

SUBJECT: Consideration and possible approval of GASB 54 Fund Balance resolutions.

BACKGROUND: The Governmental Accounting Standards Board (GASB) released Statement 54 – “Fund Balance Reporting and Governmental Fund Type Definitions.” This statement is intended to improve the usefulness, and the amount reported in fund balance by providing more structured and universal classification. This Statement applies to fund balance reported in the General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund, and certain Trust and Agency Funds.

The hierarchy of five possible GASB 54 classifications is as follows:

**Non-spendable Fund Balance** includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g., inventory, pre-paid items, permanent scholarships).

**Restricted Fund Balance** includes amounts constrained for a specific purpose by external parties (e.g., Debt Service, Capital Projects, State and Federal Grant Funds).

**Committed Fund Balance** includes amounts constrained for a specific purpose by a government using its highest level of decision-making authority (e.g., Major Maintenance, Capital Equipment, Land, Insurance Deductibles, and Campus Activity Funds).

**Assigned Fund Balance** includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts.

**Unassigned Fund Balance** is the residual classification for the general fund.

Two resolutions have been prepared to comply with GASB 54. The first resolution addresses the commitments of fund balance, and the second resolution addresses the assignment of fund balance. Even though these monies are committed or assigned to

various items, the funds cannot be spent until the board of trustees takes additional action to amend the funds into the budget. Funds will stay committed until the board uncommits the funds.

FINANCIAL IMPLICATIONS: None

RECOMMENDATION: We recommend approval of GASB 54 fund balance resolutions.

CABINET MEMBER: Tamika Alford-Stephens

CONTACT PERSON: Jennifer Smith  
Bethany Jordan

BOARD MEETING DATE: June 24, 2025

STATE OF TEXAS §  
COUNTY OF HARRIS §

**RESOLUTION**

The Board of Trustees of Pasadena Independent School District being convened in Regular Session at the Administration Building within the boundaries of the Pasadena Independent School District, on the 24th day of June, 2025, with a quorum present in the persons of:

\_\_\_\_\_

\_\_\_\_\_

Trustees being absent: \_\_\_\_\_

WHEREAS Trustee \_\_\_\_\_ introduced the following order, moved its adoption, and the motion having been seconded by Trustee \_\_\_\_\_ was duly put and carried said Order reading as follows:

**IT IS HEREBY RESOLVED**, ordered, and directed that the Pasadena Independent School District commit the following portions of its June 30, 2025 General Fund unassigned fund balance.

**BE IT RESOLVED** that \$10,000,000 be committed for Facilities Construction.

**BE IT RESOLVED** that the balance as of June 30, 2025 for campus activity funds be committed for campus use.

**BE IT RESOLVED** that the balance as of June 30, 2025 for the Health Insurance Fund be committed for the insurance of the employees.

**BE IT RESOLVED** that the balance as of June 30, 2025 for the Worker's Compensation Fund be committed for the insurance of the employees.

**BE IT RESOLVED** that the balance as of June 30, 2025 for the Child Nutrition Fund be committed for child nutrition use.

\_\_\_\_\_  
Kenny Fernandez, President  
Pasadena ISD Board of Trustees

Attest:

\_\_\_\_\_  
Marshall Kendrick, Secretary  
Pasadena ISD Board of Trustees

STATE OF TEXAS §  
COUNTY OF HARRIS §

**RESOLUTION**

The Board of Trustees of Pasadena Independent School District being convened in Regular Session at the Administration Building within the boundaries of the Pasadena Independent School District, on the 24<sup>th</sup> day of June, 2025, with a quorum present in the persons of:

\_\_\_\_\_

Trustees being absent: \_\_\_\_\_

WHEREAS Trustee \_\_\_\_\_ introduced the following order, moved its adoption, and the motion having been seconded by Trustee \_\_\_\_\_ was duly put and carried said Order reading as follows:

**IT IS HEREBY RESOLVED**, ordered, and directed that the Pasadena Independent School District assign the following portions of its June 30, 2025 General Fund unassigned fund balance.

**BE IT RESOLVED** that when it is appropriate for fund balance to be assigned, the Board of Trustees delegates authority to the Superintendent.

\_\_\_\_\_  
Kenny Fernandez, President  
Pasadena ISD Board of Trustees

Attest:

\_\_\_\_\_  
Marshall Kendrick, Secretary  
Pasadena ISD Board of Trustees