

## AP 621.1: Accumulated Operating Surplus

### Definitions

**Unrestricted Surplus:** the accumulated operating surplus built up in the School District's operating fund that has not been designated for specific uses.

**Restricted Surplus:** the accumulated operating surplus built up in the School District's operating fund that has been designated for specific uses.

1. The Secretary-Treasurer shall be responsible to:
  - Recommend the appropriate balances to be maintained in both the unrestricted and restricted accumulated operating surpluses;
  - Recommend the necessary increases/decreases and transfers from Restricted and Unrestricted Operating surpluses;
  - Secure Board approval for the transfer of surplus operating funds; and
  - Benchmark actual surplus balances with other school districts and with pre-determined targets on an ongoing basis to gauge whether financial health is being achieved.
2. Annual and/or periodic increases to the restrictions on the Accumulated Operating Surplus shall be specific to each category of restriction, as approved by the Board through the School District's annual financial planning/budgeting process.
3. Accumulated Operating Surplus balances and changes will be reported in the Annual Financial Statements.