

**SCHOOL POLICIES
INDEPENDENT SCHOOL DISTRICT 16**

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SERIES	700	Non-Instructional Operations
SUBJECT	701	Fund Balance
Adopted		Board Adopted 12-14-2010
Revised		

I. PURPOSE

The purpose of this policy is to ensure the financial stability of the district allowing the district the ability to meet unexpected budget circumstances.

II. GENERAL STATEMENT OF POLICY

To ensure the financial stability of the district, the School Board will strive to maintain an unreserved, undesignated fund balance of 5-8% of the district's general fund operating expenditures (excluding health & safety).

III. REQUIREMENT

The Superintendent or such other school official as designated by the Superintendent or the School Board shall each year prepare a calculation of the district's current financial position related to this fund balance policy for review by the School Board. The School Board shall review the calculation during the budget development process for the next fiscal year and make such adjustments in the expenditure budget as necessary to carry out the education program within the revenues projected.