

OAK PARK UNIFIED SCHOOL DISTRICT BOARD POLICY

Series 3000

Business and Non-Instructional Operations

BP 3295(a)

Resource Reserve Fund (Fund 400)

Some forms of revenues to this district are unpredictable, uncertain, or non-recurring. The Board considers such revenues to be too variable and unreliable to support ongoing programs. Therefore, it is the intent of the Board that such revenues not be co-mingled with other General fund income and not be consumed and dissipated. Instead these revenues shall be transferred into the Resource Reserve Fund, a restricted Fund where they will be conserved. In conformance with law, principle in the Fund may be expended only for capital outlay purposes. It is the intention of the Board that the Resource Reserve Fund shall be considered an endowment and as such, that the current earnings of the Fund shall be utilized for one-time expenditures such as capital outlay, construction or modernization of school district buildings, facilities maintenance, and site acquisition.

Transfers into the Resource Reserve Fund

The forms of revenues that should be transferred into the Resource Reserve Fund include the following:

1. Non-recurring income such as bequests and unrestricted donations;
2. Occasional income such as rentals received from the use of district facilities by movie companies;
3. Variable income whose fluctuations are beyond the control of government; and
4. Income from non-renewable sources such as compensation received when exchanging a school site for land of lesser value.

Such revenues shall not automatically be transferred into the Resource Reserve Fund. Instead, the Superintendent is directed to place the question of such a transfer on the agenda of the next Board meeting whenever such revenues (or any other revenues the Superintendent deems appropriate) are received; the question shall include the Superintendent's recommendation for or against actually making the transfer. The Board may then authorize the transfer by a majority vote. No expenses shall be charged to the Resource Reserve Fund except for those direct expenses incurred in the administration of this policy. No revenues explicitly identified as derived from taxes shall be transferred into the Fund.

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Transfers of current earnings in the Resource Reserve Fund shall be made to the General Fund. "Current earnings" includes only the revenues obtained through the investment of the fund balance during the present or immediately prior fiscal years. Such transfers shall be made only to provide revenues for programs and expenditures previously identified by the Board as so funded. A transfer of current earnings requires a majority vote of the Board. A transfer of principle from the Resource reserve Fund requires a 4/5 vote of the Board. As required by law, such transfers authorized by the Board may be expended only for capital outlay purposes.

Adopted: 09/03/85

Revised: 03/18/86; 05/02/89; 10/20/98, 8/19/03