



BUDGET COMMITTEE HANDBOOK



FOR SCHOOL DISTRICTS AND EDUCATION SERVICE DISTRICTS



Oregon School Boards Association

1201 Court St NE, Ste 400
Salem, OR 97301
503-588-2800 or 800-578-6722
Fax: 503-588-2813

www.osba.org
info@osba.org

rev 4/2024

BUDGET COMMITTEE HANDBOOK

TABLE OF CONTENTS

OREGON STATE LAW REQUIRES A BUDGET	3
BUDGET PERIOD	3
BUDGET OFFICER	3
THE BUDGET COMMITTEE	3
BUDGET COMMITTEE MEMBERSHIP	3-4
TERM OF OFFICE	4
BUDGET COMMITTEE OFFICERS	4
BUDGET COMMITTEE MEETINGS	4-5
DUTIES, RESPONSIBILITIES	5-6
BUDGET CHECKLIST	6
THE BOARD OF DIRECTORS' ROLE IN THE BUDGET COMMITTEE PROCESS	6
BOARD ACTIVITIES AND TIMELINE FOR BUDGET PROCESS	7
SUPPLEMENTAL BUDGET	7
SUGGESTED BUDGET COMMITTEE POLICY	8
SUGGESTED PROCEDURE	8
APPENDIX A: FREQUENTLY ASKED QUESTIONS	9-14
APPENDIX B: GLOSSARY	15-17
APPENDIX C: BUDGET CALENDAR SAMPLE	18
APPENDIX D: BUDGET COMMITTEE APPLICATION SAMPLE	19-20
APPENDIX E: BUDGET COMMITTEE INTERVIEW SAMPLE QUESTIONS	21
CITATIONS	22

THE BUDGET COMMITTEE PLAYS AN IMPORTANT ROLE

Although the majority of school funding comes from state sources, local budget committees remain an important part of a district's decision-making processes in setting local budget priorities.

The budget committee process provides an ideal forum for a district's citizens to discuss priorities for maintaining good schools, programs and facilities, how to deal with state and federal requirements and how best to allocate resources.

OREGON STATE LAW REQUIRES A BUDGET

The state requires every district to pass an annual budget [ORS 294.338]. Oregon law outlines a procedure for preparing, presenting and administering the budget. The statute requires citizen involvement in the budget preparation and public disclosure of the budget before its final adoption by the district board of directors.

Budget period

A district's budget must cover at least one fiscal year (July 1 through June 30). The district, however, may pass an ordinance, resolution or charter that requires preparing a two-year budget. If a district develops a two-year budget, it must certify the property tax to the county assessor for each of the fiscal years. [ORS 294.323(1) (2)]

The budgeting process includes preparation, approval and formal adoption. The final product is the district's financial plan that estimates expenditures and revenues for a fiscal year. By the final day of every fiscal year (June 30), the district's budget for the upcoming year must be finalized.

Budget officer

Oregon law requires a district to designate a budget officer, commonly the superintendent or business manager. A superintendent as budget officer works under the direction of the board, or anyone other than the superintendent designated as budget officer works under the direction of the superintendent [ORS 294.331]. The budget officer creates a draft budget document prior to the first meeting of the district's budget committee [ORS 294.426].

The budget committee

Every district must set up a budget committee, which is the vehicle that enables the public to participate in the budget process. [ORS 294.414]. After receiving the proposed budget from the budget officer, the committee must hold meetings to examine and possibly revise the document. The committee must then make the revised budget available for public comment. After holding the public hearing, the committee may make additional revisions and hold more public hearings before sending the budget to the district's board for final adoption.

Once the budget committee approves the proposed budget and sends it to the district board, the committee has no authority over the budget until the process begins again for the next budget cycle.

Budget committee membership

All district board members must be members of the budget committee plus an equal number of qualified district voters who are appointed by the board. [ORS 294.414(2)] In addition, each school district must include at least one member of its educational equity advisory committee on its budget committee as required by [ORS 328.542 (2)]. An education service district budget (ESD) committee must include the ESD board and school board members (or designees) from the districts in the ESD boundary. [ORS 334.240]

To be eligible for appointment, a school district budget committee candidate must:

- Not be an officer, employee or agent of the district [ORS 294.414(4)].
- Be a qualified voter of the district [ORS 294.414(2)]

All budget committee members have equal authority and responsibility. Members establish their own operating procedures as a committee.

