Fund Balance

Texas Association of School Business Officials

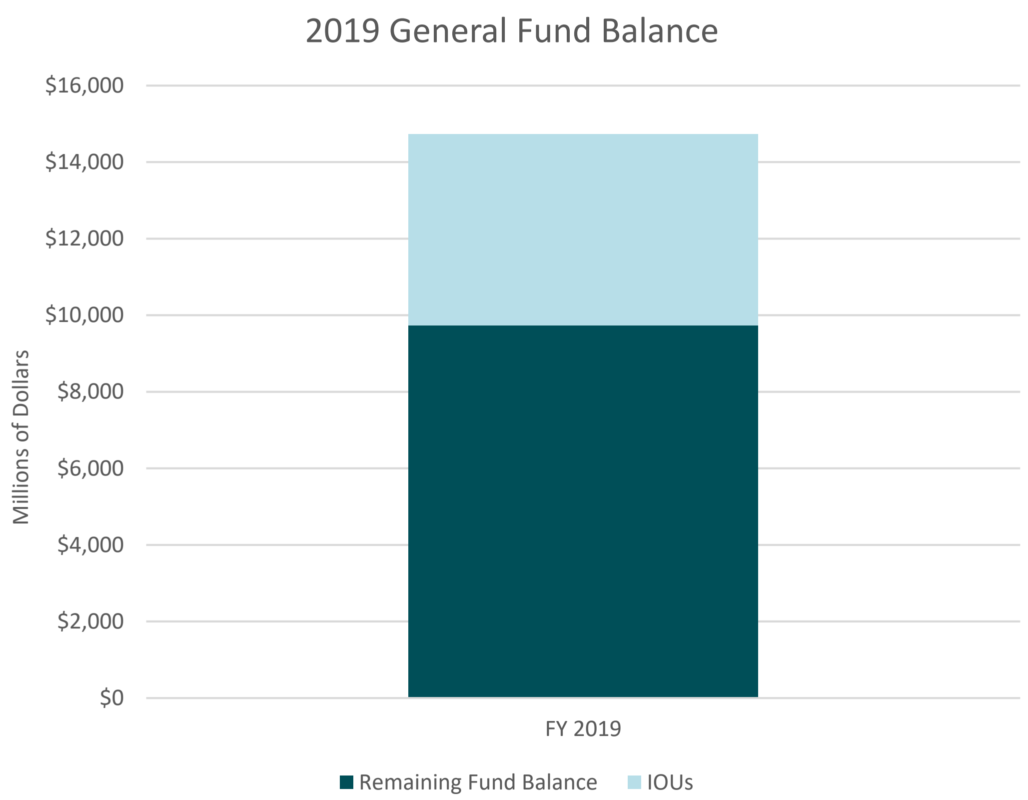
How Much Fund Balance Do School Districts Have?

- Texas school districts had a total of $14.7 billion in **unassigned general fund balance** as of the close of fiscal year 2019. This comes to an average of about 4 months operating expenses.

Fund Balance** Fund Balance	General Fund			All Funds		
Nonspendable Fund Balance	$215,281,341		$42	$255,555,898		$50
Restricted Fund Balance	$233,451,029		$46	$17,956,324,818		$3,521
Committed Fund Balance	$2,174,198,643		$426	$3,206,045,411		$629
Assigned Fund Balance	$1,972,086,891		$387	$2,969,613,173		$582
Unassigned Fund Balance	$14,725,821,364		$2,888	$14,724,633,560		$2,887
Total Fund Balance**	$19,320,839,268		$3,789	$39,112,172,860		$7,670

What is the difference between a fund balance and a savings account?

- Fund balance includes anticipated revenues earned within the fiscal year, but not yet received
- Fund balance includes longer-term investments and other assets



