

POLICY

2012

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Non-Instructional/Business
Operations

SUBJECT: CONTINGENCY BUDGET

The School District budget for any school year or any part of such budget, or any proposition involving the expenditure of money for such school year, shall not be submitted for a vote of the qualified voters of the District more than twice in any school year.

If the original proposed budget is not approved by District voters at the Annual District Meeting and Election, the Board has the option of either resubmitting the original or revised budget for voter approval at a special meeting held at a later date; or the Board may, at that point, adopt a contingency budget and levy a tax for teachers' salaries and ordinary contingent expenses as enumerated in law. If the Board decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board shall adopt a contingency budget and levy a tax for those expenditures mandated pursuant to law and/or for those services necessary to maintain the educational program.

The contingency budget will include the sum necessary for teachers' salaries (i.e., professional educator positions certificated by the State Education Department which include teachers, administrators, teaching assistants, and professional specialists in the various areas of pupil personnel services) and ordinary contingent expenses as determined by the Board in accordance with law including, but not limited to, the purchase of library books and other instructional materials associated with the school library; expenses for cafeteria or restaurant services; and expenses incurred for interscholastic athletics, field trips and other extracurricular activities. Ordinary contingent expenses include, but are not limited to, legal expenses incurred by the District; expenditures specifically authorized by statute; and other items necessary to maintain the educational program, preserve property, and assure the health and safety of students and staff. As deemed necessary, school counsel may be consulted for review as to those items considered to be ordinary contingent expenses prior to Board adoption of the contingency budget.

In accordance with law, the contingency budget will reflect the statutory expenditure limits imposed on the administrative component of the contingency budget as well as the total spending authorized in the overall contingency budget.

With regard to overall District spending, the contingency budget, as a whole, shall not result in a percentage increase in total spending over the District's total spending under the School District budget for the prior year that exceeds the lesser of:

- a) The result when one hundred twenty percent (120%) is multiplied by the percentage increase in the Consumer Price Index (CPI), with the result rounded to two decimal places; or
- b) Four percent (4%).

Additionally, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of:

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- a) The percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or
- b) The percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.

The Consumer Price Index to be used refers to the percentage that represents the average of the national consumer price indexes determined by the U.S. Department of Labor for the twelve-month period preceding January first of the current year.

In determining the increase in total expenses when computing the contingency budget percentage increase, the following expenditures shall be disregarded:

- a) Expenditures resulting from a tax certiorari proceeding;
- b) Expenditures resulting from a court order or judgment against the School District;
- c) Emergency expenditures that are certified by the Commissioner of Education as necessary as a result of damage to, or destruction of, a school building or school equipment;
- d) Capital expenditures resulting from the construction, acquisition, reconstruction, rehabilitation or improvement of school facilities, including debt service and lease expenditures, subject to the approval of qualified voters;
- e) Expenditures in the contingency budget attributable to projected increases in public school enrollment, which may include increases attributable to the enrollment of students attending a pre-kindergarten program established in accordance with Education Law Section 3602-e;
- f) Non-recurring expenditures in the prior year's School District budget;
- g) Expenditures for payments to charter schools; and
- h) Expenditures for self-supporting programs (i.e., any programs that are entirely funded by private funds that cover all the costs of the program).

In addition, the Board of Education shall be authorized to add appropriations for the following:

- a) The categories of expenditures listed in a) through h) above subject to the approval of qualified voters;

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- b) Expenditures resulting from an actual increase in enrollment over the projected enrollment used to develop the contingency budget; and
- c) Expenditures of gifts, grants in aid for specific purposes or for general use or insurance proceeds in addition to that which has been previously budgeted.

Should the Board of Education adopt a contingency budget, it will officially pass a resolution reflecting such action; and that resolution shall incorporate by reference a statement specifying the projected percentage increase or decrease in total spending for the school year, and explain the reasons why the Board disregarded any portion of an increase in spending in formulating the contingency budget.

Education Law Sections 2002, 2023, 2024 and 2601-a

Adopted: 7/23/12