

## REVOLVING FUNDS FOR SCHOOL DEPARTMENT PROGRAMS

The purpose of this chart is to provide general information about revolving funds allowed by Massachusetts law. It is not designed to address all questions or issues about the listed funds. Nothing contained in the chart changes the laws that authorize and govern these funds.

A revolving fund separately accounts for specific revenues and earmarks them for expenditure by a board or officer without appropriation for particular purposes to support the activity, program or service that generated the revenues. Typically, revolving funds are authorized by state law for programs or services with expenses that (1) fluctuate with demand and (2) can be matched with the fees, charges or other revenues collected during the year. Local acceptance, if required by statute, is by vote of the municipality's legislative body, subject to charter. [G.L. c. 4, § 4](#).

The board or officer with authority to spend from a revolving fund can only incur liabilities and spend from the available, unspent and unencumbered balance of actual collections.

REVOLVING FUND	LOCAL ACCEPTANCE	TOWN MEETING/ CITY COUNCIL ACTION	DEPARTMENT/ ACTIVITIES	MUNICIPAL SALARIES	CAPITAL ITEMS/ DEBT SERVICE	STATUTORY SPENDING CEILING	REVENUE SOURCE	INTEREST	FUND BALANCE	OTHER ACCOUNTING PROCEDURES	REPORTS	OTHER
ADULT AND CONTINUING EDUCATION <a href="#">G.L. c. 71, § 71E</a>	YES  IN REGIONAL SCHOOL DISTRICT, BY VOTE OF THE SCHOOL COMMITTEE	NONE	ADULT EDUCATION AND CONTINUING EDUCATION, ADULT PHYSICAL FITNESS, SUMMER SCHOOL AND ENRICHMENT PROGRAMS	YES	NOT PROHIBITED	NONE	PARTICIPATION FEES AND PROGRAM RECEIPTS	GENERAL FUND	CARRIES FORWARD TO NEXT FY	SEPARATE FUNDS FOR ADULT PROGRAMS AND SUMMER SCHOOL AND ENRICHMENT PROGRAMS		
COMMUNITY SCHOOLS <a href="#">G.L. c. 71, § 71C</a>	NO	NONE	MATERIALS AND EQUIPMENT FOR COMMUNITY SCHOOL PROGRAMS	NO	PROGRAM EQUIPMENT	\$10,000	PARTICIPATION FEES AND PROGRAM RECEIPTS	GENERAL FUND	CARRIES FORWARD TO NEXT FY			
CULINARY ARTS <a href="#">G.L. c. 71, § 17A</a>	YES  IN REGIONAL SCHOOL DISTRICT, BY VOTE OF THE SCHOOL COMMITTEE AND A MAJORITY OF MEMBER CITY OR TOWN SELECTBOARDS OR CITY COUNCILS	NONE	CULINARY ARTS PROGRAMS	NO	PROGRAM EQUIPMENT	\$15,000 TOTAL  \$5,000 IN EQUIPMENT PURCHASES	SALE OF CULINARY PROGRAM PRODUCTS	GENERAL FUND	CARRIES FORWARD TO NEXT FY	FY RECEIPTS OVER \$15,000 CREDITED TO GENERAL FUND	ANNUAL AUDIT BY TREASURER TO SCHOOL COMMITTEE, MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER  COPY TO BOA (SCHEDULE A)	

