

Subscribing Districts:**Non-Lapsing Education Fund (Non-Regional School Districts)**

The Board of Education (Board) may deposit into a non-lapsing account any unexpended funds from the Board's prior fiscal year general operating budget, provided such deposited amount does not exceed two percent (2%) of the total budgeted appropriation for education for such prior fiscal year pursuant to C.G.S. 10-248a.

Any expenditure from the Non-Lapsing Education Fund shall be authorized solely by the Board of Education. Each expenditure from such account shall be made only for educational purposes and under the following conditions:

- (1) such deposited amount does not exceed two percent of the total budgeted appropriation for education for such prior fiscal year;
- (2) each expenditure from such account shall be made only for educational purposes; and
- (3) each such expenditure shall be authorized by the Board of Education.

The Board of Education shall create the non-lapsing account and be responsible for the accounting of the funds in accordance with Governmental Accounting Standards and Generally Accepted Accounting Principles (GAAP). The account shall be subject to the annual audit as required by State statute. The Board of Education shall review the fund balance on an annual basis.

Reserve Fund for Educational Expenditures (Regional School Districts)

The North Canaan Board of Education (Board), by a majority vote of its members, may create a reserve fund for educational expenditures. Such fund shall be termed "reserve fund for educational expenditures." The aggregate amount of annual and supplemental appropriations by a district to such fund shall not exceed two percent (2%) of the annual district budget for such fiscal year.

Annual appropriations to such fund shall be included in the share of net expenses to be paid by each member town. Supplemental appropriations to such fund may be made from estimated fiscal year end surplus in operating funds. Interest and investment earnings received with respect to amounts held in the fund shall be credited to such fund.

The Board shall annually submit a complete and detailed report of the condition of such fund to the member towns. Upon the recommendation and approval by the Board, any part or the whole of such fund may be used for educational expenditures.

Such fund may be discontinued, after the recommendation and approval by the Board, and any amounts held in the fund shall be transferred to the general fund of the District.

Legal Reference: Connecticut General Statutes

10-51 (d) (2) Fiscal year. Budget. Payments by member towns; adjustments to payments. Investment of funds. Temporary borrowing. Reserve funds. (as amended by PA 21-2, JSS, Section 363)

10-222 Appropriations and budget

10-248a Unexpended education funds account (as amended by PA 19-117, Section 285)

Public Act 24-45 An Act Concerning Education Mandate Relief, School Discipline and Disconnected Youth (Sections 7-8)

Policy Adopted: October 8, 2024