



BP 6305 Reserves

The Superintendent/President shall:

- Add revenues accruing to the District in excess of amounts budgeted to the District's reserve for contingencies.
- Ensure that the District maintains a minimum fund balance of approximately two months of expenditures in its unrestricted general fund as recommended by the Government Finance Officers Association (GFAO), unless fund balance is utilized for specially identified one-time needs as authorized by the Governing Board.
- Maintain and identify additional restricted reserves specific to short and long-term liabilities.
- Require two-thirds vote of the members of the Governing Board for transfers from the reserve for contingencies to any expenditure classification.

The District will allocate any interest earned from bond proceeds, any state or other matching money, and any savings from any specific project to a "board bond reserve" to be spent only with authorization of the Governing Board. Each bond project has a budget associated with it, and that budget may not be exceeded without authorization of the Governing Board.

References: California Community Colleges Budget and Accounting Manual, Chapter 5; Appendix A;
Government Finance Officers Association Fund Balance Guidelines for the General Fund

Policy

Category: Executive Expectations

Adopted: 10/24/13

(Replaces former Board Policy 6.2.3 and Ends Policies 8.4.1 and 8.4.4)

Revised: 5/26/22, 12/15/22