

**BUDGET**

The district budget shall be prepared annually from the best possible estimates that individual schools and district administrative staff can provide. Appropriate consolidation shall occur as the budget progresses through the various levels of review.

The district budget shall be developed in accordance with standards and criteria for fiscal accountability adopted by the State Board of Education. (Education Code 33129)  
(cf. 3460 - Financial Reports and Accountability)

**Purpose of the CBAC**

The purpose of the Community Budget Advisory Committee is to aid in the development, monitoring and evaluation of the District's budget with a central and supportive focus upon the following:

Provide each student with the educational opportunities, academic resources and support necessary to achieve his or her academic and personal goals.

Create, enhance, and sustain a safe learning environment.

Create, augment, and maintain challenging learning experiences and environments that enable all students to meet or exceed recognized standards, and inspire them to achieve their highest personal and academic goals.

Develop, affirm, and reinforce the importance of integrity and character of each student within our educational community that reflects common core values of our society.

Attract, value and support our educational teams in order to provide the best learning opportunities for our students.

Take full advantage of the community's diverse resources.

Seek and actively pursue a multitude of funding sources to support and enhance academic and personal growth.

**Formation of the Community Budget Advisory Committee (CBAC)**

A Community Budget Advisory Committee (CBAC) shall be established by the Superintendent in an effort to make the budget a comprehensive reflection of the financial needs of the school program. Steps shall be taken to involve knowledgeable representatives of the lay citizenry, certificated and classified staff, and the administrative staff in the developmental process.

**Membership:** Representatives shall be appointed as follows:

1. Seven community representatives selected by the Board of Education. Each such representative shall have full voting rights, provided that such representative meets the minimum attendance requirements as set forth in Voting, Item 1.
  - a. Community representatives shall serve a term of two years. After the expiration of a community representative's term, the community representative may apply to the Board of Education for an additional term. No community member may serve more than three consecutive two-year terms.
  - b. The Board of Education will appoint CBAC representatives for terms that are effective from the organizational meeting and ending on June 30 in even number years.

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**Formation of the Community Budget Advisory Committee (CBAC) (cont'd)**

**Membership – (cont.)**

2. One site administrator from each level (elementary, middle and high school) shall be appointed by the Superintendent. Each such representative shall have full voting rights, provided that such representative meets the minimum attendance requirements as set forth in Voting, Item 1.
3. One additional representative shall be appointed by the certificated bargaining unit. The bargaining unit's representative shall have full voting rights, provided that the bargaining unit meets the minimum attendance requirements as set forth in Voting, Item 1.
4. One additional representative shall be appointed by the classified bargaining unit. The bargaining unit's representative shall have full voting rights, provided that the bargaining unit meets the minimum attendance requirements as set forth in Voting, Item 1.
5. The Assistant Superintendent, Business Services shall represent District management. The Assistant Superintendent, Business Services shall have full voting rights.
6. The CBAC shall elect a chairperson from among the members.
7. One community representative selected by the Board of Education to serve as a non-voting alternate. The non-voting alternate may become a voting member only if 1) a voting member is replaced, and 2) the alternate is appointed by the Board of Education to become a voting member. An alternate may not replace an absent voting member without prior Board of Education approval. In the event that an alternate is appointed by the Board of Education as a voting member, the alternate shall complete the term of the replaced voting member. The Board of Education shall then appoint a new alternate.
  - a. Non-voting alternates shall serve a term of two years. After the expiration of a community non-voting alternate's term, the alternate may apply to the Board of Education for an additional term or for a position as a voting member.
  - b. The Board of Education will appoint CBAC representatives for terms that are effective from the organizational meeting and ending on June 30.
8. One (1) student member that may cast a preferential vote on all matters. Preferential votes shall be cast prior to the official CBAC vote and shall not affect the final numerical outcome of a vote. Preferential votes shall be recorded in the CBAC minutes.

The ratio of representatives to alternates shall be maintained each year.

**Community Budget Advisory Committee (CBAC) Process**

It is anticipated that meetings will be held approximately once-a-month at a time to be determined by the CBAC. The meeting cycle will begin with an organizational meeting, typically held in October, and ending in June prior to budget adoption. All CBAC meetings will be open to the public.

Members of the CBAC shall be furnished information including, but not limited to sources of revenue, organizational charts, expenditures and information necessary to understand the budgeting process. Forms and/or other information will be furnished to the CBAC as the budget process evolves. Members of the Board shall receive regular progress reports of CBAC activities from the Superintendent and/or the Assistant Superintendent of Business Services.

