



CCDDR Restricted & Unrestricted Funds

CCDDR Policy #29: Restricted & Unrestricted Funds

- The purpose of this policy is to specify the size and composition of CCDDR's restricted and unrestricted funds and to identify requirements for use and replenishment of any fund balances
- This policy was adopted by the Camden County SB 40 Board of Directors in April 2009
- The policy was revised in November 2016 and January 2019

Unrestricted Funds

- Fund balances that have not been set aside for planned actions by the Board
- Fund balances may be available for appropriations at the Board's discretion or can be converted to a restricted fund at CCDDR Board meetings
- Unrestricted funds represent current or prior year surpluses that may or may not materialize in subsequent years
- In developing the annual budget, the Executive Director shall identify any funds proposed to be taken from unrestricted fund balances needed to balance the budget, which may be a result of time-limited or one-time expenditures contained in the annual budget
- Each year, the Executive Director completes a cash availability analysis and will make recommendations to the Board on how to allocate these funds to restricted fund accounts in order to meet the fiscal year budget expectations

Surplus Analysis

Bank Balance in Quickbooks as of December 31st Prior Year

Plus

Anticipated Income not yet Received from Prior Year

Minus

Accounts Payable/Liabilities (Checks not yet Printed) as of December 31st Prior Year

Minus

Estimated Invoices not yet Received from Prior Year

Minus

Current Restricted Fund Balances

Equals

Estimated Unrestricted Funds Balance

Restricted Funds

- Fund balances that are set aside for planned actions stated by the Board
- If there are no unrestricted funds from the prior year, no additional funds can be allocated to restricted funds
- Restricted funds can be reallocated by the Board
- Funds are generally utilized to offset expenses in the fiscal year budget if projected income is anticipated to be less than projected expenses (i.e. maintain a balanced budget)
- Restricted funds may also be utilized for asset purchases, property renovations, and/or other major one-time purchases

NOTE: Restricted funds are not separate bank accounts – they are simply funds earmarked for specific utilization and identified on the CCDDR Balance Sheet.

Offsets from Restricted Funds Recorded on the Profit & Loss Statement

Example of Offsets from Restricted Funds on Profit & Loss Statement

7300	Sheltered Employment Programs		
	7305	LAI - Employment	\$222,000
	7310	LAI - Transportation	\$85,800
	7395	Assets/Capital Improvements	\$96,000
	7398	Offset from Restricted Funds	(\$96,000)
		Total Sheltered Employment	\$307,800

The **(\$96,000)** offset is deducted from the Sheltered Workshop Restricted Fund balance with a journal entry

Account Code	DR	CR	Description
3040: Sheltered Workshop (Reflected on Balance Sheet)	\$96,000.00		Offset from Restricted Funds
7398: Offset from Restricted Funds (Reflected on P&L)		\$96,000.00	Offset from Restricted Funds

Assets/Renovations/ Major Purchases

- These purchases are not recorded on the Profit & Loss Statements
- The invoices are coded to the appropriate asset code on the Balance Sheet
- A journal entry is then created to show the deduction from the appropriate restricted funds (reducing the fund balance)

Account Code	DR	CR	Description
3550: Building/Remodeling/Expansion (Reflected on Balance Sheet)	\$5,000.00		Offset from Restricted Funds
3999: Clearing Account (Reflected on Balance Sheet)		\$5,000.00	Offset from Restricted Funds

Restricted Funds Adopted in CCDDR Policy #29

- Operational Fund
- Operational Reserves Fund
- Sheltered Workshop Fund
- Children's Program Fund
- Traditional Medicaid Match Fund
- Partnership for Hope Match Fund
- Housing Fund
- Transportation Fund
- Community Employment Fund
- New Programs Fund
- Sponsorship Fund
- Building/Remodeling/Expansion Fund
- Legal Fund
- TCM Fund
- Community Resource Fund
- Office Machines & Equipment Fund
- Special Needs Fund
- Other Fund