Book	Policy Manual
Section	6000 Finances
Title	FUND BALANCE
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6235 - **FUND BALANCE**

The Superintendent has the responsibility of administering the budget, once adopted by the School Board. The Superintendent shall monitor the fund balances and shall report the balances to the Board monthly. As required by State law and Board Policy 6233 - *District Budget*, the Board shall maintain a general fund ending fund balance that is sufficient to address normal contingencies.

An adequate fund balance reserve is necessary to cover unforeseen events (e.g., revenue short falls, student enrollment under projections, etc.). During the annual budget development process, the Superintendent shall plan for a general fund reserve not classified as restricted, committed, or nonspendable of at least five percent (5%), to include a three percent (3%) statutory reserve and a two percent (2%) strategic reserve, and an additional contingency fund of up to three and one-half percent (3.5%), or provide the Board a written report explaining why these targets are not feasible. During the fiscal year, the Board shall maintain a general fund reserve of ending fund balance not classified as restricted, committed, or nonspendable of no less than three percent (3%) but preferably at least five percent (5%).

Fund balances will be reported in the categories established by the Government Accounting Standards Board Statement 54 (GASB 54). Upon the recommendation of the Superintendent, the Board will impose constraints on any funds placed in the committed and assigned classifications.

The applicable categories for fund balance designations are:

    A. Nonspendable Fund Balance

    B. Restricted Fund Balance

    C. Committed Fund Balance

    D. Assigned Fund Balance

    E. Unassigned Fund Balance

Technical Change 12/6/19
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                                        Government Accounting Standards Board Statement 54