Denton Independent School District
Resolution Establishing Fund Balance Procedures Required by GASB 54
May 16, 2023

SUMMARY:

This item requests approval of the Resolution Establishing Fund Balance Procedures Required by GASB 54.

BOARD GOAL:

Growth & Management – demonstrate effective and efficient management of district resources

PREVIOUS BOARD ACTION:

The Resolution to establish the fund balance procedures required by GASB 54 was last approved on May 10, 2022.

BACKGROUND INFORMATION:

As required by GASB 54, the committed fund balance for a specific source must be approved by formal action of the Board of Trustees prior to the end of the fiscal year. The amount need not be stated prior to year end. The Board delegates authority to the Superintendent or the Deputy Superintendent to assign fund balance as appropriate. The District shall strive to maintain an annual fund balance in the general operating fund in which the unassigned fund balance is 15 percent of the total operating expenditures.

SIGNIFICANT ISSUES:

A resolution duly adopted by the Board of Trustees to commit the total fund balance of Campus Activity Funds reported in the Special Revenue Fund, delegate authority to assign fund balance, and strive to maintain unassigned fund balance in the general operating fund at 15 percent of the total operating expenditures must be passed to comply with GASB 54.

FISCAL IMPLICATIONS:

None

BENEFIT OF ACTION:

The District complies with the requirements of GASB 54.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of the Resolution Establishing Fund Balance Procedures Required by GASB 54.

STAFF PERSONS RESPONSIBLE:

Vicki Garcia, Executive Director of Financial Operations
Julie Simpson, Director of Finance

ATTACHMENT:

Resolution Establishing Fund Balance Procedures Required by GASB 54

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____