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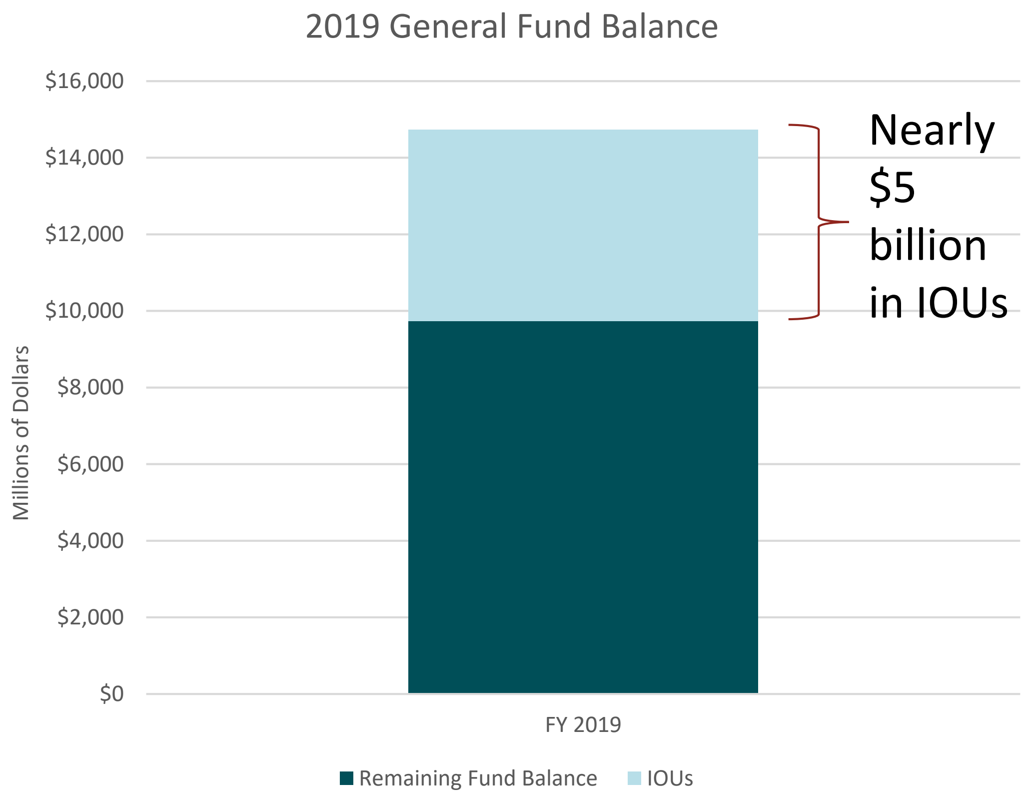
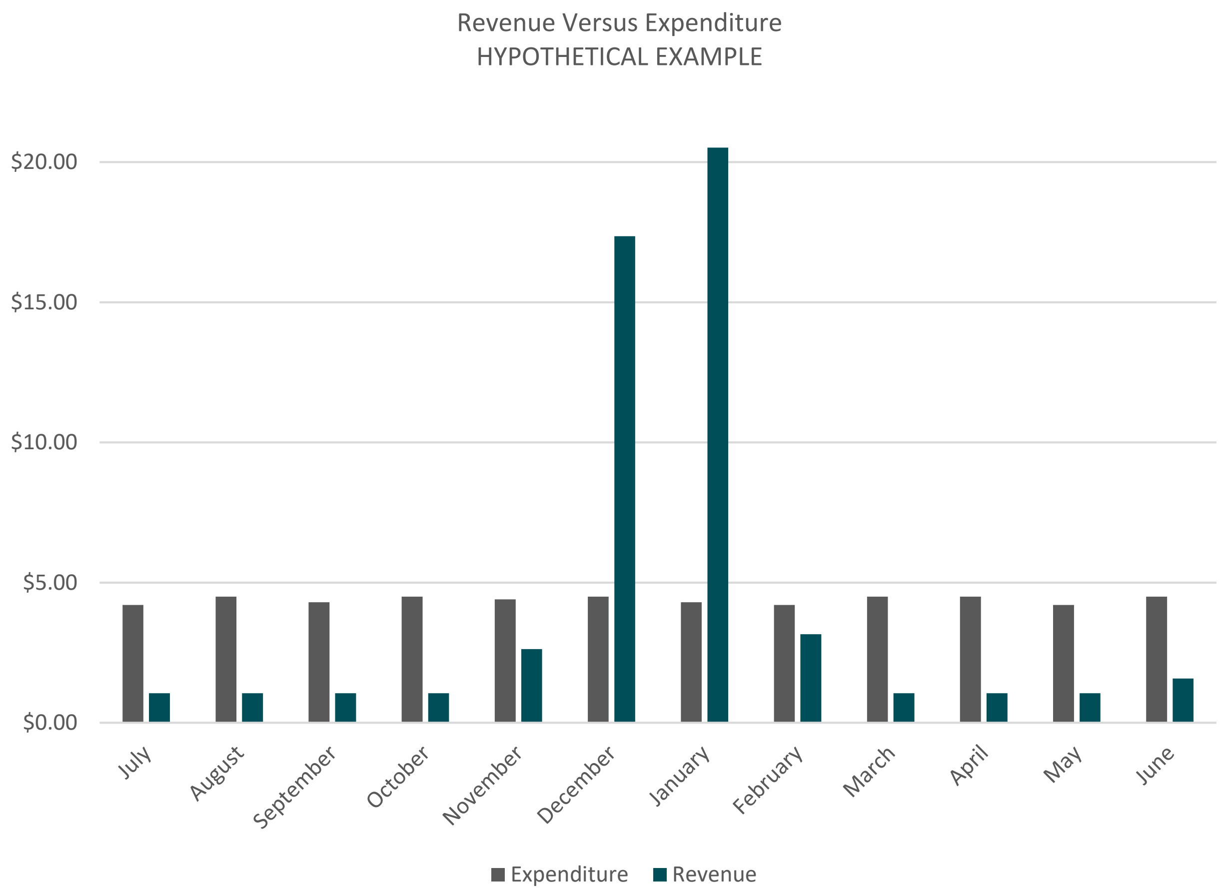


