

Regulation 3100: Budget

~~Budget Adoption and Submission Process~~

~~Before adopting the district budget for the subsequent fiscal year, the Board of Education shall hold a public hearing. 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. (Education Code 42103, 42127)~~

~~The Superintendent or designee shall notify the County Superintendent of Schools of the location, dates, and times at which the proposed budget may be inspected, as well as the location, date, and time of the public hearing, in sufficient time for the County Superintendent to publish such information in a newspaper of general circulation at least 10 days but not more than 45 days before the hearing.~~

~~During the hearing, the public may speak to the proposed budget or to any item in the budget. The hearing may conclude when all residents who have requested to be heard have had the opportunity to speak. (Education Code 42103)~~

~~The district's budget shall be presented in the format prescribed by the Superintendent of Public Instruction. (Education Code 42126)~~

~~The Superintendent or designee shall file the adopted budget with the County Superintendent no later than five days after adoption or by July 1, whichever occurs first. The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)~~

~~If the County Superintendent disapproves the district's budget, the Board shall review and respond to his/her recommendations at a public meeting on or before September 8. The response shall include any revisions to the adopted budget and any other proposed actions to be taken as a result of those recommendations. (Education Code 42127)~~

~~Before revising the budget, the Board shall hold a second public hearing regarding the proposed revisions in accordance with Education Code 42103. In addition, if the initial budget was disapproved by the County Superintendent, the public hearing shall include a review by the Board and the County Superintendent of the disapproval and the County Superintendent's recommendations. (Education Code 42127)~~

~~The revised budget and supporting data shall be maintained and made available for public review. (Education Code 42127)~~

~~Single Budget Adoption Process~~

~~No later than 45 days after the Governor signs the annual Budget Act, the Superintendent or designee shall make available for public review any revisions in budgeted revenues and expenditures which are consequently necessary. (Education Code 42127)~~

~~Transfers may be made from the designated fund balance or the unappropriated fund balance to any expenditure classification or between expenditure classifications by the Board of Education on adoption of a resolution by a majority vote.~~

~~Districts with Boards of Education~~

~~The resolution must be filed with the County Superintendent of Schools and the county auditor. (Education Code 42600)~~

~~End-of-the-Year Procedures~~

~~At the close of the school year, the Superintendent or designee may, with Board approval, identify and request the County Superintendent of Schools to make transfers between the designated fund balance or the unappropriated fund balance and any expenditure classification(s) or balance any budget expenditure classifications as necessary to permit the payment of obligations incurred by the district during that school year. (Education Code 42601)~~

~~Temporary Transfers Between Classifications~~

~~The Board may direct that monies held in any fund or account may be temporarily transferred from one or more of these accounts to another fund or account to be used for the payment of obligations of the district, with limitations as set by Education Code 42603. The transfer shall be accounted for as temporary borrowing and shall not be available for appropriation or be considered income to the borrowing fund or account. (Education Code 42603)~~

~~Special Reserve Funds~~

~~Upon resolution of the Board, a special reserve fund may be established for such purpose(s) as specified in the resolution. A copy of the resolution shall be filed with **Advisory Committee**~~

Membership of the district's budget advisory committee may include representatives of each of the following groups:

1. Governing Board members, provided that less than a majority of the Board serves on the committee
2. District and school site administrators

3. Representatives of bargaining units
4. Certificated and/or classified staff
5. Parents/guardians
6. Representatives of the business community and/or other community members
7. Students

The committee's duties may include, but are not necessarily limited to:

1. Making recommendations regarding budget priorities **that which** align with the district's vision, goals, priorities, local control and accountability plan (LCAP), and other comprehensive plans
2. Recommending cost reduction strategies, such as identifying services that may be reduced, made more efficient, or discontinued
3. Reviewing the clarity and effectiveness of budget documents and communications
4. Presenting progress reports on the committee's work and a final report of recommendations to the Superintendent or designee and to the Board

The specific duties of the committee shall be clearly defined and presented to each member in writing, along with any background information necessary for the successful completion of the committee's charges, the timelines for reporting the committee's progress, and timelines for completion of each task.

