



NEW ENGLAND STATES  
GOVERNMENT FINANCE OFFICERS ASSOCIATION

**ADMINISTRATIVE POLICY**

|               |   |
|---------------|---|
| SUBJECT:      | <b>UNASSIGNED FUND BALANCE POLICY</b>                   |
| ADOPTED:      | January 8, 2010   |
| AMENDED DATE: | June 10, 2011; June 20, 2016; June 8 2018; June 7, 2019 |
| REVIEW DATE:  | June 7, 2019  |

**I. PURPOSE**

The general purpose of this policy is to improve the financial stability of the New England States Government Finance Officers Association by protecting itself against emergencies and economic downturns. This policy is also designed to help the NESGFOA prepare for a financial emergency as well as contribute to the continuity of operations. This policy encompasses a minimum range of required fund balance reserves as well as procedures for emergency withdrawal of funds.

**II. DEFINITION**

- a. **Unassigned Fund Balance:** The accumulated equity balance resulting from operations over the year, not designated for a specific purpose by the Board of Directors or membership.

**III. OBJECTIVES**

*The NESGFOA shall strive to maintain a minimum balance of \$30,000 in its unassigned fund balance account.*

In the event that fund balance exceeds \$30,000, the NESGFOA Board of Directors may approve expenditure of the excess for goods and/or services necessary or desirable to promote the purpose of the Association.

In the event that funds are needed for an emergency purpose and the fund balance does not exceed \$30,000, the NESGFOA Board of Directors may approve such emergency expenditure with a majority provided it does not exceed the current Fund Balance level.

**IV. ANNUAL REVIEW**

It is the intent of the NESGFOA Board of Directors to review this policy annually and update as necessary.