on behalf of the Haakon School District. The Haakon School District exceeded the General Fund Cash Balance by a dollar amount of \$130,984.

Tripp-Delmont School District:

Superintendent Powell and Business Manager Jensen provided testimony to the Board on behalf of the Tripp-Delmont School District. The Tripp-Delmont School District exceeded the General Fund Cash Balance by a dollar amount of \$31,494.

### **Board Action on Submitted Waivers:**

Tripp-Delmont School District:

Eric Stroeder moved, seconded by Vice-President Proefrock that based on the information presented to the Board by the school district the Board determined that the Tripp-Delmont School District exceeded the allowable cash fund balance percentage, but the special circumstances have been shown and the board grant the application for waiver of the penalty imposed in SDCL 13-13-73.5 in its entirety. Roll call, all present voted in favor. Motion carried.

Arlington School District:

Eric Stroeder moved, seconded by Jarod Larson that based on the information presented to the Board by the school district the Board determined that the Arlington School District exceeded the allowable cash fund balance percentage, but the special circumstances have been shown and the board grant the application for waiver of the penalty imposed in SDCL 13-13-73.5 in its

## **School Finance Accountability Board**

entirety. Roll call vote. Jarod Larson, yes; Liza Clark, no; Eric Stroeder, yes; Vice-President Proefrock, yes; President Nebelsick, yes. Motion carried.

Haakon School District:

Vice-President Proefrock moved, seconded by Eric Stroeder that based on the information presented to the Board by the school district the Board determined that the Haakon School District exceeded the allowable cash fund balance percentage, but the special circumstances have been shown and the board grants application for waiver of the penalty imposed under SDCL 13-13-73.5 in part in the amount of \$76,619 and that a penalty imposed against the State Aid adjustment for Fiscal Year 2019 in the amount of \$54,365. Roll call vote. Nebelsick, yes; Stroeder, yes; Proefrock, yes; Clark, yes; Larson, no. Motion carried.

Vice-President Proefrock moved, seconded by Eric Stroeder that the Board directs the Department of Education to prepare a report summarizing the results of the applications for waiver of the financial penalties imposed pursuant to SDCL 13-13-73.5 to forward to the Joint Committee on Appropriations for its consideration and to authorize the Board President to sign the report on behalf of the Board. Roll call, all present voted in favor. Motion carried.

### **Explanation of Next Steps in FY2018 Cash Balance Waiver Process:**

Holly Farris provided a brief overview of what the expectations are going forward in the FY2019 Cash Balance waiver process.

### **Review of FY2018 Teacher Compensation Data:**

Matt Flett provided a high-level summary on the FY2018 Teacher Compensation data, and what to expect for next year's School Finance Accountability Board meeting next year.

### **Future Meeting Schedule:**

President Nebelsick determined that the next meeting of the School Finance Accountability Board to be held on Monday, November 26, 2018 at 11:00 a.m.

### **Adjournment:**

Motion to adjourn by Liza Clark and seconded by Jarod Larson. Roll call, all present voted in favor. Motion carried.

The meeting was adjourned at 4:08 p.m. CST.

## Appendix B: Excess Cash Balance Calculations, FY2018

# FY2018 Monthly Cash Balance (SDCL 13-13-73.6) - General Fund

as of 11/1/2018



District Name	District #	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	NOTES	Excess Amount	FY19 Gen State Aid ESTIMATE as of 11/1/2018	Maximum Penalty
Arlington 38-1	38001	\$795,033	\$2,528,630	31.44%	256.00	30%	Yes		\$36,444	\$744,665	\$36,444
Haakon 27-1	27001	\$986,671	\$2,852,291	34.59%	302.00	30%	Yes		\$130,984	\$1,047,315	\$130,984
Highmore-Harold 34-2	34002	\$1,001,278	\$2,579,022	38.82%	232.95	30%	Yes		\$227,572	\$83,165	\$83,165
Tripp-Delmont 33-5	33005	\$800,476	\$1,922,455	41.64%	130.00	40%	Yes		\$31,494	\$85,454	\$31,494
Agar-Blunt-Onida 58-3	58003	\$1,624,334	\$2,953,257	55.00%	251.00	30%	Yes	Does not Receive GSA	\$738,357	\$0	\$0
Elk Mountain 16-2	16002	\$220,042	\$283,985	77.48%	10.00	40%	Yes	Does not Receive GSA	\$106,448	\$0	\$0
Hoven 53-2	53002	\$879,863	\$1,724,349	51.03%	102.00	40%	Yes	Does not Receive GSA	\$190,123	\$0	\$0
Lead-Deadwood 40-1	40001	\$2,685,075	\$8,600,793	31.22%	725.63	25%	Yes	Does not Receive GSA	\$534,877	\$0	\$0
Deuel 19-4	19004	\$1,266,054	\$3,724,471	33.99%	482.00	30%	Yes	Reorganization Exemption	\$148,713	\$1,254,285	\$0
Aberdeen 06-1	6001	\$6,449,970	\$29,384,459	21.95%	4,469.94	25%	No		\$0		\$0
Alcester-Hudson 61-1	61001	\$788,127	\$2,956,864	26.65%	299.52	30%	No		\$0		\$0
Andes Central 11-1	11001	\$56,185	\$4,387,593	1.28%	316.00	30%	No		\$0		\$0
Armour 21-1	21001	\$750,592	\$1,891,185	39.69%	168.00	40%	No		\$0		\$0
Avon 04-1	4001	\$386,351	\$2,046,054	18.88%	232.00	30%	No		\$0		\$0
Baltic 49-1	49001	\$728,898	\$3,407,119	21.39%	479.00	30%	No		\$0		\$0
Belle Fourche 09-1	9001	\$1,235,382	\$9,169,339	13.47%	1,361.33	25%	No		\$0		\$0
Bennett County 03-1	3001	(\$92,439)	\$5,178,651	-1.79%	442.00	30%	No		\$0		\$0
Beresford 61-2	61002	\$638,613	\$4,682,757	13.64%	675.00	25%	No		\$0		\$0
Big Stone City 25-1	25001	\$310,232	\$1,246,473	24.89%	90.00	40%	No		\$0		\$0
Bison 52-1	52001	\$302,010	\$1,894,511	15.94%	146.00	40%	No		\$0		\$0
Bon Homme 04-2	4002	\$6,539	\$4,349,113	0.15%	510.00	30%	No		\$0		\$0
Bowdle 22-1	22001	\$148,230	\$1,504,548	9.85%	109.00	40%	No		\$0		\$0
Brandon Valley 49-2	49002	\$2,007,229	\$26,091,548	7.69%	3,932.20	25%	No		\$0		\$0
Bridgewater-Emery 30-3	30003	\$833,837	\$2,928,604	28.47%	322.10	30%	No		\$0		\$0
Britton-Hecla 45-4	45004	\$14,684	\$3,570,258	0.41%	409.24	30%	No		\$0		\$0
Brookings 05-1	5001	\$2,582,749	\$22,724,801	11.37%	3,341.87	25%	No		\$0		\$0
Burke 26-2	26002	\$278,009	\$2,255,593	12.33%	220.00	30%	No		\$0		\$0
Canistota 43-1	43001	\$306,138	\$2,222,347	13.78%	193.00	40%	No		\$0		\$0
Canton 41-1	41001	\$1,365,758	\$5,808,159	23.51%	872.88	25%	No		\$0		\$0
Castlewood 28-1	28001	\$545,592	\$2,320,684	23.51%	274.00	30%	No		\$0		\$0
Centerville 60-1	60001	\$383,371	\$2,117,134	18.11%	225.13	30%	No		\$0		\$0
Chamberlain 07-1	7001	(\$1,009,077)	\$7,899,146	-12.77%	872.28	25%	No		\$0		\$0
Chester Area 39-1	39001	\$1,023,173	\$3,872,306	26.42%	531.00	30%	No		\$0		\$0
Clark 12-2	12002	\$535,908	\$3,155,213	16.98%	351.00	30%	No		\$0		\$0
Colman-Egan 50-5	50005	\$307,849	\$1,981,415	15.54%	247.00	30%	No		\$0		\$0
Colome Consolidated 59-3	59003	\$252,970	\$2,143,912	11.80%	224.00	30%	No		\$0		\$0
Corsica-Stickney 21-3	21003	\$707,091	\$2,457,601	28.77%	246.00	30%	No		\$0		\$0
Custer 16-1	16001	\$429,978	\$7,104,321	6.05%	881.16	25%	No		\$0		\$0
Dakota Valley 61-8	61008	\$571,624	\$8,929,834	6.40%	1,294.78	25%	No		\$0		\$0
De Smet 38-2	38002	\$537,343	\$2,867,715	18.74%	285.00	30%	No		\$0		\$0
Dell Rapids 49-3	49003	\$935,801	\$6,201,939	15.09%	912.02	25%	No		\$0		\$0
Deubrook Area 05-6	5006	\$527,880	\$3,403,003	15.51%	344.00	30%	No		\$0		\$0

