

ANNUAL OPERATING BUDGET

CE
(LOCAL)

- Fiscal Year** The District shall operate on a fiscal year beginning September 1 and ending August 31.
- 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** The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:
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 in increasing any one of the functional spending categories or increasing revenue object accounts and other resources.
- Fund Balance** As encouraged by federal accounting rules, the District should retain sufficient reserve funds to insure against unanticipated events that may adversely affect the financial condition of the District and jeopardize continuation of services. At a minimum, the District shall maintain assigned and unassigned fund balances equal to or exceeding three months of average operating expenditures of the current budget.

The chief financial officer shall annually prepare a report listing fund balance amounts by type and addressing compliance of the assigned and unassigned fund balances with the minimum requirements of this policy. The report should be prepared not later than 90 calendar days following Board acceptance of the annual independent financial audit.

The Board retains the right to adjust amounts held in committed and assigned fund balances at any time. In the event that the report discloses that unassigned funds are available for use, the report shall include a recommendation for the use of such funds. The Board shall make every effort to apply such unassigned funds for the following purposes and in the order listed:

1. To increase committed fund balances, as deemed necessary;
2. To increase assigned fund balances, as deemed necessary;
3. To pay for nonrecurring expenses, as deemed necessary; and
4. To establish a beginning cash balance in support of the annual budget.