

**Business****Budget Recommendation, Adoption and Modification Procedure**

The Board understands the importance of continually improving public trust and confidence in the financial operation of the school system.

1. Prior to March first of each year, the Board shall recommend a budget for the subsequent fiscal year, for approval by the town.
2. The Board shall adopt a budget at its first regular meeting following approval of the town budget, within the amount appropriated to the Board by the Town. Except as provided in section 6, no transfer between budgeted object accounts shall be made without Board approval.
3. Except as otherwise provided by law and by section 5, no expenditure in an individual object account shall exceed the budgeted amount, therefore, by an amount in excess of \$50,000 without prior Board approval. No such expenditure in excess of the amount budgeted shall be authorized by the administration unless savings of at least similar magnitude can be identified in one or more other object accounts. Any such expenditure in excess of the amount budgeted shall be identified in the administration's ongoing financial reporting to the Board.
4. Except as provided in section 5, additional staff positions, beyond those specified in the adopted budget, shall be approved by the Board.
5. Except as provided in section 7, in cases of bona fide emergency, when a meeting of the Board cannot be scheduled, the administration has the authority, to make an expenditure in any amount or to add staff, upon consultation with the Board or Finance Committee Chair and expeditious written notice to all Board members. Any action taken under this section shall be publicly reported at the next regular meeting of the Board.
6. In June of each year, the administration is authorized to reallocate the amount budgeted for each object account as is necessary to provide that no object account expenditure, except for those representing extraordinary special education expenses reimbursed by the state, exceeds the amount budgeted, therefor.
7. Except as otherwise provided by law, the sum of expenditures made in all object accounts shall not exceed the amount appropriated to the Board by the town.