# FY2018 Monthly Cash Balance (SDCL 13-13-73.6) - General Fund

as of 11/1/2018

District Name	District #	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	NOTES	Excess Amount	FY19 Gen State Aid ESTIMATE as of 11/1/2018	Maximum Penalty
Doland 56-2	56002	\$500,517	\$1,790,944	27.95%	160.00	40%	No		\$0		\$0
Douglas 51-1	51001	(\$481,882)	\$20,729,513	-2.32%	2,788.00	25%	No		\$0		\$0
Dupree 64-2	64002	(\$571,283)	\$4,788,357	-11.93%	362.00	30%	No		\$0		\$0
Eagle Butte 20-1	20001	(\$300,205)	\$5,721,872	-5.25%	331.02	30%	No		\$0		\$0
Edgemont 23-1	23001	\$327,160	\$1,851,924	17.67%	142.14	40%	No		\$0		\$0
Edmunds Central 22-5	22005	\$535,983	\$1,734,827	30.90%	128.00	40%	No		\$0		\$0
Elk Point-Jefferson 61-7	61007	\$464,134	\$4,630,415	10.02%	655.00	25%	No		\$0		\$0
Elkton 05-3	5003	(\$19,046)	\$2,959,274	-0.64%	298.00	30%	No		\$0		\$0
Estelline 28-2	28002	(\$23,207)	\$2,614,866	-0.89%	261.00	30%	No		\$0		\$0
Ethan 17-1	17001	\$537,000	\$1,887,951	28.44%	248.00	30%	No		\$0		\$0
Eureka 44-1	44001	\$286,165	\$2,093,261	13.67%	151.00	40%	No		\$0		\$0
Faith 46-2	46002	\$602,342	\$1,587,384	37.95%	164.00	40%	No		\$0		\$0
Faulkton Area 24-4	24004	\$774,613	\$2,871,558	26.98%	306.00	30%	No		\$0		\$0
Flandreau 50-3	50003	\$667,978	\$4,859,664	13.75%	683.70	25%	No		\$0		\$0
Florence 14-1	14001	\$469,592	\$2,051,199	22.89%	247.00	30%	No		\$0		\$0
Frederick Area 06-2	6002	\$453,375	\$1,897,017	23.90%	160.60	40%	No		\$0		\$0
Freeman 33-1	33001	\$46,526	\$2,890,997	1.61%	303.02	30%	No		\$0		\$0
Garretson 49-4	49004	\$418,100	\$3,472,565	12.04%	463.00	30%	No		\$0		\$0
Gayville-Volin 63-1	63001	\$672,496	\$2,274,771	29.56%	279.00	30%	No		\$0		\$0
Gettysburg 53-1	53001	\$521,425	\$2,140,001	24.37%	239.04	30%	No		\$0		\$0
Gregory 26-4	26004	\$768,712	\$3,017,906	25.47%	361.00	30%	No		\$0		\$0
Groton Area 06-6	6006	\$567,164	\$4,983,835	11.38%	568.00	30%	No		\$0		\$0
Hamlin 28-3	28003	\$1,198,899	\$5,213,602	23.00%	749.00	25%	No		\$0		\$0
Hanson 30-1	30001	\$789,928	\$3,129,426	25.24%	402.00	30%	No		\$0		\$0
Harding County 31-1	31001	\$59,681	\$2,867,923	2.08%	195.25	40%	No		\$0		\$0
Harrisburg 41-2	41002	\$4,779,530	\$30,941,883	15.45%	4,144.52	25%	No		\$0		\$0
Henry 14-2	14002	\$55,068	\$1,722,474	3.20%	165.00	40%	No		\$0		\$0
Herreid 10-1	10001	\$308,224	\$1,256,209	24.54%	109.00	40%	No		\$0		\$0
Hill City 51-2	51002	(\$870,414)	\$4,667,555	-18.65%	453.40	30%	No		\$0		\$0
Hitchcock-Tulare 56-6	56006	\$259,954	\$2,270,467	11.45%	230.38	30%	No		\$0		\$0
Hot Springs 23-2	23002	(\$327,720)	\$5,553,489	-5.90%	761.24	25%	No		\$0		\$0
Howard 48-3	48003	\$37,584	\$3,265,477	1.15%	363.10	30%	No		\$0		\$0
Huron 02-2	2002	\$2,469,176	\$19,249,622	12.83%	2,544.14	25%	No		\$0		\$0
Ipswich Public 22-6	22006	\$408,330	\$3,480,911	11.73%	403.00	30%	No		\$0		\$0
Irene-Wakonda 13-3	13003	\$647,968	\$2,583,015	25.09%	283.72	30%	No		\$0		\$0
Iroquois 02-3	2003	\$691,521	\$2,538,300	27.24%	219.00	30%	No		\$0		\$0
Jones County 37-3	37003	\$452,683	\$1,768,139	25.60%	179.00	40%	No		\$0		\$0
Kadoka Area 35-2	35002	\$327,176	\$3,830,056	8.54%	322.00	30%	No		\$0		\$0
Kimball 07-2	7002	\$438,041	\$2,525,054	17.35%	296.00	30%	No		\$0		\$0
Lake Preston 38-3	38003	\$258,941	\$1,971,988	13.13%	148.00	40%	No		\$0		\$0
Langford Area 45-5	45005	\$427,392	\$1,856,809	23.02%	203.00	30%	No		\$0		\$0
Lemmon 52-4	52004	\$29,840	\$2,670,557	1.12%	238.82	30%	No		\$0		\$0

