



Book	Policy Manual
Section	600 Finances
Title	Capital Reserve Fund
Code	623
Status	Second Reading
Adopted	June 8, 2010
Last Revised	July 14, 2015

### **Purpose**

The purpose of this policy is to outline procedures for the governance of the Capital Reserve Fund that set aside funds for future capital needs in the school district.

The Board will be provided monthly, through the district treasurer's reports, budget plans and other financial reports, full reporting and approval options of all Capital Reserve Funds for the district. All Capital Reserve Funds shall be subject to audit in the same manner as the district's General Fund.

### **Authority**

The Board has the authority to fully utilize the legal structures for the use of Capital Reserve Funds, as outlined by the School Code. The Board and the Chief Financial & Operations Officer or designee will establish and maintain guidelines for expenditures in accordance with state and federal spending restrictions.[\[3\]](#)[\[5\]](#)

### **Delegation of Responsibility**

The Chief Financial & Operations Officer will ensure that the Capital Reserve Fund may only be used for lawful purposes, solely as a means of dedicating amounts for specifically identified future capital needs. No Capital Reserve Funds may be used to accumulate funds unnecessarily.

### **Guidelines**

Prior to June 30 of each year, the administration shall present to the Board a 5-year capital spending plan for consideration. That plan should anticipate improvements to major components of district technology; building improvements, major repairs or minor renovations of district facilities; or other enhancements of capital assets as deemed necessary and appropriate.

Legal

3. 24 P.S. 690

5. 53 P.S. 1431 et seq