

6233 - DISTRICT BUDGET

A. Preparation

The budget shall be prepared and administered in accordance with Florida statutes and in accordance with Policy 6220.

B. Implementation of Budget

Implementation of the official District budget shall give appropriations and reserves therein the force and effect of fixed appropriations and reserves, and the same shall not be altered, amended, or exceeded except as authorized.

The School Board shall monitor the budget on a monthly basis.

Expenditures may exceed the amount budgeted by function or object provided the Board approves the expenditures and amends the budget no later than the annual due date established by the State Department of Education for submitting the District's annual financial report.

Pursuant to State law, if the Board finds and declares in a resolution adopted at a regular meeting of the Board that the funds received for any of the following categorical appropriations are urgently needed to maintain Board specified academic classroom instruction or improve school safety, the Board may consider and approve an amendment to the School District operating budget transferring the identified amount of the categorical funds to the appropriate account for expenditure:

1. funds for student transportation;
2. funds for the guaranteed allocation related to exceptional education students as provided in F.S. 1011.62(1)(e)2;
3. funds for the educational enrichment allocation as provided in F.S. 1011.62(1)(f);
4. funds for the class size reduction as provided in F.S. 1001.685.
5. ~~funds for the Federally connected student supplement as provided in F.S. 1011.62(10); and~~
[Drafting Note: If the school district is not eligible for Federal Impact Aid Program funds under s. 8003 of Title VIII of the Elementary and Secondary Education Act of 1965, the District should not include this in its policy.]
6. funds for the class size reduction as provided in F.S. 1001.685.

C. General Fund Ending Fund Balance

The Constitution of the State of Florida requires that the District operate under a balanced budget. The Board understands that there may be unforeseen circumstances that can result in increases or decreases in revenue and/or expenditures. These circumstances would thereby impact the financial stability of the District.

As required by Florida statute, the Board shall maintain a General Fund ending fund balance not classified as restricted, committed, or non-spendable in the District's approved operating budget that is sufficient to address normal contingencies.

1. See Policy 6235, *Fund Balance*.

NOTE: A comprehensive policy should include one of the following two options. Please select one.]

[OPTION #1]

2. [] The Superintendent shall provide written notification to the Board and to the Commissioner of Education if at any time the portion of the general fund's ending fund balance not classified as restricted, committed, or non-spendable in the District's operating budget is projected to fall below projected revenues as prescribed by law.

If the projected portion of the general fund's ending fund balance not classified as restricted, committed, or non spendable in the District's approved operating budget falls below three percent (3%) of projected general fund revenues for two (2) consecutive fiscal years, the Superintendent will reduce the District's administrative expenditures reported pursuant to F.S. 1010.215 in proportion to the reduction in the general fund's ending balance or the reduction in student enrollment, whichever is greater.

[OPTION #2]

2. **X]** The Superintendent shall provide written notification to the Board and the Commission or Education any time the portion of the General Fund's ending fund balance not classified as restricted, committed, or nonspendable in the District's approved operating budget is projected to fall below three percent (3%) of projected General Fund revenues during the current fiscal year.

The Superintendent shall submit to the Board for approval a plan to avoid a financial emergency as determined pursuant to F.S. 218.503.

If such a financial condition exists for two (2) consecutive fiscal years, the Superintendent will reduce the District's administrative expenditures reported pursuant to F.S. 1010.215 in proportion to the reduction in the general fund's ending balance or the reduction in student enrollment, whichever is greater, as part of the plan submitted to the Board to avoid a financial emergency as determined pursuant to F.S. 218.503.

~~[] The Superintendent shall provide written notification to the Board and the Commission of Education any time the portion of the General Fund's ending fund balance not classified as restricted, committed, or nonspendable in the District's approved operating budget is projected to fall below two percent (2%) of projected General Fund revenues during the current fiscal year. [END OF OPTIONAL PARAGRAPH]~~

The Superintendent shall also submit to the Commissioner of Education the Board-approved plan to avoid a financial emergency as determined pursuant to F.S. 218.503.

[END OF OPTIONS]

- D. ~~() Emergency Financial Plan~~

~~The Chief Financial Officer shall prepare and present to the Board for approval an emergency financial plan in accordance with F.S. 252.391 for major natural disasters that may impact the Board's jurisdiction including, but not limited to, hurricanes, tornadoes, floods, and wildfires. The emergency financial plan must be based on the likely frequency of the disaster's occurrence and include a calculation of the costs for the natural disaster event and a determination of the financial resources available to the Board. If insufficient funds are available to address the disaster event, the emergency financial plan should identify strategies to close the gap between the disaster event costs and the Board's financial capacity. Such strategies may include rainy day funds, reprioritizing the Board's annual budget, and borrowing.~~

~~The Board shall annually review the emergency financial plan to address any changes in conditions.~~

- E. **(X) School-based Management**

The Board encourages individual school centers to be the principal planning unit and to integrate planning and budgeting at the school level.

- F. **(X) Loans to Schools**

The Board may authorize loans from the General Fund to schools subject to the following provisions:

1. The purpose for which loans are made shall be for valid public education purposes.
2. Such loans shall be for the direct benefit of students.
3. All requests for loans must be made by the _____ Finance Director _____ and approved by the _____ Superintendent _____ and _____ School Board _____.
4. The _____ Finance Office _____ shall be directly responsible for the expenditure and repayment of such loans. ~~If a payment is missed, the principal shall be given a period of one (1) calendar year from the date the payment is due to make said payment plus six percent (6%) interest on the amount due. No more than one (1) such annual payment may be allowed to be in arrears at one time.~~
5. The expenditure of loan proceeds shall be in accordance with all applicable laws, rules, regulations, and procedures.

F.S. 252.391
F.S. 1001.42
F.S. 1001.43
F.S. 1011.01
F.S. 1011.035
F.S. 1011.051
F.S. 1011.62