

**FILE: DIBB**

**MEDFORD AREA PUBLIC SCHOOL DISTRICT**

**DATE ADOPTED: July 15, 2004**

**FILE SECTOR: FISCAL MANAGEMENT**

**DATE REVISED:**

**POLICY TITLE: UNRESERVED,  
DESIGNATED FUND  
BALANCE**

The Medford Area Public School District Board of Education shall maintain an operating reserve to provide for adequate cash flow and safeguard against emergency expenditures and/or unrealized revenues and to maintain an operating reserve in an amount sufficient to avoid short-term borrowing for cash flow purposes and to allow the board to realize long-range goals.

Fund balance consists of three components: reserved fund balance; unreserved designated fund balance, and unreserved, undesignated fund balance. The board's goal for the unreserved designated fund balance shall be a minimum of seventeen percent (17%) of the annual proposed level of expenditures. All unreserved, undesignated funds shall be used for this purpose. In accordance with the board's goal for the unreserved, designated fund this amount will be determined and recommended by the administration and approved by the board through the normal budget development process.

**CROSS REFERENCE:**

**LEGAL REFERENCE:**