



Administrative Policy

Policy Title:	Net Asset (Fund) Balance Policy
Policy Number:	1207
Date Adopted:	5/31/2006
Version:	2.0
Review Cycle:	Biennial
Date Last Reviewed:	1/13/2015
Office Responsible:	Business Office

Policy Statement:

Jackson College recognized 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 establishes the following goals regarding the unrestricted net assets of Jackson College, Jackson, MI.

The level of unrestricted net asset balance the College strives to maintain is an amount equal to 15%, or roughly equivalent to two months of the operating budget.

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, and the Five Year Facility Plan that is part of the annual budget process.

Change Log:

<u>Date Of Change</u>	<u>Version</u>	<u>Description of Change</u>	<u>Responsible Party</u>
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