

Williamson County Board of Education



Adopted Date:

11/21/11

2.202

FUND BALANCE

1 The Board will follow the guidance of Governmental Accounting Standards Board (GASB) Statement 54
2 which governs fund balance reporting. Fund balance components shall be composed of restricted,
3 committed, assigned, non-spendable and unassigned amounts.
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5 The State recommends maintaining a level of 3% of appropriations for the General Purpose School Fund and
6 requires such at the beginning of each fiscal period before it will approve the local budget for the school
7 system; therefore the Board will, on July 1 of each year, have an unassigned fund balance of at least 3%.
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9 After the beginning of the fiscal year, spending below the 3% unassigned fund balance requires approval
10 from the Board and the Tennessee Department of Education. The approval of the Board must be obtained
11 first, after which the CFO (the Board's Chief Financial Officer) will make a written request to the State to allow
12 the expenditure. If the State does not approve a request, such denial will be reported no later than the next
13 regularly scheduled meeting of the Board.
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15 The Central Cafeteria fund balance is considered assigned, and the balance should not exceed an amount
16 equal to operating expenses for three months. The Extended School Program fund balance is also assigned,
17 and the balance should not go below an amount equal to operating expenses for three months. For
18 purposes of cash sufficiency, both of these funds will strive to maintain a balance equal to operating
19 expenses for three months.
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21 Fund balances of the School Federal Projects and Education Capital Outlay Fund are committed funds and
22 are predetermined each year based on amounts awarded for specific grants (School Federal Projects) or
23 purposes (Education Capital Projects) and amounts not expended for any previous fiscal years.
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29 Legal References:

30 TCA 49-3-352
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