

# The Community Roots School

Code: **DBDB**  
Adopted: Unknown  
Readopted: 5/05/15

## Fund Balance

1. GASB 54, a ruling by the Government Accounting and Standards Board effective for the fiscal year ending June 30, 2012, requires fund balances to be reported in classifications that “comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.” The school strives to maintain a minimum general fund ending fund balance of seven percent of general fund revenues.
2. The ending balance for all funds must be designated per the following categories set forth by GASB 54:
  - a. “Nonspendable”: funds which cannot be spent.
  - b. “Restricted”: amounts subject to externally enforceable legal restrictions (imposed by grantors, contributors, governmental regulations, etc.).
  - c. “Committed”: amounts whose use is constrained by limitations that a government imposes upon itself.
  - d. “Assigned”: intended use of resources established by the governing body itself, or by an official or officers to which authority is delegated by the governing body.
  - e. “Unassigned”: available for any purpose. (Reported only in the General Fund)
3. Assignments. Authority to classify portions of ending fund balance as assigned is hereby granted to the superintendent and the director of finance and operations.

### Spending as it Relates to Ending Fund Balance Policy

The Board considers the spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the Board will consider that committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.

END OF POLICY

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#### Legal Reference(s):

[ORS 294.311\(18\)](#)  
[ORS 294.371](#)  
[ORS 338.115](#)