

**Section 700 – Business Operation**  
**Accounting System**  
**Financial Records with GASB**

**File: 704.02**

The board shall receive monthly financial statements showing the financial condition of the school district as of the last day of the preceding month. Such statement will reflect the cash position of the respective accounts. Other financial records as may be determined necessary by either the board or the administration shall be presented periodically.

Financial records of the school district shall be maintained in accordance with generally accepted accounting principles (GAAP) as required or modified by law. School district monies shall be received and expended from the appropriate fund and/or account. The board, by board resolution, shall establish the following funds as needed:

- General Fund
- Depreciation Fund
- Employee Benefit Fund
- Contingency Fund
- Activities Fund
- Student Fee Fund
- School Lunch Fund
- Bond Fund
- Special Building Fund
- Qualified Capital Purchase Undertaking Fund
- Cooperative Fund

The resolution establishing such funds shall state the type of fund, name of the fund and purpose of the fund.

Governmental Accounting Standards Board (GASB) #54 Requirements

At the end of the fiscal year, the School District will report the following:

A. Restricted Fund Balances for amounts that have applicable legal restrictions. As per Nebraska State Statute, the fund balances of the Depreciation Fund, Employee Benefit Fund, Student Fee Fund and the Special Building Fund are restricted by purpose and will be reported as Restricted Fund Balances.

1. Fund Balance: The difference between assets and liabilities in governmental funds (i.e. general fund special revenue funds, capital project funds, debt service funds).
2. Restricted Fund Balance: Includes the portion of the fund balance that reflects constraints on spending because of legal restrictions stipulated by outside parties, constitutional provisions, and enabling legislation including any legal restrictions based on state statutes or grant requirements placed on the use for specific purposes

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- B. Lunch Fund Balance as Committed Fund Balance. The Lunch Fund Balance is constrained by the creation of the fund, and also constrained by purpose through approving a yearly budget for the Lunch Fund.
  - 1. Committed Fund Balance: Includes the portion of the fund balance that reflects constraints that the School District imposed upon itself by a formal action of the School Board. This constraint must be imposed prior to year end but the amount can be determined at a later date.
  
- C. Any fund balance whose intent has been designated by the Superintendent as Assigned Fund Balance.
  - 1. Assigned Fund Balance: The portion of the fund balance that reflects funds intended to be used by the School District for specific purposes. The authority to assign fund balance is delegated to the Superintendent.
  
- D. Any General Fund Balance that has not been assigned to other fund balance classifications as Unassigned Fund Balance.
  - 1. Unassigned Fund Balance: The residual classification for the School District's General Fund and includes all remaining amounts not contained in the other classifications and, therefore, is not subject to any constraints. Unassigned amounts are available for any purpose.

Legal Reference: NDE Rule 2

Cross Reference: 705 Revenue  
706 Expenditures