REVOLVING FUND	LOCAL ACCEPTANCE	TOWN MEETING/ CITY COUNCIL ACTION	DEPARTMENT/ ACTIVITIES	MUNICIPAL SALARIES	CAPITAL ITEMS/ DEBT SERVICE	STATUTORY SPENDING CEILING	REVENUE SOURCE	INTEREST	FUND BALANCE	OTHER ACCOUNTING PROCEDURES	REPORTS	OTHER
NON-RESIDENT STUDENT TUITION <a href="#">G.L. c. 71, § 71F</a> <a href="#">G.L. c. 71, § 16D½</a>	YES IN CITY OR TOWN  NO IN REGIONAL SCHOOL DISTRICT	NONE	EDUCATION EXPENSES OF NON-RESIDENT AND FOSTER CARE CHILDREN ENROLLED IN SCHOOL	YES	INSTRUCTIONAL EQUIPMENT THAT COULD BE FUNDED FROM SCHOOL BUDGET**	NONE	NON-RESIDENT TUITION PAYMENTS AND STATE REIMBURSEMENTS FOR FOSTER CARE CHILDREN	GENERAL FUND	CARRIES FORWARD TO NEXT FY			
SCHOOL BUS ADVERTISING <a href="#">c. 184, § 197 OF THE ACTS OF 2002</a>	NO	NONE	EDUCATION EXPENSES	YES	INSTRUCTIONAL EQUIPMENT THAT COULD BE FUNDED FROM SCHOOL BUDGET**	NONE	SALE OF ADVERTISING SPACE ON SCHOOL BUSES	GENERAL FUND	CARRIES FORWARD TO NEXT FY			SALE OF SPACE MUST BE OVERSEEN BY GOVERNING BOARD APPOINTED BY SCHOOL COMMITTEE AND IS SUBJECT TO STATUTORY STANDARDS
SCHOOL CHOICE TUITION <a href="#">G.L. c. 76, § 12B(o)</a>	NO	NONE	EDUCATION EXPENSES	YES	INSTRUCTIONAL EQUIPMENT THAT COULD BE FUNDED FROM SCHOOL BUDGET**	NONE	SCHOOL CHOICE TUITION PAYMENTS AND FEDERAL, STATE OR OTHER PAYMENTS, GIFTS AND GRANTS	GENERAL FUNDS	CARRIES FORWARD TO NEXT FY			
SCHOOL EXTENDED SERVICES <a href="#">G.L. c. 71, § 26C</a>	NO	NONE	EXTENDED SCHOOL SERVICES FOR CHILDREN	YES	NOT PROHIBITED	NONE	PROGRAM FEES, FEDERAL FUNDS, OTHER GRANTS, GIFTS, DONATIONS	GENERAL FUND	CARRIES FORWARD TO NEXT FY			PROGRAMS MUST BE APPROVED BY COMMISSIONER OF ELEMENTARY AND SECONDARY EDUCATION (DESE)
SCHOOL LUNCH <a href="#">c. 548 OF THE ACTS OF 1948, AS AMENDED BY c. 650, § 1969</a>	NO	NONE	OPERATION OF SCHOOL LUNCH PROGRAMS	YES	PROGRAM EQUIPMENT	NONE	FEES FROM SALES OF LUNCH AND OTHER MEALS, SCHOOL LUNCH GRANT FUNDS	REVOLVING FUND	CARRIES FORWARD TO NEXT FY	MUST COMPLY WITH PRESCRIBED FEDERAL AND STATE REPORTING AND AUDITING REQUIREMENTS		

\*\* Refers to equipment used in instruction that school committee may fund within its annual appropriation and generally considered "Instructional Equipment" under DESE end of year financial reporting guidelines