Committee members may not receive compensation for serving. [ORS 294.414(3)]

If the school district or ESD board is unable to appoint qualified people to vacancies, the budget committee may proceed with a reduced number of members. For example, if a five-member board, after seeking qualified citizens, can fill only three of the five citizen positions, the budget committee can function with eight members rather than 10. A majority would then be five instead of six. [ORS 294.414(2)]

Term of office

If the budget committee prepares one-year budgets, the board appoints the citizen members for three-year terms. The terms are staggered so that one-third of the appointed members' terms end every year. [ORS 294.414(5)]

If the budget committee prepares a biennial budget, appointed members serve four-year terms, with the terms staggered so that one-fourth of appointed members' terms end each year. [ORS 294.414(6)]

If an appointed committee member is unable to serve an entire term, the district board must appoint someone to fill the vacancy. [ORS 294.414(7)]

Budget committee officers

At its first meeting the budget committee must elect a presiding officer from among its appointed or elected members [ORS 294.414(9)]. It may elect a vice chair, but it is not required.

Budget committee meetings

Budget committee meetings are open to the public and may be held in person or through telephone or video conferencing. Members of the public must have the opportunity to access and attend the meeting via telephone, video or other virtual means to the extent reasonably possible. [ORS 192.670]. A majority of committee members must be present to convene a meeting and only budget committee business may be transacted during the meeting. A majority of the committee is required to approve any motion. (A majority is one more than half the committee members.) Approval of any motion requires at least six "yes" votes with a budget committee of 10 members or at least eight "yes" votes with a committee of 14. [ORS 174.130, 38 Op Atty Gen 1935 (1978)]. More information about Oregon's public meetings laws can be found in the Attorney General's Public Records and Meetings Manual.

The committee must hold at least one meeting to receive the draft budget, the superintendent's budget message and provide the public an opportunity to ask questions and comment. [ORS 294.426]

The budget officer must publish notice of each meeting of the budget committee. The notice can be a combined notice for all meetings if the budget committee will hold more than one meeting to receive the budget message and budget document and provide members of the public with an opportunity to ask questions and comment on the budget document. ORS 294.426 (3). The meeting notice must include the purpose, time and place of the meeting, where the budget document is available, and that the budget committee will deliberate at the meeting, Meeting notices must also clarify at what meeting the budget committee will receive questions and comments from members of the public. ORS 294.426 (4). For specific requirements on meeting notification see ORS 294.426 (3-5).

Minutes of the meetings are kept and made available upon request. The committee reviews the budget as proposed and makes any needed changes. Additional committee meetings, which are open to the public, must follow the same procedure for public notice as required for a regular meeting of the school board. [ORS 294.428].

Duties, responsibilities

The committee hears the budget message, receives the budget document, hears from the public, announces the time and place for any subsequent meetings, and approves the budget document. [ORS 294.426]

The budget committee is entitled to receive any information it requires for the revision and preparation of the budget document and may require any officer or employee to attend its meetings. ORS 494.428 (3). Requests for information or attendance of employees at committee meetings should go through the superintendent or budget officer.

The budget committee does not approve new personnel, employee contracts or salary schedules. Neither does it negotiate salary contracts. The budget committee may request and review previously adopted salary schedules, negotiated contracts and other materials that have a fiscal impact on the budget document. Any deviation from this requirement could cause a liability for the district in regard to negotiated labor agreements and other contracts the district currently has in place.

By the time the budget committee receives the budget message and budget document, many hours of work have been spent developing the proposed budget. The budget officer appointed by the board coordinates these efforts with faculty, staff and other administrators.

The budget committee approves the budget document as submitted by the budget officer or as revised by the committee. The committee recommends a level of spending for the year. It also specifies the property tax amount or rate for all funds in the approved budget.

The budget committee's duties cease after it has approved a proposed budget. The district board holds a final hearing on the budget document. [ORS 294.453] The document presented at this hearing is the budget as recommended by the budget committee. The board may make additional adjustments after the hearing, but not before. However, there are limits to the changes permitted. In a one-year budget, if those changes increase property taxes by any amount or increase expenditures in any fund by more than 10 percent or more than \$5,000 - whichever is greater - the district must republish the budget document and hold another budget hearing. In a biennial budget, if the changes increase property taxes by any amount or increase expenditures in any fund by more than 10 percent or \$10,000 - whichever is greater - the district must republish the budget document and hold another budget hearing. [ORS 294.456]

The budget committee may meet from time to time at its discretion in addition to the budget committee meeting(s) to approve the budget document. All additional meetings are open to the public and notice must be provided to the public in the same way the district gives notice of board meetings.

