



**Wharton County  
Junior College**

**Proposed Agenda Item  
Board of Trustees Meeting**

Complete this form and submit it to the Office of the President by 5:00 pm on the eleventh day before the following Tuesday meeting of the Board of Trustees. If this form does not provide enough space, you may use an expanded version *as long as you follow the format specified below.*

Date of Board Meeting: November 15, 2016

Date of This Proposal: November 7, 2016

**SUBJECT (item as it will appear on agenda):**

Revision to Financial Stability Policy

**RECOMMENDATION:**

Recommend approval of the attached resolution

**BACKGROUND/RATIONALE:**

With the new requirement of adding a pension liability (GASB68) to the WCJC financial statements, our Financial Policy (adopted September 18, 2007) needs to be amended and thus the attached resolution.

**Estimated Cost and Budgetary Support (how will this be paid for?):** \$-0-

**RESOURCE PERSON(S) [name(s) and title(s)]:**

Betty A. McCrohan, President

Bryce D. Kocian, Vice President of Administrative Services

Gus Wessels, Dean of Financial and Business Services

Cynthia Ward, Controller

Sheryl Rhodes, Administrative Assistant to the Vice President of Administrative Services

**SIGNATURES:**

*Cynthia Ward*  
Originator

\_\_\_\_\_  
Date

*B. D. Kocian*  
Cabinet-Level Supervisor

*11/7/16*  
Date

**PRESIDENT'S APPROVAL:**

*Betty A. McCrohan*

*11-9-16*



# **Wharton County Junior College**

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## **RESOLUTION**

- WHEREAS,** The Wharton County Junior College Board of Trustees approved a financial stability resolution on September 18, 2007, and
- WHEREAS,** this financial stability policy set a goal of maintaining an unallocated fund balance in the current unrestricted fund of 25% of the succeeding year's budget, and
- WHEREAS,** actions by the Governmental Accounting Standards Board required that GASB 68 be implemented and additional liabilities be incurred, and
- WHEREAS,** these actions by the Governmental Accounting Standards Board caused Wharton County Junior College's unallocated fund balance to fall below the 25% of the succeeding year's budget, and
- WHEREAS,** these actions and requirements by the Governmental Accounting Standards Board were out of the control of Wharton County Junior College's Board of Trustees and Administration.
- THEREFORE,** be it resolved that the Board of Trustees of the Wharton County Junior College District hereby acknowledges the reduction in unallocated fund balance and sets the goal of reestablishing the unallocated fund balance in the current unrestricted funds of 25% of the succeeding year's budget by the year 2025. This goal will be evaluated upon completion of each annual audit.

Executed, approved, and adopted, the 15<sup>th</sup> day of November, 2016.

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Chairman, Board of Trustees

ATTEST:

\_\_\_\_\_  
Secretary, Board of Trustees

(SEAL)