REVOLVING FUND	LOCAL ACCEPTANCE	TOWN MEETING/ CITY COUNCIL ACTION	DEPARTMENT/ ACTIVITIES	MUNICIPAL SALARIES	CAPITAL ITEMS/ DEBT SERVICE	STATUTORY SPENDING CEILING	REVENUE SOURCE	INTEREST	FUND BALANCE	OTHER ACCOUNTING PROCEDURES	REPORTS	OTHER
SCHOOL RENTAL <a href="#">G.L.c. 40, § 3</a> <a href="#">G.L.c. 71, § 16(r)</a>	NO, BUT PROVISION PERMITTING USE OF FUNDS FOR ANY FACILITY AND FUND CARRY OVER APPLIES ONLY IN CITY OR TOWN AND REQUIRES ACCEPTANCE (SEE DEPARTMENT/ ACTIVITIES; FUND BALANCE)	NONE	UPKEEP OF RENTED FACILITY OR SPACE, INCLUDING CUSTODIAL COSTS, UTILITIES, ORDINARY REPAIRS AND MAINTENANCE.  MAY BE USED FOR UPKEEP OF ANY SCHOOL FACILITY IF CITY OR TOWN HAS ACCEPTED PROVISION SO PERMITTING	YES	NOT PROHIBITED	NONE	RENTAL PAYMENTS FROM LESSEES OF SURPLUS SCHOOLS OR SURPLUS SPACE IN SCHOOL IN USE	GENERAL FUND	CLOSES TO GENERAL FUND AT END OF FY, UNLESS CITY/TOWN HAS ACCEPTED PROVISION PERMITTING CARRY OVER TO NEXT FY  CLOSES TO EXCESS AND DEFICIENCY IN REGIONAL SCHOOL DISTRICT			LEASING OF SURPLUS SPACE IN SCHOOL IN USE MUST BE APPROVED BY DESE
STUDENT ATHLETICS AND ACTIVITIES <a href="#">G.L.c. 71, § 47</a>	NO	NONE	SCHOOL COMMITTEE SPONSORED ATHLETIC AND EXTRACURRICULAR PROGRAMS, AWARDS, EQUIPMENT AND FACILITIES	YES	PROGRAM EQUIPMENT AND FACILITIES	NONE	PARTICIPATION FEES AND PROGRAM RECEIPTS	GENERAL FUND	CARRIES FORWARD TO NEXT FY			USE OF FUND FOR OUT-OF- STATE TRAVEL EXPENSES REQUIRES APPROVAL OF MAYOR OR SELECTBOARD
STUDENT ACTIVITY AGENCY <a href="#">G.L.c. 71, § 47</a>	NO	NONE	SCHOOL COMMITTEE AUTHORIZED STUDENT ACTIVITIES	<del>NOT APPLICABLE</del>	<del>NOT APPLICABLE</del>	NONE	STUDENT ACTIVITY RECEIPTS	AGENCY ACCOUNT	CARRIES FORWARD TO NEXT FY	PRINCIPAL AUTHORIZED BY SCHOOL COMMITTEE TO RECEIVE STUDENT ACTIVITY AGENCY MONIES MUST TURN OVER TO TREASURER; MONIES CREDITED TO STUDENT ACTIVITY AGENCY ACCOUNT	ANNUAL AUDIT BASED ON PROCEDURES AGREED TO BY SCHOOL COMMITTEE AND AUDITOR, AND DESE GUIDELINES	SCHOOL COMMITTEE MAY AUTHORIZE PRINCIPAL TO SPEND MONIES IN STUDENT ACTIVITY AGENCY CHECKING ACCOUNT FOR STUDENT ACTIVITIES. PRINCIPAL MUST BE BONDED IN AMOUNT FIXED BY TREASURER AND MUST FOLLOW ADMINISTRATIVE PROCEDURES ESTABLISHED BY TREASURER OR ACCOUNTING OFFICER  SCHOOL COMMITTEE (1) FIXES MAXIMUM BALANCE ON DEPOSIT IN CHECKING ACCOUNT, (2) TRANSFERS THROUGH WARRANT PROCESS INITIAL FUNDS FROM AGENCY ACCOUNT INTO CHECKING ACCOUNT FOR TREASURER TO REPLENISH PERIODICALLY

REVOLVING FUND	LOCAL ACCEPTANCE	TOWN MEETING/ CITY COUNCIL ACTION	DEPARTMENT/ ACTIVITIES	MUNICIPAL SALARIES	CAPITAL ITEMS/ DEBT SERVICE	STATUTORY SPENDING CEILING	REVENUE SOURCE	INTEREST	FUND BALANCE	OTHER ACCOUNTING PROCEDURES	REPORTS	OTHER
USE OF SCHOOL PROPERTY <a href="#">G.L.c. 71, § 71E</a>	YES  IN REGIONAL SCHOOL DISTRICT, BY VOTE OF THE SCHOOL COMMITTEE	NONE	EXPENSES OF MAKING FACILITY AVAILABLE, INCLUDING ADDITIONAL CUSTODIAL COSTS, UTILITIES, ORDINARY REPAIRS AND MAINTENANCE	YES	NOT PROHIBITED	NONE	FEEES AND CHARGES FOR USE OF FACILITY  SCHOOL PARKING FEES	GENERAL FUND	CARRIES FORWARD TO NEXT FY			USE OF SCHOOL FACILITIES BY INDIVIDUALS, GROUPS, ORGANIZATIONS FOR CIVIC, SOCIAL, EDUCATIONAL RECREATIONAL PURPOSES GOVERNED BY SCHOOL COMMITTEE POLICIES ESTABLISHED UNDER G.L. c. 71, § 71
VOCATIONAL EDUCATION <a href="#">G.L.c. 74, § 14B</a>	YES  IN REGIONAL SCHOOL DISTRICT, BY VOTE OF THE SCHOOL COMMITTEE AND A MAJORITY OF MEMBER CITY OR TOWN SELECTBOARDS OR CITY COUNCILS	NONE	CULINARY ARTS, HOME ECONOMIC AND OTHER VOCATIONAL-TECHNICAL SCHOOL PROGRAMS	NO	PROGRAM EQUIPMENT	NONE	SALE OF PROGRAM PRODUCTS AND SERVICES	GENERAL FUND	CARRIES FORWARD TO NEXT FY		ANNUAL REPORT BY SCHOOL SUPERINTENDENT TO MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER  COPY TO BOA (SCHEDULE A)	