How much fund balance should districts have?

- 3 months of operating expenditures is rule of thumb, but may not work for all districts
  - Fiscal year end
  - Relative dependence on property taxes versus state aid and impact on anticipated cash flow

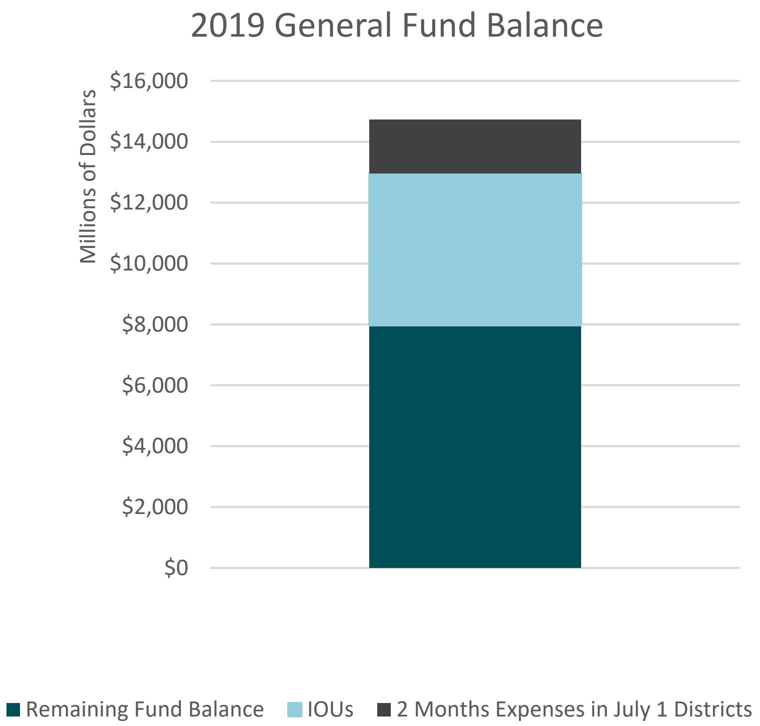


What is the impact of July 1 fiscal year on fund balance?

Moving to a July 1 fiscal year generally increases fund balance because in the year the district changes to July 1, districts record 10 months expenditures and 12 months revenues in their financials.

Moving to a July 1 fiscal year also increases the need for fund balance as districts must wait 2 additional months for property tax collections to come in.

If a district were to move back from July 1 to September 1, the reverse would happen, and you would expect to see a drop in fund balance.



How does fund balance vary by district?

	Total Fund Balance	ADA	Fund Balance / ADA
State Total	$14,725,821,364	4,727,835	$3,115
TSA	$5,650,303,386	1,948,750	$2,899

How does fund balance vary by district?

