WAC 392-123-049 Basis of budgeting and accounting. All school districts and charter schools must utilize the following methods of revenue and expenditure recognition in budgeting, accounting, and financial reporting:

(1) Recognize revenue as defined in WAC 392-123-047: Provided, That school districts that elect the cash basis of expenditure recognition as defined below shall recognize revenue on the cash basis.

(2) Recognition of expenditures for all funds shall be on the accrual basis: Provided, That school districts with under one thousand full time equivalent students for the preceding fiscal year may make a uniform election for all funds, except debt service funds, to be on the cash basis of expenditure recognition. Notification of such election shall be given to the state superintendent of public instruction in the budget of the school district and shall remain in effect for one full fiscal year.

(3) Charter schools may not elect to make a uniform election for any funds to be on the cash basis of expenditure recognition.

(4) School districts subject to binding restrictions may not elect to make a uniform election for any funds to be on the cash basis of expenditure recognition until the fiscal year following the district's release from binding restrictions by the superintendent of public instruction.

(5) Expenditures for activities prior to September 1st, but within the school year as defined in WAC 392-121-031, are considered expenditures of the school year commencing September 1st.

[Statutory Authority: 2025 c 384, RCW 28A.65.465, 28A.150.290, 28A.335.135, 28A.505.040, 28A.505.090, 28A.505.140, and 28A.710.220. WSR 26-17-043, s 392-123-049, filed 8/12/26, effective 9/12/26. Statutory Authority: RCW 28A.150.290 and 28A.710.220. WSR 15-18-078, § 392-123-049, filed 8/28/15, effective 9/28/15. Statutory Authority: RCW 28A.150.290(2) and 1999 c 309 § 503(7). WSR 99-20-021 (Order 98-07), § 392-123-049, filed 9/28/99, effective 9/29/99. Statutory Authority: RCW 28A.65.465. WSR 83-21-027 (Order 83-12), § 392-123-049, filed 10/10/83; WSR 82-19-048 (Order 82-13), § 392-123-049, filed 9/14/82.]