

ANNUAL OPERATING BUDGET

CE
(LOCAL)

Fiscal Year	The District shall operate on a fiscal year beginning July 1 and ending June 30.
Budget Planning	Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the District- and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and shall be a part of each month's activities.
Budget Meeting	<p>The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:</p> <ol style="list-style-type: none">1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.4. No officer or employee of the District shall be required to respond to questions from speakers at the meeting.
Authorized Expenditures	The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the District's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.
Budget Amendments	The Board shall amend the budget when a change is made increasing any one of the functional spending categories or increasing revenue object accounts and other resources.
Fund Balance	Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet.
Definition and Classification	Fund balance classification shall be recorded in accordance with the governmental accounting standards as promulgated by the Governmental Accounting Standards Board (GASB).
Expenditures	The order of spending and availability shall be to reduce funds from the listed areas in the following order: restricted, committed,

assigned, and unassigned. Negative amounts shall not be reported for restricted, committed, or assigned funds.

Activity Funds In accordance with the provisions of GASB 54, each campus activity fund balance shall be classified as a special revenue committed fund balance. All funds collected and posted to the campus activity funds shall be committed to the activities of the originating campus and presented as committed fund balance in any financial report provided by the District.

Definitions The following definitions shall apply to fund balance and the various governmental classifications in accordance with the provisions of GASB 54.

Fund Balance of the General Fund The fund balance of the general fund, one of the governmental fund types, is of significance because the general fund is the primary fund that finances most functions in the District. The fund balance of the general fund shall mean the gross difference between the general fund assets and liabilities reflected on the balance sheet.

Nonspendable Fund Balance Nonspendable fund balance shall mean the portion of the gross fund balance that is not expendable (such as inventory) or that is legally earmarked for a specific use (such as the self-funded reserves program). Examples of fund balance reserves for which fund balance shall not be available for financing general operating expenditures include, but are not limited to, the following: inventories, prepaid items, deferred expenditures, and long-term receivables.

Restricted Fund Balance The restricted fund balance shall include amounts constrained to a specific purpose by the provider, such as a grantor. Examples of restricted fund balances include, but are not limited to, the following: the child nutrition program, the technology program, the construction program, and debt retirement funds.

Committed Fund Balance The committed fund balance shall mean the portion of the fund balance that is constrained to a specific purpose by the Board. The Board must approve all commitments by formal action. The action to commit funds shall occur prior to the fiscal year end for the commitment to be recognized in the financial statements at year's end. A commitment may be approved with the amount determined subsequent to the fiscal year end. The Board shall be responsible for reversing, rescinding, or amending the commitment of funds previously committed for a specific purpose through formal action. Examples of committed fund balances include, but are not limited to, funds for potential litigation, claims, judgments, and campus activity funds.

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*Assigned Fund
Balance*

Assigned fund balance shall mean the portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board or designee. The Board, the Superintendent, or the finance director shall have the authority to make these types of assignments. Assignments of fund balance may be made following the end of the fiscal year.

In current practice, such plans or intent may change and never be budgeted or result in future expenditures. Examples of this type of assignment shall include, but are not limited to, insurance deductibles, program start-up costs, future construction costs, appropriated future fund balance, significant encumbrances, and other legal issues.

*Unassigned Fund
Balance*

Unassigned fund balance shall include amounts available for any legal purpose. This portion of the total fund balance in the general fund shall be available to finance operating expenditures.

The unassigned fund balance shall be the difference between the total fund balance and the total of the nonspendable fund balance, restricted fund balance, committed fund balance, and assigned fund balance.