



**TO:** School Board Members

**FROM:** Brian Schultz, Director of Finance

**DATE:** November 24, 2025

**SUBJECT:** Administrative Review of Policy 714, Fund Balance

### **BACKGROUND**

An administrative review of Policy 714 on fund balance has been performed and the current policy adheres to the district's processes and procedures currently in place. This policy was last reviewed in November of 2022. The district's current policy was reviewed against MSBA's model policy and continues to substantially match that language. The district is working toward getting the fund balance at or above the policy threshold. This will need to be accomplished over several years initiating measures identified in section II of the policy. Based on this review, no changes to our current policy are recommended at this time.

School District 197 reviews its policies on a 3-year cycle unless otherwise required by law. Typically, recommended policy changes are brought to the school board for three readings, with approval at the third reading. However, when the administration is recommending minor or no changes to the policy, it is labeled as an "administrative review." Consistent changes the board has asked to be applied to policies are considered minor. One example is using more inclusive language such as using "parent/guardian" instead of just "parent."

When labeled an "administrative review" the policy is placed on the consent agenda for a single reading with a recommendation to approve the policy as presented. As a reminder, board members always have the opportunity to remove a policy from the consent agenda to discuss it as part of the main agenda.

The policy was also reviewed using the district's Four-Way Equity Test. Within the Strategic Framework, equity is specified as a core value of the district, further emphasizing our commitment to providing all students with equitable access to educational resources and opportunities.

### **RESOLUTION**

***BE IT RESOLVED*** by the School Board of School District 197 to approve Policy 714, Fund Balance, as presented.