**BUDGET****Community Budget Advisory Committee (CBAC) Process (cont'd)**

Public notice shall be given through information presented at Board Meetings and/or through appropriate media advertisements. On an annual basis, a list of interested persons willing to volunteer time to serve on the CBAC will be compiled in the Superintendent's Office and submitted to the Board in September. The Board will make appointments to the CBAC from this list.

**Duties of the CBAC**

Members of the CBAC will be expected to:

1. Become and remain knowledgeable of California school financial matters by regularly attending CBAC meetings and staying current with budget information.
2. Become familiar with income projections for the District budget including projections of Average Daily Attendance (ADA), increases and/or decreases in State and Federal funding, and changes and/or additions to any other source of income available to the school District.
3. Review operational allocations to sites and departments.
4. Review special requests submitted by sites and departments for funding beyond their operational allocations.
5. Review budget requests in relation to overall District needs. Make recommendations to develop a budget that is a comprehensive reflection of the instructional needs of the school system within financial limitations.
6. Be responsible for recommending reductions and/or additions to the budget.
7. Develop a preliminary list of budget recommendations to be presented to the Superintendent for review no later than May 15. Include a prioritization of requests that were not included due to lack of funds and a prioritized list of budget reduction contingencies should a revenue shortfall occur. The budget recommendations must keep in mind all requirements established by the State of California in its Criteria and Standards and the constraints of collective bargaining agreements.
8. Review and incorporate the Superintendent's recommended changes, if any, into the CBAC's preliminary budget recommendations. The Superintendent shall be responsible for final recommendations presented to the Board of Education.

**Voting**

Voting will occur only at regularly scheduled meetings. Votes will require the presence of a quorum. A quorum is defined as 50% of the current eligible-voting members.

1. In order to be eligible to vote, a member/bargaining unit must have been in attendance at a minimum of 2/3 of the prior meetings over the previous six months.
2. All voting shall be done in writing, with the member's name listed on the voting document.
3. When voting to prioritize expenditures, the following method shall be used:
  - a. Each expenditure discussed shall be delineated and presented to the members of the CBAC.

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**Voting - (cont'd.)**

- b. All voting shall be done in writing;
  - c. Each voting member, individually, shall prioritize each of the delineated expenditures, with the highest single priority expenditure item being assigned a value of "1," the second highest single priority expenditure item being assigned a value of "2," the third single highest priority expenditure item being assigned a value of "3," and continuing for each and every single priority expenditure item and assigning a corresponding value to each, until and including the lowest priority expenditure item being assigned a value equal to the number of delineated expenditure items.
    - i. For example, if there are a total of twenty-three delineated expenditures, the voting member shall assign a value of "1" to his/her highest priority expenditure item, and the voting member shall assign a value of "23" to his/her lowest priority expenditure item.
    - ii. Under no circumstances shall a voting member assign the same priority number to two or more delineated expenditure items.
  - d. The Chairperson shall keep a record of each voting member's individual prioritization, and shall compile the results into an overall average.
  - e. The Chairperson shall present both the overall average, as well as the individual voting members' voting records to the Board of Education at the next scheduled meeting of the Board of Education.
4. When voting to prioritize budget reductions, the following method shall be used:
- a. Each budget reduction item discussed shall be delineated and presented to the members of the CBAC;
  - b. All voting shall be done in writing;
  - c. Each voting member, individually, shall prioritize each of the delineated budget reduction items, with the highest single priority budget reduction item being assigned a value of "1," the second highest single priority budget reduction item being assigned a value of "2," the third single highest priority budget reduction item being assigned a value of "3," and continuing for each and every single priority budget reduction item and assigning a corresponding value to each, until and including the lowest priority budget reduction item being assigned a value equal to the number of delineated budget reductions.
    - i. For example, if there are a total of twenty-three delineated budget reduction items, the voting member shall assign a value of "1" to his/her highest priority budget reduction item, and the voting member shall assign a value of "23" to his/her lowest priority budget reduction item.
    - ii. Under no circumstances shall a voting member assign the same priority number to two or more delineated budget reduction items.
  - d. The Chairperson shall keep a record of each voting member's individual prioritization, and shall compile the results into an overall average.
  - e. The Chairperson shall present both the overall average, as well as the individual voting members' voting records to the Board of Education at the next scheduled meeting of the Board of Education.

