

ANNUAL OPERATING BUDGET

CE  
(LEGAL)

AUTHORIZED  
EXPENDITURES

The District shall not lend its credit or gratuitously grant public money or things of value in aid of any individual, association, or corporation. *Tex. Const. Art. III, Sec. 52; Brazoria County v. Perry, 537 S.W.2d 89 (Tex. Civ. App.—Houston [1st Dist.] 1976, no writ)*

The District shall not grant any extra compensation, fee, or allowance to a public officer, agent, servant, or contractor after service has been rendered or a contract entered into and performed in whole or in part. Nor shall the District pay or authorize the payment of any claim against the District under any agreement or contract made without authority of law. *Tex. Const. Art. III, Sec. 53; Harlingen ISD v. C.H. Page and Bro. 48 S.W.2d 983 (Comm. App. 1932)*

The state and county available funds disbursed to the District shall be used exclusively for salaries of professional certified staff and for interest on money borrowed on short time to pay such salaries, when salaries become due before school funds for the current year become available. Loans for paying professional certified staff salaries may not be paid out of funds other than those for the current year. *Education Code 45.105(b)*

Local funds from District taxes, tuition fees, other local sources, and state funds not designated for a specific purpose may be used for salaries of any personnel and for purchasing appliances and supplies; for the payment of insurance premiums; for buying school sites; for buying, building, repairing, and renting school buildings, including acquisition of school buildings and sites by leasing through annual payments with an ultimate option to purchase [see CHG]; and for other purposes necessary in the conduct of the public schools to be determined by the Board. *Education Code 45.105(c)*

No public funds of the District may be spent in any manner other than as provided for in the budget adopted by the Board. *Education Code 44.006(a)*

USE OF DISTRICT  
RESOURCES

The Board shall not enter into an agreement authorizing the use of District employees, property, or resources for the provision of materials or labor for the design, construction, or renovation of improvements to real property not owned or leased by the District. *Education Code 11.168*

The Board may not use state or local funds or other resources of the District to electioneer for or against any candidate, measure, or political party. *Education Code 11.169*

COMMITMENT OF  
CURRENT REVENUE

A contract for the acquisition, including lease, of real or personal property is a commitment of the District's current revenue only,

ANNUAL OPERATING BUDGET

CE  
(LEGAL)

provided the contract contains either or both of the following provisions:

1. Retains to the Board the continuing right to terminate the contract at the expiration of each budget period during the term of the contract.
2. Is conditioned on a best efforts attempt by the Board to obtain and appropriate funds for payment of the contract.

*Local Gov't Code 271.903*

FISCAL YEAR	The Board may determine if the District's fiscal year begins on July 1 or September 1 of each year. <i>Education Code 44.0011</i>
BUDGET PREPARATION	The Superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the District for the following fiscal year. <i>Education Code 44.002</i>
DEADLINES	<p>The proposed budget shall be prepared on or before a date set by the State Board of Education, currently August 20 (June 19 if the District uses a July 1 fiscal year start date). <i>Education Code 44.002(a); 19 TAC 109.1(a), 109.41</i></p> <p>The adopted budget must be filed with the Texas Education Agency on or before the date established in the <i>Financial Accountability System Resource Guide. Education Code 44.005; 19 TAC 109.1(a)</i></p>
PUBLIC MEETING ON BUDGET AND PROPOSED TAX RATE	<p>After the proposed budget has been prepared, the Board President shall call a Board meeting for the purpose of adopting a budget for the succeeding fiscal year. Any taxpayer of the District may be present and participate in the meeting. <i>Education Code 44.004</i> [See CCG for provisions governing tax rate adoption]</p> <p>The meeting must comply with the notice requirements of the Open Meetings Act. <i>Gov't Code 551.041, 551.043</i></p>
PUBLISHED NOTICE	The Board President shall also provide for publication of notice of the budget and proposed tax rate meeting in a daily, weekly, or bi-weekly newspaper published in the District. If no daily, weekly, or biweekly newspaper is published in the District, the President shall provide for publication of notice in at least one newspaper of general circulation in the county in which the District's central administrative office is located. The notice shall be published not earlier than the 30th day or later than the tenth day before the date of the hearing.

ANNUAL OPERATING BUDGET

CE  
(LEGAL)

FORM OF NOTICE     The published notice of the public meeting to discuss and adopt the budget and the proposed tax rate must meet the size, format, and content requirements dictated by law.

The notice is not valid if it does not substantially conform to the language and format prescribed by the comptroller.

TAXPAYER  
INJUNCTION           If the District has not complied with the published notice requirements in the FORM OF NOTICE described above, and the requirements for DISTRICTS WITH JULY 1 FISCAL YEAR below, if applicable, and the failure to comply was not in good faith, a person who owns taxable property in the District is entitled to an injunction restraining the collection of taxes by the District. An action to enjoin the collection of taxes must be filed before the date the District delivers substantially all of its tax bills.

*Education Code 44.004*

PUBLICATION OF  
PROPOSED  
BUDGET  
SUMMARY             Concurrently with the publication of notice of the budget under Education Code 44.004, the District shall post a summary of the proposed budget on the District's Internet Web site or, if the District has no Internet Web site, in the District's central administrative office.

The budget summary must include a comparison to the previous year's actual spending and information relating to per student and aggregate spending on:

1. Instruction;
2. Instructional support;
3. Central administration;
4. District operations;
5. Debt service; and
6. Any other category designated by the Commissioner.

*Education Code 44.0041*

BUDGET ADOPTION    The Board shall adopt a budget to cover all expenditures for the succeeding fiscal year at the meeting called for that purpose and before the adoption of the tax rate for the tax year in which the fiscal year covered by the budget begins.

DISTRICTS WITH  
JULY 1 FISCAL  
YEAR                 A district with a fiscal year beginning July 1 may use the certified estimate of the taxable value of District property in preparing the published notice if the District does not receive the certified appraisal roll on or before June 7. A district that uses a certified estimate may adopt a budget at the public meeting designated in the

ANNUAL OPERATING BUDGET

CE  
(LEGAL)

published notice prepared using the estimate, but the District may not adopt a tax rate before the District receives the certified appraisal roll for the District.

*Education Code 44.004*

By June 7, the chief appraiser shall prepare and certify an estimate of the taxable value of District property. *Tax Code 26.01(d)*

AMENDMENT OF  
APPROVED BUDGET

The Board shall have the authority to amend the approved budget or to adopt a supplementary emergency budget to cover necessary unforeseen expenses.

Copies of any amendment or supplementary budget must be prepared and filed in accordance with State Board rules.

*Education Code 44.006*

FAILURE TO COMPLY  
WITH BUDGET  
REQUIREMENTS

A Board member who votes to approve any expenditure of school funds in excess of the item or items appropriated in the adopted budget or a supplementary or amended budget commits a misdemeanor offense. *Education Code 44.052(c)*

CERTAIN DONATIONS

The District may donate funds or other property or service to the adjutant general's department or to the Texas National Guard. *Gov't Code 431.035(b), 431.045(b)*