# FY2018 Monthly Cash Balance (SDCL 13-13-73.6) - General Fund

as of 11/1/2018



District Name	District #	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	NOTES	Excess Amount	FY19 Gen State Aid ESTIMATE as of 11/1/2018	Maximum Penalty
Lennox 41-4	41004	\$1,062,387	\$6,850,526	15.51%	1,055.51	25%	No		\$0		\$0
Leola 44-2	44002	(\$303,520)	\$2,456,463	-12.36%	185.00	40%	No		\$0		\$0
Lyman 42-1	42001	\$629,969	\$4,217,279	14.94%	366.00	30%	No		\$0		\$0
Madison Central 39-2	39002	\$1,791,952	\$7,755,364	23.11%	1,162.77	25%	No		\$0		\$0
Marion 60-3	60003	\$402,062	\$1,988,009	20.22%	167.00	40%	No		\$0		\$0
McCook Central 43-7	43007	\$606,320	\$3,301,926	18.36%	377.91	30%	No		\$0		\$0
McIntosh 15-1	15001	\$23,037	\$3,241,791	0.71%	161.00	40%	No		\$0		\$0
McLaughlin 15-2	15002	\$49,657	\$6,190,578	0.80%	441.36	30%	No		\$0		\$0
Meade 46-1	46001	\$4,235,152	\$18,470,887	22.93%	2,825.25	25%	No		\$0		\$0
Menno 33-2	33002	\$490,427	\$3,364,177	14.58%	277.00	30%	No		\$0		\$0
Milbank 25-4	25004	\$1,632,711	\$6,778,679	24.09%	932.30	25%	No	Reorganization Exemption	\$0		\$0
Miller 29-4	29004	\$477,376	\$3,737,739	12.77%	453.04	30%	No		\$0		\$0
Mitchell 17-2	17002	\$3,767,800	\$19,050,516	19.78%	2,783.90	25%	No		\$0		\$0
Mobridge-Pollock 62-6	62006	\$1,062,680	\$4,890,263	21.73%	618.42	25%	No		\$0		\$0
Montrose 43-2	43002	\$570,459	\$2,111,504	27.02%	239.00	30%	No		\$0		\$0
Mount Vernon 17-3	17003	\$656,784	\$1,997,317	32.88%	200.00	40%	No		\$0		\$0
New Underwood 51-3	51003	\$371,258	\$1,916,811	19.37%	237.00	30%	No		\$0		\$0
Newell 09-2	9002	\$529,730	\$3,329,579	15.91%	285.00	30%	No		\$0		\$0
Northwestern Area 56-7	56007	\$403,831	\$2,142,434	18.85%	227.00	30%	No		\$0		\$0
Oelrichs 23-3	23003	(\$830,497)	\$2,239,044	-37.09%	134.00	40%	No		\$0		\$0
Oglala Lakota 65-1	65001	(\$6,021,734)	\$20,546,908	-29.31%	1,339.16	25%	No		\$0		\$0
Oldham-Ramona 39-5	39005	\$578,929	\$1,542,708	37.53%	153.00	40%	No		\$0		\$0
Parker 60-4	60004	\$926,662	\$3,100,647	29.89%	419.00	30%	No		\$0		\$0
Parkston 33-3	33003	\$616,258	\$4,225,490	14.58%	516.69	30%	No		\$0		\$0
Pierre 32-2	32002	\$3,598,832	\$17,711,957	20.32%	2,669.00	25%	No		\$0		\$0
Plankinton 01-1	1001	\$631,031	\$2,944,943	21.43%	299.00	30%	No		\$0		\$0
Platte-Geddes 11-5	11005	\$909,170	\$3,878,255	23.44%	500.08	30%	No		\$0		\$0
Rapid City Area 51-4	51004	\$6,026,005	\$91,871,921	6.56%	13,628.25	25%	No		\$0		\$0
Redfield 56-4	56004	\$964,953	\$4,375,111	22.06%	591.65	30%	No		\$0		\$0
Rosholt 54-4	54004	\$326,847	\$2,340,362	13.97%	229.00	30%	No		\$0		\$0
Rutland 39-4	39004	(\$74,105)	\$1,643,051	-4.51%	163.00	40%	No		\$0		\$0
Sanborn Central 55-5	55005	\$221,309	\$2,023,551	10.94%	180.00	40%	No		\$0		\$0
Scotland 04-3	4003	\$793,763	\$2,684,738	29.57%	253.00	30%	No		\$0		\$0
Selby Area 62-5	62005	\$710,174	\$2,027,635	35.02%	183.00	40%	No		\$0		\$0
Sioux Falls 49-5	49005	\$11,057,221	\$174,662,983	6.33%	23,744.41	25%	No		\$0		\$0
Sioux Valley 05-5	5005	\$671,942	\$5,012,749	13.40%	659.05	25%	No		\$0		\$0
Sisseton 54-2	54002	(\$211,127)	\$8,473,814	-2.49%	885.00	25%	No		\$0		\$0
Smee 15-3	15003	(\$915,829)	\$3,314,781	-27.63%	173.00	40%	No		\$0		\$0
South Central 26-5	26005	(\$280,188)	\$2,038,107	-13.75%	86.00	40%	No		\$0		\$0
Spearfish 40-2	40002	\$3,314,735	\$14,783,601	22.42%	2,327.85	25%	No		\$0		\$0
Stanley County 57-1	57001	\$143,097	\$3,853,438	3.71%	435.86	30%	No		\$0		\$0
Summit 54-6	54006	\$172,709	\$1,675,632	10.31%	143.00	40%	No		\$0		\$0



# FY2018 Monthly Cash Balance (SDCL 13-13-73.6) - General Fund

as of 11/1/2018

District Name	District #	Lowest Monthly Balance	Total GF Expenditures	Lowest Balance as % of Expenditures	Lowest SAFE Count	Allowable %	Exceed Limits	NOTES	Excess Amount	FY19 Gen State Aid ESTIMATE as of 11/1/2018	Maximum Penalty
Tea Area 41-5	41005	\$1,027,525	\$10,729,592	9.58%	1,709.51	25%	No		\$0		\$0
Timber Lake 20-3	20003	\$182,597	\$4,160,598	4.39%	335.00	30%	No		\$0		\$0
Todd County 66-1	66001	(\$362,061)	\$21,914,918	-1.65%	2,042.31	25%	No		\$0		\$0
Tri-Valley 49-6	49006	\$1,493,601	\$6,757,227	22.10%	908.00	25%	No		\$0		\$0
Vermillion 13-1	13001	\$1,824,456	\$9,128,123	19.99%	1,202.34	25%	No		\$0		\$0
Viborg-Hurley 60-6	60006	\$762,474	\$2,694,178	28.30%	344.00	30%	No		\$0		\$0
Wagner Community 11-4	11004	(\$649,684)	\$8,867,512	-7.33%	839.00	25%	No		\$0		\$0
Wall 51-5	51005	(\$21,257)	\$2,638,946	-0.81%	245.00	30%	No		\$0		\$0
Warner 06-5	6005	\$319,319	\$2,306,160	13.85%	310.00	30%	No		\$0		\$0
Watertown 14-4	14004	\$3,836,355	\$25,814,107	14.86%	3,927.97	25%	No		\$0		\$0
Waubay 18-3	18003	\$315,589	\$1,838,346	17.17%	169.00	40%	No		\$0		\$0
Waverly 14-5	14005	\$424,337	\$2,354,803	18.02%	235.00	30%	No	Reorganization Exemption	\$0		\$0
Webster Area 18-5	18005	\$1,015,971	\$4,165,550	24.39%	537.00	30%	No		\$0		\$0
Wessington Springs 36-2	36002	\$778,242	\$2,824,940	27.55%	312.18	30%	No		\$0		\$0
West Central 49-7	49007	\$571,114	\$9,409,475	6.07%	1,364.20	25%	No		\$0		\$0
White Lake 01-3	1003	\$503,077	\$1,318,338	38.16%	110.00	40%	No		\$0		\$0
White River 47-1	47001	(\$419,915)	\$4,638,153	-9.05%	404.00	30%	No		\$0		\$0
Willow Lake 12-3	12003	\$665,395	\$2,388,874	27.85%	222.00	30%	No		\$0		\$0
Wilmot 54-7	54007	\$166,184	\$1,876,859	8.85%	200.00	40%	No		\$0		\$0
Winner 59-2	59002	\$494,133	\$5,622,304	8.79%	708.00	25%	No		\$0		\$0
Wolsey-Wessington 02-6	2006	\$569,115	\$2,970,862	19.16%	346.00	30%	No		\$0		\$0
Woonsocket 55-4	55004	\$518,195	\$2,235,899	23.18%	218.00	30%	No		\$0		\$0
Yankton 63-3	63003	\$4,176,744	\$18,399,670	22.70%	2,717.19	25%	No		\$0		\$0

## Appendix C: Request for Waiver Forms & Documentation

# Request for Waiver - Cash Balance Penalty

SDCL 13-13-73.5

School District:

ARLINGTON

Penalty Fiscal Year:

2019

Click in cell C4, then click on dropdown

Lowest Monthly Cash Balance, General Fund (FY2018)

\$795,033

Total General Fund Expenditures (FY2018)

\$2,528,630

Cash Balance %

31.4%

State Aid Fall Enrollment, Fall 2016

275.00

30%

State Aid Fall Enrollment, Fall 2017

259.00

30%

State Aid Fall Enrollment, Fall 2018

256.00

30%

Allowable Cash Balance Percentage

30.0%

Amount Exceeding Allowable Percentage

\$36,444

**Total Amount of Waiver Request**

**\$36,444**

Amended Cash Balance %

30.0%

**State Aid Adjustment (FY2019)**

**\$0**

Please explain the reason(s) for this request:

See attached documentation.

The School Finance & Accountability Board may consider a waiver due to special circumstances such as:

- 1) Revenue needed in following year(s) due to a natural disaster; or
- 2) Funding needed to expand educational programs; or
- 3) Impact of reorganization; or
- 4) Any unforeseen or extenuating circumstance explain ed on this request.

