

DISTRICT BUDGET

The superintendent shall be designated by the Board to serve as the budget officer of the district. As budget officer, the superintendent will direct the planning and preparation of the budget, and will submit it to the Board for approval. The superintendent will present a tentative budget proposal for the following year to the Board as provided in § 67.020, RSMo., and the final budget proposal before the new fiscal year begins.

The planning and preparation of the budget is a continuing process. It must involve a number of people who have knowledge of the educational needs of the community and who can provide accurate data in regard to the financial potential of the district. Members of the Board, citizens, students, and professional and support staff members should be involved in the planning process, which culminates in the preparation of the budget document. The superintendent will establish procedures that seek input from the appropriate people on budgetary needs, and which consider the priorities established by the Board.

In assuming responsibility for budget preparation, the superintendent will observe the guidelines on budget preparation as cited in state statutes, as well as regulations issued by the Missouri Department of Elementary and Secondary Education (DESE).

The budgeting system will be organized and presented in accordance with the format required to comply with state statutes and the regulations of DESE, as based on *Handbook II, Revised*, and as modified by the *Missouri Financial Accounting Manual, Revised*.

The annual budget document shall present a completed financial plan for the ensuing budget year, and shall include at least the following statutory requirements:

- ▶ A budget message describing the important features of the budget and major changes from the preceding year.
- ▶ Estimated revenues to be received from all sources for the budget year, with a comparative statement of actual or estimated revenues for the two (2) years next preceding, itemized by year, fund and source.
- ▶ Proposed expenditures for each department, office and other classification for budget year, together with a comparative statement of actual or estimated expenditures for the two (2) years preceding, itemized by year, fund, activity and object.
- ▶ The amount required for the payment of interest, amortization and redemption charges on the debt of the school district.
- ▶ A general budget summary.

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Critical

In no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance, or less any deficit estimated for the beginning of the budget year. Upon the recommendation of the superintendent, the Board will approve a system of internal accounting to ensure proper financial accounting of revenues and expenditures.

The superintendent, working with the staff, shall prepare a tentative budget for the next fiscal year. This budget must be ready for Board consideration before the beginning of the fiscal year. The Board may revise the items contained therein, and will, at that meeting, adopt the portion of the budget dealing with the salary schedule and the needed tax rate for the district. Should the adopted budget require an increase in the tax levy above the authorized level that the Board may levy, the tax levy increase shall be presented to the voters for approval. If the voters fail to pass the tax levy increase, the budget shall be appropriately adjusted.

The Board will conduct at least one (1) public hearing in regard to the proposed budget and taxation rate. The superintendent will present a final budget to the Board at a regular or special Board meeting before the new fiscal year begins.

The adopted budget of the Dent-Phelps R-III School district serves as the control to direct and limit expenditures in the district. Overall responsibility for assuring control rests with the superintendent, who will establish procedures for budget control and reporting throughout the district.

The total amounts which may be expended during the fiscal year for the operation of the school district are set forth in the budget. The superintendent may increase line item expenditure amounts that do not deficit spend fund balances.

In cases where a proposed expenditure has not been included in the adopted budget or considered by the Board, no action shall be taken until the superintendent informs the Board of the emergency need of the expenditure and the balances in the specific funds. Therefore, the Board may follow one (1) of the two (2) following plans:

1. It may appropriate an amount sufficient to take care of the needed expenditure from the unencumbered budget surplus, provided the appropriation and expenditure can be made from the proper fund; or
2. When the unencumbered budget surplus is insufficient to meet the emergency, the Board of Education shall instruct the superintendent to revise the budget in order that sufficient funds may be available for the emergency expenditure, if the Board approves the expenditure.

The Board will review the financial condition of the district monthly, and shall require the superintendent to prepare a monthly reconciliation statement. This statement will show the amount expended during the month, total (to date) for the fiscal year, receipts and remaining balances in each

fund. This statement will be used as a guide for projected purchasing and as a guide for budget transfers.

During the budget year, the superintendent may transfer any unencumbered balance or portion thereof from the expenditure authorization of one (1) account to another, subject to limitations provided by state laws and approval by the Board.

All moneys received by the school district shall be disbursed only for the purposes for which they are levied, collected or received.

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Adopted: 11-16-00 Re-adopted 6-28-12

Cross Refs: DI, Fiscal Accounting and Reporting/Accounting System

Legal Refs: §§ 67.010 - .110, 165.016, .021, .051, .091, .131, RSMo.
Mo. Const., Art. VI, § 26

Mercantile Bank of Illinois v. School District of Osceola, 834 S.W. 2d 737 (Mo. banc 1992)

Dent-Phelps R-III School District, Salem, Missouri