

Board Ending Fund Balance Policies

Policy Number: E.020

Policy Type: BUDGET AND FINANCIAL

Policy Title: UNAPPROPRIATED ENDING FUND BALANCE

The president shall assure budgeting that maintains the estimate of unappropriated ending fund balance at no less than three percent of the general fund operational expenditure budget.

ADOPTED: January 14, 2004

REVIEWED: December 6, 2006

REVIEWED: September 15, 2009

Policy Number: E.030

Policy Type: BUDGET AND FINANCIAL

Policy Title: ENDING FUND BALANCE

Lane Community College shall maintain an unrestricted General Fund Ending Fund Balance equal to or greater than 5% of total budgeted expenditures. The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy E.020. When the Ending Fund Balance falls to 4% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 5% within two years. When the Ending Fund Balance exceeds 6%, balances in excess may be set aside for reserves or investment in one time expenditures.

If the total Ending Fund Balance (including restricted) falls to levels that require short-term borrowing, the levels set by this policy shall be automatically reviewed and adjusted as necessary.

ADOPTED: January 14, 2004

REVIEWED: February 14, 2007

REVIEWED: October 19, 2009

Fund Balance Requirements

Component		Comments
Administratively Restricted:		
ICP Fund Balances	1,100,000	
OPE Fund Balance	1,200,000	Early retirement savings/over collection in FY14. Must remain in the OPE fund.
Unappropriated Ending Fund Balance	<u>3,100,000</u>	3% General Fund Budget. Policy E.020.
Total Administratively Restricted GF Balance	5,400,000	
Contingencies and Reserves:		Contingencies and reserves are included in financial projections only to the extent that they are expected to be expensed.
Administrative Contingency	700,000	Used for unanticipated items such as Building 4 IEQ and dental clinic relocation.
Board Contingency	350,000	Board budget authority.
Reserves for Special Projects	140,350	Budget authority for executive deans, vice president and president.
Capital Outlay Reserves	700,000	Funding to be allocated to departments for capital needs.
Reserve for Restricted Carryover	750,000	Budget authority carried over from prior year for items that did not get completely expensed in the prior year.
Salary Provision	<u>300,000</u>	Budget authority.
Total Contingencies & Reserves	2,940,350	