	Total Fund Balance	ADA	Fund Balance / ADA
< 1000 ADA	$1,354,367,432	220,719	$6,136
>1000 to 5000 ADA	$2,572,451,215	697,404	$3,689
>5000 to 10,000 ADA	$1,610,306,814	512,639	$3,141
>10,000 to <50,000	$5,397,865,195	2,015,001	$2,679
>50,000	$3,790,830,708	4,712,190	$804

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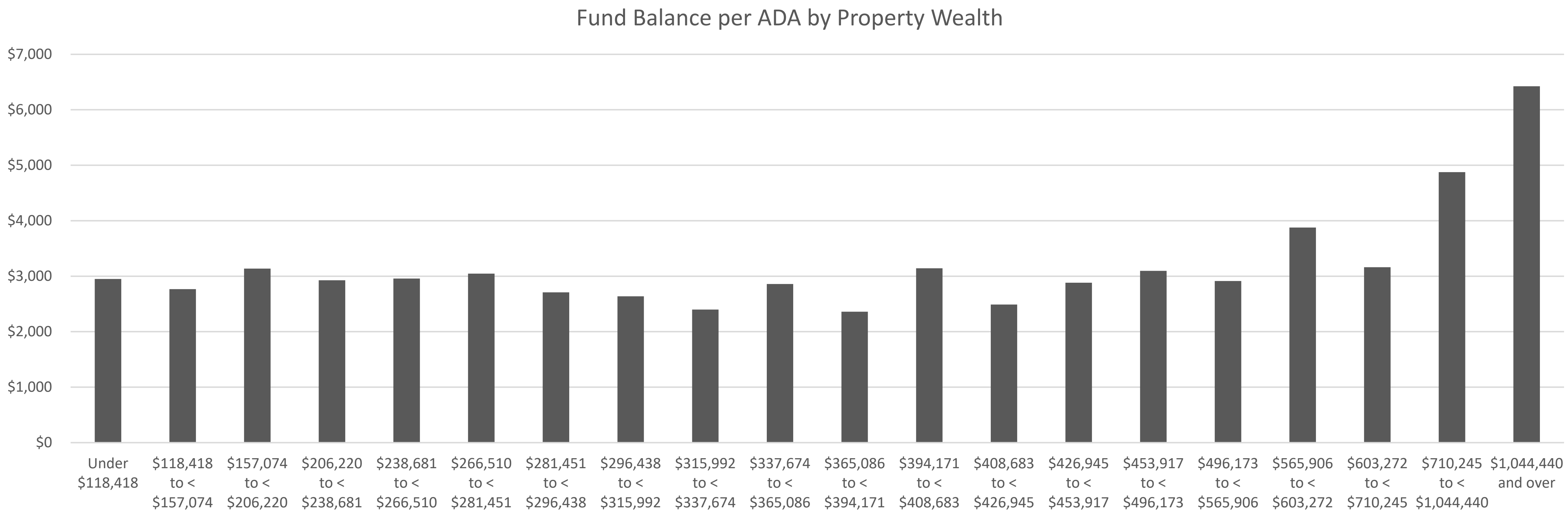
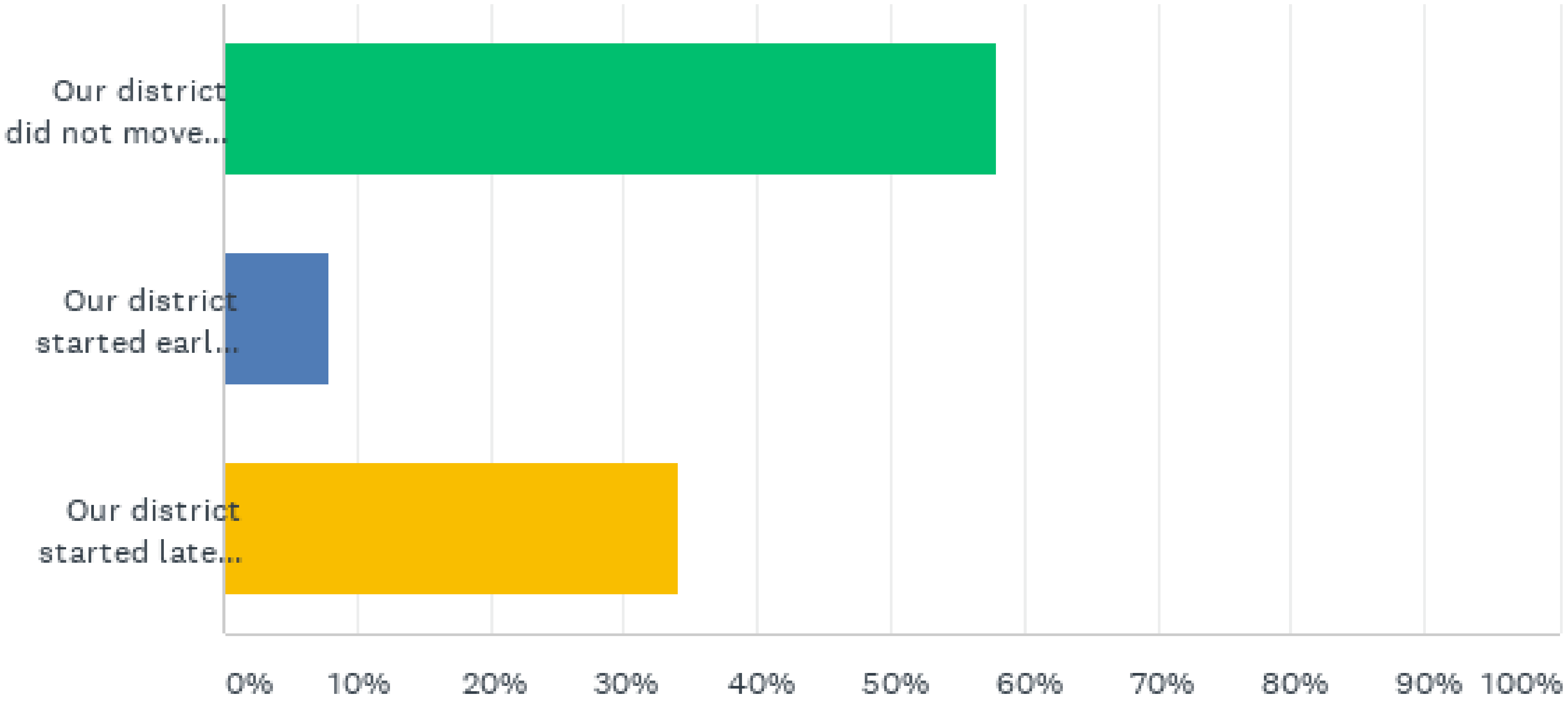


