

24 SURPLUS

- 24.1 An accumulated operating surplus is achieved by spending less than the revenue the school district receives. The Board of Education is required by legislation to approve a balanced annual operating budget, which may include use of accumulated surplus funds from the previous year. Surplus funds are net resources that can be used for future services. The Board of Education may apply and approve restrictions on the spending of surplus funds.
- 24.2 The Board of Education will review a summary of the school district surplus position in conjunction with the Preliminary and Amended Annual Budget processes and when approving Financial Statements. The Board of Education will be required to approve any internal restrictions on surplus funds and any interfund transfers each year in which they occur. Capital assets purchased for departmental operating plans from approved budget expenditures do not require subsequent board approval.
- 24.3 Priorities for use of unrestricted surplus funds are as follows:
- i. Ensure the District's operating budget is balanced
 - ii. Provisions for unforeseen/extraordinary events
 - iii. Supplemental allocations to school and departmental budgets
 - iv. Support for one time programs and purchases

Board Policy: November 2017
Revised: May 2018