Contact Person:

Brian Sampson

Date:

11/2/2018

Title:

Business Manager

# Learning for Life

## Arlington School District No. 38-1

306 South Main, PO Box 359, Arlington, SD 57212

(Website: [www.arlington.k12.sd.us](http://www.arlington.k12.sd.us))

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Justin Downes, Superintendent/AD

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Lisa Parry, K – 12 Principal

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Brian Sampson, Business Manager

e-mail: [Brian.Sampson@k12.sd.us](mailto:Brian.Sampson@k12.sd.us)

Phone: 605-983-5598 Ext 6

November 2, 2018

Dear School Finance and Accountability Board & Joint Appropriations Committee

The Arlington School District is sharing the following information as a supplement to our excess cash balance waiver form we are required to submit.

As you will notice from the following table (Table 1), April has been the lowest balance month each fiscal year. We chart each month during the fiscal year so we can have an educated idea of what our lowest balance will be come April. We are also aware that the actual general fund expenditures have been 88% of the general fund budget over the years (Table 2).

**Table 1 (Monthly Cash Balances)**

	July	August	September	October	November	December	January	February	March	April	May	June
FY15	\$1,359,897	\$1,303,746	\$1,179,352	\$1,034,786	\$1,249,411	\$1,212,022	\$1,121,390	\$1,064,366	\$ 998,777	\$ 938,442	\$1,374,835	\$1,407,435
FY16	\$1,339,094	\$1,262,307	\$1,135,967	\$1,004,142	\$1,170,280	\$1,193,028	\$1,096,896	\$1,038,845	\$ 976,193	\$ 925,620	\$1,324,772	\$1,393,407
FY17	\$1,314,476	\$1,221,876	\$1,090,763	\$ 946,943	\$1,168,691	\$1,196,773	\$1,087,647	\$1,039,060	\$ 956,403	\$ 857,386	\$1,279,869	\$1,313,830
FY18	\$1,256,344	\$1,214,351	\$1,083,080	\$ 945,719	\$1,135,331	\$1,103,687	\$ 992,221	\$ 935,791	\$ 839,086	\$ 795,033	\$1,209,395	\$1,172,403
FY19	\$1,102,983	\$1,024,329	\$ 894,919	\$ 741,194								

**Table 2 (Expenditures)**

	Lowest Balance	Percentage of Expenditures	General Fund Expenditures	Percent Expended of Total Budget	General Fund Budgeted Amounts
FY15	\$938,442	44.51%	\$2,108,261	88%	\$2,402,033
FY16	\$925,620	43.10%	\$2,147,777	88%	\$2,445,705
FY17	\$857,386	34.96%	\$2,452,515	88%	\$2,777,940
FY18	\$795,033	31.30%	\$2,528,630	88%	\$2,876,420
FY19 (October)	\$741,194	29.50%	\$2,514,904	88%	\$2,857,845
FY19 (April projection)	\$590,508	23.48%	\$2,514,904	88%	\$2,857,845

In January of FY18, we were \$95,426 lower than we were in January of FY17. In our projections for April of FY18, that would make our cash balance \$761,960. Dividing \$761,960 by the projected general fund expenditures of \$2,528,630 and we would be at 30.1%. In February of FY18, we were \$103,269 lower than we were in February of FY17. In our projections for April of FY18, that would make our cash balance \$754,117. Dividing \$754,117 by the projected general fund expenditures of \$2,528,630 and we would be at 29.8%. In March of FY18, we were \$117,317 lower than we were in March of FY17. In our projections for April of FY18, that would make our cash balance \$740,069. Dividing \$740,069 by the projected general fund expenditures of \$2,528,630 and we would be at 29.2%. According to our projections, we would be under the required 30% cash balance.

As we all know, cash balance is all a matter of timing. In April of FY18, we received a revenue that we have not received in the past. It was the SD EPSCOR Grant in the amount of \$18,994.56. If we would



have received this grant money in May instead of April, it would not have had the unexpected impact on the April cash balance that it did. Our expenses for April of FY18 were \$12,850.74 less than in April of FY17. The two of these circumstances had a combined effect of \$31,845.30 on the April cash balance. Should this \$31,845.30 combined effect not have occurred, the April cash balance would have potentially been at approximately \$763,188. Dividing \$763,188 by the projected general fund expenditures of \$2,528,630 and we would be at 30.2%. Other contributing factors are that rates on investments increased during the year increasing the revenues.

It is important for you to know that we have given very generous pay increases to our teaching staff throughout the years in comparison to the General Fund state aid increases (Table 3). We have met and exceeded the requirement each fiscal year with regards to the average compensation (FY16 - \$52,182, FY17 \$56,680, FY18 - \$58,659, FY19 projected - \$59,568).

**Table 3 (General Aid Increase versus Pay Increases per Teacher)**

Fiscal Year	General Aid Percent Increase	Salary Percentage Increase	Salary Flat Amount Increase	Base Salary Percentage Increase (ongoing)	Salary Bonus (one-time)
FY15	1.60%		\$1,200.00	4%	
FY16	1.50%	6%		6%	
FY17	NA		\$3,850.00	11%	
FY18	.30%	5%		5%	\$500.00
FY19	1.70%		\$750.00	1.5%	\$250.00

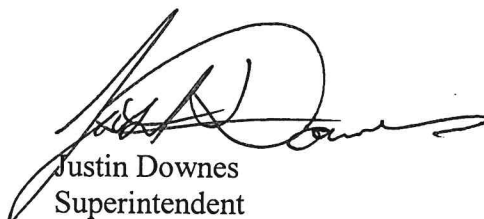
There are definitely things that could have aided in making sure that the allowable cash balance percentage was lower as we look back. We could have requested less from opt out dollars. We transferred \$132,742 of the budgeted \$160,000 from Capital Outlay Fund to General Fund and could have chosen to transfer a lesser amount. These two areas would have affected the overall revenue budget and in turn lowered the cash balance each month of the fiscal year. In addition, we could have paid the FY19 one-time salary bonus of \$250 per employee in April of FY18 instead of in December of FY19. This would have greatly reduced the April cash balance. We honestly thought we were going to be below the 30% allowable cash balance percentage when we set our FY18 budget and negotiated the FY19 master contracts so we did not consider any of these options. Doing any of these would have definitely put us under the 30% threshold.

Arlington School District humbly asks for your forgiveness, thanks you for your consideration of this request for waiver, and hopes you find it appropriate to approve the waiver. Looking ahead at FY19, we cannot afford to have a decrease of \$36,444 in our aid. Our FY 19 fall enrollment dropped by three students from our FY18 fall enrollment meaning that we will receive \$17,007 less according to the needs formula. We have had two ELL students move into the district, which will take some additional funding to provide for these students. In FY19, voice services will no longer be eligible for any School and Libraries (E-rate) Program support decreasing the revenue we would have received to offset this expenditure. Referring back to Table 1 and Table 2 where April has been the lowest balance month each fiscal year and October has been the second lowest balance month each fiscal year, you will see that the cash balance in October for FY19 has already dropped the allowable cash balance percentage to 29.4%. Projections on cash balance in April for FY19 drop it significantly lower than that.

Sincerely



Brian Sampson  
Business Manager



Justin Downes  
Superintendent

# Learning for Life

## Arlington School District No. 38-1

306 South Main, PO Box 359, Arlington, SD 57212

(Website: [www.arlington.k12.sd.us](http://www.arlington.k12.sd.us))

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Brian Sampson, Business Manager

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Phone: 605-983-5598 Ext 6

November 14, 2018

Dear School Finance and Accountability Board & Joint Appropriations Committee

The Arlington School District is sharing this additional information as a supplement to our previous excess cash balance waiver form we are required to submit.

