

GASB 84: Legal Considerations for Public Schools

CURRENT AGENCY FUNDS



CONTROL OF FUNDS
Activity funds maintained in school district's bank account?



Not subject to GASB 84.

N

Y



FIDUCIARY ACTIVITY
Private Purpose Trust Fund or Custodial Fund.



YES ON ALL

FIDUCIARY v. GOVERNMENTAL ACTIVITY CRITERIA

- Funds not derived from school district's source revenues?
YES NO
- Funds benefit individuals and no "administrative involvement" by the school district in the activity?
YES NO N/A
- Funds benefit outside organizations not part of school district?
YES NO N/A
- If funds are in a trust, school district is not a beneficiary?
YES NO N/A



IF NO ON ANY

GOVERNMENTAL ACTIVITY
General or Special Revenue Fund.



Y

Exception to the definition of "Public Funds"
Voluntary contribution for specific purpose? (MCL § 380.1814).

Y



PUBLIC FUNDS BUT...
Funds may be used for activity's purpose as long as it has an "EDUCATIONAL NEXUS" to the operation of the school district.

N



PUBLIC FUNDS
Funds are subject to all legal restrictions applicable to the General Fund.

Y



NOT PUBLIC FUNDS
Funds may be used for the activity's stated purpose with no legal restrictions.