
Report on General Fund - Fund Balance

Policy Reference: OE-5, Financial Planning; OE-6, Financial Administration

Background Information:

Along with Generally Accepted Accounting Principles (GAAP), the District is also subject to the rules and regulations instituted by the Governmental Accounting Standards Board (GASB).

GASB Statement 54 changed the way Fund Balance was reported in the governmental financial statements. Previously Fund Balance was reported as Reserved, Designated, and Undesignated. If an entity had a minimum Fund Balance policy, the amount established by the policy was considered a designation of Fund Balance.

Under GASB Statement 54, Fund Balance is reported as Non-Spendable, Restricted, Committed, Assigned, and Unassigned. Under our ***original*** interpretation, the amount established by a minimum Fund Balance policy was considered a commitment of Fund Balance.

Based on recent GASB interpretations of the standards, any amount that is established by a minimum fund policy must be included in the total **unassigned** Fund Balance and reported in the notes to the financial statements.

Purpose:

To provide the Board of Education with an update of the District's June 30, 2015 General Fund – Fund Balance and explain the changes in the reporting requirements.

For Further Information: Please contact John Gardner at 488-6896 or by e-mail at jgardner@horrycountyschools.net

Recommendation:

For information only

Estimated Project Cost:

N/A