

**Idaho State Board of Education**  
**GOVERNING POLICIES AND PROCEDURES**  
**SECTION: V. FINANCIAL AFFAIRS**  
**Subsection: C. Spending Authority**

**February 2013**

1. Monies Subject to Appropriation

a. Legal Spending Authority Required

- i. No institution or agency may expend, encumber, or otherwise use monies subject to appropriation without a specific appropriation or other spending authority under Idaho law (hereinafter "spending authority").
- ii. No institution or agency may expend, encumber, or otherwise use appropriated monies other than for the purposes and in the amounts authorized pursuant to the spending authority.
- iii. Any expenditure, encumbrance, or other use of monies without spending authority, in excess of the spending authority, or contrary to the purposes authorized by the spending authority, is void.
- iv. Each institution and agency is responsible for determining that spending authority exists to expend, encumber, or otherwise use monies under its control.
- v. Any person expending, encumbering, or otherwise using such monies other than pursuant to spending authority is subject to statutory penalties and disciplinary action. (See, for example, Sections 18-5701, 18-5702, and 59-1013, Idaho Code.)

b. General Fund and Special Accounts

- i. All General Fund monies are subject to annual or continuing appropriations by the Idaho Legislature.
- ii. Certain special account monies, such as direct federal appropriations, state endowment income and trust accounts, and miscellaneous receipts, are the subject of continuing or perpetual spending authority. (See, for example, Sections 67-3608 and 67-3611, Idaho Code (miscellaneous receipts); Section 67-3607 and Section 33-3301 et seq., Sections 33-2909 and 33-2910, Sections 33-2913 and 33-2914, Sections 33-2911 and 33-2912, Sections 66-1106 and 66-1107, Idaho Code (state endowment income and trust accounts).)

c. University of Idaho

The University of Idaho and the Board of Regents of the University of Idaho, by virtue of their constitutional status and unique standing under federal or state law, may expend certain monies which are not General Fund monies without the overall supervision and control of any other branch, department, office, or board

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of Idaho state government. (*See, for example, State ex rel. Black v. State Board of Education*, 33 Idaho 415 (1921).)

d. Non-cognizable Funds

Non-cognizable funds may not be expended without prior approval by the Division of Financial Management pursuant to Section 67-3516(2), Idaho Code.

2. Monies Not Subject to Appropriation

- a. Monies under the direct control of the institutions and agencies by virtue of auxiliary enterprises, local service operations, federal, state, and private gifts, and grants and contracts, may be expended in such amounts and for such purposes as authorized by the Board without express legislative spending authority.
- b. Institutional agency funds may be expended in accordance with the provision and controls of the depositor and are not subject to Board authorization.