

Missoula County Public Schools
Financial Management 7007
Accounting Standards

The Board intends that accounting practices follow state and federal laws and regulations and generally accepted accounting principles. Therefore, the District shall follow a uniform financial accounting system required by state and federal agencies. Determination of liabilities and assets, prioritization of expenditures of governmental funds, and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

Fund balance measures the net financial resources available to finance expenditures of future periods. The District's Unassigned General Fund Balance will be maintained to provide the District with sufficient working capital and a margin for safety to address emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by resolution of the Board of Trustees.

Fund Balance of the District may be committed for a specific source by formal action of the Board of Trustees. Amendments or modifications to the committed fund balance must also be approved by formal action of the Board of Trustees. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be by board resolution or majority vote.

The Board delegates authority to assign fund balance for a specific purpose to the Business Manager/Clerk of the Board of the District.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

The school district will strive to maintain an adequate unassigned general fund balance.

Legal References:

Statement 54 Governmental Standards Accounting Board

Policy History:

Approved by PN&P on: June 29, 2011 Posted for Public Comment.

Adopted on: September 13, 2011