



<p>3. Delegation of Responsibility</p>	<p>may be changed or lifted only with the consent of the resource providers.</p> <p><b>Unrestricted:</b></p> <p><b>Committed</b> – Amounts that can be used only for a specific purpose determined by a formal action of the School Board of Directors, the government’s highest level of decision making authority. Committed funds may only be changed or lifted by the same formal action taken to commit them. (e.g., future anticipated costs).</p> <p><b>Assigned</b> – Amounts that the School District intends to use for a specific purpose such as the intent to use fund balance in a subsequent year budget.</p> <p><b>Unassigned</b> – The residual classification for the general fund which includes amounts that are not included within the other categories noted. Unassigned amounts are the portion of fund balance not obligated or specifically designated and is available for any purpose. A negative fund balance should be reported in governmental funds other than the general fund when a deficiency in fund balance exists.</p> <p>The responsibility for designating funds to specific classifications shall be as follows:</p> <ol style="list-style-type: none"> <li>1. Nonspendable – determined first and removed to determine spendable fund balance. Responsibility for determining and monitoring lies with the Superintendent and Business Manager.</li> <li>2. Restricted – Determined by limitations imposed by external parties such as grantors or enabling legislation. Responsibility for determining and monitoring lies with the Superintendent and Business Manager.</li> <li>3. Committed – An amount to be used for a specific purpose through a resolution of the School Board of Directors. Commitments are either satisfied through future expenses or through a similar resolution of the School Board to uncommit the funds. The formal action to commit fund balance to a specific purpose should occur prior to the end of the reporting period, but the amount which will be subject to the constraint may be determined in the subsequent period.</li> <li>4. Assigned – An amount that is intended to be used for a specific purpose. Assignments of fund balance are made by the Board of School Directors. Assignments of fund balance cannot create a negative unassigned fund balance in the General Fund.</li> <li>5. Unassigned – The residual amount of fund balance not obligated or specifically designated for a specific purpose.</li> </ol>
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6. Disbursement of Fund Balance Reserves – Any expenditure incurred for a purpose in which restricted and unrestricted fund balance amounts are available shall be satisfied through restricted fund balance amount before unrestricted fund balance amounts. When expenditure is incurred for a purpose in which unrestricted fund balance amounts are available under committed, assigned or unassigned fund balance, there are no restrictions placed on the order of the unrestricted fund balances used. Order of the unrestricted fund balances used for disbursements is at the discretion of the Business Manager.
7. Minimum Level of Unassigned Balance – The unassigned fund balance of the General Fund at the end of each fiscal year end shall not be less than 8 percent of the following year’s projected budgeted expenditures. In any fiscal year where the School District is unable to maintain this minimum reservation of fund balance as required in this section, the School District shall not budget any amount of unassigned fund balance for the purpose of balancing the General Fund Budget until this level is achieved.
8. Annual Review and Determination of Fund Balance Reserve Amounts – Compliance with the provisions of this policy shall be reviewed annually and the amounts of restricted, committed, assigned, nonspendable and minimum level of unassigned fund balance shall be determined at this time. The Superintendent and Business Manager will be responsible for enforcing this policy.

References:

School Code – 24 P.S. Sec. 218, 688