

## Determination of Budget Priorities

Budget planning shall be based upon the directions and policies adopted by the Board.

The majority of funding that the BOCES receives is state and federal grant funding. In order for the BOCES to be eligible to receive this funding, the BOCES must adhere to the requirements of the granting agency for each grant. It is an overriding priority that the BOCES be compliant with these requirements.

Furthermore, the BOCES is the administrative unit for its member school districts, as explained in policy DEC. Any discretion in relation to budgeting of BOCES funds is subject to the requirement that the BOCES meets its obligations as administrative unit.

The executive director and finance director shall prepare a budget including a detailed and conservative estimate of financial resources available. The executive director and finance director shall prepare compilations of budget requests, and shall convert BOCES requirements for staffing and other allocations into conservative estimated dollar amounts. Actual amounts will be used to the extent these are ascertainable at the time of budget preparation, and estimates will be verified with outside sources wherever possible. The executive director and finance director are encouraged to solicit input from the Board and superintendents on all budget processes and budget format on an ongoing basis.

The Board shall retain continuing discretion regarding appropriate expenditures of BOCES moneys.

General fund contributions from members of the BOCES will be in accordance with Policy DEAA. Contributions from members of the BOCES for other programs shall be on the basis of a proportionality agreed upon by the participating members and such agreement shall be formalized either by a written agreement or by appropriate documentation in the budget.

To fulfill its obligation regarding BOCES resources, the Board must know how resources are currently allocated, whether such allocation is effective and what changes should be made to achieve the greatest returns. The executive director shall develop a comprehensive and ongoing system to collect and analyze resource allocation information. In relation to special service providers employed by NW BOCES using ECEA and IDEA funds, this requirement will be fulfilled by preparing an annual staffing needs study that is based on special education student caseloads. The analysis of this information shall form the basis for the budget prepared by the executive director and finance director for presentation to the Board.

Accordingly, the budget prepared and presented by the executive director shall:

1. be in a summary format understandable by a lay person
2. itemize BOCES expenditures by fund
3. include *revenues*, expenditures and reserves by fund/grant/program
4. explain the purpose of grant revenues and programs7. show the amount budgeted for the current fiscal year and the amount budgeted for the ensuing fiscal year
5. contain enough information to demonstrate credible projection of revenue and

- expenses
6. disclose budget planning assumptions that are considered to have a major financial impact
  7. not excessively rely on nonrecurring revenues
  8. not provide for expenditures, interfund transfers or reserves, in excess of available revenues and beginning fund balances
  9. not include the use of beginning fund balance unless the Board has adopted a resolution with the particular format and content described in state law specifically authorizing such use
  10. provide adequate and reasonable budget support for Board development and other governance priorities, including the costs of fiscal audits, Board and committee meetings, Board memberships and BOCES legal fees
  11. take into consideration fiscal soundness in future years
  12. reflect anticipated changes in employee compensation including inflationary adjustments, step increases, performance increases and benefits
  13. maintain the operating reserve defined in policy DB unless the Board approves otherwise
  14. comply with state and federal law
  15. provide sufficient resources to address the BOCES's facility needs.

Adopted: January 14, 2016

LEGAL REFS.: C.R.S. 22-5-106 (*financing, budget and accounting*)  
[C.R.S. 22-11-302 (1)(a) (*BOCES accountability committee budget recommendations*)]  
C.R.S. 22-44-105 (1.5) (*budget parameters regarding expenses not exceeding revenue and use of beginning fund balance*)