
Approving State Charter School Budgets in Compliance with State Law

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Agenda

- Review budget requirements in state law and the LUA manual
- Requirements when passing budget amendments
- Budget approval FAQs in light of COVID-19

Legal Requirements for Budget Approval

- O.C.G.A. §20-2-167.1
- GaDOE Financial Management Handbook for Georgia's Local Units of Administration (FMGLUA), Section IV – Chapter 2

O.C.G.A. §20-2-167.1

- Requires holding two public meetings for the purposes of providing an opportunity for public input on the proposed budget
- The two meetings cannot occur in the same seven day period
- Must advertise meetings in the school's legal organ (click [here](#) to search for your school's legal organ)

See page 70 of the SCSC's Legal Obligations Guidance document [here](#) for more information.

FMGLUA, Section IV – Chapter 2

In order to continue operating when the school board cannot adopt a budget prior to July 1, it must adopt a "spending resolution" which authorizes the superintendent to spend funds in the new fiscal year until the budget is adopted.

Example Spending Resolution

EXHIBIT IV 32-13

SPENDING RESOLUTION

WHEREAS, the _____ for good and sufficient reason is unable to adopt a budget for the fiscal year beginning July 1, 20xx____, and ending June 30, 20xx____; and

WHEREAS, the public exigency is best served by authorizing the superintendent to continue to expend funds to continue operations.

NOW, THEREFORE, BE IT RESOLVED BY THE _____ that the superintendent may expend funds from all funds for the month of July 20xx not to exceed one-twelfth (1/12) of the final amended budget for all funds for the fiscal year ended June 30, 20xx, plus debt service and capital expenditures known to be due in July.

Adopted this 16th day of June 20xx.

ATTEST: _____
Superintendent/Secretary

Chairperson
Board of Education

See pages IV-32-54 – 55 in the Section IV – Chapter 2 of the FMGLUA manual [here](#) for additional information.

Budget Amendments

- O.C.G.A. § 20-2-167.1 does not distinguish an original annual operating budget from a revised operating budget.
- If a state charter school identifies the need to revise its budget during the school year, the school must follow all budget meeting and notice requirements in O.C.G.A. § 20-2-167.1

FAQ #1:

**Can governing boards hold
FY20 annual budget
amendment hearings virtually
given Executive Orders
responsive to the Coronavirus
(COVID-19) pandemic?**

FAQ #2:

Given that the State of Georgia has not passed an FY21 budget, are governing boards still required to adopt an FY21 annual operating budget?

FAQ #3:

Once the State of Georgia approves an FY21 State budget, will the SCSC continue to find that governing boards holding virtual budget hearings have met O.C.G.A. § 20-2-167.1 legal obligations?

FAQ #4:

**Are there any
recommendations for how
state charter schools should
plan for FY21 annual budgets?**

FAQ #5:

NO!
Do I have to submit a
revised budget to the SCSC
by May 20, 2020?

FAQ #6:

I am a new state charter school and do not have a previous operating year budget, thus I cannot pass a spending resolution. How do I pass a FY21 budget?

Questions