

CONCEPTS AND ROLES

The Governing Board recognizes that prudent financial decisions are crucial to the district's ability to provide a high-quality education for students. It is therefore essential that the Board establish reliable budget development processes and adopt a responsible budget with spending priorities which reflect the district's vision and goals. When needed, the Board shall advocate and seek community, state or federal support for additional financing.

(cf. 0100 - Philosophy)

(cf. 0200 - Goals for the School District)

The Board expects sound fiscal management from the administration. The Superintendent or designee shall prepare the detailed annual budget and present it to the Board for review and adoption. He/she shall administer the adopted budget in accordance with Board policies and accepted business procedures.

(cf. 3100 - Budget)

(cf. 3400 - Management of District Assets/Accounts)

The Board shall monitor financial operations so as to ensure the district's fiscal integrity. The Superintendent or designee shall make all required financial reports, recommend auditor(s) to the Board, recommend financial plans for meeting program needs, and keep the Board fully informed about the district's fiscal and noninstructional operations.

(cf. 3460 - Financial Reports and Accountability)

The Board shall make every effort to ensure that the district provides healthy school environments and maintains high standards of safety in the operation of facilities, equipment and services. The Superintendent or designee shall establish a risk management program that promotes safety and protects district resources.

(cf. 3514 - Environmental Safety)

(cf. 3515 - Campus Security)

(cf. 3530 - Risk Management/Insurance)

(cf. 9000 - Role of the Board)

Legal Reference:

EDUCATION CODE

35035 Powers and duties of superintendent

35160 Authority of governing boards

35160.1 Broad authority of school district

35161 Powers and duties of governing boards

BUDGET

The Governing Board accepts responsibility for adopting a sound budget that is compatible with the district's vision and goals. The Board shall establish and maintain a reserve that meets or exceeds the requirements of law.

(cf. 3300 - Expenditures/Expending Authority)

The Board encourages public input in the budget development process and shall hold public hearings in accordance with law.

The Superintendent or designee shall determine the manner in which the budget is developed and shall schedule the budget adoption process in accordance with the single budget adoption process.

(cf. 3460 - Financial Reports and Accountability)

Legal Reference:

EDUCATION CODE

1620-1630 County office of education budget approval

33127 Development of standards and criteria for local budgets and expenditures

33128 Standards and criteria

33129 Standards and criteria; use by local agencies

35035 Powers and duties of superintendent

35161 Powers and duties, generally, of governing boards

42103 Public hearing on proposed budget; requirements for content of proposed budget; publication of notice of hearing

42103.3 Public budget information; CDE sampling and suggested improvements

42122-42129 Budget requirements

42132 Resolutions identifying estimated appropriations limit

42602 Use of unbudgeted funds

42610 Appropriation of excess funds and limitation thereon

45253 Annual budget of personnel commission

45254 First year budget of personnel commission

GOVERNMENT CODE

7900-7914 Expenditure limitations

CODE OF REGULATIONS, TITLE 5

15440-15452 Criteria and standards for school district budgets

15467-15479 Criteria and standards for county office of education budgets

Management Resources:

CDE MANAGEMENT ADVISORIES

0203.92 Implementation of AB 1200, 92-03

BUDGET

The district budget shall be prepared annually from the best possible estimates that individual schools and district administrative staff can provide. Appropriate consolidation shall occur as the budget progresses through the various levels of review.

The district budget shall be developed in accordance with standards and criteria for fiscal accountability adopted by the State Board of Education. (Education Code 33129)

(cf. 3460 - Financial Reports and Accountability)

Before adopting the budget, the Governing Board shall hold a public hearing. The proposed budget shall be available for public inspection at least three working days before this hearing. (Education Code 42103, 42127)

An agenda for this hearing shall be posted at least 72 hours before the hearing and shall indicate the location where the budget may be inspected. (Education Code 42127)

Any district resident may appear at the public hearing and speak to the proposed budget or any item on the budget. The hearing may conclude when all residents who so desire have had the opportunity to be heard. (Education Code 42103) Sufficient time shall be allowed so that the budget can still be adopted by July 1.

(cf. 9320 - Meetings and Notices)

(cf. 9323 - Meeting Conduct)

The Superintendent or designee shall file the adopted budget with the County Superintendent no later than five days after adoption or by July 1, whichever occurs first. The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

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 are consequently necessary. (Education Code 42127)

If the County Superintendent disapproves the district's budget, the Board shall review and respond to his/her recommendations at a public meeting on or before September 8. (Education Code 42127)

TRANSFER OF FUNDS

Transfers may be made from the designated fund balance or the unappropriated fund balance to any expenditure classification or between expenditure classifications by the Governing Board on adoption of a resolution by a majority vote.

