

Part 1 Fiscal Procedures

53A-19-101 School district and charter school budgets.

- (1) As used in this section:
 - (a) "Budget officer" means:
 - (i) for a school district, the school district's superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) "Governing board" means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2) Before June 1 of each year, the budget officer shall prepare a tentative budget, with supporting documentation, to be submitted to the budget officer's governing board.
- (3) The tentative budget and supporting documents shall include the following items:
 - (a) the revenues and expenditures of the preceding fiscal year;
 - (b) the estimated revenues and expenditures of the current fiscal year;
 - (c) for a school district, an estimate of the revenues for the succeeding fiscal year based upon the lowest tax levy that will raise the required revenue, using the current year's taxable value as the basis for this calculation;
 - (d) a detailed estimate of the essential expenditures for all purposes for the next succeeding fiscal year; and
 - (e) the estimated financial condition of the school district or charter school by funds at the close of the current fiscal year.
- (4) The tentative budget shall be filed with the district business administrator or charter school executive director for public inspection at least 15 days before the date of the tentative budget's proposed adoption by the governing board.

Amended by Chapter 363, 2016 General Session

53A-19-102 Local governing board budget procedures.

- (1) As used in this section:
 - (a) "Budget officer" means:
 - (i) for a school district, the school district's superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) "Governing board" means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2)
 - (a) For a school district, before June 22 of each year, a local school board shall adopt a budget and make appropriations for the next fiscal year.
 - (b) For a school district, if the tax rate in the school district's proposed budget exceeds the certified tax rate defined in Section 59-2-924, the local school board shall comply with Section 59-2-919 in adopting the budget, except as provided by Section 53A-17a-133.
- (3)
 - (a) For a school district, before the adoption or amendment of a budget, a local school board shall hold a public hearing, as defined in Section 10-9a-103, on the proposed budget or budget amendment.

- (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in regards to the public hearing described in Subsection (3)(a), at least 10 days prior to the public hearing, a local school board shall:
 - (i) publish a notice of the public hearing in a newspaper or combination of newspapers of general circulation in the school district, except as provided in Section 45-1-101;
 - (ii) publish a notice of the public hearing electronically in accordance with Section 45-1-101;
 - (iii) file a copy of the proposed budget with the local school board's business administrator for public inspection; and
 - (iv) post the proposed budget on the school district's Internet website.
- (c) A notice of a public hearing on a school district's proposed budget shall include information on how the public may access the proposed budget as provided in Subsections (3)(b)(iii) and (iv).
- (4) For a charter school, before June 22 of each year, a charter school governing board shall adopt a budget for the next fiscal year.
- (5) Within 30 days of adopting a budget, a governing board shall file a copy of the adopted budget with the state auditor and the State Board of Education.

Amended by Chapter 363, 2016 General Session

53A-19-103 Undistributed reserve in school board budget.

- (1) A local school board may adopt a budget with an undistributed reserve. The reserve may not exceed 5% of the maintenance and operation budget adopted by the board in accordance with a scale developed by the State Board of Education. The scale is based on the size of the school district's budget.
- (2) The board may appropriate all or a part of the undistributed reserve made to any expenditure classification in the maintenance and operation budget by written resolution adopted by a majority vote of the board setting forth the reasons for the appropriation. The board shall file a copy of the resolution with the State Board of Education and the state auditor.
- (3) The board may not use undistributed reserves in the negotiation or settlement of contract salaries for school district employees.

Enacted by Chapter 2, 1988 General Session

53A-19-104 Limits on appropriations -- Estimated expendable revenue.

- (1) As used in this section:
 - (a) "Budget officer" means:
 - (i) for a school district, the school district's superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) "Governing board" means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2) A governing board may not make an appropriation in excess of its estimated expendable revenue, including undistributed reserves, for the following fiscal year.
- (3) A governing board may reduce a budget appropriation at the governing board's regular meeting if notice of the proposed action is given to all governing board members and to the district superintendent or charter school executive director, as applicable, at least one week before the meeting.