**Table 1 (Monthly Cash Balances)**

	July	August	September	October	November	December	January	February	March	April	May	June
FY15	\$1,359,897	\$1,303,746	\$1,179,352	\$1,034,786	\$1,249,411	\$1,212,022	\$1,121,390	\$1,064,366	\$ 998,777	\$ 938,442	\$1,374,835	\$1,407,435
FY16	\$1,339,094	\$1,262,307	\$1,135,967	\$1,004,142	\$1,170,280	\$1,193,028	\$1,096,896	\$1,038,845	\$ 976,193	\$ 925,620	\$1,324,772	\$1,393,407
FY17	\$1,314,476	\$1,221,876	\$1,090,763	\$ 946,943	\$1,168,691	\$1,196,773	\$1,087,647	\$1,039,060	\$ 956,403	\$ 857,386	\$1,279,869	\$1,313,830
FY18	\$1,256,344	\$1,214,351	\$1,083,080	\$ 945,719	\$1,135,331	\$1,103,687	\$ 992,221	\$ 935,791	\$ 839,086	\$ 795,033	\$1,209,395	\$1,172,403
FY19	\$1,102,983	\$1,024,329	\$ 894,919	\$ 741,194								

**Table 2 (Expenditures)**

	Lowest Balance	Percentage of Expenditures	General Fund Expenditures	Percent Expended of Total Budget	General Fund Budgeted Amounts
FY15	\$938,442	44.51%	\$2,108,261	88%	\$2,402,033
FY16	\$925,620	43.10%	\$2,147,777	88%	\$2,445,705
FY17	\$857,386	34.96%	\$2,452,515	88%	\$2,777,940
FY18	\$795,033	31.30%	\$2,528,630	88%	\$2,876,420
FY19 (October)	\$741,194	29.50%	\$2,514,904	88%	\$2,857,845
FY19 (April projection)	\$590,508	23.48%	\$2,514,904	88%	\$2,857,845

After submitting the excess cash balance waiver form with supporting documentation, some additional research was conducted to see if there was anything else that may have affected the cash balance. It was discovered that the timing of when we requested and received Title I reimbursements had an effect on the cash balance. Table 3 shows the amount of Title I reimbursements we received during the fiscal year.

**Table 3 (Title I Reimbursement for Fiscal Year)**

Request Date	Reimbursement Date	Reimbursement Amount Received	Total Amount Received
11/20/2017	12/15/17	\$18,646.00	\$18,646.00
12/20/2017	1/16/2018	\$ 7,415.00	\$26,061.00
1/19/2018	2/21/2018	\$ 5,118.00	\$31,179.00
2/20/2018	3/20/2018	\$ 5,837.00	\$37,016.00
3/20/2018	4/20/2018	\$ 5,327.00	\$42,343.00
4/20/2018	5/22/2018	\$ 5,046.00	\$47,389.00

This again shows that cash balance is all a matter of timing. If we had chosen to not request and receive Title I reimbursement on a monthly basis between November, 2017 and April, 2018, the April cash balance would have been \$42,343 less (Table 3). Instead of the April cash balance being \$795,033, it

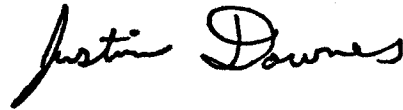
would have been \$752,690. Dividing \$752,690 by the projected general fund expenditures of \$2,528,630 and we would be at 29.8%. We would have then requested all of the Title I reimbursements in April, 2018 and would have received the reimbursement in May, 2018.

Again, Arlington School District humbly asks for your forgiveness, thanks you for your consideration of this request for waiver, and hopes you find it appropriate to approve the waiver. Referring back to Table 1 and Table 2 where April has been the lowest balance month each fiscal year and October has been the second lowest balance month each fiscal year, we want to again make note that the cash balance in October for FY19 has already dropped the allowable cash balance percentage to 29.4%. Projections on cash balance in April for FY19 drop it significantly lower than that.

Sincerely



Brian Sampson  
Business Manager



Justin Downes  
Superintendent



# Request for Waiver - Cash Balance Penalty

SDCL 13-13-73.5

School District:

HAAKON

Penalty Fiscal Year:

2019

Click in cell C4, then click on dropdown

Lowest Monthly Cash Balance, General Fund (FY2018)

\$986,671

Total General Fund Expenditures (FY2018)

\$2,852,291

Cash Balance %

34.6%

State Aid Fall Enrollment, Fall 2016

310.00

30%

State Aid Fall Enrollment, Fall 2017

302.00

30%

State Aid Fall Enrollment, Fall 2018

310.00

30%

Allowable Cash Balance Percentage

30.0%

Amount Exceeding Allowable Percentage

\$130,984

**Total Amount of Waiver Request**

**\$130,984**

Amended Cash Balance %

30.0%

**State Aid Adjustment (FY2019)**

**\$0**

Please explain the reason(s) for this request:

Due to some exenuating circumstances surrounding the fiscal timing of constructing and moving into a new K-12 facility, we are requesting a waiver of SDCL 13-13-73.5. A letter of explanation is attached and will detail the specifics of our situation. We look forward to the opportunity to meet with the School Finance & Accountability Board to discuss and answer questions.

The School Finance & Accountability Board may consider a waiver due to special circumstances such as:

- 1) Revenue needed in following year(s) due to a natural disaster; or
- 2) Funding needed to expand educational programs; or
- 3) Impact of reorganization; or
- 4) Any unforeseen or extenuating circumstance explain ed on this request.

Contact Person:

Jeff Rieckman

Date:

11/7/2018

Title:

Superintendent



# Haakon School District 27-1

## Philip Schools

P.O. Box 730 • Philip, SD 57567-0730

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November 7, 2018

School Finance & Accountability Board  
Department of Education  
800 Governor's Drive  
Pierre, SD 57579

Dear Members of the School Finance & Accountability Board,

Thank you for the opportunity to submit a waiver of SDCL 13-13-73.5. It was our full intent to reach the 30% allowable general fund cash balance, but we missed the target by 4.59%. We are filing a waiver based on special circumstances: unforeseen circumstances as explained. We feel that we have maintained good fiscal responsibility as we attempted to meet this requirement, while having just completed construction of a new K-12 facility.

Since the new fund balance laws were put in place, we have made significant progress toward the allowable percentage:

Year	Expenditures	Lowest Cash Balance	Percentage
2016	\$1,888,535	\$1,338,725	70.9%
2017	\$2,609,308	\$1,339,995	51.35%
2018	\$2,852,291	\$986,671	34.59%

The following are items of significance that we feel helped move us to the 30% target:

- Under the new teacher funding package laws, we were required to expend \$94,206. The Board gave raises of \$4,200.00 to all 21.5 eligible teachers. We also left in place the 2% raise they were already negotiated to receive. Together, this equaled approximately \$107,000 not including benefit compensation. Our base pay also increased from \$30,500 to \$34,500.
- We compensated our classified staff with a \$1.25/hour increase across the board.
- In the spring of 2017, every employee who worked the 2016-2017 year and was under contract for the 2017-2018 year received a one-time bonus of \$5,000.00 each.

**"Better Schools Make Better Communities"**

---

Jeff Rieckman  
Supt./Elem. Principal  
(605) 859-2679  
FAX: (605) 859-3005  
jeffrey.rieckman@k12.sd.us

Britni Ross  
Business Manager  
(605) 859-2679  
Fax: (605) 859-3005  
britni.ross@k12.sd.us

Mandie Menzel  
Secondary Principal  
(605) 859-2680  
Fax: (605) 859-3550  
mandie.menzel@k12.sd.us

- In the spring of 2018, the Board gave raises of \$500.00 to certified staff and .25/hour to classified staff. Teacher base pay was increased to \$36,500.
- We have expanded our technology program to be one-to-one and upgraded technology at our rural school.

The extenuating circumstance piece of our situation came regarding our new K-12 facility. The new school was scheduled to be completed in mid-May, which would have afforded our teachers the opportunity to move into their new spaces and get requisitions submitted before the end of the 2018 fiscal year. Unfortunately, as many projects go, the timeline was extended out more than once, and teachers were not able to take possession of their classrooms until July 25<sup>th</sup>. Many waited until closer to the start of school to begin their move. As teachers and students settled in, the requisitions poured in. We spent a significant amount of money meeting those needs in August, September, and October (See Appendix #1). While these costs were certainly not unforeseen, the timing was not in our favor for meeting the fiscal year deadline. It was of utmost importance to us to make financially responsible decisions as we obligated resources during this once-in-a-lifetime project.

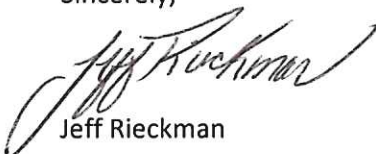
Once settled in the new building, we also had to expand staffing that we hadn't needed before: (See Appendix #2)

- Hired another part-time secretary for coverage
- Hired a paraprofessional that we didn't need before due to class size dynamics
- Have the need for another custodian, though at this time we are having hiring difficulties

As of October 31, 2018, our general fund balance is down to \$713,927.00, which is 25.4% of our budgeted expenditures of \$2,811,251.00 (See Appendix #3). Thus, we are confident that we are now below where we need to be in terms of percentage. Unfortunately with our circumstances and substantial completion timeline, we are about four months late in getting there. We are grateful for the opportunity to present a waiver for your consideration, and we look forward to meeting with you. Attached is some documentation supporting our request.

