

BP/SP3100 Budget Adoption and Revision
Business and Noninstructional Operations

Status: ADOPTED
August 22, 2019

The County Board of Education recognizes its critical responsibility for adopting a sound budget each fiscal year which is aligned with and reflects the county office of education (COE) vision, goals, priorities, local control and accountability plan (LCAP), and other comprehensive plans. The COE budget shall guide decisions and actions throughout the year and shall serve as a tool for monitoring the fiscal health of the COE.

It is the responsibility of the County Superintendent of Schools or designee to develop a budget to be adopted within the time limits set by law. The budget shall show a complete plan and itemized statement of all proposed expenditures in each fund of the COE, and the estimated cash balances and estimated revenues of the COE for the current budget year and for the next two fiscal years. The budget shall include a comparison of expenditures, cash balances, and revenues estimated for the budget year with the unaudited actual amounts of the expenditures, cash balances, and revenues for the prior fiscal year.

The budget shall be developed in accordance with standards and criteria adopted by the State Board of Education. (Education Code 33127, 33129; 5 CCR 15467-15479)

The COE budget shall include a general fund reserve for economic uncertainty that meets or exceeds the requirements of 5 CCR 15474.

Adoption of County School Service Fund Budget

The County Board expects the County Superintendent or designee to present the proposed county school service fund budget to the County Board early enough in the fiscal year to allow the County Board sufficient time to meet the requirement to adopt the budget by July 1. The budget shall include the expenditures identified in the LCAP and any updates to the LCAP that will be effective for the budget year. (Education Code 1622)

The County Board shall hold a public hearing on the proposed budget at the same meeting as the public hearing on the COE's LCAP and local control funding formula (LCFF) budget overview for parents/guardians. 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. The proposed budget shall be available for public inspection at least three working days before this hearing. During the hearing, any taxpayer directly affected by the budget may speak to the proposed budget or any item in the budget. (Education Code 1620, 52064.1)

At a public meeting held after the date of the public hearing but on or before July 1 of each year, the County Board shall adopt a county school service fund budget for the budget year. The County Board shall adopt the budget following its adoption of the LCAP, or annual update to the LCAP, and the LCFF budget overview for parents/guardians. (Education Code 1622, 52064.1)

If the SPI disapproves the county school service fund budget, the County Board and County Superintendent shall review and respond to the SPI's recommendations at a regularly scheduled County Board meeting on or before October 8. That response shall include the proposed actions to be taken, if any, as a result of those recommendations. (Education Code 1622)

No later than 45 days after the Governor signs the annual Budget Act, it is the responsibility of the County Superintendent to make available for public review any revisions made to the budget to reflect the funding made available by the Budget Act. (Education Code 1622)

Transfer of Funds

The County Board recognizes that the County Superintendent or designee may spend funds appropriated in the budget within major object budget categories without County Board approval and may make transfers of appropriated funds between major object budget categories to meet necessary expenses. Any transfer of funds between major object budget categories shall be included in timely financial reports to the County Board.

Financial Reports

The County Board shall review interim budget reports presented by the County Superintendent twice annually. The first interim report shall cover the financial and budgetary status of the COE for the period ending October 31. The second interim report shall cover the period ending January 31. Both reports shall be reviewed by the County Board no later than 45 days after the close of the period being reported. (Education Code 1240)

Budget Revision

As defined in the California School Accounting Manual, a budget revision means a net increase or decrease to the budget. Any revision to the budget in excess of \$25,000, whether a net increase or decrease in the amount of funds appropriated, shall be incorporated into the next interim financial report or other County Board report and presented to the County Board for discussion and approval at a regularly scheduled public meeting of the County Board. (Education Code 1280)

Any budget revision of \$25,000 or less may be included in timely financial reports to the County Board but shall not be subject to County Board approval.

A consultant's contract for \$25,000 or more may constitute a budget revision requiring County Board approval if the contract causes a net increase or decrease to the total budget. (Education Code 1280, 1281)

Unappropriated Fund Balance

The budget may contain amounts known as the unappropriated fund balance. These funds shall be available for appropriation by a majority vote of the County Board.

Increases of Salary or Retirement Benefits to Employees by County Superintendent

The County Superintendent shall bring to the County Board at a regularly scheduled County Board meeting for discussion purposes only any proposed salary increase or bonus for any COE employee that is \$10,000 or more. The County Superintendent shall also bring to the County Board at a regularly scheduled meeting for discussion and approval any proposed increase to the retirement benefits of any COE employee. (Education Code 1302)

EDUCATION CODE

1040 Duties of boards

1042 Additional powers

1240 General duties; reports

1280 Revisions to annual budget

1281 Hiring of consultants

1302 Increases of salary or retirement benefits or bonus to employees

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

42120 Budget completion

52064.1 Local control funding formula budget overview for parents

GOVERNMENT CODE

7900-7914 Expenditure limitations

CODE OF REGULATIONS, TITLE 5

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