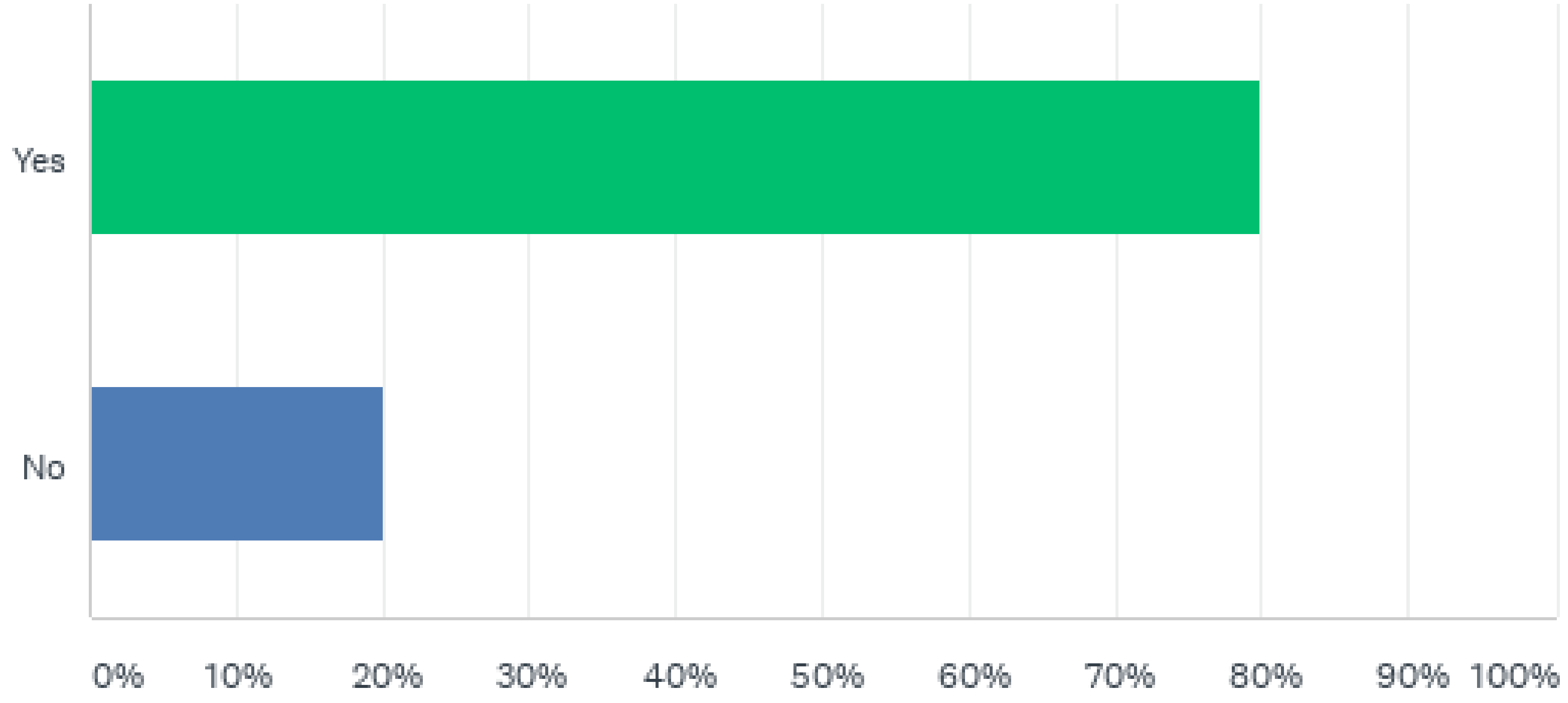
Center for School Finance Survey Results

