

BUDGET ADOPTION AND IMPLEMENTATION ADMINISTRATIVE GUIDELINE

Purpose and Scope

This Administrative Guideline governs the preparation, public notice and hearing, adoption, filing, and implementation of the School Corporation's annual budget, consistent with Indiana law and Department of Local Government Finance (DLGF) requirements.

Roles and Responsibilities

The **Treasurer**, in collaboration with the Superintendent, shall prepare and present draft budgets, revenue estimates, cash flow projections, and narrative explanations for Board review.

The Board shall review budget materials, conduct the required public hearing, and adopt the budget, tax rate, and tax levy within the required timelines.

Budget Adoption

Unless the Board elects otherwise, the annual budget shall apply to the calendar period of January 1 through December 31 and must be adopted no later than November 1.

The public hearing at which the Board considers and formally adopts the budget, tax rate, and tax levy shall be noticed and conducted pursuant to Indiana's Open Door Law.

At least ten (10) days before the public hearing, the School Corporation shall submit to the DLGF Gateway the budget information described in IC 6-1.1-17-3(a).

The Board shall receive public comment on the proposed budget, tax rate, and tax levy, and may make adjustments consistent with law prior to adoption.

The School Corporation shall file the adopted budget with the DLGF within five (5) business days after adoption.

Required Plans (Operations Fund)

- a. **Capital Projects Plan (Operations Fund):** If using operations fund dollars for capital assets or capital expenditures, the Board shall adopt a resolution approving a three-year Capital Projects Plan that lists proposed expenditures greater than \$10,000. The School Corporation shall post the proposed plan on the School Corporation website before the hearing and upload to DLGF within 30 days of adoption. The hearing must occur after January 1 and not later than November 1 (unless using fiscal-year budgeting under IC 6-1.1-17-5.6).

- b. **School Bus Replacement Plan (Operations Fund):** Before using operations fund dollars for bus replacement, the Board must adopt a resolution approving a five-year Bus Replacement Plan. The School Corporation shall post the proposed plan before the hearing and submit the plan/resolution to DLGF in the prescribed format.

Funds and Transfers

- a. **Operations Fund.** The School Corporation shall maintain an Operations Fund (post-2018 fund consolidation) for transportation, capital projects via plan, bus replacement via plan, and other operational expenditures.
- b. **Education Fund Transfers.** The School Corporation will make every reasonable effort to limit transfers from the Education Fund to the Operations Fund to less than or equal to 15% of total Education Fund revenue, with transfers authorized at a public meeting and reported to IDOE on the statutory reporting cadence.
- c. **Tuition Support.** State Tuition Support under IC 20-43 funds the Education Fund's instructional expenditures. The amounts and related processes are governed by statute and IDOE guidance.

Budget Implementation

The **Treasurer**, in collaboration with the Superintendent, shall administer the adopted budget, ensure that expenditures align with appropriations, and present monthly financial reports to the Board, including revenues, encumbrances, expenditures, and fund balances.

If mid-year adjustments are needed, including additional appropriations or plan amendments, the School Corporation shall follow applicable notice, hearing, and filing procedures set by Indiana law and DLGF guidance.

The School Corporation shall meet all reporting and filing deadlines as specified by Indiana law and DLGF guidance.

The School Corporation shall retain copies of the adopted budget, tax rate, and tax levy, the Board resolution, and all supporting documentation in accordance with applicable retention schedules.

Legal References

IC 20-26-5-4

IC 6-1.1-17-3

IC 6-1.1-17-5

IC 6-1.1-17-5.6

Department of Local Government Guidance Memoranda

Franklin Community School Corporation