



Boulder Valley School District

File: DB

Adopted: date of manual adoption, Current practice codified 1978

Revised: April 13, 2004, May 11, 2004, January 13, 2009

ANNUAL OPERATING BUDGET

Both the extent and quality of educational services affect – and are affected by - the financial program. All are governed by policies of the Board of Education, subject to the state statutes on what studies must be offered by the School District, state statutes regarding the financial resources available to the School District, and by the standards to be observed in the provision of services, facilities, and supplies.

A proposed budget, developed under the direction of the Superintendent of Schools, is presented to the Board of Education no later than June 1 each year. A statement shall be submitted with the proposed budget, describing the major objectives of the educational program to be undertaken by the School District during the ensuing fiscal year and the manner in which the budget proposes to fulfill such objectives. The proposed budget will include those elements of revenue and expenditures as prescribed by state statute.

The General Operating Fund budget will be developed on a generally accepted accounting principles (GAAP) basis.

BALANCED BUDGET REQUIREMENT

In order to ensure its ongoing financial health, the District needs to maintain a positive year-end balance across all funds.

To meet this end, the General Operating Fund budget will be developed so that the total of annual ongoing expenditures and transfers does not exceed annual revenues.

If the General Operating Fund ends any fiscal year with an ending balance beyond required reserves, this amount can only be budgeted for one-time uses in subsequent years. One-time uses will be defined as expenditures, transfers and/or reserves committed to by the district for a finite period of time, on a non-recurring basis. Uses of one-time funds must be approved by the board and be accompanied by a plan for assuring that such uses will not result in an ongoing deficit in future budget years.

RESERVE REQUIREMENTS

To minimize any sudden and unplanned discontinuity to the district' programs and operations, the General Operating Fund budget will be developed containing an ending fund balance equal to required reserves including TABOR, plus a minimum of a 3 percent contingency reserve. This reserve shall be reviewed every year as part of the budget approval process, to determine if a

larger reserve is prudent in view of uncertainties in current and future revenue and in district expenses.

Funds in the contingency reserve shall not be spent without board approval. The request for approval must include a plan for ensuring that the expenditure will not exceed the fixed dollar amount approved by the board, and must also include a plan for replenishing the reserve, within two years from first dispersal.

The budgets for all other funds will be developed to include, at a minimum, the required TABOR reserve.

LEGAL REFS.:

C.R.S. § 22-44-101-117 (*school district budget law*)

C.R.S. § 22-44-201-206 (*financial policies and procedures*)

C.R.S. § 22-44-105 (*Budget-contents-mandatory*)

AGREEMENT REF.: Teachers' agreement, Section B

CROSS REF.: DB subcodes (all relate to the budget)

NOTE: The format and procedures used in developing the school budget must meet requirements of the State Board of Education as set forth in the Financial Policies and Procedures Handbook for public school districts. (C.R.S. § § 22-44-203 and 204)

End of File: DB