

## **Procedure 3100-PR(1): Annual Budget - Guidelines and Process**

Original Adopted Date: September 17, 2025

Status: Approved

### PURPOSE

The purpose of this procedure is to set forth the guidelines and process for development of the annual District budget pursuant to statutory requirements – A.R.S. §15-1461, A.R.S. §15-1461.01, A.R.S. §15-1464, A.R.S. §15-1466, A.R.S. §41-563, A.R.S. §41-1279.07, and A.R.S. §42-17015.

### GUIDELINES

1. The CEO and CFO shall seek consultation with and participation of appropriate District personnel in all academic and operational areas during the annual budget process.
2. An annual budget timetable and guidelines will be developed early each fiscal year that provides realistic deadlines for budget development, requests, input, and communication to the District Governing Board (DGB).
3. Personnel activity requests for each fiscal year should be clearly identified throughout the budget cycle. The Human Resources administrator will work with the executive team to consolidate and finalize an approved personnel budget, an integral part of the District budget, for each fiscal year.
4. The CEO, working closely with the CFO and executive team, is responsible for budget request finalizations (approval, revision, or denial) and communication with the DGB as appropriate throughout the process.
5. The CFO is responsible for ensuring the proper forms and format, as provided by the Auditor General's Office, are used as necessary and for purposes of public disclosure of the annual budget. The CFO is also responsible for submission of the current year's annual expenditure limitation report (AELR) on behalf of the DGB.

### PROCESS

1. An annual budget timetable will be developed early each fiscal year (as divisions and departments are completing year-end summaries for the academic/fiscal year just completed) that provides realistic deadlines for budget development, requests, input, and communication to the District Governing Board (DGB).
  - a. The CEO and CFO shall develop the timetable allowing sufficient time for all budget request developers to submit department, division, and functional area requests to be reviewed, decided upon, and compiled to form the annual District budget.
  - b. The annual District budget shall be presented to the DGB at the March board meeting (work session) as tentative to receive final direction/input, the April board meeting as preliminary (no increases may be made after this point), the May board meeting as final (approval to issue employment contracts for the new fiscal/budget year will be requested at this time), and the June board meeting (special meeting)

for approval and adoption in conjunction with public notice and truth in taxation processes as required by statute.

2. The CEO and CFO, in consultation with the DGB, shall develop the annual budget guidelines and instructions with appropriate detail and information to assist all budget requestors in understanding the mission, goals, opportunities and constraints, directions, and importance of timely and fiscally responsible submission of all budget requests.
3. The CEO and CFO shall seek consultation and participation of appropriate District personnel in all academic and operational areas throughout the budget process. As appropriate and practical, communication of the finalization actions may be made to budget developers/requestors.
4. Personnel activity requests for each fiscal year should be clearly identified in each budget cycle. Various personnel action requests during the fiscal year should tie back to the approved budget.
5. Budget requests are just that - requests, the CEO is responsible for budget request finalizations (approval, revision, or denial) and communication with the DGB as appropriate and required throughout the process.
6. The finalized annual budget will be implemented at the start of the new fiscal year and appropriate division, department, and functional area personnel will have access to their approved budget for use in the fiscally responsible administration of their respective responsibilities.
7. A financial report showing budget performance to date will be prepared and presented to the DGB at each scheduled board meeting.

#### STATUTORY TIMELINE REQUIREMENTS

1. Annually, through a resolution within the May board meeting, the DGB shall designate the individual who will serve as CFO and appoint the CFO as the person responsible for submission of the AELR. Once the May board meeting minutes are approved (in June), the DGB will forward the signed resolution to the Arizona Auditor General by July 31st.
2. Prior to the adoption of the final budget through an advertised public hearing, the developed budget shall be published online and in print media of general circulation not later than fifteen (15) days prior to the public hearing and a second time not later than five (5) days prior to the public hearing.
3. As set forth in Truth in Taxation statute, the DGB may also hold an advertised, public Truth in Taxation hearing if necessary. Pertinent information will be published online and in print media of general circulation at least fourteen (14) days but not more than twenty (20) days

before the date of the Truth in Taxation hearing. The second publication will be at least seven (7) days but not more than ten (10) days before the date of the hearing.

4. Adoption of the budget should occur no later than June 15th. Copies of the adopted budget will be sent to the Property Tax Oversight Commission by July 1st. Documentation will also be sent to the Property Tax Oversight Commission, Santa Cruz County Finance Director, and
5. the Arizona Department of Revenue by July 1<sup>st</sup>.
6. Budget official forms (with schedules A, B and C) will be posted in our website.