

Business and Noninstructional Operations

Budget -Planning, Development, Adoption, and Responsibility

The Governing Board recognizes its critical responsibility for adopting a sound budget each fiscal year which is aligned with and reflects the District's vision, goals, priorities, local control and accountability plan (LCAP), and other comprehensive plans. The District budget shall guide decisions and actions throughout the year and shall serve as a tool for monitoring the fiscal health of the District. The Board of Education shall establish the procedures under which the budget is to be prepared. The District Budget shall be prepared using estimates obtained from state, county, local and other appropriate sources. In accordance with legal time requirements established by the Education Code and the Los Angeles County Office of Education, the District's budget calendar shall include sufficient time for the Board of Education to study and receive comments on the proposed budget for the ensuing fiscal year. Budget proposals shall be compatible with Board Policy and long-range District goals. The District budget shall show a complete plan and itemized statement of all proposed expenditures and all estimated revenues for the following fiscal year, together with a comparison of revenues and expenditures for the current fiscal year. The budget shall also include the appropriations limit and the total annual appropriations subject to limitation as determined pursuant to Government Code 7900-7914. (Education Code 42122).

Financial Responsibility

The Governing Board is committed to meeting its financial responsibility to the public. The Superintendent or designee shall keep the Board informed about the District's financial condition and fiscal operations. The Board shall adopt sound financial policies and shall maintain accountability for the financial condition of the District.

As required by law, the Board shall assess the District's financial condition twice annually and shall certify to the Los Angeles County Office of Education whether or not the District is able to meet its financial obligations for the remainder of the fiscal year and for the subsequent two fiscal years.

The Superintendent or designee shall submit to the Governing Board regular financial reports setting forth any proposed revisions necessary to the District's budgeted revenues and expenditures.

The District budget shall provide for increasing or improving services for unduplicated students at least in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated students. Unduplicated students are students who are eligible for free or reduced-price meals, English learners, and/or foster youth.

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The Board may establish other budget assumptions or parameters which may take into consideration the stability of funding sources, legal requirements and constraints on the use of funds, anticipated increases and/or decreases in the cost of services and supplies, program requirements, and any other factors necessary to ensure that the budget is a realistic plan for District revenues and expenditures.

Budget as Spending Plan

A. Proposed Budget

In order to permit adequate lead time for purchase of supplies and equipment necessary for the opening of school in July, the administration is authorized to initiate purchase orders and other agreements in amounts up to 50% of the supplies and equipment amounts outlined in the proposed budget.

The Board shall hold a public hearing on the proposed budget in accordance with Education Code 42103 and 42127. The hearing shall occur at the same meeting as the public hearing on the District's LCAP and the local control funding formula (LCFF) budget overview for parents/guardians. (Education Code 42103, 42127, 52062, 52064.1)

B. Adopted Budget

The Board shall adopt the District budget on or before July 1 of each year.

At a public meeting held on a date after the public hearing on the budget, the Board shall adopt the budget following its adoption of the LCAP or an annual update to the LCAP at the same meeting. The budget shall include the expenditures necessary to implement the LCAP or the annual update to the LCAP.

The budget that is formally adopted by the Board shall adhere to the state's Standardized Account Code Structure as prescribed by the Superintendent of Public Instruction.

The annual line item budget, as adopted by the Board of Education, is to be considered as authorized to be implemented. District administration will take the necessary steps to recommend employment, initiate purchase orders, work orders and/or bids necessary to implement the budget.

Whenever the proposed District budget includes a combined assigned and unassigned ending fund balance that exceeds the minimum recommended reserve for economic

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uncertainties adopted by the State Board of Education, the District shall provide, for each fiscal year included in the budget, the following information for public review and discussion at the public hearing:

1. The minimum recommended reserve for economic uncertainties
2. The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve
3. A statement of reasons substantiating the need for the combined assigned and unassigned ending balances that are in excess of the minimum recommended reserve

Long-Term Financial Obligations

The District's current-year budget and multiyear projections shall include adequate provisions for addressing the District's long-term financial obligations, including, but not limited to, long-term obligations resulting from collective bargaining agreements, financing of facilities projects, unfunded or future liability for retiree benefits, and accrued workers' compensation claims.

Budget Amendments

No later than 45 days after the Governor signs the annual Budget Act, the Superintendent or designee shall make available for public review any revisions in budgeted revenues and expenditures which occur as a result of the funding made available by that Budget Act. (Education Code 42127)

Whenever revenues and expenditures change significantly throughout the year, the Superintendent or designee shall recommend budget amendments to ensure accurate projections of the District's net ending balance. When final figures for the prior-year budget are available, this information shall be used as soon as possible to update the current-year budget's beginning balance and projected revenues and expenditures.

In addition, budget amendments shall be submitted for Board approval as necessary when collective bargaining agreements are accepted, District income declines, increased revenues or unanticipated savings are made available to the District, program proposals are significantly different from those approved during budget adoption, interfund transfers are needed to meet actual program expenditures, and/or other significant changes occur that impact budget projections.

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Legal Reference: Education Code, Sections 1620-1623; 33128; 35161; 42103; 42122-42129; 33127; 35014; 35161; 41010-42647; 42103-42128; 52062; 52064.1
AB 1200 (Chapter 1213, Statutes of 1991)

Policy Adopted: 04/17/1973

Policy Amended: 05/15/1973; 02/02/1993; 07/19/1994; 02/04/2003; 07/14/2015; 05/07/2019

Formerly BP 3110, 3130, 3200