

# POLICY

SOMERSET COUNTY  
BOARD OF EDUCATION

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| <b>Date Submitted:</b><br>July 20, 1999                   | <b>Number:</b><br>300-2  |
| <b>Reviewed:</b><br>October 25, 2005<br>November 18, 2008 |  |
| <b>Subject:</b><br>Budgeting System                       | <b>Date Approved:</b><br>August 17, 1999<br>November 15, 2005<br>January 20, 2009  |
|   | <b>Date Revised:</b><br>November 18, 2008  |
|   | <b>Date Effective:</b><br>August 17, 1999<br>November 15, 2005<br>January 20, 2009 |

## 1. PURPOSE

To state the organization of the Board of Education's budget system and reporting process.

## 2. REQUIREMENT

- A. The budgeting system of the Board is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
- B. The format and procedures used in developing the school budget will meet the requirements set by the state and will include those elements of revenue and expenditures as are prescribed by statute (Also refer to Policy 300-3).
- C. An Annual Financial Report will be filed with the Maryland State Department of Education within the required format and deadlines established.
- D. Monthly reports will be prepared by the Director of Finance showing the current month's revenues and expenditures, Year to Date Totals and the percentage of budget spent for the Operating Budget and Food Service Budget.
- E. As required within Education Article 5-114, the Director of Finance will prepare reports in the format supplied by MSDE to be signed by the Superintendent and Board Chairman.