Respondents account for 50 School Districts, educating just over 900,000 Students

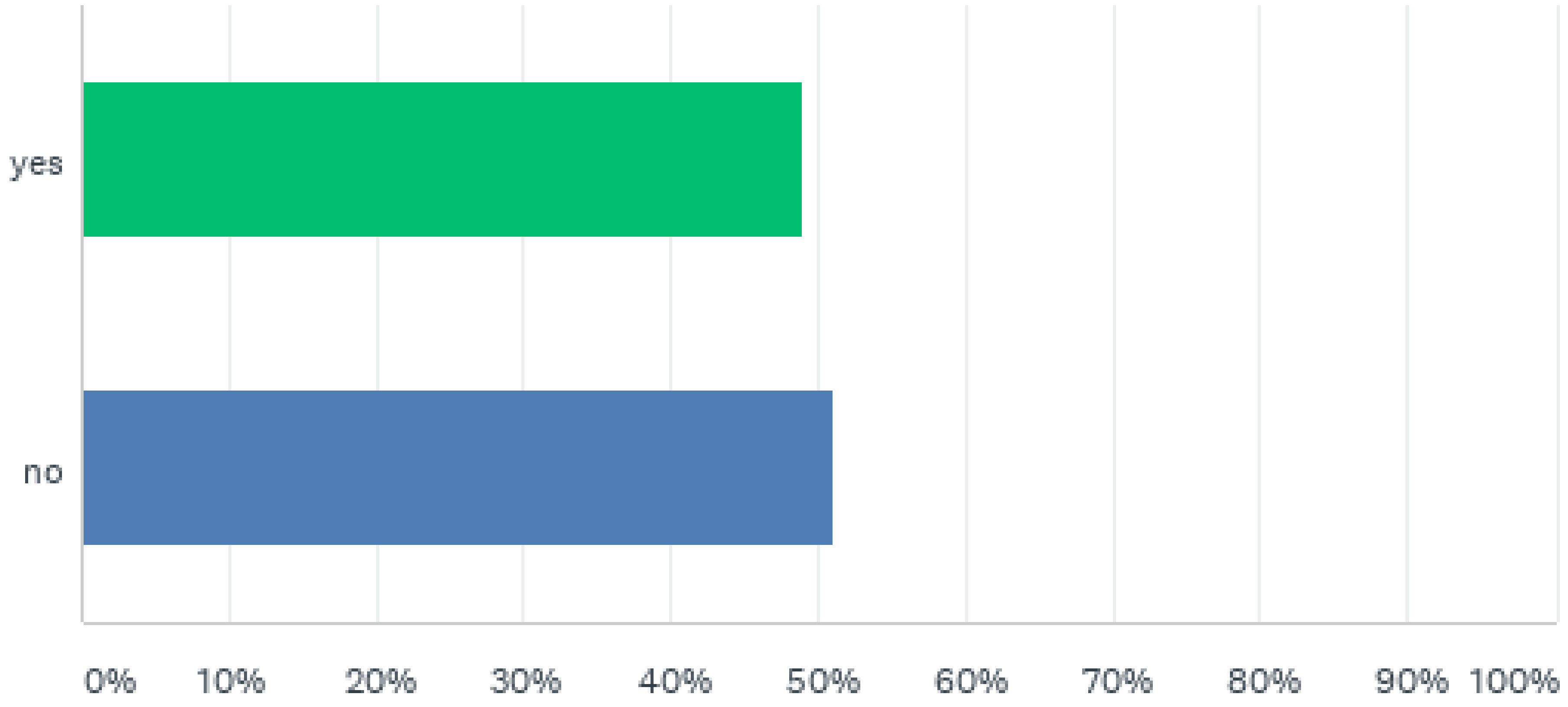
Which best describes your school start date decision?



