

ADMINISTRATIVE REGULATION

No. 603

Board of Trustees Douglas County School District

FINANCES

BUDGET PREPARATION

Since the District's General Fund and Special Education Fund represent the majority of the District's operating funds, the following specific goals regarding contingency accounts and fund balances should apply to these two funds:

In the General and Special Education Fund, a contingency account must be included for each fund. These contingency accounts shall be established in these two funds to provide for unforeseen expenditures or for anticipated expenditures of an uncertain amount. NRS 354.608 limits the contingency to 3% of funds otherwise appropriated in the fund, exclusive of any amounts to be transferred to other funds. In preparation of District budgets for any given year, the General Fund and Special Education funds should have contingency accounts of no less than 1%, and no more than 3%, of fund appropriations less fund transfers.

In preparation of the District's General Fund and Special Education Fund for any given year, an ending fund balance of no less than 4% and no more than 8.3% of fund expenditures less capital outlay should be included in each of the two funds. Fund balances thus established shall be exclusive of all reserves not anticipated being readily available for use in emergencies and contingencies. The 4% minimum budgeted ending balance should be established so that at the end of any given budget year, when the budgeted ending fund balance is combined with unspent contingency and normal under spending of 1.5% to 2%, an actual ending fund balance of approximately 7% of fund expenditures will remain.

If at the end of any fiscal year, the actual fund balance in the General or Special Education Fund falls below 5%, the District shall develop a plan to restore the fund balance to a budgeted balance of 4% (actual balance of approximately 7%) over a specified period of time.

[See Policy related to this Administrative Regulation](#)

Adopted January 12, 1999