

## **Operational Services**

### **GASB 54 Fund Balance**

“Fund Balance” as used in this policy means the difference between assets and liabilities reported in a governmental fund of the School District. It is a measure of the School District’s current financial resources available to pay expenditures in future periods. In accordance with Statement 54 issued by the Governmental Accounting Standards Board (“GASB 54”), the following categories may be used when reporting the fund balances of the School District.

#### **“Nonspendable Fund Balance”**

Nonspendable Fund Balance includes amounts which are not in spendable form (such as, but not limited to inventory, prepayments, and non-current receivables) or are required to be maintained intact.

#### **“Restricted Fund Balance”**

Restricted Fund Balance includes amounts which are constrained to paying for specific purposes as required by the external providers of such amounts or law.

#### **“Committed Fund Balance”**

Committed Fund Balance includes amounts which are constrained to specific purposes by action of the Board of Education. The initial designation or change in designation of Committed Fund Balance amounts, or the constraints thereon must be formally approved by the Board of Education. Committed fund Balances will not lapse at the end of the fiscal year in which they are so designated.

#### **“Assigned Fund Balance”**

Assigned Fund Balance includes amounts which the Board of Education intends to use for specific purposes. The Board of Education authorizes the School District Business Manager to determine and designate the Assigned Fund Balances on an annual basis. Assigned Fund Balances will not lapse at the end of the fiscal year in which they are so designated.

#### **“Unassigned Fund Balance”**

Unassigned Fund Balance includes all remaining spendable amounts not otherwise classified and which are available for any purpose as appropriated by the Board of Education, and are reported in the general fund of the School District.

As appropriate, expenditures are to be made first from the Restricted Fund Balance, then next from the Committed Fund Balance, then next from the Assigned Fund Balance, and finally from the Unassigned Fund Balance.

CROSS REF.: 4:10 (Fiscal and Business Management), 4:20 (Fund Balances), 4:80 (Accounting and Audits)

ADOPTED: June 28, 2011