Administrative Regulation 3110
PREPARATION OF ANNUAL OPERATING BUDGET

Responsible Office: Office of Business and Finance

PURPOSE

The Superintendent has adopted this Administrative Regulation to establish guidelines for preparation of the annual operating budget of 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. "Budget" A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.
2. "Balanced Budget" A budget in which total budgeted resources (opening fund balance, revenues, and other financing sources) are equal to total budgeted applications (ending fund balance, revenues, and other financing uses).
3. "Base Budget" The District's projected budget before adjustments are made.
4. "Structurally Balanced Budget" A budget in which budgeted ongoing or recurring revenues equal or exceed budgeted ongoing or recurring expenditures, resulting in no budgeted surplus or deficit.

REGULATION

1. The Superintendent and the Chief Financial Officer have the responsibility for coordinating the development of the budget. Their efforts will include input from individuals at all levels of the school district as well as consideration of information from sources outside the school district, including students, parents, guardians, families, and the general public.
2. The Board of Trustees shall participate in the decision making at all major levels of the budget development. These shall include:
    a. Review of budget assumptions and budget principles to guide the budget development process.
    b. Approval of changes or additions to instructional mode of programs such as Gifted & Talented Education or English Learners programming.
    c. Approval of proposed salary and benefit costs in accordance with negotiated agreements. For example, already negotiated salary changes should be budgeted for. Staff shall not exclude step increases or cost of

living adjustments, to ensure that the full cost of negotiated agreements are captured.

d. Approval of all major changes or additions related to personnel. For example, additional positions or deletions of positions should be approved by the Board during the budget process.

e. Approval of all proposed reorganizations with costs associated.

f. Approval of major new initiatives and funding of new programs.

g. Requests for special analysis or reviews of programs identified by the Board for further study.

h. Reviews of analyses prepared by staff to re-examine patterns of spending such as benchmarking, root cause analysis, priority-based budgeting, or zero-based budgeting.

i. Approval of the tentative budget.

j. Approval of the final budget after public hearing.

k. Approval of the amended final budget, if necessary and as allowed by state law, after a legislative session.

3. Prior to considering cost reductions or recommending expansions of existing programs and positions or creation of new programs during the budget process, the Office of Business and Finance shall prepare a preliminary budget for the General Fund. This preliminary budget may be prepared and submitted to the Board as early as October of the preceding year that the Tentative and Final Budgets are due, or after submission of the Governor's recommended state budget in odd-numbered legislative years. The preliminary budget for the General Fund should include:

    a. Revenues:

        i. Revenue forecasting shall be based on historical trends and analysis of state and local economic projections.

        ii. Per-pupil revenue shall be based on recent enrollment trends and available or projected per-pupil amounts.

        iii. One-time revenues will not be used to fund ongoing expenditures.

b. Expenditures:

    i. Personnel costs:

        1) Will be based on current staffing, adjusted for projected enrollment, and also include negotiated salary changes along with benefit changes, such as retirement rate changes or health insurance cost changes.

        2) Historical vacancy trends will be analyzed and reviewed for potential savings.

        3) As time allows, benchmarking and other methods will be used to evaluate staffing levels.

        4) New positions and reorganizations must be presented to and approved by the Board of Trustees.

    ii. Non-personnel costs:

        1) Department budgets will be based on historical trends and will be adjusted for historical savings or additional needs.

        2) School budgets will be adjusted by the projected change in enrollment multiplied by the per-pupil amount used for school non-personnel budgets.

        3) As time allows, benchmarking and other methods will be used to evaluate budgeted expenditures.

    iii. New programs with an annual operating cost of over $25,000 or a significant expansion of an existing program shall be presented to and approved by the Board, in accordance with Board Policy 3110.

c. Transfers:

    i. Transfers from one fund to another fund shall be budgeted in the manner set forth in the approved fund resolutions and Nevada Revised Statutes (NRS) 354.

d. Contingency:

    i. The General Fund Contingency Account shall be budgeted in accordance with Board Policy 3051 and NRS 354.

e. Fund Balance:

    i. Fund Balance shall be budgeted in accordance with Board Policy 3051 and NRS 354.

