



Administrative Policy

Policy Title: **Net Asset (Fund) Balance Policy**
Policy Number: 1207
Date Adopted: 5/31/2006
Version: 2
Review Cycle: Biennial
Date Last Reviewed: 8/1/2023
Office Responsible: Business Office
Reviewing Committee:
Related Policies:
Related Laws:

Policy Statement: Net Asset (Fund) Balance Policy

Jackson College recognizes the importance of maintaining an appropriate level of unrestricted net assets (fund balance). After evaluating the College's operating characteristics, diversity of revenue base, working capital needs, impact on bond rating, state and local economic outlooks, emergency and disaster risk and other contingent issues, the College has established the following goals regarding the unrestricted net assets of Jackson College.

Jackson College seeks to maintain a level of unrestricted net asset balance at an amount equal to 15 percent, or roughly equivalent to two months of the operating budget. This is tracked using the Daily Cash Flow Predictive Model.

Advance approval by the Board of Trustees of Jackson College to use the balance maintained is required. This is usually detailed in the annual budget, or subsequent adjustments, as well as the five-year facility plan that is part of the annual budget process.

Date Of Change	Version	Description of Change	Responsible Party
5/31/2006	1.0	Initial Release	Business Office
1/16/2011	2.0	Change Logo added	A. Goings
1/13/2015	3.0	Updated logo and biennial review	D. Dopp
8/1/2023	4.0	Updated source of 15%, 2 month tabulation	J. Globoker