Budget checklist

- First meeting:
 - Elect presiding officer (required) and vice chair (optional).
 - Establish budget committee procedural rules.
 - Receive budget message and proposed budget.
 - Establish a meeting calendar.
 - Request additional information on budget items.
 - **Additional steps:**
 - Make sure the budget documents are available to anyone requesting copies.
 - Provide opportunities for the public to ask questions and make comments about the proposed budget. This is not a strict requirement for the first meeting; it may occur at any budget committee meeting.
- Final meeting:
 - Approve budget and send it to the district board of directors.
 - Specify the tax amount or rate for each fund imposing a property tax.

The board of directors' role in the budget committee process

The school or ESD board of directors is the governing body with the ultimate responsibility for district oversight. The board's duties and responsibilities encompass many topics, including, but not limited to:

- Adopts policies
- Setting district budget goals
- Determining staffing levels
- Negotiating employee contracts
- Appointing committee members
- With specific regard to the budget process, the board is responsible for appointing the citizen budget committee members in accordance with ORS 294.414(2) and adopting the district's final budget. [ORS 294.456]

Board activities and timeline for budget process:

- Designate the budget officer.
- Appoint citizen budget committee members.
- Approve budget calendar.
- Publish required notices.
- Participate in budget committee meetings.
- Hold public hearing(s) on budget committee approved budget.
- Provide citizens with information about the budget.
- No later than June 30, adopt budget, make appropriations, declare and categorize tax levy.
- No later than July 15, certify levy to the county assessor.
- Receive financial reports monthly during the year.
- Make any budget transfers of appropriations that may be required during the year.
- Review audit (examination of annual financial report) and auditor's comments regarding compliance with legal requirements and Generally Accepted Accounting Principles (GAAP).

Supplemental budget

Supplemental budgets serve as a tool for school districts, especially in odd-numbered years in Oregon, to adjust their financial plans according to the actual state Legislature's appropriations, which are finalized after districts have approved their budgets. The budget committee does not play a direct role in implementing supplemental budgets, but committee members should understand supplemental budgets and their use when participating in the regular budget process.

Adjustments to district budgets through adoption of supplemental budgets are necessary when districts encounter unforeseen expenditures or receive unexpected revenue not accounted for in the initial budget, allowing for their utilization within the current fiscal year. While supplemental budgets are primarily associated with allocating new funds or increasing revenues, they can also be established to create new funds or transfer funds to new budget categories not included initially.

Legislated under ORS 294.471, supplemental budgets are valid only in the fiscal year or budget period they are adopted. When adjustments to fund expenditures are 10 percent or less, a supplemental budget can be adopted during a regular governing body meeting. However, if changes exceed 10 percent or new funds or budget categories are created, a public hearing must be held to gather community feedback before adopting the supplemental budget. This process emphasizes transparency and public involvement.

Suggested budget committee policy

District boards must establish budget committees in accordance with the provisions of [ORS 294.414], and [ORS 334.240] for ESDs.

The budget committee must consist of all board members and an equal number of members who are qualified district voters appointed by the board. In addition, each school district must include at least one member of its educational equity advisory committee on its budget committee as required by [ORS 328.542 (2)].

If no qualified voters are willing to serve, the board of directors serves as the budget committee. District officers, agents or employees of the district may not serve as members of the budget committee.

Most appointed budget committee members serve three-year terms. The terms are staggered so that one-third of the terms are appointed each year. If the district adopts a biennial budget, the terms are four years, with one-fourth of the terms expiring each year.

If any appointed member is unable to serve the term for which he/she was appointed, the board must fill the vacancy by appointment for the remainder of the unexpired term. [ORS 294.414]

Suggested procedure

When a vacancy occurs on the budget committee, utilize the following procedure:

- The board declares the budget committee position open.
- Issue notice of a vacancy, with the following information:
 - The position number
 - Deadline for receiving applications
 - Person whom applicants should contact, e.g., superintendent
 - Qualifications for holding office
 - Term of appointment
 - Date appointment will occur

The board chair should send a letter to everyone who submits his or her name for consideration. The letter must provide general information about the budget committee. A candidate information sheet also will be sent. The candidate information sheet will be included in the board packet when the selection is made. (See application example in appendix section, pg.)

