

### **3A1A7 Purpose of Reserves**

The District-wide and College unrestricted general fund reserves are intended to provide resources for cash flow management, unfunded liabilities, risk mitigation, significant emergencies, and a buffer against future budget reductions. The District may incorporate into the annual budget an appropriate level of reserves to provide resources for these purposes. Unless the District is confronted with catastrophic issues, at no time should District-wide reserves fall below the minimum levels contained in 3A1A6. Reserves in excess of these needs may be used for the following purposes:

- a) Provide resources to maintain mission critical educational programs (General Education/Transfer, Developmental Education, and Career Technical Education) and support services.
- b) Provide resources for the expansion, reduction, or restructuring of College/District programs and services.
- c) Provide capital funds to invest in infrastructure that will lower operational costs, improve efficiencies, improve safety/security, and/or enhance the delivery of educational and/or support services.