

BORROWING AUTHORITY

I. Purpose

The purpose of the policy is to establish Western Dakota Tech's (WDT) borrowing authority.

II. General Statement of Policy

A. The policy of WDT is that the local governing Board may authorize the execution of interfund transactions, when sufficient monies are available in order to provide cash for other funds. The Board may also borrow money from any source willing to lend the money, by issuing a promissory note subject to the limitations and regulations set forth in any federal and state regulations.

III. Definitions

- A. "Interfund Transaction" is a financial transaction occurring between two funds within the same organization.
- B. "Promissory Note" is a signed document with a promise to pay another party a specific amount on demand or at a specified future date.

IV. Reporting Procedures – None

V. Dissemination of Policy and Training

- A. This policy shall appear on the WDT website on the policy webpage.

Legal References:

SD Codified Laws §13-19-1 through §13-19-30 – School District Bonds & Notes

Other References:

South Dakota School District Accounting Manual – Section XII, Interpretation No. 6 – Interfund Transactions