



GASB-54 Policy

I. **Purpose.** The purpose of this policy is Coral Community Charter School will follow GASB-54 guidelines when classifying fund balances on their Financial Statements.

II. General Requirements for GASB-54

- a. GASB-54 requires that fund balances be categorized into 5 areas. The hierarchy of these categories are:
 - i. Non-spendable Purposes: amounts that are in a non-spendable form. Items in this category include prepaid items (example: damage deposits for a leased facility).
 - ii. Restricted Purposes: amounts that can only be used for specific purposes stipulated by external resource providers (Grants), constitutionally, or thru enabling legislation. Restrictions can be changed or lifted only with the consent of the resource provider.
 - iii. Committed Purposes: amounts that can be used only for a specific purpose as determined by the Governing Board in an open meeting. For any given fiscal year, the meeting must be completed by the last day of the fiscal year. The Governing Board must specifically designate these funds as committed for a named specific purpose. The committed purpose can be changed or lifted only by the Governing Board in an open meeting.
 - iv. Assigned Purposes: amounts intended to be used for a specific purpose. Intent can be expressed by the Governing Board or by an official or body that his designated by the Governing Board as having authority. In funds other than the operating fund, assigned fund balances are amounts not restricted or committed. Funds are intended to be used for the purpose of that fund.
 - v. Unassigned Purposes: the residual classification for the general fund for amounts not contained in the other classifications. Amounts are technically available for any purpose.
 1. For New Mexico Public Schools, all funds in the General Fund (Fund 11000) are considered unassigned unless portions are purposely categorized as assigned or committed. Federal Funds, Local Grants and State Grants and Special Revenue Funds are considered Restricted Grants. Private Grants are categorized based on the intent of the funder, and can be included in any of the categories.

Adopted by the Governance Council this day of August 25, 2020.