- (4) For a school district, in determining the estimated expendable revenue, any existing deficits arising through excessive expenditures from former years are deducted from the estimated revenue for the ensuing year to the extent of at least 10% of the entire tax revenue of the district for the previous year.
- (5) For a school district, in the event of financial hardships, the local school board may deduct from the estimated expendable revenue for the ensuing year, by fund, at least 25% of the deficit amount.
- (6) For a school district, all estimated balances available for appropriations at the end of the fiscal year shall revert to the funds from which they were appropriated and shall be fund balances available for appropriation in the budget of the following year.
- (7) For a school district, an increase in an appropriation may not be made by the local school board unless the following steps are taken:
 - (a) the local school board receives a written request from the district superintendent that sets forth the reasons for the proposed increase;
 - (b) notice of the request is published:
 - (i) in a newspaper of general circulation within the school district at least one week before the local school board meeting at which the request will be considered; and
 - (ii) in accordance with Section 45-1-101, at least one week before the local school board meeting at which the request will be considered; and
 - (c) the local school board holds a public hearing on the request before the local school board's acting on the request.

Amended by Chapter 363, 2016 General Session

53A-19-105 School district interfund transfers.

- (1) A school district shall spend revenues only within the fund for which they were originally authorized, levied, collected, or appropriated.
- (2) Except as otherwise provided in this section, school district interfund transfers of residual equity are prohibited.
- (3) The State Board of Education may authorize school district interfund transfers of residual equity when a district states its intent to create a new fund or expand, contract, or liquidate an existing fund.
- (4) The State Board of Education may also authorize school district interfund transfers of residual equity for a financially distressed district if the board determines the following:
 - (a) the district has a significant deficit in its maintenance and operations fund caused by circumstances not subject to the administrative decisions of the district;
 - (b) the deficit cannot be reasonably reduced under Section 53A-19-104; and
 - (c) without the transfer, the school district will not be capable of meeting statewide educational standards adopted by the State Board of Education.
- (5) The board shall develop standards for defining and aiding financially distressed school districts under this section in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (6)
 - (a) All debt service levies not subject to certified tax rate hearings shall be recorded and reported in the debt service fund.
 - (b) Debt service levies under Subsection 59-2-924 (5)(c) that are not subject to the public hearing provisions of Section 59-2-919 may not be used for any purpose other than retiring general obligation debt.

- (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal year shall be used in subsequent years for general obligation debt retirement.
- (d) Any amounts left in the debt service fund after all general obligation debt has been retired may be transferred to the capital projects fund upon completion of the budgetary hearing process required under Section 53A-19-102.

Amended by Chapter 350, 2016 General Session
Amended by Chapter 367, 2016 General Session

53A-19-106 Warrants drawn by budget officer.

- (1) As used in this section:
 - (a) "Budget officer" means:
 - (i) for a school district, the school district's superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) "Governing board" means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2) The budget officer of a governing board may not draw warrants on school district or charter school funds except in accordance with and within the limits of the budget passed by the governing board.

Amended by Chapter 363, 2016 General Session

53A-19-107 Emergency expenditures.

This chapter does not apply to appropriations required because of emergencies involving loss of life or great loss of property.

Enacted by Chapter 2, 1988 General Session

53A-19-108 Monthly budget reports.

- (1) As used in this section:
 - (a) "Budget officer" means:
 - (i) for a school district, the school district's superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) "Governing board" means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2) The business administrator or budget officer of a governing board shall provide each board member with a report, on a monthly basis, that includes the following information:
 - (a) the amounts of all budget appropriations;
 - (b) the disbursements from the appropriations as of the date of the report; and
 - (c) the percentage of the disbursements as of the date of the report.
- (3) Within five days of providing the monthly report described in Subsection (2) to a governing board, the business administrator or budget officer shall make a copy of the report available for public review.

Amended by Chapter 363, 2016 General Session

