

SUMMARY OF FUND BALANCE CATEGORIES

The five categories of fund balance are:

1. **Non-spendable fund balance:** That portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use (such as the self-funded reserves program). Examples of fund balance reserves for which fund balance is not available for financing general operating expenditures include:
 - a. Inventories;
 - b. Prepaid items;
 - c. Deferred expenditures;
 - d. Self-funded risk management programs;
 - e. Long-term receivables; and
 - f. Outstanding encumbrances.
2. **Restricted fund balance**, which shall include amounts constrained to a specific purpose by the provider, such as a grantor. Examples include:
 - a. Child Nutrition Program;
 - b. Technology Program; and
 - c. Other granting agencies.
3. **Committed fund balance** is that portion of the fund balance that is constrained to a specific purpose by the Board. Plans or intent may change and these funds may never be budgeted or result in expenditures in future periods of time.
4. **Assigned fund balance**, which shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board, who has delegated authority to the Superintendent. Plans or intent may change and these funds may never be budgeted or result in expenditures in future periods of time. Examples of assigned fund balances for which the District may have tentative plans for expenditures in future periods include:
 - a. Capital replacement (expenditures for equipment, furniture, software);
 - b. Building construction, repair, and renovation;
 - c. Insurance deductibles;
 - d. Claims and judgments;
 - e. Employee retirement leave reserves;
 - f. Program start-up costs;
 - g. Debt service reduction;
 - h. Other legal uses; and
 - i. Amounts to cover budgetary deficits.
5. **Unassigned fund balance**, which shall include amounts available for any legal purpose. This portion of the total fund balance in the general fund shall be available to finance operating expenditures. Unassigned fund balance shall mean the difference between the total fund balance and the total of the non-spendable fund balance, restricted fund balance, committed fund balance, and assigned fund balance.