Thank you for your dedication to South Dakota education.

Sincerely,

  
Jeff Rieckman  
Superintendent

  
Britni Ross  
Business Manager

Appendix #1

**Consumable Supply Purchases for New K-12 School**

Classroom Supplies – Elementary	\$12,121.62
Classroom Supplies – Junior High	\$1,991.29
Classroom Supplies – High School	\$14,318.32
New Science Dimensions Lab Kits	\$3,414.20
Supplies for New Library	\$465.88
Purchased Services for Networking/Setup	\$12,127.84
LanSchool Site Licensing for Teachers	\$2,396.00
Office Supplies	\$5,912.05
Fill new underground propane tanks	\$4,500.00
Updated Ag Tech Systems Curriculum	\$1,690.38
<b>TOTAL</b>	<b>\$58,937.58</b>

Appendix #2

**Expanded Staffing for New K-12 School**

<b>Position</b>	<b>Hours/Wage</b>	<b>Fringe Benefit</b>	<b>Payroll Expenses</b>	<b>Total</b>
Part-Time Secretary	1107 at \$13.00 = \$14,391.00	\$3000.00	\$2,373.87	\$19,764.87
3 <sup>rd</sup> Grade Paraprofessional	1386 at \$12.00 = \$16,632.00	\$3000.00	\$2,679.77	\$22,311.77
Full Time Custodian	2080 at \$13.00 = \$27,040.00	\$3000.00	\$4,100.46	\$34,140.46
<b>TOTAL</b>	<b>\$58,063.00</b>	<b>\$9000.00</b>	<b>\$9,154.10</b>	<b>\$76,217.10</b>

### Appendix #3

## Cash Balance Report from Accounting Software

gl South Dakota Annual Report			
File Options Pin To Help			
Generate	Edit	View Cash Balances	Missing
Cash Balances			
Fund ▼	Month ▼	Report Value ▼	
▶ 10	07	1,039,883.34	
10	08	987,363.54	
10	09	859,078.45	
10	10	713,926.78	
10	11	713,926.78	
10	12	713,926.78	
10	01	713,926.78	
10	02	713,926.78	
10	03	713,926.78	
10	04	713,926.78	
10	05	713,926.78	



# Request for Waiver - Cash Balance Penalty

SDCL 13-13-73.5

School District:

TRIPP-DELMONT

Click in cell C4, then click on dropdown

Penalty Fiscal Year:

2019

Lowest Monthly Cash Balance, General Fund (FY2018)

\$800,476

Total General Fund Expenditures (FY2018)

\$1,922,455

Cash Balance %

41.6%

State Aid Fall Enrollment, Fall 2016

151.00

40%

State Aid Fall Enrollment, Fall 2017

151.00

40%

State Aid Fall Enrollment, Fall 2018

144.00

40%

based on

Allowable Cash Balance Percentage

40.0%

Amount Exceeding Allowable Percentage

\$31,494

**Total Amount of Waiver Request**

**\$31,494**

Amended Cash Balance %

40.0%

**State Aid Adjustment (FY2019)**

**\$0**

Please explain the reason(s) for this request:

Changeover in Administration: New Superintendent, Principal, and Business Manager. Changes took place in June, June, and May respectively.

New Board President effective July 2017.

Opt-out in the amount of \$400,000 passed effective May 2017.

All of the key individuals that were a part of the decision making process are no longer a part of this school district, and thus not available to answer questions on the matter. I can confirm that on September 11, 2017 \$115,984.25 was transferred from the Capital Outlay Fund to the General Fund. The most likely explanation is that not all of this money was spent and caused the excess cash balance.

The School Finance & Accountability Board may consider a waiver due to special circumstances such as:

- 1) Revenue needed in following year(s) due to a natural disaster; or
- 2) Funding needed to expand educational programs; or
- 3) Impact of reorganization; or
- 4) Any unforeseen or extenuating circumstance explained on this request.

Contact Person:

Matt Jensen OR Andrea Powell

Date:

11/20/2018

Title:

Business Manager OR Superintendent

Cash Receipt Listing - Detail

<b>Receipt Number: 576567</b>	<b>Received From: TRIPPD4 TRIPP-DELMONT SCHOOL DISTRICT</b>	<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16329</b>	<b>Amount: 245.00</b>
Description: 2ND GATE CASH BOX - FOOTBALL	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 021	2ND GATE CASH BOX - FOOTBALL	245.00	71 101	
<b>Receipt Number: 576568</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/05/2017</b>	<b>Receipt Key: 16330</b>	<b>Amount: 815.00</b>
Description: CONCESSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	CONCESSIONS	815.00	71 101	
<b>Receipt Number: 576569</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/06/2017</b>	<b>Receipt Key: 16331</b>	<b>Amount: 806.40</b>
Description: CONCESSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	CONCESSIONS	806.40	71 101	
<b>Receipt Number: 576570</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/11/2017</b>	<b>Receipt Key: 16332</b>	<b>Amount: 520.00</b>
Description: FUNDRAISER - RAFFLE TICKETS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	FUNDRAISER - RAFFLE TICKETS	520.00	71 101	
<b>Receipt Number: 576571</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/11/2017</b>	<b>Receipt Key: 16333</b>	<b>Amount: 988.30</b>
Description: CONCESSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	CONCESSIONS	988.30	71 101	
<b>Receipt Number: 576572</b>	<b>Received From: TRIPPD4 TRIPP-DELMONT SCHOOL DISTRICT</b>	<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16334</b>	<b>Amount: 84.95</b>
Description: REIMBURSE IMPREST	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 010	REIMBURSE IMPREST	84.95	71 101	
<b>Receipt Number: 576573</b>	<b>Received From: TRIPPD4 TRIPP-DELMONT SCHOOL DISTRICT</b>	<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16335</b>	<b>Amount: 513.33</b>
Description: UNREIMBURSABLE MEDICAL	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 040	UNREIMBURSABLE MEDICAL	513.33	71 101	
<b>Receipt Number: 576574</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/13/2017</b>	<b>Receipt Key: 16336</b>	<b>Amount: 875.75</b>
Description: CONCESSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	CONCESSIONS	875.75	71 101	
<b>Receipt Number: 576575</b>	<b>Received From: MANNJOY MANN JOYCE</b>	<b>Receipt Date: 09/13/2017</b>	<b>Receipt Key: 16337</b>	<b>Amount: 320.00</b>
Description: TEACHER JEAN SCHOLARSHIP	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 034	TEACHER JEAN SCHOLARSHIP	320.00	71 101	
<b>Receipt Number: 576576</b>	<b>Received From: SCHNGI SCHNABEL GINA</b>	<b>Receipt Date: 09/13/2017</b>	<b>Receipt Key: 16338</b>	<b>Amount: 15.00</b>
Description: TEACHER JEAN SCHOLARSHIP	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 034	TEACHER JEAN SCHOLARSHIP	15.00	71 101	
<b>Receipt Number: 576577</b>	<b>Received From: BROWAMY BROWN AMY</b>	<b>Receipt Date: 09/15/2017</b>	<b>Receipt Key: 16339</b>	<b>Amount: 15.00</b>
Description: TEACHER JEAN SCHOLARSHIP	Comment:			

