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**Board Policy**

Chapter 6 – Business & Fiscal Affairs

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**BP 6250 BUDGET MANAGEMENT**

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 this policy and as provided by law.

The Board of Trustees must approve all budget amendments that increase or decrease the total budget and all budget transfers between major classifications of expenditure. 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. Revenues accruing to the District in excess of amounts budgeted shall be added to the District’s reserve for contingencies.

Quarterly financial statements shall be submitted to the Board of Trustees to track revenues and expenditures against budget.

The District shall maintain a reserve for cash flow and contingency purposes at a level consistent with the State guidelines so that the unrestricted general fund ending balance is not less than five percent of the District’s unrestricted general fund expenditures.

Also see BP/AR 6200 Budget Preparation, AR 3250 Budget Management, BP/AR 6300 Fiscal Management, BP/AR 6305 Reserves, AR 6310 Accounting, and AR 6315 Warrants.

**References:**

*Education Code Section 70902 subdivision (b)(5);  
Title 5 Sections 58300 et seq.;  
ACCJC Accreditation Standard 3*

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Adopted: August 7, 2000

Revised: June 4, 2024 (references only)

*(Replaces former SMC BP 6111)*