Interviews will be held with prospective appointees and appointment will be made at a regular or special board meeting.

APPENDIX A:

FREQUENTLY ASKED QUESTIONS

What is a budget committee?

The budget committee is a school district's or ESD's fiscal planning advisory committee. It consists of the elected board members and an equal number of qualified district voters appointed by the board.

Who can serve on a budget committee?

The board may appoint any qualified voter of the district to serve on the budget committee, except school district officers, agents or employees. In addition, each school district must include at least one member of its educational equity advisory committee on its budget committee as required by [ORS 328.542 (2)].

Are budget committee members paid for their work?

No. Budget committee members may not receive any compensation for their work on the budget. They may be eligible, however, for travel or meal expenses resulting from meetings or other authorized committee functions.

What is the budget committee's main function?

The budget committee holds a series of public meetings to review, discuss, make additions or deletions, and approve the budget that the district's budget officer proposes. After finishing its deliberations, the budget committee approves the budget and sends it to the district board of directors for final approval. The budget committee also specifies the maximum tax rate or amount for any fund imposing a property tax levy.

What kinds of questions may the budget committee ask?

Here are some examples: Does this expenditure help achieve district goals? Is this realistic to fund the program? Does this expenditure fit with our policies? Is this revenue estimate reasonable? Past history; other outside forces? Is this likely to change?

May the budget committee meet and discuss the budget before the first meeting for which public notice is published?

No. If the district releases the proposed budget before the first budget committee meeting, that document is for use by individual budget committee members. The committee should not get together in person, by telephone or via e-mail before the first public meeting to discuss or deliberate on the proposed budget. Any deliberation on the proposed budget must take place at a properly advertised public meeting.

What sorts of things may the budget committee discuss before the first meeting for which it issues public notice?

The committee may engage in the following activities before the first public meeting:

- Receive training on the budget committee process, calendar, expectations for committee members, etc.
- Discuss committee members' preferences for ground rules, rules of order, conduct of meetings, method of voting / reaching consensus, etc.
- Receive orientation on the district and its various departments or programs and staffing, and on the activities or services that each provides.
- Receive orientation on the budget document, the fund structure and the types of activities or programs and expenditures made from each fund in the budget.

What topics must the budget committee not discuss before the first meeting?

The budget committee should not discuss any business before the first meeting. Discussing business includes any discussions that might factor into the budget committee's decisions on approving a budget, such as whether to fund specific programs or expenditures and whether to impose any tax levy or the amount of any levy."

What happens at the first budget committee meeting?

The budget committee elects officers, receives the budget message, gives citizens an opportunity to comment on the budget, sets dates for future meetings and adopts rules of order. These rules should establish an operating procedure for the review process. The committee may adopt Robert's Rules of Order or establish its own rules.

What is the budget message?

The budget message explains the budget. It gives the budget committee and the public information that will help them understand the proposed budget. The law says the budget message must contain a brief description of the financial policies reflected in the proposed budget and explain the important features of the budget.

The budget message must also explain significant changes from last year's budget in revenues or appropriations and explain any major changes in financial policies.

Who prepares the budget message? Who reads it?

The budget message is prepared by or under the direction of the superintendent. It must be in writing so it can become part of the budget committee's records. The superintendent delivers the budget message to the committee at its first meeting.

What other information is available to the budget committee?

The budget committee may request and receive from any district officer or employee any information it requires during consideration of the proposed budget. The budget committee may also require staff members to attend budget committee meetings. Such requests by the budget committee should be made through the superintendent.

Who are the budget committee officers?

The law requires only one actual position—the presiding officer. The presiding officer’s duties are to chair budget committee meetings. However, the budget committee may elect a vice chair to conduct meetings in the presiding officer’s absence.

What happens at subsequent budget meetings?

Generally, the second meeting and other subsequent meetings take place at least one week after the first meeting. This practice allows members to review the proposed budget document. Committee members may arrange with the superintendent or budget officer to visit schools during this week, ask about specific budget items, request more information or indicate areas of interest the committee should discuss at future meetings. In later meetings, the entire budget receives a thorough review, fund-by-fund and section-by-section.

