

Old Capitol Building
PO Box 47200
Olympia, WA 98504-7200



Washington Office of Superintendent of
PUBLIC INSTRUCTION
Chris Reykdal, Superintendent

k12.wa.us

2025–26 School District Accounting Manual Addendum #3 – (260331 SAFS Hot Topics Delivery)

Good afternoon,

The purpose of this School Apportionment and Financial Services (SAFS) Accounting notice is to advise school districts of an addendum to the Accounting Manual for Public School Districts in the State of Washington (Accounting Manual). The effective date of this addendum is September 2025, and the changes are applicable to the school district fiscal year beginning September 1, 2025.

2025–26 SCHOOL DISTRICT ACCOUNTING MANUAL ADDENDUM #3

A new resource code is added to the Chart of Account. Revenue Code 9902 Transfers – Technology and Maintenance is to be used to segregate these transfer transactions from other allowable transfers.

In Chapter 5, near page 5-74: A new Revenue Codes 9902 is added to the Chart of Accounts to recognize CPF Technology and Maintenance transfers to the General Fund.

9902 Transfers—Technology and Maintenance

Applicable Fund: (GFL)

Record the receipt of nonreciprocal Capital Projects technology and maintenance levy transfers to the General Fund in accordance with RCWs 28A.320.330 (2)(f)(ii) and 28A.320.330 (2)(g). For guidance on nonreciprocal interfund transfers, refer to Chapter 3 and the section titled Interfund Activities and Chapter 10, and the section titled Ongoing Technology and Maintenance Expenditure Transfers.

Background Information

Legal authority for technology and maintenance transfers is found in RCW 28A.320.330 (2)(f)(ii) and RCW 28A.320.330 (2)(g).

Capital Project Fund Technology Transfers:

RCW 28A.320.330 (2)(f)(ii): Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the

ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose.

Capital Project Fund Maintenance Transfers:

RCW 28A.320.330 (2)(g): Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's general fund.

In Chapter 10, the current *Accounting Manual* provides guidance for technology and maintenance transfers.

Ongoing Technology and Maintenance Expenditures and Transfers

Certain moneys in the Capital Projects Fund may be transferred to the district's General Fund and used for certain technology or maintenance and repair costs (RCW 28A.320.330(2)(f)(ii) and (g)). Capital Projects Fund moneys that are used in this manner shall be transferred to the General Fund, where the expenditures are recorded. Technology and Maintenance expenditures include:

Ongoing Technology

Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services.

Maintenance and Repair

Major equipment repair, painting of facilities, and other major preventative maintenance purposes. Based on the district's most recent two-year history of General Fund maintenance expenditures, financial resources used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's General Fund.

Transfers and Source of Funding

Resources received in the Capital Projects Fund including, but not limited to, interest earnings on unrestricted Capital Projects Funds, can be used for the purposes of RCW 28A.320.330(2)(f)(ii) and (g).

Resource which cannot be used for the purposes of RCW 28A.320.330(2)(f)(ii) and (g) include the following sources: A) Bond proceeds and interest on bond proceeds; B) School impact and mitigation fees and interest on impact and mitigation fees; C) Proceeds from the Washington LOCAL Program; or D) Other sources subject to legal or contractual restrictions as to use (for example grant proceeds).

In Chapter 5, the current *Accounting Manual* provides a listing of other financing sources which are a subsidiary ledger of GL 965 Other Financing Sources. There are now three revenue codes to segregate transfers by type. The addition of new Revenue 9902 provides for better analysis of transfers in the future.

965 Other Financing Sources

Applicable Fund: (GF, DSF, CPF, TVF, PF)

This account is used to record the following other financing sources described in Chapter 5 as Revenue Category 9:

- 9100 Sale of Bonds
- 9200 Sale of Real Property
- 9300 Sale of Equipment
- 9400 Insurance Recoveries
- 9500 Long-Term Financing
- 9600 Sale of Refunding Bonds
- 9900 Transfers – Redirection of Apportionment
- 9901 Transfers – Other Resources
- 9902 Transfers – Technology and Maintenance

This matrix illustrates transfer authority by receiving fund. The “na” is used to show what is not applicable.

9000	Other Financing Sources (GL 965)	GFS	GFL	DSF	CPF	TVF
9900	Transfers – Redirection of Apportionment		na	na		na
9901	Transfers – Other Resources	na				
9902	Transfers – Technology and Maintenance	na		na	na	na

For questions regarding this SAFS Hot Topics Delivery notice, please reach out to Paul Stone at paul.stone@k12.wa.us.