



# Lamar CISD

**Meeting Date:** August 15, 2023

**Meeting Type:** Regular

**Item Category:** Consent Item

**Primary Contact:** Dr. Roosevelt Nivens

**Presenter(s)/Add'l Contact(s):** Jill Ludwig, CPA, RTSBA

**Item Name: CONSIDER APPROVAL OF RESOLUTION FOR COMMITMENT OF FUND BALANCE AS OF AUGUST 31, 2023**

**Item Summary:** The Governmental Accounting Standards Board (GASB) issues compliance guidelines for financial reporting and prescribes categories and terminology used to describe the components of fund balance. Commitments and Assignments are a part of total fund balance. GASB 54 requires that the Board of Trustees formally *commit* fund balance reserves reflected in the financial statements. The Board previously delegated the authority to *assign* other fund balance reserves to the Superintendent or Chief Financial Officer.

**Committed Fund Balance includes amounts constrained by the Board for a specific purpose, and official action must be taken by the Board of Trustees to “commit” fund balance.** This authority cannot be delegated. Also, formal action is needed to impose additional commitments, or modify/remove existing commitments.

The attached resolution proposes that the following commitments are made to the fund balance of the General Fund:

- Reserves for Self-Insurance
  - Health Plan – funds as needed to cover Plan deficits
  - Workers Compensation Plan – funds as needed to cover Plan deficits
- Reserve for Child Nutrition Program - \$500,000

**Recommendation:** Administration recommends that the Board of Trustees approve a resolution for the Commitment of Fund Balance, established according to the District’s fund balance policy and in compliance with GASB 54.

**Policy Reference:** CFA (Legal)

**Leadership Definition Alignment:** Plan for Success

**Strategic Plan Alignment:** N/A

**Currently Budgeted?**  Yes  No  No Budgetary Impact

**Completion or Implementation Timeline:** 2023-2024 Fiscal Year