

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 10.2

Meeting Date: May 21, 2020

Subject: Update on Progress Toward State Auditor and FCMAT Recommendations to Revise Board Policy (BP) 3100: Business and Noninstructional Operations (Budget Reserves and Use of One-Time Funds)

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: June 18, 2020)
- Conference/Action
- Action
- Public Hearing

Division: Business Services

Recommendation: Review the revisions to Board Policy BP 3100: Business and Noninstructional Operations which include the increase of the general fund expenditure reserve from the minimum 2% to a 5% reserve level.

Revisions to Board Policy BP 3100: Business and Noninstructional Operations will also include the use of One-Time funding for ongoing expenditures as a last resort and Board approval for use of One-Time funds will be required as a separate action.

Background/Rationale: In order to maintain fiscal solvency, restore stability and address the long term financial issues, the District shall establish and maintain a general fund reserve for economic uncertainty at no less than 5%.

Furthermore, the District shall consider any proposed use of One-Time funding and shall take separate action to approve such uses.

Financial Considerations: Increase minimum general fund reserve from the minimum 2% to a 5% reserve level. The District shall consider any proposed use of One-Time funding and shall take separate action to approve such uses.

Board of Education Executive Summary

Business Services

Revised Board Policy BP 3100: Business Noninstructional
Operations (Reserves and Use of Other Funds)

May 21, 2020

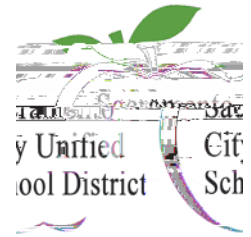


Board of Education Executive Summary

Business Services

Revised Board Policy BP 3100: Business Noninstructional Operations (Reserves and Use of Other Funds)

May 21, 2020



IV. GOALS, OBJECTIVES AND MEASUREMENTS

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~~The Board shall establish and maintain a reserve that meets or exceeds the requirements of law.~~

(cf. 3300 -Expenditures/Expending Authority)

The Board encourages public input in the budget development process and shall hold public hearings in accordance with the law.

The Superintendent or designee shall determine the manner in which the budget is developed and shall schedule the budget adoption process in accordance with the single budget adoption process.

Reserve for Economic Uncertainty

Per BP 3100, the Board shall establish and maintain a general fund reserve for economic uncertainty that meets or exceeds the requirements of CCR 15443. The reserve for economic uncertainty for the District will be established at no less than 5% of total general fund expenditures. | 5%.1(a)2.1 5%2.7.2(es-3.4(ill.7