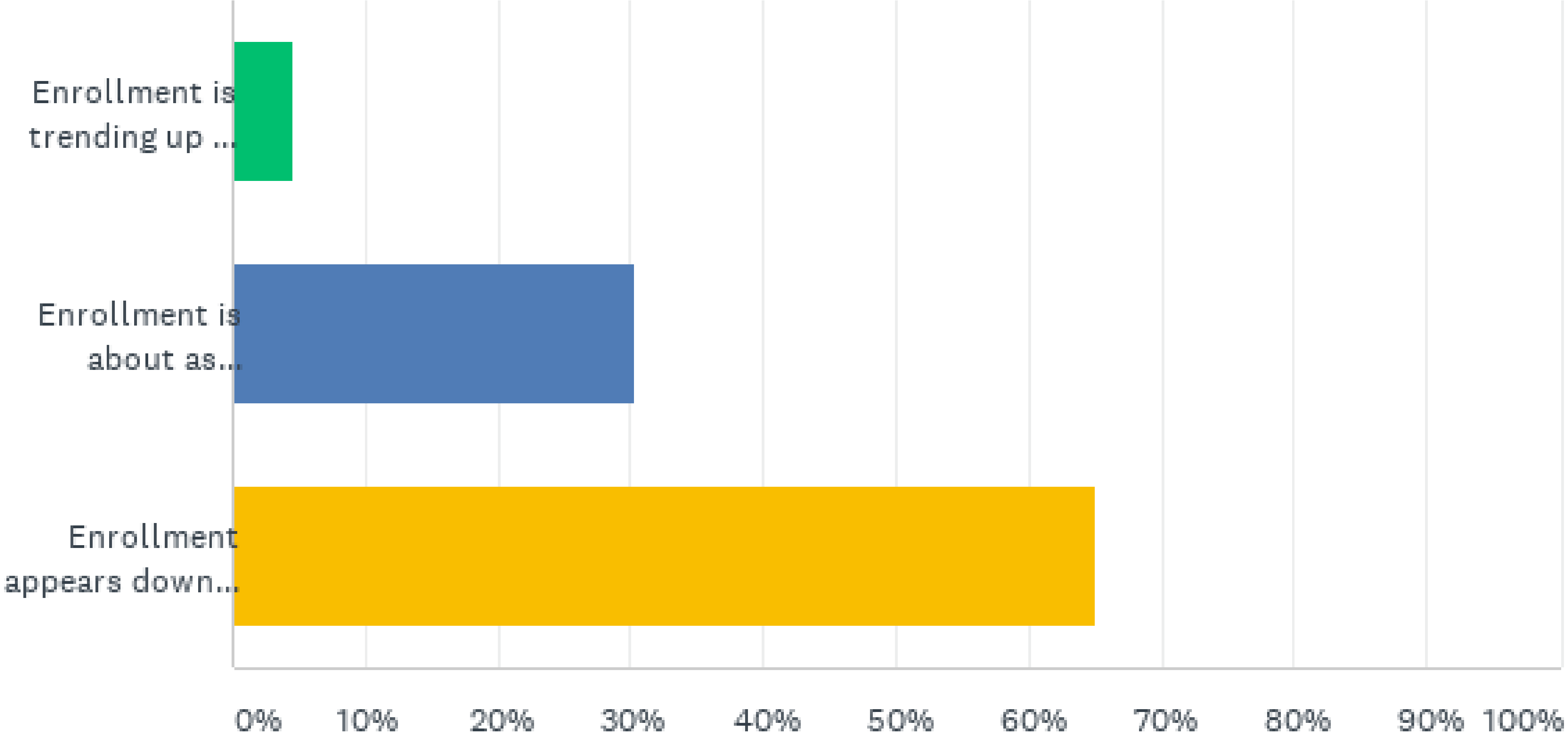
Has your district started school yet?



Was (or will there be) in person instruction available during the first week of school?



If your district has started school, how is enrollment looking as compared to a normal year?



