

<b>TENNESSEE STATE BOARD OF EDUCATION</b>		
<b>SCHOOL OPERATING BUDGET</b>		<b>2200</b>
<b>ADOPTED:</b> July 28, 2017	<b>REVISED:</b> May 31, 2019	<b>MONITORING:</b> Review: Annually

Each authorized charter school’s budget is the legal basis for the establishment of funding. It is the legal document that describes the programs to be conducted during the fiscal year beginning July 1 and ending June 30 the following year.<sup>1</sup> It is the operational plan, stated in financial terms, for the conduct of all programs within a school.

**Preparation Procedures.** The budget should be balanced and consistent with the approved charter application and the following contract conditions:

- (1) Programs to meet the needs of the entire student body;
- (2) Staffing arrangements adequate for proposed programs; and
- (3) Maintenance of the school’s equipment and facilities.

The budget provides the framework for both expenditures and revenues for the year and translates into financial terms the educational programs and priorities for the school. The budget shall set forth in itemized form the amount necessary to operate the school for the fiscal year.

Budget preparation shall be the responsibility of the school. The school shall establish a budget development and adoption process.<sup>2</sup> The school shall establish necessary procedures for the effective and extensive involvement of school employees, including requests from department heads and/or school leaders, all of whom should seek advice and suggestions from other staff and faculty members. It is the responsibility of the school to prepare the budget on forms furnished by the Commissioner of Education in accordance with applicable federal and state laws, statutes, and State Board policies.

Unless notified otherwise, the State Board assumes that the school leader shall be designated as the financial officer to oversee the daily administration of the school's budget and serve as the chief point of communication regarding fiscal matters with the State Board.

Requests for a budget revision to federal grants must be approved by the school leader or designee and submitted for approval to State Board staff in accordance with budget revision procedures and timelines established by the State Board. State Board staff will review budget revision requests and provide a response in a timely manner.

**Reviews.** The proposed school budget is considered a public record and, upon proper request, shall be available for inspection.

**Adoption Procedure.** The school shall adopt a budget and submit it to the State Board by June 1.<sup>3</sup>

**Governmental Funds.** Transfer of funds between governmental funds are prohibited unless the transfer to/from (Other Financing Source/Use of Funds) is included in the budget and subsequently approved by the school leader or designated financial officer. Funds for educational purposes made available by any government, agency, or organization shall be sought by the school system only when the conditions of their availability are in alignment with the purposes and policies of the school and the laws of the state.

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Legal References:

<sup>1</sup> T.C.A. § 49-13-111(l)

<sup>2</sup> T.C.A. § 49-2-203(a)(10)

<sup>3</sup> T.C.A. § 49-2-301(b)(1)(Z);

TRR/MS 0520-01-02-.13(2)(a)

Cross References:

Tennessee Internal School Uniform  
Accounting Policy Manual; Section 4-19