

## **REGULATION #4204.1**

### **FISCAL RESPONSIBILITY: OPERATING FUND BALANCE**

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The Surrey Board of Education will annually target to maintain an appropriate accumulated operating fund balance. Allocation of funds from the accumulated operating fund balance will be considered and approved by the board through the district's budget process.

When the accumulated operating fund balance is below what is determined to be sufficient, the board will adopt strategies for replenishing the fund balance within an appropriate time period; generally within three years.

Accumulated operating fund balances may be internally restricted. Amounts that are internally restricted are to be planned for expenditure within a maximum period of 3 years. The board will provide information in the notes to the audited financial statements identifying internally restricted fund balances as well as details of the restrictions placed on these funds.

The projected accumulated operating fund balance will be reported to the Board when presenting the annual Preliminary and Amended Budgets as well as the year end Audited Financial Statements.

A portion of the projected accumulated operating fund balance may be transferred to Local Capital however, supporting detail must be provided on all projects these Local Capital funds will be allocated to. Allocations to Local Capital will normally occur during the budget process.

*Adopted: 2018-06-20*