



# Administrative Regulation 3170

## BUDGET ADMINISTRATION

**Responsible Office:** Office of Business and Finance

### **PURPOSE**

The Superintendent has adopted this Administrative Regulation to establish guidelines for budget administration and the monitoring of revenues and expenses in the Washoe County School District (District).

### **DEFINITIONS**

1. "Appropriation" Budgeted authority granted by a legislative body to make expenditures and to incur obligations for specific purposes.

### **REGULATION**

1. The Superintendent, with the advice of the Leadership Team, shall have final responsibility for administration of the budget.
2. Revenues
  - a. The amount of funds available for appropriations is governed by the amount of available revenues. The amount of available revenues is dependent to a large extent on student enrollment. Estimates of enrollment for the succeeding year will be submitted to the Superintendent as part of preparation of the preliminary budget.
  - b. The Superintendent and Chief Financial Officer shall be responsible for keeping the Board of Trustees informed regarding any anticipated shortfall in actual revenues during the fiscal year, so that appropriations can be adjusted accordingly or other actions taken, if needed.
3. Appropriations
  - a. The Chief Financial Officer and the Leadership Team shall be responsible to the Superintendent for proper administration of the budget appropriations and for all activities under their direct control in accordance with the approved budget. The Superintendent shall delegate responsibility for administration of certain appropriations to school principals and department heads.
    - i. School principals shall be responsible for the administration of non-salary appropriations to individual schools. Actual expenditures cannot exceed total budget appropriations in a school's operating

budget account. Some accounts, like grant accounts may be further restrictive, i.e., where actual expenditures cannot exceed total budget appropriations in a budget account, including the object code.

- ii. Department heads shall be responsible for administration of non-salary appropriations, for activities under their supervision. Actual expenditures cannot exceed total budget appropriations in a budget account at the Fund-Program-Function-Responsibility Center-Department level. Some accounts, like grant accounts may be further restrictive, i.e. where actual expenditures cannot exceed total budget appropriations in a budget account, including the object code.
- iii. Departments cannot exceed their budgeted appropriations, in total, for Travel (65800) and Training (63300) object codes.
- iv. Schools may carry over from year-to-year an amount not to exceed eight percent (8%) of their prior year's total appropriation in their General Fund operating budget. This carryover is subject to approval of the Superintendent.
- v. Departments may request carryover from the prior year's budget for one-time needs or request carryover for encumbrances from the prior year. These requests must be submitted to the Financial Review Committee for review and approval.

#### 4. Periodic Financial Reporting and Reviews

- a. The Office of Business and Finance will prepare and distribute quarterly unaudited General Fund financial statements and summary information by fund type for all other funds to the Board. The Office of Business and Finance will note any significant positive or negative revenue or expenditure trends.
- b. The Office of Business and Finance will prepare and distribute monthly unaudited General Fund financial reports to the Board and/or post this information on a website after the first quarter of each fiscal year.
- c. The Office of Business and Finance will review each fund balance and cash balance as of the end of each month. A fund is not allowed to have a negative cash balance. When a fund's cash position falls below zero, the Chief Financial Officer shall work with affected operations of the District to address the reasons for the negative cash position. Through either corrective actions or an interfund loan, which requires Board

approval, the fund's cash position shall be replenished within 60 days after the cash position falls below zero. Exceptions to this requirement include reimbursement grants and zero-balance funds in which fund transfers are processed to cover fund expenses.

- d. The Superintendent, in consultation with the Chief Financial Officer, shall notify the Board when mid-year corrections, such as temporary hiring or purchasing freezes, are needed to maintain a balanced budget due to declining revenues, unanticipated expenses or external events that could affect the District's financial position.
- e. A contingency account, as provided in the Nevada Revised Statutes (NRS), will be established for unanticipated needs. Use of the contingency account will be carefully considered for truly unanticipated costs, when there is not unexpended budget authority available in the budget. Use of the contingency account requires Board approval.

#### 5. Capital Project Budgeting

- a. The first year of the District's Capital Improvement Plan sets appropriations for capital projects.
- b. The Office of Business and Finance and Facilities Management/Capital Projects will work closely during the year to review anticipated project expenses based on construction bids and engineer's estimates. Changes to project expenses are common based on the nature of this work, which include construction change orders and other changes.
- c. The Office of Business and Finance, working with the Office of Facilities Management/Capital Projects, will identify necessary budget adjustments or augmentations needed to cover changes to project costs during the year.

### **LEGAL REQUIREMENTS AND ASSOCIATED DOCUMENTS**

- 1. This Administrative Regulation reflects the goals of the District's Strategic Plan and aligns/complies with the governing documents of the District.
- 2. This Administrative Regulation complies with Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC), to include:
  - a. Chapter 354, Local Financial Administration; and
  - b. Chapter 387, Financial Support of School System.

**REVISION HISTORY**

Date	Revision	Modification
8/22/1967	1.0	Adopted
5/28/1968	2.0	Revised
6/15/1984	3.0	Revised
5/12/1992	4.0	Revised
11/11/1997	5.0	Revised
03/15/2022	6.0	Revised: Updated language and added definitions.