

CHAPTER 7.00 – BUSINESS SERVICES

SCHOOL DISTRICT BUDGET SYSTEM

7.01

1. The School District budget shall be prepared in a fiscally sound manner with the goal of using the financial resources of the District in a prudent and responsible manner in order to maximize the resources spent on direct instruction to students and in compliance with applicable state law and Florida Department of Education rules. The Superintendent shall use the following guidelines in preparing the annual operating budget for the School Board's consideration and adoption:
 - a. Balanced Operating Fund Budget. The operating budget should be prepared to be in compliance with Chapter 1011, Florida Statutes.
 - b. Minimum Fund Balance. The District shall endeavor to maintain its minimum fund balance in compliance with Section 1011.051, Florida Statutes.
 - c. Goals and Objectives. The budget system shall be related to the goals and objectives of the District and its programs. To assure equity among schools, program elements, personnel and other resources shall be allocated on a formula basis or by other equitable means as determined by the Board.
 - d. Guidelines. The Superintendent shall prepare an annual District budget in the form prescribed by the Department of Education. In formulating the budget, the Superintendent shall take into consideration the immediate and long range needs of the District and student achievement data obtained pursuant to Florida Statutes.

2. The District shall comply with the requirements of the Government Accounting Standard Board Statement 54 (GASB 54). As is more particularly described in GASB 54, the components of the fund balance shown on the District's financial statements shall be:
 - a. Non-Spendable Fund Balance. The non-spendable fund balance shall include items that are not in spendable form.
 - b. Restricted Fund Balance. The restricted fund balance shall include items subject to externally enforceable legal restrictions.
 - c. Committed Fund Balance. The committed fund balance will include amounts which are committed for a specific purpose by formal School Board action, and which cannot be removed from this category without formal Board action.

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- d. Assigned Fund Balance. The assigned fund balance includes amounts which are assigned for the intended use of the Board or by delegation to the Superintendent or Superintendent's designee.
 - e. Unassigned Fund Balance. The unassigned fund balance shall be the excess of total fund balance over the total sum of non-spendable, restricted and committed fund balances.
 - f. Priorities. The District elects to prioritize use of its spendable fund balance as follows:
 - i. Restricted amounts are to be used first to accomplish the intended use of such funds unless there are legal documents/contracts that prohibit this, such as grant agreements which require dollar-to-dollar matching spending;
 - ii. Committed amounts to the extent the specified purpose of such commitment has been met;
 - iii. Assigned amounts to the extent the specified purpose of such assignment has been met; and
 - iv. Unassigned funds.
3. The Board commits an amount equal to 3% of its estimated revenue from The Florida Education Finance Program (FEFP) Conference Committee Report (the First Calculation) to be set aside under a stabilization arrangement for use in an emergency situation. The Board will treat this balance as committed. The circumstances which constitute an emergency are non-routine in nature and specifically include the following:
- a. Failure to pay loans or debt service when due as a result of lack of funds;
 - b. Failure to pay uncontested claims to creditors within ninety(90) days due to lack of funds;
 - c. Failure to transfer taxes, social security or retirement/benefits for employees; and
 - d. Failure for one pay period to pay wages, salaries or retirement benefits to employees.

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4. Except as provided in Section 2, it is the Board's intent that these guidelines shall be controlling unless unusual circumstances indicate otherwise. In such instances, any variances from the guidelines will be highlighted and explained prior to the adoption of the budget by the Board.
5. The Superintendent is authorized to adopt procedures and guidelines as necessary to implement this rule.
6. This policy has an effective date of June 30, 2011.

STATUTORY AUTHORITY:

1001.41. F.S.

LAW IMPLEMENTED:

**1008.385; 1008.22; 1008.34; 1001.11;
1013.61; 1011.01; 1010.01; 1011.02;
1011.03; 1011.04, F.S.**

STATE BOARD OF EDUCATION RULES:

**6A-1.002, 6A-1.004, 6A-1.006,
6A-1.007, 6A-1.0071, F.A.C.**

HISTORY:

**ADOPTED: 08/18/1998
REVISED: 12/18/2003; 08/08/2006;
09/13/2011**