Cash Receipt Listing - Detail

<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
71 1790 034	TEACHER JEAN SCHOLARSHIP	15.00	71 101			
<b>Receipt Number: 576578</b>	<b>Received From: HEFFKAT HEFFERNAN KATHRINE</b>		<b>Receipt Date: 09/15/2017</b>	<b>Receipt Key: 16340</b>	<b>Amount:</b>	<b>829.30</b>
Description: CONCESSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
71 1790 012	CONCESSIONS	829.30	71 101			
<b>Receipt Number: 576579</b>	<b>Received From: DUXBDA DUXBURY DANIELLE</b>		<b>Receipt Date: 09/22/2017</b>	<b>Receipt Key: 16341</b>	<b>Amount:</b>	<b>459.75</b>
Description: CONCESSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
71 1790 012	CONCESSIONS	459.75	71 101			
<b>Receipt Number: 665164</b>	<b>Received From: NUSSKAR NUSS KAREN</b>		<b>Receipt Date: 09/01/2017</b>	<b>Receipt Key: 16342</b>	<b>Amount:</b>	<b>20.00</b>
Description: ACTIVITY PASS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ACTIVITY PASS	20.00	10 101			
<b>Receipt Number: 665165</b>	<b>Received From: MANNJOY MANN JOYCE</b>		<b>Receipt Date: 09/05/2017</b>	<b>Receipt Key: 16343</b>	<b>Amount:</b>	<b>979.00</b>
Description: ADMISSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ADMISSIONS	979.00	10 101			
<b>Receipt Number: 665166</b>	<b>Received From: NUSSKAR NUSS KAREN</b>		<b>Receipt Date: 09/05/2017</b>	<b>Receipt Key: 16344</b>	<b>Amount:</b>	<b>40.00</b>
Description: ACTIVITY PASSES	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ACTIVITY PASSES	40.00	10 101			
<b>Receipt Number: 665167</b>	<b>Received From: MANNJOY MANN JOYCE</b>		<b>Receipt Date: 09/06/2017</b>	<b>Receipt Key: 16345</b>	<b>Amount:</b>	<b>382.00</b>
Description: ADMISSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ADMISSIONS	382.00	10 101			
<b>Receipt Number: 665168</b>	<b>Received From: NUSSKAR NUSS KAREN</b>		<b>Receipt Date: 09/08/2017</b>	<b>Receipt Key: 16346</b>	<b>Amount:</b>	<b>60.00</b>
Description: ACTIVITY PASSES	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ACTIVITY PASSES	60.00	10 101			
<b>Receipt Number: 665169</b>	<b>Received From: NUSSKAR NUSS KAREN</b>		<b>Receipt Date: 09/08/2017</b>	<b>Receipt Key: 16347</b>	<b>Amount:</b>	<b>655.00</b>
Description: SALES TO PUPILS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
51 1610 000	SALES TO PUPILS	655.00	51 101			
<b>Receipt Number: 665170</b>	<b>Received From: MANNJOY MANN JOYCE</b>		<b>Receipt Date: 09/11/2017</b>	<b>Receipt Key: 16348</b>	<b>Amount:</b>	<b>468.00</b>
Description: ADMISSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ADMISSIONS	468.00	10 101			
<b>Receipt Number: 665171</b>	<b>Received From: MOGCDEN MOGCK DENISE</b>		<b>Receipt Date: 09/11/2017</b>	<b>Receipt Key: 16349</b>	<b>Amount:</b>	<b>686.00</b>
Description: ADMISSIONS	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1710 000	ADMISSIONS	686.00	10 101			
<b>Receipt Number: 665172</b>	<b>Received From: NUSSKAR NUSS KAREN</b>		<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16350</b>	<b>Amount:</b>	<b>20.00</b>



Cash Receipt Listing - Detail

Description: ACTIVITY PASS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1710 000	ACTIVITY PASS	20.00	10 101	
<b>Receipt Number: 665173</b>	<b>Received From: TRIPPD4 TRIPP-DELMONT SCHOOL DISTRICT</b>	<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16351</b>	<b>Amount: 115,984.25</b>
Description: CO FLEX TRANSFER	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 5110 000	CO FLEX TRANSFER	115,984.25	10 101	
<b>Receipt Number: 665174</b>	<b>Received From: DOZABAR DOZARK BARBARA</b>	<b>Receipt Date: 09/12/2017</b>	<b>Receipt Key: 16352</b>	<b>Amount: 373.00</b>
Description: ADMISSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1710 000	ADMISSIONS	373.00	10 101	
<b>Receipt Number: 665175</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/13/2017</b>	<b>Receipt Key: 16353</b>	<b>Amount: 20.00</b>
Description: ACTIVITY PASS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1710 000	ACTIVITY PASS	20.00	10 101	
<b>Receipt Number: 665176</b>	<b>Received From: DOZABAR DOZARK BARBARA</b>	<b>Receipt Date: 09/15/2017</b>	<b>Receipt Key: 16354</b>	<b>Amount: 301.00</b>
Description: ADMISSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1710 000	ADMISSIONS	301.00	10 101	
<b>Receipt Number: 665177</b>	<b>Received From: STATEO STATE OF SOUTH DAKOTA</b>	<b>Receipt Date: 09/18/2017</b>	<b>Receipt Key: 16355</b>	<b>Amount: 3,539.75</b>
Description: FEDERAL REIMBURSEMENT	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
51 4810 000	FEDERAL REIMBURSEMENT	3,539.75	51 101	
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>	<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16356</b>	<b>Amount: 5,446.61</b>
Description: AD VALOREM TAXES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1110 000	AD VALOREM TAXES	5,446.61	10 101	
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>	<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16357</b>	<b>Amount: 364.41</b>
Description: PRIOR YEARS TAXES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1120 000	PRIOR YEARS TAXES	364.41	10 101	
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>	<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16358</b>	<b>Amount: 87.96</b>
Description: PENALTIES AND INTEREST ON TAX	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1190 000	PENALTIES AND INTEREST ON TAX	87.96	10 101	
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>	<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16359</b>	<b>Amount: 343.95</b>
Description: COUNTY APPORTIONMENT	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 2110 000	COUNTY APPORTIONMENT	343.95	10 101	
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>	<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16360</b>	<b>Amount: 4,887.19</b>
Description: AD VALOREM TAXES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>

Cash Receipt Listing - Detail

21 1110 000	AD VALOREM TAXES	4,887.19	21 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16361</b>	<b>Amount:</b>	<b>96.17</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
21 1120 000	PRIOR YEARS TAXES	96.17	21 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16362</b>	<b>Amount:</b>	<b>20.25</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
21 1190 000	PENALTIES AND INTEREST ON TAX	20.25	21 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16363</b>	<b>Amount:</b>	<b>3,362.03</b>	
Description: AD VALOREM TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1110 000	AD VALOREM TAXES	3,362.03	22 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16364</b>	<b>Amount:</b>	<b>88.96</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1120 000	PRIOR YEARS TAXES	88.96	22 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16365</b>	<b>Amount:</b>	<b>21.37</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1190 000	PENALTIES AND INTEREST ON TAX	21.37	22 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16366</b>	<b>Amount:</b>	<b>12.92</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
24 1120 000	PRIOR YEARS TAXES	12.92	24 101				
<b>Receipt Number: 665178</b>	<b>Received From: HUTCHI HUTCHINSON COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16367</b>	<b>Amount:</b>	<b>3.39</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
24 1190 000	PENALTIES AND INTEREST ON TAX	3.39	24 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16368</b>	<b>Amount:</b>	<b>3,291.59</b>	
Description: AD VALOREM TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 1110 000	AD VALOREM TAXES	3,291.59	10 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16369</b>	<b>Amount:</b>	<b>2,472.21</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 1120 000	PRIOR YEARS TAXES	2,472.21	10 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16370</b>	<b>Amount:</b>	<b>312.91</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 1190 000	PENALTIES AND INTEREST ON TAX	312.91	10 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16371</b>	<b>Amount:</b>	<b>142.94</b>	
Description: COUNTY APPORTIONMENT	Comment:						