4. The purpose of the preliminary budget process, therefore, is to provide an estimate of the General Fund's projected surplus or deficit based on then-current estimates and assumptions and the existing base budget of the District.

    a. Based on the budget principles and priorities established by the Board, the Superintendent will advise and request the Board's direction on further analysis needed and, if a preliminary deficit is projected, the next steps desired to prepare a balanced budget.

    b. During odd-numbered years, if the Board believes that there will be further changes to school district funding prior to completion of the State's biennial budget, the Board may choose to wait to consider any changes to the base budget until greater information becomes available.

    c. District management, led by the Office of Business and Finance, will develop options for balancing the budget or the use of surplus.

5. To involve and promote effective communication with members of the community and other stakeholders, the following types of community input will be considered during the budget process prior to preparation of the tentative budget: community forums and/or a town hall meeting, community surveys on budget priorities, and public hearings.

6. The tentative budget shall:

    a. Be classified in a manner and on forms prescribed by the Department of Taxation.

    b. The budget document shall be submitted for approval by the Board of Trustees on or before April 15.

    c. Revenues, expenditures, transfers, contingency, and fund balance should be adjusted for new information that impacts the District's budget, including economic factors, known cost changes, Board decisions and community input.

    d. Prior to completing the tentative budget, the Budget Department should collect information from offices and departments regarding needed

budgetary changes for the next fiscal year. These items may include proposed reorganizations, needs for new positions, new equipment or capital needs that require debt financing, review of vacancies and historical savings, staffing analyses, fundamental reviews, priority-based reviews, sunset review of pilot programs and other data-driven analysis.

e. Revenues, expenditures, transfers, contingency, and fund balance will be budgeted in accordance with applicable Board Policy, NRS, and NAC (Nevada Administrative Code).

f. After adoption of the tentative budget, a copy of the tentative budget and notice of the public hearing to be held on the budget shall be submitted to the Department of Taxation, the Washoe County Clerk, and the Department of Education, on or before April 15.

7. Public hearing on the tentative budget:

   a. A notice of the hearing must be published once in a newspaper of general circulation within the area of the local government not more than 14 nor less than seven (7) days before the date set for the hearing. Proof of this notice shall be submitted to the Department of Taxation with the final budget.

   b. A public hearing on the tentative budget shall be conducted as one of the agenda items of a meeting of the Board of Trustees not sooner than the third Monday in May and not later than the last day in May.

8. The final budget shall:

   a. Be classified in a manner and on forms prescribed by the Department of Taxation.

   b. The budget document shall be submitted for approval by the Board of Trustees on or before June 8.

   c. Revenues, expenditures, transfers, contingency, and fund balance should be adjusted for new information that impacts the District's budget, including economic factors, known cost changes, Board decisions and community input. Revenues, expenditures, transfers, contingency, and fund balance will be budgeted in accordance with applicable Board Policy, NRS, and NAC (Nevada Administrative Code).

d. After adoption of the final budget, a copy of the final budget shall be submitted to the Department of Taxation on or before June 8.

9. Amended final budget:

    a. In any year in which the Legislature passes a new law(s) that results in an increase or decrease to the revenues of the District, and that increase or decrease was not included or anticipated in the final budget, the District may file an amended budget with the Department of Taxation withing 30 days of the adjournment of the legislative session.

10. After approval of the final or amended final budget, Budget staff shall:

    a. Load the approved budget into the District's accounting software in the appropriate fiscal year so that schools and departments can access their approved appropriations.

    b. Work with the Information Technology department to update the District's Data Gallery with approved budget information.

    c. Prepare a budget-in-brief document to be published on the District's website.

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, to include:

    a. Board Policy 3110, Budget Planning.

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.

REGULATION HISTORY

Date	Revision	Modification
8/22/1967	1.0	Adopted
5/28/1968 5/14/1976	2.0	Revisions

6/15/1984 5/12/1992 11/11/1997		
3/15/2022	3.0	Revised: Updated language for process changed name from Budget Planning.