

**TO:** Board of Directors  
Region One Education Service Center

**SUBJECT:** Resolution to Commit Fund Balance for Construction

**DATE:** August 25, 2016

**ITEM 15:** Action

**BACKGROUND AND SIGNIFICANT ISSUES:** The Governance Committee of Executive Directors for the System of 20 ESC's created a guidance document for recommended fund balances for the system of ESC's. The guidance document recommends that all Education Service Centers maintain an unassigned fund balance of no greater than 15% of the General Fund expenditures. Region One ESC's unassigned fund balance with the reduction of general fund expenditures will be above the allowable threshold. Therefore, administration's recommendation is to commit \$500,000 for construction so that the Center will be in compliance with the ESC's Fund Balance guidance document.

**RELATED GOAL:** Governance compliance

**COST AND FUNDING SOURCES:** N/A

**EXECUTIVE DIRECTOR'S RECOMMENDATION:** Recommend approval of the Resolution to commit \$500,000 to fund balance for construction, as proposed.

Respectfully submitted,



Dr. Cornelio Gonzalez  
Executive Director

**Staff Person(s) Responsible:** Frances Guzman, Deputy Director for Business Operations and Finance Support

**Attachments:**

1. Resolution
2. Fund Balance- Capital Projects

**Resolution to Commit Fund Balance for Construction**

**Action Taken**

\_\_\_\_\_ made a motion to approve the Resolution to commit  
\$500,000 to fund balance for construction, as proposed.

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**Seconded by:** \_\_\_\_\_

**Vote:** \_\_\_\_\_