

**Tumwater School District
Board Policy**

MINIMUM FUND BALANCE

The district recognizes the importance of maintaining a prudent fund balance in the general fund to ensure operational cash flow needs are met, to set aside resources for known obligations, to help protect against unforeseen circumstances and bond rating.

Accordingly, the district adopts this policy in regards to those portions of fund balance that are in spendable form but are not legally restricted as to their use from outside sources. Annually, the superintendent or designee will present a general fund budget that includes a commitment of 6 percent of the current year's budgeted expenditures towards a minimum fund balance at year end.

Cross References: 6040 - Expenditures in Excess of Budget
 6020 - System of Funds and Accounts

Legal References: RCW 28A.320.070 School district as self-insurer -
 Authority
 RCW 28A.505 School Districts' Budgets
 28A.505.130 Budget - Requirements for balancing
 estimated expenditures

ADOPTED: January 10, 2019

REVISED: April 27, 2023