The committee must take steps to keep accurate minutes of each meeting and approve them at the beginning of the next meeting. The minutes are the official record of these meetings. Because state law mandates the budget process, districts need to document that their proceedings comply with the law. The official minutes serve this purpose.

How many meetings must the budget committee hold?

The number of meetings may vary from year to year. Some district budget committees meet only once. In other school districts, budget committees may need to meet several times. Many varying factors influence how often budget committees meet (e.g., the degree of detail in the budget documents, size of the district, number of separate funds, presentation of the budget and the personalities of committee members).

May budget committee members ask questions of the superintendent and budget officer between meetings?

Yes. Saving questions for “off-line” is often helpful and courteous to other budget committee members, especially when the formal meeting agenda is full. Checking with the superintendent or budget officer between meetings lets members explore budget items of interest in greater detail. Such questioning also helps the superintendent or budget officer by indicating specific concerns that may be of interest to the entire budget committee.

May I consult with other budget committee members about details in the budget other than at budget committee meetings?

Members of the budget committee should not gather to discuss details in the budget outside of a budget committee meeting. Such a gathering is contrary to Oregon’s Public Meetings Law, which sets the expectation that the public will be informed of the deliberations of governing bodies like the budget committee.”

What questions should a budget committee ask about a district's revenue sources?

The following questions about revenue are critical to the committee's deliberations:

- Are expenditure forecasts expected to be within the district's appropriations? Budget law requires districts to stay within their appropriations or transfer appropriations prior to making any "over-expenditure." [ORS 294.463]
- Are we outspending our current year revenue? To establish a stable financial plan, districts should not outspend their revenue. If this becomes necessary, however, expenditures should occur as a planned process that recognizes use of reserves is a one-time source of funding.

Does the budget committee have any other duties?

At the final meeting, the committee approves the budget and establishes the tax levy. Its work is now finished. Frequently, budget committee members offer to help the board and administration in any public meetings or appearances concerning the budget. The administration and the board of directors may also consult the budget committee if financial conditions change.

After the budget committee approves the budget and recommends it to the board of directors, what action does the board take?

The board of directors must publish a financial summary of the budget that the budget committee developed. The board publishes the first notice of the budget hearing with the financial summary. At the public hearing the board hears citizens' input on the budget that the budget committee approved. Following the hearing, and no later than June 30, the board must adopt the final budget, make appropriations, certify the property tax levy rate or amount to the county assessor and categorize the levy.

When do budget committee members get a copy of the budget?

The budget officer distributes copies of the proposed budget at the first budget committee meeting, when the superintendent presents the budget message. Advanced copies of the budget may go to budget committee members by mail or by other methods.

What if the budget committee doesn't agree with the board's changes to the budget?

The board of directors has the right to make changes to the budget that the committee submits. In a one-year budget, however, the amount of the estimated expenditure for each fund may not increase more than 10 percent or \$5,000 (whichever is greater), and the total property tax to be levied may not exceed the amount of the rate shown in the budget (as approved by the budget committee and published with the notice of the budget hearing) unless the district republishes a summary of the revised budget and holds another public hearing. In a biennial budget, if the changes increase property taxes by an amount or increase expenditures in any fund by more than 10 percent or \$10,000 (whichever is greater), the district must republish the budget document and hold another budget hearing. Budget committee members are free to attend that hearing and voice their opinions of changes made by the board.

What other information is available to the budget committee?

The budget committee may request any information required during consideration of the proposed budget. A majority of the committee must authorize reports that require time or expense to prepare. Individual members do not have authority to ask staff to prepare documents that have not previously been published. The budget committee may also require attendance of staff members at budget committee meetings.

May the budget committee establish or delete educational programs or services?

The budget committee's role is not to establish or eliminate specific educational programs or services directly. State standards and the board of directors' budget parameters give the budget officer and administrative staff general guidelines for budget development. The budget officer then prepares a budget that meets state requirements and the board's parameters. It is this proposed budget that the budget committee considers during the meeting. It is possible that the tax levy rate the budget committee sets increases or decreases the district's resources, which may reduce programs or provide funding for additional programs. Public participation at budget committee meetings may influence decisions in either direction.

Where can I find the law that governs the creation and operation of the budget committees?

