

701.01 FUND BALANCE

1. Portions of fund balances shall be classified as nonspendable, restricted, committed, assigned or unassigned in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54.
2. The Board of Education shall establish, modify, or rescind a committed fund balance prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint of the commitment may be determined in the subsequent fiscal year.
3. The School District employee serving in the role of the District's Superintendent, Chief Executive Officer (CEO) or Chief Financial Officer (CFO) shall establish the specific purpose(s) of the assigned fund balance.
4. The administration shall plan and manage annual revenue and expenditure budgets that provide an unassigned general fund balance of at least five percent (5%) of annual general fund expenditures.
5. If the unassigned general fund balance should fall below five percent (5%) of annual general fund expenditures within a given year or the next succeeding year, the Superintendent shall alert the Board to the circumstances and recommend appropriate short-term actions to maintain the desired balance.

LEGAL REFERENCES:

CROSS REFERENCES: