

Emery County School District



Policy: DA—Fiscal Management Goals and Objectives

Date Adopted: 5 October 2011
Current Review / Revision: 5 October 2011

The Board of Education recognizes the importance of maintaining an adequate unrestricted fund balance. To this purpose, it is the policy of the Board to strive to maintain unrestricted fund balance in the General Fund of no less than two months of regular general fund operating expenditures.

As a component of the unrestricted fund balance described above, the Board of Education commits to maintain up to 5% of the General Fund budgeted expenditures (Utah Code 53A-19-103) as a committed fund balance as classified by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The specific purpose of the commitment is for economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity. As defined in state law, the commitment is not to be used in the negotiation or settlement of contract salaries for school district employees.

The Board of Education delegates authority to the District Superintendent and District Business Administrator to assign fund balances at the end of each fiscal year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources. Of the unrestricted resources, committed resources will be used first, followed by assigned resources, and then unassigned resources.