**FLEXIBILITY:** The 2017 and 2018 Legislative sessions netted some flexibility for use of what would otherwise be categorical funding. Accessing this flexibility is regulated, with all three requiring a school board resolution:

* [HF 564](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf564) **Categorical Flexibility** from 2017 allowed transfer from general fund to student activity fund for protective equipment retroactive to July 1, 2016.
* [HF 565](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf565) **Flex Fund Account** from 2017 set up a flexibility fund to receive transfers from categorical fund balances in professional development, home school assistance, preschool and a discontinued fund. Although enacted in the 2017 Session, this ability to dedicate the funds to another purpose is effect July 1, 2017.
* [HF 2441](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2441) **Flexibility** from 2018 allows student activity fund transfer for refurbished (in addition to new) athletic equipment and allows transfer of child care fund balance to general fund.

This table lists the requirements for board action/resolution in the various bills passed over the last two years:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Flexibility** | **Legislation and Session** | **Effective Date** | **Required to Publish Notice Code 24.9** | **Public Hearing** | **Board directs Transfer** | **Board directs Expenditures** | **Other** | **Send Copy to DE** | **Make available to auditors** |
| GF transfer to SAF to purchase equipment | HF 564 in 2017 | 7/1/2016 | no, but list on board agenda for action | No | Yes | limited to costs for new safety equipment | none | No | No |
| GF transfer to SAF to refurbish equipment | HF 2441 in 2018 | 4/11/2018 | " | No | Yes | Expanded to include payment to refurbish safety equipment | none | No | No |
| Child Care Fund transfer to GF | HF 2441 in 2018 | 4/11/2018 | Yes | Yes (DE prescribes public hearing notice) | Yes | Yes, proposed use (any general fund purpose) | resolution includes method of setting fees, amount of transfer and proposed uses | Yes | Yes |
| Categorical fund transfer to Flex Fund | HF 545 2017 | 7/1/2018 | Yes | Yes (DE is to prescribe form for public hearing notice) | No | Yes: Resolution includes certification that original purpose needs have been met, the year the transfer occurred, and the expenditure purpose and amount. | May transfer from PK, PD, HSAP or a discontinued fund. Transfer does not require board authority but expenditure does. | Yes | Yes |

Copies of sample resolutions for each purpose follow