The resolution must be approved by the County Superintendent of Schools and filed with the county auditor. (Education Code 42600)

End-of-the-Year Procedures

At the close of the school year, the Superintendent or designee may, with Board approval, identify and request the County Superintendent of Schools to make transfers between the designated fund balance or the unappropriated fund balance and any expenditure classification(s) or balance any budget expenditure classifications as necessary to permit the payment of obligations incurred by the district during that school year. (Education Code 42601)

Temporary Transfers Between Classifications

The Board may direct that monies held in any fund or account may be temporarily transferred from one or more of these accounts to another fund or account to be used for the payment of obligations of the district, with limitations as set by Education Code 42603. The transfer shall be accounted for as temporary borrowing and shall not be available for appropriation or be considered income to the borrowing fund or account. (Education Code 42603)

Special Reserve Funds

Upon resolution of the Board, a special reserve fund may be established for such purpose(s) as specified in the resolution. A copy of the resolution shall be filed with the County Superintendent of Schools, as well as the county auditor and treasurer. As necessary, the Board may amend the resolution to specify additional purposes or to withdraw any previously designated purpose. (Education Code 42841)

The Board may expend the money in the special reserve fund for capital outlay for the purpose specified in the resolution. In addition, unless encumbered for ongoing expenses, the Board may expend money in the fund for the general operating purposes of the district. Any money in a special reserve fund that is maintained for purposes other than capital outlay must be transferred into the district's general fund before it is expended. (Education Code 42842)

TRANSFER OF FUNDS (continued)

Deferred Maintenance Funds

Funds deposited in the district's deferred maintenance fund may be received from any source and shall only be expended for maintenance purposes as provided for in Education Code 17582. (Education Code 17582)

Upon resolution of the Board, excess local funds deposited in the deferred maintenance fund may be transferred to other expenditure classifications when state funds provided pursuant to Education Code 17584 and 17585 are insufficient to fully match the local funds. The resolution shall be approved by a two-thirds vote of the Board and filed with the County Superintendent of Schools and the county auditor. (Education Code 17583)

State School Building Funds

The Board shall transfer to the district state school building fund all funds which are required to be expended for the project for which the apportionment was made. (Education Code 16095)

Legal Reference:

EDUCATION CODE

- 78 Definition governing board*
- 5200 Districts governed by boards of education*
- 16095 Transfer of district funds to district state school building fund*
- 17582 Deferred maintenance fund; establishment; purpose*
- 17583 Deferred maintenance fund; transfer*
- 17584 Budgeting certification deferred maintenance fund; apportionment*
- 17585 Applications for deferred maintenance funding*
- 41301 Section A state school fund allocation schedule*
- 42125 Designated and unappropriated fund balances*
- 42600 District budget limitation on expenditure*
- 42601 Transfers between funds to permit payment of obligations at close of year*
- 42603 Transfer of monies held in any fund or account to another fund; repayment*
- 42840-42843 Special reserve fund*
- 52616.4 Expenditures from adult education fund*

LOTTERY FUNDS

Because amounts received from the California State Lottery fluctuate from year to year, the Governing Board shall not commit future lottery funds for any purpose until they have been received.

Because lottery funds were intended to supplement state funds, not substitute for these funds, the Board desires to use these funds for supplemental and nonrecurring expenditures which support educational programs and activities.

The Board shall establish funding priorities and approve all allocations within the parameters of law. Lottery funds shall not be used to acquire real estate, build school facilities, finance research, or serve any other noninstructional purpose, such as those related to school maintenance, business and administrative operations. Products designed for both instructional and noninstructional purposes may be purchased with lottery funds only when they will be used to benefit an educational program or activity.

The Superintendent or designee shall establish a separate account for the receipt and distribution of lottery funds. (Government Code 8880.5)

Legal Reference:

EDUCATION CODE

14600 Legislative findings and declarations: state control of lottery funds

14700-14701 Use of lottery funds

GOVERNMENT CODE

8880-8880.5 California state lottery: general provisions, including intent and allocation to school districts

FEES AND CHARGES

The Governing Board desires to furnish books, materials and instructional equipment as needed for the educational program. Because district needs must be met with limited available funds, the Board may charge fees when specifically authorized by law.

The district shall consider the student and parent/guardian's ability to pay when establishing fee schedules and granting exceptions.

(cf. 1321 - Solicitation of Funds from and by Students)

(cf. 3250 - Transportation Fees)

(cf. 3290 - Gifts, Grants and Bequests)

(cf. 3515.4 - Recovery for Property Loss or Damage)

(cf. 3553 - Free and Reduced Price Meals)

(cf. 5143 - Insurance)

(cf. 6145 - Extracurricular and Cocurricular Activities)

(cf. 9323.2 - Actions by the Board)

Legal Reference: (see next page)

FEES AND CHARGES (continued)

Legal Reference:

EDUCATION CODE

8760-8773 *Outdoor science and conservation programs*
17551 *Property fabricated by students*
19910 *Malicious cutting, tearing, defacing, breaking or injuring*
19911 *Willful detention of property*
32221 *Insurance for athletic team member*
35330 *Excursions and field trips*
35335 *School camp programs*
38080-38085 *Cafeteria establishment and use*
38119 *Lease of personal property; caps and gowns*
38120 *Use of school band equipment on excursions to foreign countries*
39807.5 *Payment of transportation cost*
39837 *Transportation of students to places of summer employment*
41902 *Allowances by Superintendent of Public Instruction (re driver training)*
48904 *Liability of parent or guardian*
48932 *Authorization for activities by student organizations; fund-raising*
49063 *Notification of rights*
49490-49493 *School Breakfast and Lunch Program*
49500-49505 *Meals*
49530-49536 *Child Nutrition Act of 1974*
49550-49560 *Meals for needy students*
51810-51815 *Community service classes*
52500 *Adult classes; admission of minors*
52500.1 *Eligibility of high school students for enrollment*
52523 *Adult education as supplement for high school curriculum*

GOVERNMENT CODE

6253 *Request for copy; fee*

VEHICLE CODE

21113 *Public grounds (parking)*

CALIFORNIA CONSTITUTION

Article 9, Section 5 Common school system

CODE OF REGULATIONS, TITLE 5

350 *Fees not permitted*
15500 *Food sales in elementary schools*
15501 *Food sales in high schools and junior high schools*
15510 *Mandatory meals for needy students*
15550-15565 *School lunch and breakfast programs*

COURT DECISIONS

Driving School Assn of California v. San Mateo Union High School District (1993) 11 Cal. App. 4th 1513

Arcadia Unified School District v. State Department of Education (1992) 2 Cal 4th 251

CTA v. Glendale SD Board of Education (1980) 109 Cal. App. 3d 738, 746-748

Steffes v. California Interscholastic Federation (1986) 176 Cal. App. 3d 739

Hartzell v. Connell (1984) 35 Cal. 3d 899

FEES AND CHARGES

The district shall not charge fees which are not specifically authorized by law. (5 CCR 350)

The following fees and charges are permissible if approved by the Governing Board:

1. Accident and medical insurance premiums (Education Code 32221)

(cf. 5143 - Insurance)

2. Expenses of students' participation in a field trip or excursion to another state, the District of Columbia or a foreign country (Education Code 35330)

(cf. 6153 - School-Sponsored Trips)

3. School outdoor science camp programs operated pursuant to Education Code 8760-8773 (Education Code 35335)

(cf. 6142.5 - Environmental Education)

4. Personal property of the district fabricated by students, at cost (Education Code 17551)

5. Home-to-school transportation (Education Code 38028)

(cf. 3250 - Transportation Fees)

6. Rental, purchase or lease of personal property such as caps and gowns used in graduation ceremonies (Education Code 38119)

(cf. 5127 - Graduation Ceremonies and Activities)

7. Actual costs of duplication for copies of public records, student records or other materials (Government Code 6253; Education Code 49063)

(cf. 1340 - Access to District Records)

8. Food sold at school subject to restrictions specified in law (Education Code 38080-38085, 49490-49493, 49500-49505, 49530-49536, 49550-49560; Code of Regulations, Title 5, Section 15500-15501, 15510, 15550-15565)

(cf. 3551 - Food Service Operations/Cafeteria Funds)

(cf. 3553 - Free and Reduced Price Meals)

(cf. 3554 - Other Food Sales)

FEES AND CHARGES (continued)

9. Fines or reimbursements for lost or damaged district property (Education Code 19910-19911, 48904)

(cf. 3515.4 - Recovery for Property Loss or Damage)

SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES

When district-owned books, equipment and supplies become unusable, obsolete, or no longer needed, the Superintendent or designee shall identify these items to the Governing Board, together with their estimated value and a recommendation that they be sold or disposed of by one of the methods prescribed in law and administrative regulations. With Board approval, the Superintendent or designee shall arrange for the sale or disposal of these items.

Instructional materials may be considered obsolete or unusable when they:

1. Contain information rendered inaccurate or incomplete by new discoveries or technologies
2. Have been replaced by more recent versions or editions of the same material and are of no foreseeable value in other instructional areas
3. Contain demeaning, stereotyping or patronizing references to either sex, members of racial, ethnic, religious, vocational or cultural groups, or persons with physical or mental disabilities
4. Have been inspected and discovered to be damaged beyond use or repair

The Superintendent or designee shall establish procedures to be used when selling equipment for which the federal government has a right to receive all or part of the proceeds. These procedures shall ensure a reasonable amount of competition so as to result in the highest possible revenue.

(cf. 3440 - Inventories)

Legal Reference: (see next page)

SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES
(continued)

Legal Reference:

EDUCATION CODE

17540-17542 Sale or lease of personal property by one district to another

17545-17555 Sale of personal property

42291.5 Temporary school bus designation

42303 School bus sale to another district

60500 Determination of obsolescence

60510-60511 Donation or sale

60520-60521 Disposition of sale proceeds

60530 Methods of destruction

62000.4 Instructional materials program, sunset date

GOVERNMENT CODE

25505 District property; disposition; proceeds

UNITED STATES CODE, TITLE 40

484 Surplus property

CODE OF FEDERAL REGULATIONS, TITLE 34

80.32 Equipment acquired under a grant or subgrant

