

Summit – Calculating Your Contingency Fund

A lot is often said about a business's contingency fund, but specifics are not mentioned for a variety of reasons. Because of turnover within each business, it often makes more sense to view each year as an individual unit for better or for worse. Also, before we used Summit, it was much harder to access these summary figures with any kind of accuracy.

During the year, a rough estimate of your contingency fund should be the **Available Balance** total. That tells you in a global sense what is actually available for use in your account. The beginning of the year is a little trickier as it is approximately equal to your **Beginning Fund Balance** minus all of your opening POs, and any ProCard expenses you anticipate. However, this should all be part of your [Budgeting](#) process, so you should be calculating a contingency fund number at the end of each year if you are working with Summit.