

D-2 (DB) Annual Budget

The annual budget is the financial plan for the operation of the school system. It provides the framework for both expenditures and revenues for the year and future years and translates into financial terms the educational programs and objectives of the district.

Budget process

Public school budgeting is regulated and controlled by statutes and by requirements of the State Board of Education that prescribe the form of district budgets in order to ensure uniformity throughout the state.

The budget shall be presented in a summary format that is understandable by any layperson. The budget format shall itemize expenditures of the district by fund and by pupil. It shall describe the expenditure and show the amount budgeted for the current fiscal year and the amount budgeted for the ensuing fiscal year. When budgeting for any enterprise funds, the district shall use the full accrual basis of accounting. The budget shall summarize revenues by revenue source and expenditures by function, fund and object.

The budget shall include a uniform summary sheet for each fund administered by the district that details the beginning fund balance and anticipated ending fund balance for the budget year; the anticipated fund revenues for the budget year; the anticipated transfers and allocations that will occur to and from the fund during the budget year; the anticipated expenditures that will be made from the fund during the budget year; and the amount of reserves in the fund.

The budget also shall disclose planned compliance with spending limitations outlined in Article X, Section 20, of the Colorado Constitution, including holding TABOR reserve funds in an unrestricted general fund or in cash funds.

The Board assigns to the superintendent overall responsibility for annual budget preparation, budget presentation and budget administration. As part of the superintendent's budget responsibility, the superintendent shall cause to be prepared a budget preparation calendar that shall ensure that all deadlines established by law for budget presentation, hearings and adoption and for certification of amounts to be raised by school tax levies are met by the school district. The budget calendar shall take into consideration the possible need to submit a request to raise additional local revenue to a vote by the district's electorate. The superintendent shall have authority to delegate portions of his or her budget responsibility to the Chief Financial Officer of the district.

The budget prepared and presented by the superintendent shall be consistent with the budget priorities of the Board as established in policy DBD.

Operating reserve

Maintaining a fiscal year-end fund balance as an operating reserve in the general fund is a beneficial and sound financial management practice. The Board of Education assigns to the superintendent or designee the responsibility of accumulating a year end general fund balance amounting to 15% of the district's current fiscal year adopted budget as an operating reserve. This amount will be in excess of the emergency reserve required by Article X, Section 20 of the Colorado Constitution (TABOR).

Capital reserve

Maintaining resources in the capital reserve fund is a beneficial and sound business practice and protects the public's investment in school district facilities. The Board directs the superintendent or designee to budget an appropriate amount each year to the capital reserve account for capital outlay expenditures authorized in state law. This amount shall be transferred from the general fund to the capital reserve fund. The amount transferred from the general fund may be reduced by any money collected from the sale of land, buildings or both or any payments collected from the dedication of lands or voluntary contributions from a developer.

The Superintendent of Schools shall cause to be prepared and presented to the Board of Education a proposed budget.

The Administration shall utilize the School District budget, as approved by the Board of Education, as a controlled spending plan to implement the approved educational and supporting programs in the School District. Pursuant to such plan, the Superintendent of Schools or designee is authorized to make expenditures and commitments according to and in harmony with the budget and the policies of the School District.

LEGAL REFS.: C.R.S. [22-11-302](#) (1)(a) (*district accountability committee budget recommendations*)

C.R.S. [22-11-402](#) (1)(a) (*school level accountability committee budget recommendations*)

C.R.S. [22-32-109](#) (1)(b)

C.R.S. [22-44-101](#) through [117](#) (*school district budget law, Board shall cause a proposed budget to be prepared and shall adopt a budget for each fiscal year*)

C.R.S. [22-44-106](#)(*operating reserve*)

C.R.S. [22-44-301](#) *et seq.* (*Public School Financial Transparency Act*)

C.R.S. [22-45-103](#) (1)(c) (*authorized expenditures from capital reserve fund*)

C.R.S. [29-1-103](#) (3) (*budget to reflect lease-purchase payment obligations*)

Weld County School District Re-3(J), Keenesburg, Colorado 80643

D-2 (DB)

CROSS REFS.: [DAB*](#), Financial Administration

[DB subcodes](#), (all relate to the budget)

NOTE 1: The CDE Financial Policies and Procedures Handbook must be used by all school districts in the development of the budget. C.R.S. [22-44-204](#) (3).

NOTE 2: The State Board of Education has implemented a statewide financial, student management and human resource electronic data communications and reporting system that is based on a redesigned standard chart of accounts, a standard information system and a standard personnel classification system. All school districts and boards of cooperative services must use the system to report and obtain necessary financial information. C.R.S. [22-44-105](#) (4).

NOTE 3: School districts may designate district-owned property as all or a portion of the district's required TABOR emergency reserve. C.R.S. [22-44-105](#) (1)(c.5). A district must follow specific steps to do so, including securing a letter of credit from an investment-grade bank and filing notice with the state treasurer and the Colorado Department of Education.

NOTE 4: The Public School Financial Transparency Act, C.R.S. [22-44-301](#) et seq. (the Act) requires districts to post financial information online, in a downloadable format, for free public access. The requirements for posting certain types of financial information are phased in over three years. See exhibit [DAB-E](#). The Act requires the district to update any required information within sixty days of the district's completion or receipt of the applicable report, statement or document. Once posted, the Act requires the district to maintain the prior two budget years' financial information online, until the end of the district's current budget year. Districts must also provide a link to the Colorado Department of Education's (CDE) website or the location information for CDE's website to enable a member of the public to access information or reports submitted directly to CDE.*

Adopted: October 28, 2015