

## FUND BALANCE AND CIP TRANSFER

This policy applies only to the unrestricted fund balance within the School Division's operating fund. It does not apply to other funds or to balances that are restricted or designated for specific purposes.

If the available ending balance at the end of any given fiscal year exceeds two (2 %) percent of next year's operating fund appropriation, the amount in excess of two (2 %) percent will be transferred to the Capital Improvement Fund.

Available ending balance is determined by taking the actual ending balance and removing from that amount the planned amount used to ensure that the operating fund revenues equal expenditures in the current fiscal year. The available ending balance also does not include monies set aside by the School Board as reserves for various contingencies. Contingencies might include, but are not necessarily limited to, funds for the potential loss of State revenues, volatile expenditure categories such as fuel and utilities, and other categories determined by the School Board to be necessary. All such reserves should be reasonable and should be made public.

Adopted: July 12, 2012  
Amended: October 26, 2017; October 27, 2022  
Equity Review: October 27, 2022

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