

* Blue revisions were presented to the Board on 1/24/18.

* Orange revisions incorporate feedback from that Work Session.

Alexandria City School Board Budget Process Resolution

This resolution establishes the process to be used by the Superintendent and School Board of Alexandria City Public Schools to adopt the annual budget.

WHEREAS, the School Board wishes to establish a budget process that guides budget deliberations and ensures responsible use of current economic resources; and

WHEREAS, the School Board desires to provide quality services and facilities to the students and families of Alexandria; and

WHEREAS, the School Board commits to achieving the strategic goals outlined in the Alexandria City Public Schools Strategic Plan 2016-2020; and

WHEREAS, the School Board is committed to maintaining a fair, reasonable and competitive compensation plan for ACPS employees; and

WHEREAS, the School Board desires to allow for a thoughtful, deliberate and transparent budget process;

NOW, THEREFORE BE IT RESOLVED by the School Board of the City of Alexandria, that the Board shall, for the purposes of consideration of the budget for the Alexandria City Public Schools, adhere to the following rules of procedure:

Section (A) The Superintendent's Budget Submission to the School Board and the Setting of Budget Guidance by the School Board

- (1) That the School Board shall adopt a Budget Process Resolution and Rules of Engagement to establish guidelines and procedures for budget development through final adoption.
- (2) That the Superintendent shall plan and prepare the proposed Combined Funds Budget and proposed ten-year Capital Improvement Program Budget (CIP) such that preparations shall include those programs and resources necessary to achieve the School Board's Strategic Plan and meet the needs of all students.
- (3) That the Superintendent shall present to the School Board a preliminary forecast

and outlook for (a) revenues and (b) expenditures necessary to maintain proposed services and policies.

- (4) That the Superintendent shall submit a proposed Combined Funds Budget and Capital Improvement Program Budget to the School Board prior to the release of the City Manager's proposed budget to City Council.

Section (B) Proposed Budget for the Alexandria City Public Schools

- (1) For purposes of this resolution the budget baseline of revenue and expenditure levels shall be that proposed by the Superintendent of the Alexandria City Public Schools.
- (2) For purposes of this resolution the staff of the Financial Services Department shall provide revenue and/or expenditure estimates for any motion or amendment as well as technical adjustment which will affect the proposed budget specified in this section.
- ~~(2)~~(3) Between the conclusion of the final add/delete work session and budget adoption, staff will introduce no new additions or deletions.

Section (C) Actions of the School Board Concerning the Budget Submission of the Superintendent

- (1) That the School Board will consider the preliminary forecast of revenues and expenditures provided by the Superintendent and any other relevant information available including comments of community members provided via a public hearing.
- (2) That the School Board shall hold a minimum of two budget public hearings throughout the budget cycle: one on the Superintendent's proposed budget in the month following the budget submission by the Superintendent; and a second budget public hearing prior to the School Board's final budget adoption.
- (3) That the School Board will follow the established Rules of Engagement for the submission and consideration of Board budget questions and add/delete recommendations.
- (4) Add/delete items proposed by School Board Members will be consolidated by staff and posted for public view prior to the add/delete work session where these items will be discussed and majority support indicated.

(5) After the final add-delete work session, School Board Members may make a motion only at the Board Meeting scheduled for budget adoption, for the:

- (4)a) School Board Members may put forth amendments for the
Addition or deletion of budget items;
 - b) Amendment of the dollar value of a current budget item; or
 - c) Amendment of language contained in the Superintendent’s adjusted proposed budget, the accompanying Motion to Adopt, in the budget book, or in any accompanying charts or memos.
- a) –during the School Board meeting scheduled for approval of the final budget.

All such motions to amend shall require an affirmative vote of two-thirds of the Board prior to ~~voting on the Motion~~ **Vote to Adopt the Budget.**

If ~~the a~~ motion amending a dollar value passes, the adoption of the budget will be delayed to the next regularly scheduled Board ~~meeting~~ Meeting or a ~~special~~ Special ~~called~~ Called ~~meeting~~ Meeting so ~~the any~~ associated cost or revenue derived from the add/delete amendment may be verified by staff and posted for the public in advance of the final budget adoption. If the motion does not pass, the adoption of the budget will not be delayed.

If a motion amending only language in the Superintendent’s adjusted proposed budget, the Motion to Adopt, the budget book, or in any accompanying charts or memos passes, ~~adoption will not be delayed to the next Board Meeting~~ **a delay in adoption would not be required.**

Printed copies of both the Combined Funds and CIP Budget Books will be provided upon initial proposal by the Superintendent and after adoption of the final budget by the School Board in June. Additionally, copies of the CIP Budget Book will be provided after initial adoption in January.

Section (D) Maximum Expenditure Levels ~~May Not~~ That Exceed the Sum of Projected Revenue in the Proposed Budget

(1) Any School Board Member’s add-delete proposal, motion or amendment that explicitly increases, or which is estimated by staff to increase the City Appropriation above that contained in the Superintendent’s adjusted proposed combined funds or capital program budgets shall require an affirmative vote of two-thirds of the Board at the time of budget adoption, prior to the Motion to Adopt the Budget.

~~(4)–~~

- (2) In accordance with D(1), in the absence of a two-thirds majority vote, the School Board shall not consider any add-delete proposal, motion or amendment to the Superintendent's adjusted proposed budget that would ~~have the effect of increasing—~~increase any specific budget outlays, unless such motion or amendment:
- a. Makes at least an equivalent reduction in other specific budget outlays;
 - b. Identifies an equivalent increase in other specific revenues or other financing with the exception of the City Appropriation; or
 - c. Puts forth an equivalent combination of items (a) and (b) above.
- (3) Except for motions made at the School Board Meeting scheduled for budget adoption, aAll add-delete proposals, motions or amendments to the proposed combined funds and CIP budgets made in accordance with Sections D(1) and D(2) of this resolution shall be submitted by School Board Members ~~in advance of budget adoption~~ by the dates outlined in the FY 2019 Budget Calendar.

Section (E) Uses of Fund Balance

- (1) Fund Balance is defined as the difference between total assets and total liabilities for a specific fund as a result of the accumulation of revenues exceeding expenditures over time.
- (2) Fund balance is categorized within one of five classifications based primarily on the extent to which the School Board is bound to observe constraints imposed upon the use of these resources. The five classifications are non-spendable, spendable, committed, assigned and unassigned.
- (3) For the purposes of budget development, up to 2 percent of fund balance may be used to support the subsequent year's Operating Budget. Also, the School Board may also reserve available Operating Fund Balance for circumstances including, but not limited to, natural disasters and other unforeseen emergencies, significant unanticipated expenditures of a nonrecurring nature and unforeseen governmental shortfalls. Reservation of funds for these circumstances must occur during the annual budget process and may not exceed 1 percent of the Final Operating Budget.

Section (F) The provisions of this Resolution shall expire on June 30, 2018.