

INDEPENDENT SCHOOL DISTRICT 271
Bloomington, Minnesota

REQUEST FOR SCHOOL BOARD ACTION

DATE OF BOARD MEETING: June 26, 2017

SUBJECT: Committed Fund Balance Categories

ORIGINATING DEPARTMENT: Kim Agate, Controller *KA*

APPROVAL OF ADMINISTRATIVE CABINET MEMBER: Rod Y. Zivkovich, Executive Director of Finance and Support Services *RyZ*

RESOLUTION FOR BOARD TO ADOPT:

RESOLVED, that the School Board of Independent School District 271 approves the following Committed Fund Balance Categories for the 2016-17 fiscal year:

1. Third Party Medical Assistance
2. Wellness Dollars
3. Band Uniform and Instrument Replacement
4. Operating Referendum
5. Transportation
6. Transportation Building
7. Transportation Bus Purchases
8. Staff Development
9. Athletics and Activities
10. QComp
11. Site Department Carry-Over Funds

RECOMMENDATION OF SUPERINTENDENT:

Approve. 

BACKGROUND:

To conform to new Governmental Accounting Standard Board (GASB) Statement 54 and Policy 701.3, we are asking the School Board to approve Committed Fund Balance Categories. The actual dollar amounts for each category will be presented to the School Board for approval after completion of the 2016-17 fiscal year audit.

Definitions:

1. **Third Party Medical Assistance** - This commitment allows for tracking of unspent reimbursements of Medical Assistance revenue.
2. **Wellness** - The District established a committed fund balance in 2005-2006 for Tobacco Settlement Dollars. These funds were the District's portion of the state settlement with tobacco companies. In 2007-2008, the District committed these dollars for employee wellness programs. In 2009-2010, the District started receiving additional funds from our health insurance provider to continue the wellness program.
3. **Band Uniform and Instrument Replacement** - The District established a committed fund balance for high school uniforms and instrument replacement in 2004-2005. These funds are generated through fees and the net of fees and expenditures results in an adjustment to the commitment. Uniform replacement began in Fiscal Year 2012-2013.
4. **Operating Referendum** - The District committed unspent referendum dollars to differentiate between state and local funding.
5. **Transportation Fund** - The District committed unspent transportation dollars to differentiate between transportation and K-12 operating fund.
6. **Transportation Building** - The District committed transportation funds to be used for deferred maintenance at the Transportation Center.
7. **Transportation Bus Purchase** - The District committed transportation funds to be used for future bus purchases.
8. **Staff Development** - this is a commitment to set aside unspent Staff Development funds.
9. **Athletics and Activities** - The District committed unspent Athletic and Activities dollars to differentiate between Athletics and Activities and K-12 operating funding.
10. **QComp** - This is a commitment to set aside unspent QComp funds.
11. **Site Department Carry-Over Funds** – This commitment is funds for site-controlled fees and/or donations.