Enrollment Change

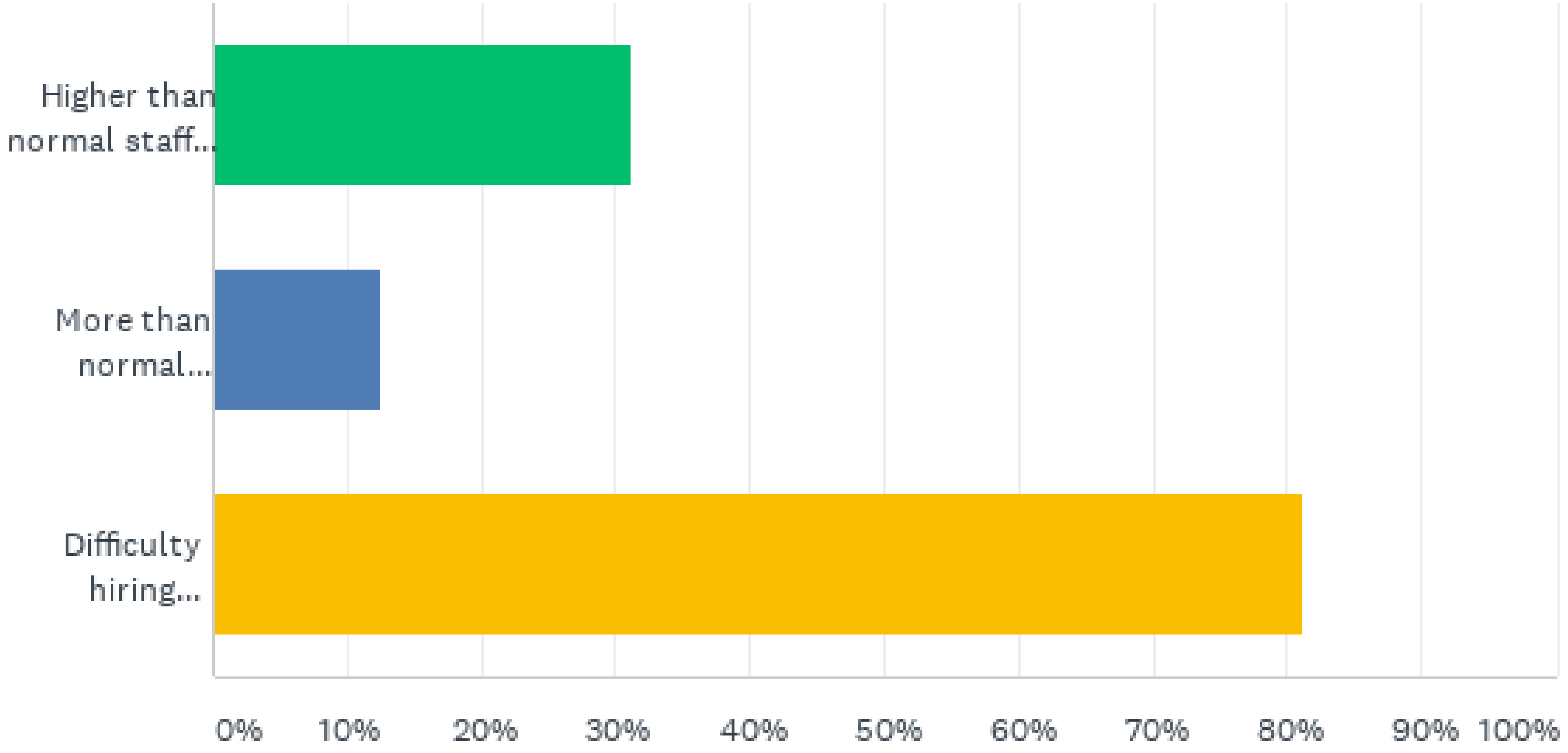
- On average, enrollment appears down about 3 percent, but the range is much broader
- Many of these students may well return once school routines settle out
- Hold harmless for the first two six weeks should help as long as students return before hold harmless expires

Wanting In Person in the First 6 Weeks

- District answers varied from about 20% to about 96%, but about half of CSF students want in person

2020 Enrollment	% Requesting in person
< = 1,000	81.57%
>1,000 and < = 5,000	60.25%
> 5,000 and <= 10,000	67.33%
> 10,000	48.02%

Which of the following are causing personnel challenges for your district (mark all that apply).



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