

Reserves

What are reserves for?

“Community college districts maintain local reserves to help manage revenue declines or unexpected costs.” [LAO: The 2025-26 Budget California Community Colleges](#)

Reserves

Understanding reserves in concepts from our daily lives:



Reserves

What are reserves for?

“Community college districts maintain local reserves to help manage revenue declines or unexpected costs.” [LAO: The 2025-26 Budget California Community Colleges](#)

“Based on best practices from the Government Finance Officers Association, the Chancellor’s Office recommends that districts maintain unrestricted reserves worth a minimum of 16.7 percent (two months) of annual expenditures.” [LAO: The 2025-26 Budget California Community Colleges](#)

District	BP	Exact Policy Language	Min Reserve
Contra Costa CCD	BP 5033	“Unrestricted general fund reserves shall be no less than two months of unrestricted general fund operating expenditures ...”	≈16.7%
Chabot–Las Positas CCD	BP 6200	“Unrestricted general reserves shall be no less than 5% (prudent reserve is defined by the California Community College Chancellor’s Office as 5%).”	5%
Foothill–De Anza CCD	BP 3115	“In no case shall the Board adopt a budget with a reserve of less than five percent (5%) ...”	5%
Ohlone CCD	BP 6200	“Unrestricted general fund reserves shall be no less than two months of unrestricted general fund operating expenditures, as recommended by the California Community Colleges Chancellor’s Office. In the event the unrestricted general fund reserves fall below minimum set forth in this policy, the Superintendent/President shall include in the annual budget preparation to the Board a plan to meet the minimum general fund reserves.”	≈16.7% + plan required if below
Peralta CCD	BP 6250	“Maintain a minimum unrestricted fund balance of no less than the equivalent of two months prior year’s operating expenses or revenues.”	≈16.7%
Marin CCD	BP 6200	“Unrestricted general reserve shall be no less than 8%.”	8%
West Valley–Mission CCD	BP 6250	“The District’s unrestricted general reserves shall be no less than 10% and no more than 17% (equivalent to two months’ worth of expenditures) of total unrestricted general fund expenditures.”	10%–17%
San Mateo CCD	BP 6200	“As part of the District’s contingency planning, the Unrestricted General Fund reserves shall be no less than the recommendation made by the California Community College Chancellor’s Office. The reserves will be set annually with the adopted budget to ensure fiscal stability of our programs and services.”	≈16.7%
San José–Evergreen CCD	BP 6250	“The District’s unrestricted general reserves shall be no less than seven percent.”	7%
Napa Valley CCD	BP 6200	“Unrestricted general reserves shall be no less than 5% (prudent reserve is defined by the California Community College Chancellor’s Office as 5%).”	5%
Sonoma County CCD	Budget Note	“Definition of Measure: The total General Fund Balance is the difference between the District’s revenues and expenditures at the end of the year. It excludes funds received and expended for capital projects.	5%