

## Fiscal and Business Management

### Section A - Introduction

The superintendent or designee is responsible for the school district's fiscal and business management. This responsibility includes annually preparing and presenting the school district's statement of affairs to the school board and publishing it before December 1 as required by state law.

The superintendent or designee shall ensure the efficient and cost-effective operation of the district's business management. Each person using the school district's electronic network shall complete an Authorization for Access to the District's Electronic Network agreement.

### Section B - Budget Planning

The school district's fiscal year is from July 1 until June 30.

The following budgeting principles shall be followed:

1. The budget shall first provide for staff and operating expenses to meet projected student enrollment and fund mandated programs.
2. The budget shall reflect the Board of Education's desire to implement a fiscally responsible budget that meets the needs of students in the district.
3. The budget shall reflect the Board of Education's desire to maintain safe and operationally sound facilities.
4. The budget shall allow for compliance with all applicable governmental and legal obligations of the district.
5. In connection with developing the tentative budget, the administrative team shall identify potential efficiencies from inter-building, inter-departmental and district-wide coordination or from other programmatic or organizational restructuring initiatives.

The superintendent or designee shall present to the finance committee and then to the Board, no later than the second regular meeting in July, a tentative budget with appropriate explanation.

This budget shall represent the culmination of an ongoing process of planning for the fiscal support needed from the school district's educational program. The district's budget shall be entered upon the Illinois State Board of Education's School District Budget Form. To the extent possible, the budget shall be balanced as defined by the State Board of Education guidelines. The superintendent or designee shall complete a deficit reduction plan if one is required by the State Board of Education guidelines.

### Section C - Preliminary Adoption Procedures

After receiving the tentative budget, the Board sets the date, place, and time for:

1. A public hearing on the proposed budget, and
2. The proposed budget to be available to the public for inspection.

The superintendent or designee shall arrange to publish a notice in a local newspaper stating the date, place, and time of the proposed budget's availability for public inspection and the public hearing. The proposed budget shall be available for public inspection at least 30 days before the time of the budget hearing.

At the public hearing, the proposed budget shall be reviewed, and the public shall be invited to comment, raise questions, or advise the Board.

#### Section D - Final Adoption Procedures

The Board adopts a budget before the end of the first quarter of each fiscal year, September 30, or by such alternative procedure as State law may define.

The Board adopts the budget by roll call vote. The budget resolution shall be incorporated into the meeting's official minutes. Board members' names voting yea and nay shall be recorded in the minutes.

The Superintendent or designee shall perform each of the following:

1. Post the District's final annual budget, itemized by receipts and expenditures, on the District's Internet website; notify parents/guardians that it is posted and provide the website's address.
2. File a certified copy of the budget resolution and an estimate of revenues by source anticipated to be received in the following fiscal year, certified by the chief school business official, with the County Clerk within 30 days of the budget's adoption.
3. Make all preparations necessary for the Board to timely file its Certificate of Tax Levy, including preparations to comply with the Truth in Taxation Act; file the Certificate of Tax Levy with the County Clerk on or before the last Tuesday in December; and list in the Certificate the amount of property tax money to be provided for the various funds in the budget.
4. Submit the annual budget, a deficit reduction plan if one is required by State Board of Education guidelines, and other financial information to the State Board of Education according to its requirements.

Any amendments to the budget or Certificate of Tax Levy shall be made as provided in the School Code, the Truth in Taxation Act, and any other applicable law or regulation.

#### Section E - Budget Amendments

The Board may amend the budget by the same procedure as provided for in the original adoption.

#### Section F - Implementation

The Superintendent or designee shall implement the district's budget and provide the Board with a monthly financial report that includes all deficit fund balances. The amount budgeted as the expenditure in each fund is the maximum amount that may be expended for that category, except when a transfer of funds is authorized by the Board.

The Board shall act on all interfund loans, interfund transfers, transfers within funds, and transfers from the working cash fund or abatements of it, if one exists.

#### Section G - Fund Balances

The superintendent or designee shall utilize the following guidelines in developing the budget unless otherwise modified by the Board of Education:

1. Fund balance is the difference between assets and liabilities reported in a governmental fund. Fund balance measures the net current financial resources available to finance expenditures of future periods. Fund balance reporting will be in accordance with the most recent authoritative pronouncements and may include the following categories:

- a. **Nonspendable:** Includes amounts that are not in a spendable form. This would include, but is not limited to, inventory, prepayments and non-current receivables.
  - b. **Restricted:** Includes amounts that can only be spent for specific purposes stipulated by external resource providers, law, regulation or contractual agreement. This would include, but is not limited to, bonded capital project funds and debt service funds.
  - c. **Committed:** Includes amounts that are committed for a specific purpose by formal action of the Board of Education. Creation, amendment or modification to committed fund balance must also be approved by formal action of the Board by the end of the current fiscal year. Committed fund balance does not lapse at year end.
  - d. **Assigned:** Includes amounts that are intended by the district to be used for specific purposes. Assigned fund balance represents amounts that are not restricted or committed. The Board of Education authorizes the chief school business official to determine the assigned fund balance(s) on an annual basis. Assigned fund balance does not lapse at year end.
  - e. **Unassigned:** Includes any remaining fund balance. The unassigned general fund balance may only be appropriated by resolution of the Board of Education.
2. For purposes of fund balance classification, expenditures are to be spent first from Restricted Fund Balance (when appropriate), followed in order by Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance.
  3. Unassigned operating reserves in the operating funds shall be maintained at a level equal to not less than 33% of the next year's projected operating budget. (The operating budget comprises the education, food service, operation and maintenance, transportation, IMRF and working cash funds, and any other fund as may be required by State law.)

Approved: May 21, 1973  
Revised: October 28, 1996  
Revised: April 8, 2002  
Revised: August 8, 2011  
Revised: June 13, 2022