Public Hearing

The agenda for the public hearing on the district budget 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. (Education Code 42103, 42127, 52062)

The Superintendent or designee shall notify the County Superintendent of Schools of the location and dates at which the proposed budget may be inspected, as well as the location, date, and time of the public hearing, in sufficient time for the County Superintendent to publish such

information in a newspaper of general circulation at least 10 days but not more than 45 days before the hearing, as specified in Education Code 42103. Beginning January 1, 2027, this notification, rather than being published in a newspaper of general circulation as described above, shall be prominently posted on the homepage of the district's website at least three days before the availability of the proposed budget for public inspection.

Whenever the proposed district budget includes a combined assigned and unassigned ending fund balance that exceeds the minimum recommended reserve for economic uncertainties adopted by the State Board of Education, the district shall provide, for each fiscal year included in the budget, the following information for public review and discussion at the public hearing: (Education Code 42127; 5 CCR 15450)

1. The minimum recommended reserve for economic uncertainties
2. The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve
3. A statement of reasons substantiating the need for the combined assigned and unassigned ending balances that are in excess of the minimum recommended reserve

During the hearing, any district resident may appear and object to the proposed budget or to any item in the budget. The hearing may conclude when all residents who have requested to be heard have had the opportunity to speak. (Education Code 42103)

Budget Review Committee for Disapproved Budgets

If the district's budget is disapproved by the County Superintendent for any reason other than disapproval of the district's LCAP or annual update to the LCAP, the budget shall be reviewed by a budget review committee, unless the Board and County Superintendent agree to waive the requirement and the California Department of Education accepts the waiver. (Education Code 42127)

This committee shall consist of either: (Education Code 42127.1, 42127.2)

~~Three persons selected by the Board from a list of candidates provided by the County Superintendent of Schools, as well as the county auditor and treasurer. As necessary, the Board may amend the resolution to specify additional purposes or to withdraw any previously designated purpose. (Education Code 42841)¶¶~~

~~The Board may expend the money in the special reserve fund for capital outlay for the purpose specified in the resolution. In addition, unless encumbered for ongoing expenses, the Board may~~

~~expend money in the fund for the general operating purposes of the district. Any money in a special reserve fund that is maintained for purposes other than capital outlay must be transferred into the district's general fund before it is expended. (Education Code 42842)~~

~~Deferred Maintenance Funds~~

~~Funds deposited in the district's deferred maintenance fund may be received from any source and shall only be expended for maintenance purposes as provided for in Education Code 17582. (Education Code 17582)~~

~~Upon resolution of the Board, excess local funds deposited in the deferred maintenance fund may be transferred to other expenditure classifications when state funds provided pursuant to Education Code 17584 and 17585 are insufficient to fully match the local funds. The resolution shall be approved by a two-thirds vote of the Board and filed with the County Superintendent of Schools and the county auditor. (Education Code 17583)~~

~~State School Building Funds~~

- ~~1. The Board shall transfer to the district state school building fund all funds which are required to be expended for the project for which the apportionment was made. Public Instruction (SPI), who shall be selected within five working days after receiving the list of candidates~~
- ~~2. A regional review committee selected and convened by the County Superintendent with the approval of the Board and SPI~~

~~If the budget review committee recommends disapproval of the district budget, the Board may submit a response to the SPI no later than five working days after receipt of the committee's report. The response may include any revisions to the adopted final budget and any other proposed actions to be taken as a result of the committee's recommendations. (Education Code 42127.3)~~

~~If the SPI disapproves the district budget after reviewing the committee's report and the district's response, the Board shall consult with the County Superintendent to develop and adopt, by December 31, a fiscal plan and budget that will allow the district to meet its current fiscal year and multiyear financial obligations. For the current fiscal year, the district shall operate in accordance with the budget adopted by the County Superintendent. (Education Code 42127.3)~~

~~Until the district receives approval of its budget, it shall continue to operate either on the basis of the prior year's budget or on the basis of the current year's unapproved budget as adopted and~~

revised by the Board, whichever budget contains a lower total spending authority. (Education Code ~~16095~~42127.4)