

## **Operational Services**

### **Fund Balance Policy**

The Board recognizes that the maintenance of a fund balance is essential to the preservation of the sound financial condition of the District. Expenses shall be measured against a cumulative total of the District's operating funds which include: Education, Operations & Maintenance, Illinois Municipal Retirement, Social Security and Tort. Unrestricted reserves in the operating funds shall be maintained at a level equal to approximately 45% of the next year's projected operating budget. In the event of an emergency, the operating reserves can go to 40% of the next year's projected operating budget. If the unrestricted fund balance is 40% or below, the Board of Education shall adopt a financial plan to achieve the desired level.

The budget shall:

- First provide for staff and operating expenses to meet projected changes in student enrollment and mandated programs
- Reflect the board of Education's desire to maintain safe and operationally sound facilities
- Anticipate compliance with all applicable governmental and legal obligations of the District
- Include a reasonable contingency for variable and unanticipated costs

The administrative team shall in connection with the preliminary budget identify potential efficiencies from inter-building, inter-departmental and district-wide coordination or from building or district program or other organizational restructuring initiatives.

ADOPTED:            July 24, 2012