
Fund Balance

#

GASB has issued Statement No. 54, *Fund Balance reporting and Governmental Fund Type Definitions* (GASB 54). The objective of this Statement 54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied.

Fund Balance Classifications (pursuant to GASB Statement 54): Fund balance classifications/amounts will be reported by the District in accordance with accounting standards issued by the GASB.

General Policy

Fund balance measures the net financial resources available to finance expenditures within current or future periods. The District's Unassigned General Fund fund balance will be maintained to provide the District with financial stability and a margin of safety to fund unanticipated contingent expenditures that may occur unexpectedly during the fiscal year. The Unassigned General Fund fund balance used for these purposes may only be appropriated by resolution of the Board of Education unless voter approval is required.

Any portion of Fund Balance may be applied or transferred for a specific purpose either by voter approval if required by law or by formal action of the Board of Education if voter approval is not required. Amendments or modification to the applied or transferred fund balance must also be approved by formal action of the Board of Education.

The Board of Education shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders or as specifically assigned by the Board of Education.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (e.g., expenditures related to reserves), the Board will assess the current financial condition of the district and then determine the order of application of expenditures to which fund balance classification will be charged.

Adopted: 08/31/2011
Reviewed: 08/26/2015
Revised: 09/30/2015