The budget committee is a requirement of Oregon's Local Budget Law. This law appears in the Oregon Revised Statutes (ORS), beginning at ORS 294.305 for School Districts; ORS 334.240 for ESDs.

Do budget committee minutes need to be approved?

There is no legal requirement that a budget committee vote to approve its minutes. If you have a policy that discusses how budget committee meeting minutes are approved, it is best practice for the school to follow its adopted policies. OSBA recommends that budget committee meeting minutes be reviewed and approved to ensure the accuracy of the minutes. The meeting minutes are the official record of what occurred at the meeting, so it is very important for a school to maintain accurate meeting minutes. Here are some best practices tips for budget committee meeting minute approval:

The committee meeting minutes should be reviewed by the committee members who attended the meeting. OSBA recommends this to help ensure accuracy of the meeting minutes. If a person who did not attend the meeting reviews the minutes, they will not know whether something is inaccurate in the minutes.

The committee meeting minutes should be finalized, reviewed, and voted on by the committee members as soon as practicable following the meeting so that the meeting is fresh in everyone's minds and there is a better chance that any errors in the meeting minutes will be identified and corrected quickly.

Does there need to be an interview process or not for budget committee vacancies?

This is up to the board. Some boards have an application and an interview or one or the other. It just needs to be consistent. See appendix E for a sample of interview questions.

Are interviews and discussion on whom to appoint typically held in regular open session?

If the board is having the discussion, it needs to be held in public. If the board delegates it to the superintendent to advance candidates and just bring the names to the board for approval, that may be done in private interviews.

APPENDIX B:

GLOSSARY OF TERMS

Adopted budget: The financial plan adopted by the district board of directors. The adopted budget forms a basis for appropriations.

Appropriation: An authorization for spending specific amounts of money for specific purposes during specific periods of time, based on an adopted budget, and presented in a resolution or ordinance adopted by the district board.

Assessed value: The taxable value of real or personal property.

Associated payroll costs: Amounts of money the district pays on behalf of its employees. These amounts are not part of “gross salary,” but are in addition to it. While not paid directly to employees, such payments are still part of the cost of salaries and benefits. The following are examples of associated payroll costs:

- Group health or life insurance
- Contributions to Public Employees Retirement System
- Social security (FICA)
- Workers’ compensation
- Unemployment insurance

Attorney General’s Public Records and Meetings Manual: The manual is organized in two parts: Part I discusses the Public Records Law; Part II discusses the Public Meetings Law. Each part is followed by its own set of appendices, which include answers to commonly asked questions about the law; sample forms; summaries of court decisions, Attorney General opinions and public records orders; and a reprint of the statutes.

The 2019 Public Records and Meetings Manual is available in PDF here: <https://www.oregon.gov/oda/programs/NaturalResources/Documents/SWCDSessions/PublicRecordsAndMeetingsManual.pdf>

Biennial budget: A budget adopted for a 24-month period beginning July 1 and ending June 30 of the next two succeeding calendar years.

Budget: A written report showing the district’s comprehensive financial plan for one fiscal year. Districts have the option of budgeting for a two-year period. These budgets must show actual revenues and expenditures for each of the past two budget periods. They also provide estimates for the current and upcoming budget periods. Budgets must include a balanced statement of actual revenues and expenditures during each of the past two years, estimated revenues and expenditures for the current and upcoming years.

Budget committee: The school district’s or ESD’s fiscal planning body, consisting of the board of directors and an equal number of qualified voters from the district.

Budget message: The written explanation of the budget and district’s financial priorities (usually prepared by the superintendent).

Budget officer: The board's appointee who assembles budget material and prepares the proposed budget.

Capital outlay: Money spent on items that generally have a useful life of one or more years (e.g., machinery, land, furniture, equipment or buildings).

Contingency: Money allocated for use in cases of emergency or to cover unforeseen expenditures. Boards must take action to approve expenditures of these funds in specific budget areas.

Expenditures: Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal year: The 12-month period that begins on July 1 and ends on the following June 30.

Fund: A division in a budget that segregates independent fiscal and accounting requirements; an entity within a district's financial plan designated to carry on specific activities or to reach certain objectives.

Municipal corporation:

ORS: Oregon Revised Statutes are the codified laws of the State of Oregon enacted by the Legislature and governor or by a vote of the people through the initiative process. ORS is published every two years and is available online at: https://www.oregonlegislature.gov/bills_laws.

