

Policy Type: Executive Limitations**Budgeting**

Financial planning for any fiscal year shall not deviate materially from the Board's *Ends* policies, risk fiscal jeopardy or fail to be derived from a multi-year plan.

Accordingly, the Superintendent may not present to the Board a recommended budget that:

1. **Is not in a summary format understandable by a lay person**
2. **Fails to itemize district expenditures by fund and by student**
3. Fails to include information regarding school-level expenditures
4. **Fails to adequately describe expenditures**
5. **Fails to show the amount budgeted for the current fiscal year and the amount budgeted for the ensuing fiscal year**
6. **Fails to take into consideration spending limitations in the state constitution**
7. **Was developed without the Superintendent having first considered recommendations made by each school-level accountability committee relative to priorities for expenditures of district funds excluding the high school.**
8. Contains too little information to enable credible projection of revenue and expenses
9. Relies excessively on nonrecurring revenue
10. Fails to disclose budget planning assumptions and fails to include contingency plans in the event budget assumptions prove erroneous
11. **Does not provide for the expenditures, interfund transfers or reserves in excess of available revenues and beginning fund balances**

Does not include the use of beginning fund balance unless the Board has adopted a resolution as described in state law specifically authorizing such use

- 12. Reduces without approval of the Board, the current cash reserves at any time to less than the minimum amount required by the spending limitations set forth in the state constitution**
13. Fails to achieve and maintain a minimum year-end general fund balance of 2%
14. Fails to provide adequate and reasonable budget support for Board development and other governance priorities, including the costs of fiscal audits, Board and committee meetings, Board memberships and district legal fees
15. Fails to take into consideration fiscal soundness in future years or ignores the building of organizational capabilities sufficient to achieve ends in future years
16. Fails to reflect anticipated changes in employee compensation including inflationary adjustments, step increases, performance increases and benefits
- 17. Fails to comply with state and federal law**

Adopted: April 21, 2004
Revised: February 22, 2012
Revised: August 8, 2012

LEGAL REFS.: C.R.S. 22-7-205 and 207 (*school level accountability committee recommendations*)
C.R.S. 22-11-101 *et seq.* (*state accreditation*)
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. 22-44-105 (1.5)(a) (*budget parameters regarding expenses not exceeding revenue and use of beginning fund balance*)
C.R.S. 29-1-103 (3) (*budget to reflect lease-purchase payment obligations*)

Monitoring Method: *Internal report*
Monitoring Frequency: *June*