

General Fund Cash Reserve Policy - Draft

Operating the District with fiscally sound management practices is integral to the ongoing well-being of the District. Responsible management of operational costs while maintaining a high level of educational excellence within the District is the primary focus of the Board of Education (Board), administrators, teachers and other school personnel when making budgetary decisions.

The District's goal, and goal of this policy, shall be to maintain sufficient financial reserves and minimize deficit spending to protect against reductions in staffing or service levels due to unexpected revenue shortfalls or unforeseen expenditures.

In order to maintain financial effectiveness, the District's financial goal shall be to maintain minimum projected General Fund cash balances for the current year and the subsequent fiscal year (based on current five-year forecast submission) equal to or greater than 60 true cash days, the floor. The Board affirms tax levies shall be pursued, and or the District's finances otherwise managed, to attain General Fund cash balances in accordance with the aforementioned floor.

Upon determining the General Fund cash balance floor may not be achieved, the Treasurer shall report the determination to the Board. It shall be the responsibility of the Superintendent and Treasurer to develop and present an action plan to bring projected General Fund cash balances into compliance with the established floor.

This policy shall be the focal point of all discussions impacting District finances.