

*Capital Reserve Fund*

The monies in the Capital Reserve Fund may be expended only for capital improvements, capital replacements, deferred maintenance of facilities and for the replacement of school buses, consistent with applicable law and guidelines issued by the Pennsylvania Department of Education.

Maintenance work means work that is performed to keep a capital asset at its original capacity and functionality over the course of its useful-life. Deferred maintenance means work that is more than one (1) fiscal year beyond its originally budgeted or scheduled date. Deferred maintenance includes budgeted, uncompleted work at the end of a fiscal year, scheduled preventative maintenance not included in the budget by the administration or cut from the budget by the board of school directors in the year it is originally scheduled. This fund would not be used for routine preventative maintenance in the year originally scheduled.