



## 2020 South Dakota Legislature

# House Bill 1031

*Introduced by: The Committee on Education at the request of the Department of Education*

1 **An Act to revise certain provisions regarding school district fiduciary funds.**

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 **Section 1.** That § 13-16-19 be AMENDED:

4 **13-16-19. Custodial funds--Stewardship--Designation of employee--Surety**  
5 **bond.**

6 The school board shall prescribe policies and procedures governing the stewardship  
7 of agency-custodial funds consistent with provisions of this title. The school board may  
8 designate an employee of the school district to be in charge of each agency-custodial fund.  
9 The employee designated, if other than the business manager, shall be placed under  
10 surety bond in the amount ~~which it is estimated will to be~~ in the hands of ~~such the~~  
11 employee at any one time during the school fiscal year. The school district shall pay the  
12 premium on ~~such the~~ surety bond.

13 **Section 2.** That § 13-16-20 be AMENDED:

14 **13-16-20. Disbursements--Records--Receipts--Payment of claims--Serially**  
15 **numbered ticket sales--Destruction of records.**

16 The employee in charge of ~~an agency a custodial~~ fund may issue checks for  
17 disbursements from the fund. Unless required by the school board, ~~such the~~  
18 disbursements do not require prior approval by the board nor signature of the presiding  
19 officer of the board or the business manager. The employee designated shall keep accurate  
20 records of all receipts, expenditures, and balances of the agency-custodial fund; issue  
21 receipts in duplicate for all money received, except money received from the sale of  
22 printed serial number admission tickets; approve the expenditures, and pay all claims  
23 upon the presentation of an itemized verified claim. A memorandum record shall be kept  
24 on file for the sale of all serially numbered tickets by events, ~~which and the~~ record shall  
25 be signed by the person selling ~~such the~~ tickets. ~~However, the~~ The employee may destroy

1 any record that the records destruction board, acting pursuant to § 1-27-19, declares to  
2 have no further administrative, legal, fiscal, research, or historical value.

3 **Section 3.** That § 13-16-21 be AMENDED:

4 **13-16-21. Custodial funds--Monthly and annual reports--Audits.**

5 The employee of the school district designated by the board to be in charge of ~~an~~  
6 agency a custodial fund shall monthly and annually submit reports to the school board.

7 The fund shall be audited as part of the regular audit of the school district.