



**Kern Community College District
Board Policy**
Chapter 6 – Business and Fiscal Affairs

BP 6250 Budget Management

References:

Title 5 Sections 58307 and 58308

Note: This policy is **legally required**.

The budget shall be managed in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual. Budget revisions shall be made only in accordance with these policies and as provided by law.

The District's unrestricted general reserves shall be no less than 5%. The Board of Trustees has established that the district-wide unrestricted general fund reserves shall be no less than twenty percent (20%) and should not exceed twenty-five percent (25%) of the total unrestricted district-wide expenditures

College budgeted reserves will not be considered as part of District-wide reserves. Each of the colleges shall maintain a minimum unrestricted general fund reserve of five percent (5%) of the total unrestricted college expenditure. These reserves will be established as unrestricted reserves for obligations and contingencies.

Revenues accruing to the District or Colleges in excess of amounts budgeted shall be added to the District or Colleges reserve for contingencies. They are available for appropriation only upon approval of the Board of Trustees that sets forth the need according to major budget classifications in accordance with applicable law.

Board approval is required for changes between major expenditure classifications. Transfers from the reserve for contingencies to any expenditure classification must be approved by a two-thirds vote of the members of the Board. Transfers between expenditure classifications must be approved by a majority vote of the members of the Board.

These expenditures transfers will be presented to the Board for approval in February and July of each year.

Expenditures

The approved budget is the District-wide plan for expenditures during the fiscal year.

Under the direction of the Chancellor, the Chief Business Officers at the District and colleges will ascertain that all goods, services, and leases are obtained at the lowest

possible competitive prices taking into consideration desired quality and services. This will entail the consideration of all qualified vendors. Standardization of equipment may be required for efficient maintainability and reliability.