



SECTION VI: BUSINESS, TECHNOLOGY & OPERATIONS POLICY 6090

FUND BALANCE

The ending fund balance policy for Broken Arrow Public Schools is intended to provide guidance during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for negative economic cycles or other unforeseen expenditures. In order to maintain financial stability and positive cash flow the first six months of each fiscal year until both property tax and state aid payments are received, the Board of Education shall establish an acceptable range for the General Fund ending balance.

Recognizing this, it is essential that the district take specific action to make sure education remains central and excellent fiscal management contributes to the educational program. In the district's fiscal management, the Board seeks to achieve the following goals:

- To engage in thorough advance planning in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
- To establish levels of funding, which will provide high quality education for the district's students.
- To use the best available techniques for budget development and management.
- To provide timely and appropriate information to all staff with fiscal management policies.
- To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.
- To maintain a carryover fund balance of 8% of the prior year's revenue. For purposes of this policy, the term "annual revenue" refers to the total amount of annual General Fund collections, excluding the previous year's fund balance, as of June 30.

The annual fund balance for all other funds will be based on an analysis of cash flow requirements as may be established by state law or regulations.

Source: *Broken Arrow Board of Education Policy adoption, April 24, 2000.*
Broken Arrow Board of Education policy revised, May 15, 2006.
Broken Arrow Board of Education policy revised, July 13, 2009.
Broken Arrow Board of Education policy revised, June 1, 2020.