



FY 2023 Recommended Budget Budget Question

Board Question #: 25

BUDGET QUESTION: Why is the Schools' carryover discussed several months into the new fiscal year and not sooner after the close of the fiscal year? If Schools' staff sees that there will be carryover, can it be applied to the budget for the upcoming fiscal year?

RESPONDING DEPARTMENT/OFFICE: Budget & Grants

RESPONSE: Each year, the Schools' carryover is known and considered only once the audit is complete. Each year, the audit is complete and presented to the Board in the early December timeframe. There is a lengthy process of checks and balances to close the fiscal year, and as more and more mandates and other reporting requirements are added, the closeout becomes more and more time-consuming.

Specific to the Schools' carryover, we ensure that State and federal revenue is applied appropriately to expenses before determining the remaining local funding. State law requires that any State funds unexpended by the Schools at the close of the year revert to the State, and local funding remaining unexpended remains part of the funds of the governing body. The funds may be used by the governing body for the upcoming fiscal year, but that determination must be made by the governing body and appropriated for such use. Such determination may not be made by the School Board as the Board of Supervisors is the governing and appropriating body. If the Board of Supervisors chooses to appropriate all or any portion of any given year's carryover to the Schools, the appropriation may be made in lump sum or by category. Once appropriated, the School Board has oversight as to how the funds are spent.

ESTIMATE OF STAFF TIME SPENT ON RESPONSE: 15 minutes