



**BOARD MEETING DATE**  
**September 24, 2012**

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**WAIVER FOR CONTINGENCY/FUND BALANCE**

**POLICY ISSUE / SITUATION:**

School Board policy DBA, General Fund Contingency and Reserves, states the Board will approve action when waiving the required 5% contingency/fund balance requirement for general fund.

**BACKGROUND INFORMATION:**

In response to a \$37 million budget shortfall to the 2012-13 budget, the Board adopted the 2012-13 general fund budget with a contingency of 3.5% in June. Due to a change in Board policy DBA, a resolution must be adopted to waive the 5% fund balance requirement and establish a financial plan for recovery.

**RECOMMENDATION:**

It is recommended that the School Board approve the following resolution.

**(12-209)** BE IT RESOLVED that, the School Board of Beaverton School District waives the requirement for a minimum 5% appropriation for general fund contingency and approves a temporary reduction to 3.5% of total revenues for 2012-13.

BE IT FURTHER RESOLVED, the Superintendent and School Board of Beaverton School District establishes a plan to recoup the contingency appropriation to 5% as follows:

<u>Fiscal Year</u>	<u>Contingency Appropriation/ Ending Fund Balance</u>
2012-13	3.50%
2013-14	4.25%
2014-15	5.00%

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