Permanent tax rate: A district's property tax rate limit for operating purposes.

Program: A group of related activities that accomplish a major service or function for which the district board is responsible.

Proposed budget: The financial and operating plan prepared by the budget officer and submitted to the public and budget committee for review.

Reserve Fund: A fund established to accumulate money from one fiscal year to the next for a specific purpose.

Resolution: A written motion for enactment by a board or committee, which contains background and the reasons behind the action of the body.

Resources: The estimated fund balances on hand at the beginning of the budget period, plus all anticipated revenues.

Revenues: Monies received or anticipated by a district board from taxes or non-tax sources.

State School Fund: The major appropriation of state funding for public elementary and secondary schools. This fund consists of state money appropriated for distribution to school districts and ESDs according to a formula adopted by the Legislature.

Supplemental budget: A budget the board of directors prepares to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. A supplemental budget cannot be used to increase a tax levy.

Tax levy: The amount of property taxes required to pay general obligation bonded indebtedness or, for certain taxing districts, the amount of a local option tax voters approve for a specific purpose.

Transfers: Amounts distributed from one fund to finance activities in another fund, shown as an expenditure in the originating fund and revenue in the receiving fund.

Unappropriated ending fund balance: Amount set aside in the budget to be used as cash carryover to the next year's budget. This balance provides the local government with needed cash flow until other money is received. This amount cannot be transferred by resolution or used through a supplemental budget during the fiscal year in which it is budgeted.

APPENDIX C:

BUDGET CALENDAR EXAMPLE

	Action	Example Due Date	Complete
1	Appoint budget officer	January 12	
2	Appoint budget committee (BC)	January 26	
3	Prepare proposed budget	February 28	
4	Publish 1st notice of BC meeting	March 8	
5	Publish 2nd notice of BC meeting	March 18	
6	BC meeting & subsequent meetings if needed	March 28	
7	Publish notice of budget hearing	April 17	
8	Hold budget hearing	May 3	
9	Enact Resolutions to adop, etc.	June 3	
10	Submit tax certification documents	By July 15*	
11	Send copy of all budget documents to county clerk	By September 30*	

Image source: Oregon Department of Revenue, "Basic Local Budget Law" (March 6, 2024), <https://www.oregon.gov/dor/programs/property/Documents/Basic%20Budget%20Law%202024.pdf>

APPENDIX D:

BUDGET COMMITTEE APPLICATION SAMPLE

CANDIDATE INFORMATION

Full Name: _____ Date: _____

Home Address: _____

Email Address: _____

Phone: _____ Home Cell

Phone: _____ Home Cell

Occupation: _____

DO YOU MEET THE FOLLOWING CRITERIA (Y/N)?

1. Do you live in the district? Yes No

2. Are you an officer, agent or employee of the district? Yes No

3. Are you a registered voter? Yes No

Do you have children and/or grandchildren attending? Yes No

Is yes, which school(s)? _____

Have you been on any school committees? Yes No

If yes, what committee(s)? _____

Please list any other involvement you have had with the school district:

Other community and business activities:

What qualifications do you have that will help you to be a member of the Budget Committee?

Other community and business activities:

By signing this application form, you certify that all the information supplied is true and to the best of your knowledge, and understand information provided by you may be subject to a public records request.

Candidate's Signature

Date

APPENDIX E:

BUDGET COMMITTEE INTERVIEW SAMPLE QUESTIONS

1. Briefly, share a bit about yourself and why you are interested in serving on the budget committee?
2. Please share your experience with public budgets or budgets in general.
3. What do you believe is a strength and an area of growth for the [insert district or ESD name]?
4. The committee generally meets in the evening. Will you be able to accommodate evening meetings in your schedule?
5. Do you have any questions for the board?

ADDITIONAL RESOURCES

Attorney General's Public Records and Meeting Manual:

https://www.doj.state.or.us/wp-content/uploads/2019/07/public_records_and_meetings_manual.pdf

Local Budgeting Manual:

https://www.oregon.gov/DOR/forms/FormsPubs/local-budgeting-manual_504-420.pdf

Oregon Department of Revenue

Page intentionally left blank

CONTACT

OREGON SCHOOL BOARDS ASSOCIATION

1201 Court Street NE, Suite 400 | Salem, OR 97301

503-588-2800 | 1-800-578-OSBA

FAX 503-588-2813

OSBA.ORG