Cash Receipt Listing - Detail

<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 2110 000	COUNTY APPORTIONMENT	142.94	10 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16372</b>	<b>Amount:</b>	<b>2,766.98</b>	
Description: AD VALOREM TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
21 1110 000	AD VALOREM TAXES	2,766.98	21 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16373</b>	<b>Amount:</b>	<b>2,213.99</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
21 1120 000	PRIOR YEARS TAXES	2,213.99	21 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16374</b>	<b>Amount:</b>	<b>276.84</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
21 1190 000	PENALTIES AND INTEREST ON TAX	276.84	21 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16375</b>	<b>Amount:</b>	<b>1,903.64</b>	
Description: AD VALOREM TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1110 000	AD VALOREM TAXES	1,903.64	22 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16376</b>	<b>Amount:</b>	<b>1,268.25</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1120 000	PRIOR YEARS TAXES	1,268.25	22 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16377</b>	<b>Amount:</b>	<b>145.75</b>	
Description: PRIOR YEARS TAXES	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
24 1120 000	PRIOR YEARS TAXES	145.75	24 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16378</b>	<b>Amount:</b>	<b>15.78</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
24 1190 000	PENALTIES AND INTEREST ON TAX	15.78	24 101				
<b>Receipt Number: 665180</b>	<b>Received From: BONHOM2 BONHOMME COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16379</b>	<b>Amount:</b>	<b>9.44</b>	
Description: COUNTY APPORTIONMENT	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 2110 000	COUNTY APPORTIONMENT	9.44	10 101				
<b>Receipt Number: 665179</b>	<b>Received From: DOUGLA2 DOUGLAS COUNTY</b>		<b>Receipt Date: 09/20/2017</b>	<b>Receipt Key: 16380</b>	<b>Amount:</b>	<b>162.85</b>	
Description: PENALTIES AND INTEREST ON TAX	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
22 1190 000	PENALTIES AND INTEREST ON TAX	162.85	22 101				
<b>Receipt Number: 665181</b>	<b>Received From: MIDSTA MIDSTATE COMMUNICATIONS</b>		<b>Receipt Date: 09/22/2017</b>	<b>Receipt Key: 16381</b>	<b>Amount:</b>	<b>298.25</b>	
Description: CAPITAL CREDIT	Comment:						
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>			
10 1510 000	CAPITAL CREDIT	298.25	10 101				

Cash Receipt Listing - Detail

<b>Receipt Number: 665182</b>	<b>Received From: HARRSAL HARRINGTON SALLY</b>	<b>Receipt Date: 09/22/2017</b>	<b>Receipt Key: 16382</b>	<b>Amount: 199.00</b>
Description: ADMISSIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1710 000	ADMISSIONS	199.00	10 101	
<b>Receipt Number: 665183</b>	<b>Received From: RODEN RODENBURG LAW FIRM</b>	<b>Receipt Date: 09/25/2017</b>	<b>Receipt Key: 16383</b>	<b>Amount: 15.00</b>
Description: WAGE GARNISHMENT PAPERWORK	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1990 000	WAGE GARNISHMENT PAPERWORK	15.00	10 101	
<b>Receipt Number: 665184</b>	<b>Received From: STATEO STATE OF SOUTH DAKOTA</b>	<b>Receipt Date: 09/29/2017</b>	<b>Receipt Key: 16384</b>	<b>Amount: 22,006.00</b>
Description: STATE AID	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 3111 000	STATE AID	22,006.00	10 101	
<b>Receipt Number: 665185</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/27/2017</b>	<b>Receipt Key: 16385</b>	<b>Amount: 50.00</b>
Description: FITNESS CENTER	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1990 503	FITNESS CENTER	50.00	10 101	
<b>Receipt Number: 665186</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16386</b>	<b>Amount: 37.50</b>
Description: COPIES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
10 1990 000	COPIES	37.50	10 101	
<b>Receipt Number: 576580</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16387</b>	<b>Amount: 70.00</b>
Description: FUNDRAISER/DONATIONS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	FUNDRAISER/DONATIONS	70.00	71 101	
<b>Receipt Number: 576581</b>	<b>Received From: FREIJOS FREIER JOSHUA</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16388</b>	<b>Amount: 3,574.00</b>
Description: MAGAZINE SALES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
71 1790 012	MAGAZINE SALES	3,574.00	71 101	
<b>Receipt Number: 665187</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16389</b>	<b>Amount: 3.00</b>
Description: SALES TO ADULTS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
51 1620 000	SALES TO ADULTS	3.00	51 101	
<b>Receipt Number: 665187</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16390</b>	<b>Amount: 732.50</b>
Description: A LA CARES	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
51 1630 000	A LA CARES	732.50	51 101	
<b>Receipt Number: 665187</b>	<b>Received From: NUSSKAR NUSS KAREN</b>	<b>Receipt Date: 09/28/2017</b>	<b>Receipt Key: 16391</b>	<b>Amount: 1,249.15</b>
Description: SALES TO PUPILS	Comment:			
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>
51 1610 000	SALES TO PUPILS	1,249.15	51 101	
<b>Receipt Number: 576584</b>	<b>Received From: BANKW1 BANKWEST</b>	<b>Receipt Date: 09/30/2017</b>	<b>Receipt Key: 16392</b>	<b>Amount: 0.55</b>
Description: INTEREST	Comment:			

Cash Receipt Listing - Detail

<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
71 1790 021	INTEREST	0.55	71 101			
<b>Receipt Number: 665188</b>	<b>Received From: BANKW1 BANKWEST</b>		<b>Receipt Date: 09/30/2017</b>	<b>Receipt Key: 16393</b>	<b>Amount:</b>	<b>453.74</b>
Description: INTEREST	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
10 1510 000	INTEREST	453.74	10 101			
<b>Receipt Number: 665188</b>	<b>Received From: BANKW1 BANKWEST</b>		<b>Receipt Date: 09/30/2017</b>	<b>Receipt Key: 16394</b>	<b>Amount:</b>	<b>19.65</b>
Description: INTEREST	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
21 1510 000	INTEREST	19.65	21 101			
<b>Receipt Number: 665188</b>	<b>Received From: BANKW1 BANKWEST</b>		<b>Receipt Date: 09/30/2017</b>	<b>Receipt Key: 16395</b>	<b>Amount:</b>	<b>8.87</b>
Description: INTEREST	Comment:					
<u>Chart of Account Number</u>	<u>Detail Description</u>	<u>Detail Amount</u>	<u>Cash Account Number</u>	<u>Receivable Account Number</u>		
22 1510 000	INTEREST	8.87	22 101			

Summary Totals

<u>Account Type</u>		<u>Cash Accounts</u>		<u>Receivable Accounts</u>
Subtotal Revenue	188,451.37	10 101	154,864.76	
Subtotal Expense		21 101	10,281.07	
Subtotal General Ledger		22 101	6,815.97	
Total:	188,451.37	24 101	177.84	
		51 101	6,179.40	
		71 101	10,132.33	
		Total:	188,451.37	

## Appendix D: Applicable South Dakota Statutes

**An abbreviated version of the statutes governing allowable general fund cash balance are below.**

## **South Dakota Codified Laws – Monthly Cash Balance Allowances**

### **13-13-10.1. Definitions. The education funding terms and procedures referenced in this chapter are defined as follows:**

(2A) "Fall enrollment," is calculated as follows:

- (a) Determine the number of kindergarten through twelfth grade students enrolled in all schools operated by the school district on the last Friday of September of the current school year;
- (b) Subtract the number of students for whom the district receives tuition except for:
  - (i) Nonresident students who are in the care and custody of a state agency and are attending a public school district;
  - (ii) Students who are being provided an education pursuant to § 13-28-11; and
  - (iii) Students for whom tuition is being paid pursuant to § 13-28-42.1; and
- (c) Add the number of students for whom the district pays tuition.

When computing state aid to education for a school district pursuant to § 13-13-73, the secretary of the Department of Education shall use the school district's fall enrollment;

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(8) "Monthly cash balance," the total amount of money for each month in the school district's general fund, calculated by adding all deposits made during the month to the beginning cash balance and deducting all disbursements or payments made during the month;

(9) "General fund base percentage," is determined as follows:

- (a) Forty percent for a school district with a fall enrollment as defined in subdivision (2A) of two hundred or less;
- (b) Thirty percent for a school district with fall enrollment as defined in subdivision (2A) of more than two hundred but less than six hundred; and
- (c) Twenty-five percent for a school district with fall enrollment as defined in subdivision (2A) greater than or equal to six hundred.

When determining the general fund base percentage, the secretary of the Department of Education shall use the lesser of the school district's fall enrollment as defined in subdivision (2A) for the current school year or the school district's fall enrollment from the previous two years;

(10) "Allowable general fund cash balance," the general fund base percentage multiplied by the district's general fund expenditures in the previous school year.

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### **13-13-73.5. Reduction of state aid by subtracting allowable general fund cash balance from lowest general fund monthly cash balance.**

Beginning on July 1, 2018, a school district's state aid for general education as calculated pursuant to § 13-13-73 shall be reduced by subtracting the allowable general fund cash balance from the lowest general fund monthly cash balance. If the result is less than zero, the reduction equals zero.

A school district created or reorganized after July 1, 2016, is exempt from the reduction provided by this section for a period of three years immediately following its creation.