

ANNUAL BUDGET

The New Hanover County Board of Education operates under an annual balanced budget resolution approved at the purpose/function level. All monies received and expended are included in the budget. Only individual school funds are exempt from the requirements of this budgeting process. The total amounts which may be expended during the fiscal year for the operation of the school system are set forth in the budget adopted annually by the Board.

The budget serves as the control over expenditures. Overall responsibility for this control rests with the Superintendent who, in conjunction with the Chief Financial Officer, establishes procedures for budget control and reporting throughout the system.

The Board considers budget preparation a year-round process and establishes a budget calendar that presents a plan of action for preparation of the annual budget.

Principals and administrators submit requests and written justification to the Superintendent who reviews such requests and may then approve or modify them prior to their inclusion as part of the budget to be submitted to the Board.

The budget, together with the budget message, shall be submitted by the Superintendent to the Board no later than April 15. The Board shall consider the budget, make such changes therein as it deems advisable, and submit the proposed budget to the Board of County Commissioners no later than May 15. After the Board of County Commissioners has approved appropriations to New Hanover County Schools, the Board of Education shall adopt a budget resolution for the budget year in such sums as it deems sufficient and proper.

If the budget adoption is delayed until after July 1, the Board shall approve an interim budget for the purpose of paying salaries and the usual ordinary expenses of the system for the interval between the beginning of the fiscal year to the adoption of the budget resolution.

The Board may amend the budget resolution at any time after its adoption. The Board hereby delegates to the Chief Financial Officer the authority to amend and transfer appropriations under the following conditions:

No amounts shall be transferred between funds or from any contingency appropriation within a fund without Board approval.

- Amounts transferred between purpose/functions shall be reported to the Board within sixty (60) days.
- Transfers between capital outlay projects exceeding \$50,000 shall be approved by the Board. Transfers below \$50,000 shall be reported to the Board within sixty (60) days.
- County appropriations shall not be amended without the prior approval of the Board of Commissioners if the proposed amendment increases or decreases the current operating expenditures allocated to a purpose/function by 25% or more. Such amendments shall be first submitted to the Board for approval and then to the Board of County Commissioners.
- All state appropriations may be accepted and a summary of such appropriations shall be

reported to the Board within sixty (60) days.

- All federal appropriations, including carryover, may be accepted if the application for funding has been approved by the Board and the budget resolution includes an appropriation for the federal program. A summary of such appropriation shall be reported to the Board within sixty (60) days.
- Subject to the limitations in North Carolina General Statute 115C-105.25, state and federal appropriations may be transferred between programs upon prior approval of the appropriate funding agency.
- All budget amendments or transfers requiring Board approval will be presented under the Board's consent agenda.

Funds and accounts shall be set up in accordance with the State Chart of Accounts.

LEGAL REFS: NCGS 115C-105.25, 423 through 434

Approved: 11/13/90

Revised: 07/01/02, 12/02/08, 04/10/12