

AMITYVILLE PUBLIC LIBRARY

FUND BALANCE POLICY

Fund Balance Classifications (pursuant to GASB Statement 54)

Fund balance classifications will be reported by the Library in accordance with accounting standards issued by the GASB.

General Policy

Fund balance measures the net financial resources available to finance expenditures within current or future periods. The Library's "Unassigned General Fund" Fund Balance will be maintained to provide the Library with financial stability and a margin of safety to fund unanticipated contingent expenditures that may occur unexpectedly during the fiscal year. The "Unassigned General Fund" Fund Balance used for these purposes may only be appropriated by resolution of the Board of Trustees unless voter approval is required.

Any portion of Fund Balance may be applied or transferred for a specific purpose either by voter approval if required by law or by formal action of the Board of Trustees if voter approval is not required. Amendments or modification to the applied or transferred fund balance must also be approved by formal action of the Board of Trustees.

The Board of Trustees shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, the expenditure is to be spend from unrestricted fund balance first then restricted. Expenditures incurred in the unrestricted fund balances shall be applied first to the assigned fund balance to the extent that there is an assignment and then to the unassigned fund balance.

Adopted April 19, 2012