GWINNETT COUNTY PUBLIC SCHOOLS

Gwinnett County Board of Education

Level:	Accompanying Procedure:	Descriptor Code:	Rescinds
Policy D-Fiscal Management		DCL	NEW
Descriptor Term:		Effective Date:	
Fund Balance			

Keywords:
Student Discipline:
Policy References:

Purpose

The Board shall maintain an Unassigned/Unreserved General Fund Reserve to safeguard instructional continuity and fiscal stability by addressing emergencies, cash flow, and other exceptional needs, consistent with requirements of the Governmental Accounting Standards Board (GASB) and Government Finance Officers Association (GFOA) best practices.

Reserve Level

The Unassigned/Unreserved General Fund Reserve shall be no less than 12% of approved General Fund operating expenditures (excluding interfund transfers), with a target range of 14-19%. The Board shall ensure compliance with any applicable statutory limits and will not exceed the upper bound except by documented extraordinary need and a time-bound plan to return to target.

Use of Funds

Funds from the General Fund Reserve shall not be allocated or expended except for nonrecurring or emergency needs that cannot be met through current appropriations and only when the fund balance exceeds the required minimum floor.

Exceptional circumstances include but are not limited to:

- Force majeure events and disasters (e.g., hurricanes, floods, earthquakes, terrorism, fire, destruction of a school facility, civil disorder);
- Unanticipated general fund revenue reductions unrelated to normal enrollment declines that require immediate action to avoid disruption of services;
- Large, one-time expenditures not expected to recur
- Nonrecurring investments that can be demonstrated to protect or secure revenues or produce system-wide efficiencies/cost reductions to direct more resources to students.

Working Capital

Short-term working capital draws on the General Fund Reserve shall be repaid within the same fiscal year or within 90 days of tax settlement, with a documented replenishment schedule.

Governance

Upon determination that an exceptional circumstance exists per this policy, the Superintendent shall

present a recommendation for the use of the General Fund Reserve for Board approval. The recommendation shall be approved as part of the annual budget approval process or via a budget amendment.

Replenishment

If the reserve falls below the minimum floor, the Superintendent shall propose, and the Board shall adopt, a replenishment plan to restore the minimum level within two fiscal years.

Accountability & Transparency

The Superintendent shall report reserve status and compliance with this policy annually in the Georgia Annual Comprehensive Financial Report (ACFR) and Budget Book and provide regular fund balance updates to the Board and in public-facing documents as part of the district's routine financial reporting.