

BUDGET

The district is required to adopt an annual budget setting forth revenues and expenditures.

The annual operating budget for the schools will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The school district budget will be prepared by the Superintendent and the Business Manager, and presented to the Board for the Board's consideration, review, and adoption subject to any modifications approved by the Board. The Board will establish a time line for the preparation of the budget.

**A. BUDGET PLANNING:**

Budget planning for the district will be an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the school system. The School Board, Superintendent, and Business Manager will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar. Principals will submit budget requests for their particular schools. The budget request will reflect the principal's judgment as to the most effective way to use resources in achieving progress toward educational objectives of the school.

**B. BUDGET ADOPTION:**

Adoption of the budget is solely the responsibility of the Board. The Board will adopt the budget following the public hearing for the proposed budget. The proposed budget will be published in the official newspaper at the time notice of the budget hearing is given. If, as a result of the public hearing, it should be determined that certain changes in the budget are necessary, these changes will be made before the budget is adopted. Following the adoption of the budget by the Board, the school district shall report the amount budgeted to the county auditor before October 1<sup>st</sup> on forms prescribed by the county auditor. The county auditor shall raise additional revenue, for the general fund and special education fund, from real property taxes to compensate for a

tax abatement, a tax increment financing district, or a discretionary formula. For the general fund and special education fund, the school district may report the levy in dollars or dollars per one thousand dollars of taxable valuation.

**C. BUDGET DEADLINES AND SCHEDULES:**

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and Board policy.

| Date         | Description   |
|--------------|---|
| January      | Budget preparation begins.  |
| March        | Annual audit is requested.<br>Review of proposed budget.  |
| May          | The proposed budget for the next fiscal year will be considered at the regular Board meeting.   |
| July 15      | Deadline for publishing proposed budget and notice of hearing in the official newspaper.  |
| July 31      | Deadline for budget hearing.  |
| September 30 | Deadline for Board approval of budget for the anticipated obligations of each fund (except Custodial Accounts) for the fiscal year. By resolution the School Board will adopt a budget. |
| September 30 | Deadline for reporting to the county auditor the budget adopted by the Board, on the forms prescribed by the county auditor.  |

In accordance with law, any changes in the proposed budget incorporated into the final budget will be published in the minutes within thirty (30) days after the final adoption of the budget.

Subsequent to final adoption of the budget, the school board may supplement the budget upon adoption of a resolution setting forth the source of funds and the intended purpose for their use, and amend the budget pursuant to SDCL 13-11-3.2 utilizing available unobligated resources.

#### **D. BUDGET TRANSFERS:**

Transfer of funds among the major classifications of the budget or within a major classification of the budget, as authorized by law, is subject to Board approval.

The following shall apply to the transfer of funds:

1. The Board may not transfer any funds, except federal funds, from the general fund to the capital outlay fund, bond redemption fund, or capital projects fund.
2. The Board shall not transfer any part of the special education fund to any other school district fund.
3. Any unused portion of money that has been transferred into the special education fund may be transferred from the special education fund within the current fiscal year to the fund from which it originated.
4. The Board may transfer, from its capital outlay fund to its general fund, not more than 45% of the total tax revenues deposited in the capital outlay fund during the current school fiscal year.
5. Any money that is transferred from the bond redemption fund must be transferred to the general fund or the capital outlay fund. However, no money in the bond redemption fund may be transferred unless a sufficient amount of money is retained in this fund to retire all outstanding bonds together with all interest that will accrue on the bonds.
6. As the Board is prohibited by law from making expenditures out of the Title VIII of the Elementary and Secondary Education Act fund, transfers out of the fund shall be made at the discretion of the Board.
7. In any fiscal year in which the district is allocated federal IDEA funds greater than the allocation received in the prior fiscal year, the District may transfer local special education funds in an amount not greater than fifty percent (50%) of the annual increase in the federal IDEA allocation to any other fund to carry out activities that could be supported with funds under the Elementary and Secondary Education Act of 1965.

8. The Board may transfer contingency funds to any budget category except to the capital outlay category.
9. All or any part of any school district fund may be loaned to any other school district fund for a term not to exceed twenty-four (24) months.

LEGAL REFS.: SDCL 10-12-29; 10-12-42; 10-12-43; 10-12-44; 13-11-2; 13-11-2.1; 13-11-3; 13-11-3.2; 13-16-3; 13-16-14; 13-16-26

[8/1992] {Reviewed 3/1996} [6/2004] {ASBSD Review 12/2006} [July 2018] [September 2020]