

RESERVE FUNDS THAT MAY BE USED BY A BOCES PER GML

Reserve Name/ Account Code	Legal Citation	Purpose	Established By:	Funding Source(s)	Expenditures	Duration	Restrictions
Unemployment Insurance Reserve (A 815)	GML §6-m	To pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the BOCES uses the benefit reimbursement method.	BOE Resolution	Budgetary appropriations or other funds that may be legally appropriated or funds from other reserves authorized in the GML, or Ed. Law subject to permissive referendum.	Separate BOE authorization required to spend from this reserve, unless included in the original budget.	No Limit. BOE may terminate if BOCES converts to "tax contribution" method of funding.	If BOCES converts to "tax contribution" funding mechanism, balance exceeding the amount necessary to pay all outstanding claims may be transferred, to any other reserve fund(s) authorized by GML or Ed. Law §3651. Excess funds remaining at end of any school year may be transferred, within 60 days of the close of that school year., to other reserve fund(s) or applied to budgetary appropriations for the new school year.
Insurance Reserve Fund (A 863)	GML §6-n	To pay liability, casualty, and other types of losses, except those incurred for which the following types of insurance may be purchased: life, accident, health, workers' compensation, annuities, fidelity and surety, credit, title residual value and mortgage guarantee or to make payments in lieu of unemployment insurance contributions.	BOE Resolution	Budgetary appropriations or other funds that may be legally appropriated or funds from other reserves authorized in the GML, subject to permissive referendum.	Separate BOE authorization required to spend from this reserve, unless included in the original budget.	No Limit.	Annual contribution(s) limited to greater of \$33,000 or 5% of the budget. No limit on accumulated reserve balance. Cannot use \$ for any purpose covered by another special reserve. Judicial approval is required to pay settled or compromised claims over \$25,000. Should BOE terminate this reserve, remaining funds in excess of incurred or accrued liabilities may be transferred to any other reserve fund authorized by the GML or Ed. Law §3651. Individual Insurance Reserve Funds need to be separately accounted for.
Employee Benefits and Accrued Liabilities Reserve (A 867)	GML §6-p	To pay accrued benefits due employees upon termination of service for vacation, sick leave, personal leave etc.	BOE Resolution	Budgetary appropriations or other funds that may be legally appropriated or funds from other reserves authorized in the GML, subject to permissive referendum.	Separate BOE authorization required to spend from this reserve, unless included in the original budget.	No Limit.	Upon termination by BOE, balance not required to satisfy all incurred or accrued liabilities may be transferred to any other reserve fund(s) authorized in the General Municipal Law or Education Law §3651. May not be used to fund health or other post-retirement benefits.

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Retirement Contribution Reserve Fund (A 827) ERS (A 828) TRS	GML §6-r	To fund employer retirement contributions. i.e., any portion of the amount(s) payable by an eligible BOCES to the NYS and Local Employees' Retirement System (ERS). Effective April 12, 2019, a sub-fund may be established to fund TRS expenditures.	BOE Resolution ERS Reserve must be established before TRS sub-fund can be established.	1.Budgetary appropriations or other funds that may be legally appropriated. 2.Revenue not restricted by law to be paid to another fund or account.	Separate BOE authorization required to spend from this reserve, unless included in the original budget.	No Limit.	Transfers from or back to other reserve funds require a public hearing with 15 days' notice published in the official newspaper(s). This is not required when transferring between ERS and TRS sub-funds. ERS sub-fund does not have a limit, but the TRS sub-fund does. TRS sub-fund is limited to annual contributions of 2% of the prior year's covered TRS salaries with a maximum, including interest earnings, of 10% of the prior year's covered TRS salaries. Sub-funds need to be separately accounted for.

Reviewed July 2023