Budget Planning **EL-7**

Financial planning for any fiscal year shall not deviate materially from the Board's Ends policies, risk fiscal jeopardy to the district, or fail to be derived from a multi-year plan. Accordingly, the Superintendent may not present to the Board a recommended budget which:

1. Is not consistent with the board's established priorities.

2. Is not in a comprehensive summary format understandable to the Board and community.

3. Fails to adequately describe major budget initiatives and funding sources.

4. Fails to compare, for each major fund type and activity, the amount of actual expenditures for the most recently closed fiscal year, budgeted expenditures for the current fiscal year, and proposed budget expenditures for the next fiscal year.

5. Fails to disclose major budget development assumptions, including anticipated changes in state funding.

6. Plans for the expenditure in any fiscal year of more funds than are conservatively projected to be received or appropriated during the year unless otherwise approved by the Board in a multi-year projection.

7. Plans for the reduction, without approval of the Board, of the unreserved and undesignated general fund balance for any fiscal year to less than 5.0 percent of total expenditures.

8. Fails to provide adequate and reasonable budget support for Board development and other governance priorities, including the costs of fiscal audits, Board and committee meetings, Board memberships and district legal fees.

9. Fails to take into consideration fiscal soundness in future years or ignores the building of organizational capabilities sufficient to achieve Ends in future years.

10. Fails to reflect anticipated changes in employee compensation including inflationary adjustments, step increases, and benefits.

Adopted: October 24th, 2006
Monitoring Method: Internal Report
Monitoring Frequency: Annually in August