

Budget Basics

- The budget states the annual financial plan for the school district reflecting district and community goals.
- It establishes maximum amounts the district can spend for each fund.
- The budget provides a means of measuring and guiding performance by comparing planned expenditures and staffing levels against actual expenditures and staffing levels.
- The budget must be balanced. For example, beginning fund balance plus revenues must equal or exceed expenditures in each fund.
- It covers the fiscal year, from September 1 to August 31 of the following calendar year.
- The budget must be formally adopted by the Board of Directors each year, and a [copy submitted to the state](#).
- It provides the historical data required for realistic future budget preparation.

The accounting system is organized and operated on a fund accounting basis. The only funds school districts may use are those established by law. The Cape Flattery School District uses the following funds:

- **General Fund** is used for all instructional and regular operations of the school district;
- **Transportation Vehicle Fund** is used exclusively for the purchase and repair of equipment approved for pupil transportation;
- **Capital Projects Fund** is utilized for the purchase of land, the construction and equipping of new facilities, and major facility renovations;
- **Debt Service Fund** covers the principal and interest payments on outstanding bonds; and
- **Associated Student Body Fund** is used for all student activities funds, such as clubs, student government, and some athletic programs.

Note: By law, funds in the Transportation Vehicle Fund, Capital Projects Fund, Debt Service Fund, and the Associated Student Body Fund cannot be transferred to the General Fund or used for instructional and regular operations of the school district.

