

Operational Services

Fund Balances

Adequate financial planning is necessary to operate the school and provide the highest quality educational programs possible, consistent with the financial resources available.

Therefore, the Board seeks to maintain fund balances of not less than 25% (representing approximately 3 months of operating expenditures). The date of measurement shall be June 30 of each fiscal year, and the measurement shall be consistent with that reported in the District's Annual Financial Report filed with the Illinois State Board of Education.

If the fund balance percentage falls below the minimum percentage, the Board shall budget an annual surplus to restore the fund balance percentage to not less than the minimum percentage.

Definitions:

For purposes of this policy, Fund Balance is defined as follows:

The total fund balances of the Education, Operations & Maintenance, Transportation, and Working Case Funds less any reserve amount approved by the Board. In the event that the fund balances of the IMRF/FICA Fund is less than zero, such negative amount shall be considered in the definition.

For purposes of this policy, Total Direct Expenditures are defined as follows:

Total expenditures from all direct sources, comprised of the Education, Operations & Maintenance, Transportation, IMRF/FICA, and Working Cash Funds. Consistent with the manner in which Total Direct Expenditures are included in the District's Annual Financial Report which is submitted to the Illinois State Board of Education, Total Direct Expenditures shall not include the TRS On-Behalf payments.

For purposes of this policy, Fund Balance Percentage is defined as follows:

Fund Balance/Total Direct Expenditures, rounded to the nearest whole percent.

Transfer of Funds

Inter-fund loans and transfers within funds shall be made only with School Board approval.

LEGAL REF.: 105 ILCS 5/10-22.33, 5/17-1, 5/20-5, and 5/20-8.

CROSS REF.: 4.10 (Fiscal and Business Management), 4.30 (Revenue and Investments), 4:80
(Accounting and Audits)

Adopted: November 19, 1996
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