

Business and Fiscal Affairs

AP 6305 RESERVES

Reference:

California Community Colleges Budget and Accounting Manual
California Community Colleges Accounting Advisories
Accrediting Commission for Community and Junior Colleges Accreditation
Standard III D
Fiscal Crisis and Management Assistance Team Fiscal Health Risk Analysis

Reserve Standards

- **General Fund Reserve:** The target reserve is eight percent of the Unrestricted General Fund.
- **Contingency Reserve:** In addition to the State-mandated General Fund Reserve, a contingency reserve will be maintained to afford the four locations, Chabot College, Las Positas College, District Office and Maintenance and Operations added fiscal flexibility. The target contingency reserve is one (1) percent of the Unrestricted Operating Expenditure Budget. The contingency reserve is to be used for unanticipated changes in expenditures or revenues when impending changes in operations would result in significant service reductions.

Adopted: March 18, 2014

Amended and Board Reviewed: May 21, 2019