**South Dakota Codified Laws – Monthly Cash Balance Allowances**

**13-13-10.1.  Definitions. The education funding terms and procedures referenced in this chapter are defined as follows:**  (2A)      "Fall enrollment," is calculated as follows:
             (a)      Determine the number of kindergarten through twelfth grade students enrolled in all schools operated by the school district on the last Friday of September of the current school year;
             (b)      Subtract the number of students for whom the district receives tuition except for:
             (i)      Nonresident students who are in the care and custody of a state agency and are attending a public school district;
             (ii)      Students who are being provided an education pursuant to § 13-28-11; and
             (iii)      Students for whom tuition is being paid pursuant to § 13-28-42.1; and
             (c)      Add the number of students for whom the district pays tuition.
                  When computing state aid to education for a school district pursuant to § 13-13-73, the secretary of the Department of Education shall use the school district's fall enrollment;

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             (8)      "Monthly cash balance," the total amount of money for each month in the school district's general fund, calculated by adding all deposits made during the month to the beginning cash balance and deducting all disbursements or payments made during the month;
             (9)      "General fund base percentage," is determined as follows:
             (a)      Forty percent for a school district with a fall enrollment as defined in subdivision (2A) of two hundred or less;
             (b)      Thirty percent for a school district with fall enrollment as defined in subdivision (2A) of more than two hundred but less than six hundred; and
             (c)      Twenty-five percent for a school district with fall enrollment as defined in subdivision (2A) greater than or equal to six hundred.
                  When determining the general fund base percentage, the secretary of the Department of Education shall use the lesser of the school district's fall enrollment as defined in subdivision (2A) for the current school year or the school district's fall enrollment from the previous two years;
             (10)      "Allowable general fund cash balance," the general fund base percentage multiplied by the district's general fund expenditures in the previous school year.

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**13-13-73.5.   Reduction of state aid by subtracting allowable general fund cash balance from lowest general fund monthly cash balance**. Beginning on July 1, 2018, a school district's state aid for general education as calculated pursuant to § 13-13-73 shall be reduced by subtracting the allowable general fund cash balance from the lowest general fund monthly cash balance. If the result is less than zero, the reduction equals zero.
     A school district created or reorganized after July 1, 2016, is exempt from the reduction provided by this section for a period of three years immediately following its creation.