**BUDGET****Removal of a Member**

A member of the CBAC shall be removed from the CBAC if:

1. The member resigns; or
2. The member fails to attend a majority of the CBAC meetings over a twelve month period.

In extenuating circumstances, a member of the CBAC may be removed if all of the following occur:

- a. The chairperson recommends removal;
- b. A majority of members of the CBAC, at the next regularly scheduled meeting of the CBAC, vote for removal; and
- c. Thereafter, the Board of Education votes for removal.

**Decision Making Process**

The CBAC will meet early in the budget planning year to review the needs and requirements of the school district for the ensuing year. Input from various sources will be considered in estimating revenues and required expenditures, including recommendations from the Board of Education, administration, staff, community, recent legal decisions, newly implemented fees, and any other actions which might impact the school budget. The CBAC will utilize information gathered at the meetings to formulate recommendations that are in harmony with the goals and objectives of the School District.

Prior to May 30, the Superintendent will review the CBAC proposal and respond back to the CBAC. The Superintendent may make additional recommendations to the CBAC, request that the CBAC review a specific budget problem and make recommendations for its solution, or may ask that CBAC realign some priorities.

The Superintendent will then take the CBAC recommendations to the Board of Education for review. If the Board is in accord with the recommendations, they will be included in the final adopted budget for the ensuing year.

Alternates are not "voting members" of the CBAC. However, each alternate should participate fully in other CBAC activities such as discussions, analyses and making recommendations. It should be remembered by all persons serving on the CBAC that the responsibility of the CBAC is limited to recommending, not decision making.

**Budget Guidelines**

1. The budget calendar will be established annually and observed by administration and other persons concerned with the final adoption of the budget.
2. Participation in the development of the budget is encouraged through staff and employee involvement. Likewise, interested citizens will be afforded the opportunity to make budget recommendations through established procedures- such as CBAC meetings and public hearing budget workshops.
3. Statement of Belief: It is the District's desire that the budget should be understood by all interested citizens and employees. In accordance with the recommended budget calendar, a sincere effort will be made to have citizens and employees understand the budget of the school District.
4. The budget should be developed on a line-by-line basis. Lump sum appropriations should be avoided.

**BUDGET****Budget Guidelines (cont'd.)**

5. The budget should be presented in an understandable, reader-friendly form with appropriate comments.
6. Budget development should be accomplished on a policy basis. Example: policies regarding class size, bus transportation limits, supply allotments, textbook replacements, custodial allotments, etc.
7. When possible, exact amounts will be budgeted for all revenues and expenditures.
8. A general reserve is needed. Use of the special reserve fund will be considered as an emergency reserve only.
9. Deficit financing should be avoided.
10. All legal requirements should be carefully observed.
11. Budget appropriations and the accounting system should be coordinated so that financial statements may be readily issued and future budgets prepared efficiently.
12. Budgeting should be considered a continuous process and proper files maintained throughout the year as a means of expediting the budgetary process and handling the budget calendar.
13. Budgets should be developed using appropriate historical data regarding past expenditures.
14. Adopted and Interim Budgets should explain the impact to educational services if funding is added or eliminated by budget revisions.
15. Categorical funds, block grants and other restricted programs shall be considered in the context of the regulations governing their use.
16. CBAC shall consider state audit and accounting regulations when making recommendations regarding the use of funds and appropriations.

**Budget Projections and Assumptions**

The first budget projections and assumptions, based on a refinement of a multi-year projection, should be prepared by mid-April and should include the following:

- Anticipated enrollment based on current projections, anticipated trends and historical data
- Projected ending balance of funds based on current income and expenditures and the status of the District reserve
- Anticipated revenues based on information provided in the Governor's Budget and modified by any later interpretations. The actual calculations include all categorical programs including special education.
- Anticipated expenses based on salary projections for the anticipated staffing levels, with step and column increases, and a rollover of current non-salary expenditures with an inflation factor added to particular accounts. These expenditures would also include all categorical programs and allow for any anticipated carryover from the prior year.

**BUDGET****Budget Projections and Assumptions (cont'd.)**

The purpose of the budget projection and assumptions is to identify the magnitude of the fiscal issues in the coming budget development. This projection will result in one of the following general conditions:

- A budget in deficit suggests that program and/or staff reduction will be needed to balance the budget, with additional reductions necessary to allow for any compensation increases
- A budget in balance suggests that reductions will be necessary to fund any compensation increases and
- that any program improvement must be countered with corresponding program reductions

**Budget Monitoring**

Budgeting is a process, not a one-time event, and is not a one-shot activity that comes to a sudden halt when the budget is formally adopted. The budget is a yearlong plan that needs to be monitored and updated as conditions change. A system must exist to adjust the budget to reflect changes that occur so that there are no surprises at the end of the year.

