

Fund Balances Management

The Board of School Directors (“Board”) contributes to the successful education of students through sound fiscal management. The Board adheres to Pennsylvania state statutes and the Pennsylvania Department of Education (PDE) Manual of Accounting.

The fund balances addressed in this Policy are General, Capital, and Food Service. Fund balances allow the District to be responsive to unexpected financial conditions, to generate interest income, to meet emergency needs, to provide funding for capital expenditures and maintenance and construction projects, and to protect the high bond rating of the District.

General Fund Balance:

The General Fund accounts for the current operating revenues and expenditures of the District. The General Fund Balance is the accumulation over time of recognized revenue over operating expenditures. Operating contingency expenses may be funded through a contribution from the General Fund Balance. The General Fund Balance should not be utilized to fund recurring operating expenses.

1. Committed General Fund Balance:

This is the portion of the General Fund Balance which by Board action has been committed by the Board for future specific, identified needs or any other purposes the Board deems appropriate. This commitment is determined no less than annually.

2 Assigned General Fund Balance:

The monies in this General Fund Balance are constrained by the Board’s intent to be used for specific purposes and are not otherwise committed by Board action.

3. Unassigned General Fund Balance:

The monies in this unassigned General Fund Balance will only be expended with the specific authorization of the Board .

Capital Fund Balances:

The Capital Fund Balance consists of General Fund transfers, bond proceeds, or major private donations. Capital improvements, acquisition or construction of capital facilities, bond proceeds for capital projects and the servicing of debt are represented in one of these funds: Capital Reserve Fund, Capital Projects Fund or Debt Service Fund.

Food Service Fund Balance:

The Food Service Fund Balance is the net difference between the revenues from providing goods and services and the cost of the Food Service operation. The Food Service Fund Balance will be utilized for the improvement or maintenance of the District's Food Service operation.

Periodic Fund Balance Allocations

Determinations as to fund balance allocation will be made by the Board on a periodic basis as part of the budget development process.

Delegation of Authority

The Administration will develop regulations to manage the District's Fund Balances consistent with this Policy, Pennsylvania School Code, the PDE Manual of Accounting and other applicable law.