The Chief Business Official has the responsibility for projecting revenues and expenditures throughout the year. Any significant changes in budgeted amounts shall be reported to the Board and District Administrators, and the budget shall be revised.

**Budget Modifications**

Each person with responsibility for monitoring the budget, including the Board, shall understand his or her role, authority, and the procedures for administering the budget.

The budget document is not intended to be static throughout the fiscal year. As income and expenditures vary from the adopted budget, the budget must be changed by Board action. Expenditures must not exceed the amount budgeted in the major expenditure classifications. However, budget transfers can be made with the approval of the Governing Board in accordance with Administrative Regulation 3110(a). Some of these transfers are (1) transfers between expenditure classifications; (2) transfers from the appropriations for contingencies; (3) budget transfers at the end of the year; and (4) interfund transfers.

The budget shall be revised before any liability is incurred or when a revised projection of income indicates a material change in the assumptions used to prepare the current budget. Variances between budget and actual shall be examined promptly and appropriate action taken.

Budget monitoring shall be a shared responsibility among the Chief Business Official, the Board, the Superintendent, and the site and program managers. Since expenditure authority is decentralized, it is essential that budget information be disseminated to site and department administrators.

**Financial Reports**

Accurate and timely financial reporting is necessary to aid the governing Board and the administration in making financial decisions. The reports generated from the accounting system should be clear, concise, and timely. They should reflect current information that allows the Board and administration to make mid-course corrections if the need arises.

Budget status reports shall be of the simplest design possible and yet in enough detail to provide information for management decisions. Detailed financial reports shall be prepared and distributed to cost centers no less than every three months, preferably at one month intervals during the year.

**BUDGET****Interim Report**

Interim financial reports shall be provided to the Board with a comparison between the budgeted financial condition and the projected financial condition of the District in sufficient detail for the Board to certify the District's ability to meet future obligations. It is a legal requirement for interim financial reports to be submitted to the Governing Board. When significant changes in income or expenditures occur, the Board and administration shall receive reports that include a narrative explanation.

**Budget Development Philosophy**

At the end of the budget cycle, an evaluation of the budgeting process should be conducted. Each budget phase should be reviewed and critiqued to seek ways to improve upon the process. The following are samples of the type of questions that should be asked by the budget committee and/or district administration in their evaluation of the budgeting process:

1. Did the budget effectively support the District's goals and objectives?
2. Did the budget calendar provide the necessary timelines to meet mandatory budget requirements and allow for proper development of the budget?
3. Were assumptions utilized in the development of the budget reasonably accurate?
4. Is there a need to change the roles and/or responsibilities of staff involved in the budget development process?

**SINGLE BUDGET ADOPTION PROCESS**

Before adopting the budget, the Governing Board shall hold a public hearing. The proposed budget shall be available for public inspection at least three working days before this hearing. (Education Code 42103, 42127)

An agenda for this hearing shall be posted at least 72 hours before the hearing and shall indicate the location where the budget may be inspected. (Education Code 42127)

Any district resident may appear at the public hearing and speak to the proposed budget or any item on the budget. The hearing may conclude when all residents who so desire have had the opportunity to be heard. (Education Code 42103) Sufficient time shall be allowed so that the budget can still be adopted by July 1. (cf. 9320 - Meetings and Notices)  
(cf. 9323 - Meeting Conduct)

The Superintendent or designee shall file the adopted budget with the County Superintendent no later than five days after adoption or by July 1, whichever occurs first. The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

No later than 45 days after the Governor signs the annual Budget Act, the Superintendent or designee shall make available for public review any revisions in budgeted revenues and expenditures which are consequently necessary. (Education Code 42127)

If the County Superintendent disapproves the district's budget, the Board shall review and respond to his/her recommendations at a public meeting on or before September 8. (Education Code 42127)

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**Single Adoption Process - (cont'd.)**

The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

(cf. 9320 - Meetings and Notices)  
(cf. 9323 - Meeting Conduct)

Regulation  
reviewed: February 5, 2002

Regulation  
revised: November 8, 2005

Regulation  
reviewed: July 12, 2011

Regulation  
revised: October 9, 2018

**CULVER CITY UNIFIED SCHOOL DISTRICT**  
Culver City, California