

Budget and spending Policy
KRS 160.345(3)(a)



Spending categories and munis accounting

Whenever possible in budgets and financial reports, we will use spending categories that will make sense to most stakeholders in our school, even if those categories are not part of the state and district accounting system known as “MUNIS.”

DRAFTS, REVISIONS AND APPROVAL

MARCH

The **Budget Committee** will ESTIMATE EXPENSES (using spending categories that will make sense to most stakeholders) for the coming year that are needed to:

1. Implement our School Improvement Plan fully, including staffing, materials, professional development, and other needs.
2. Maintain other programs at the current level of quality including staffing, materials, professional development, and other needs.

The **Budget Committee** will also ESTIMATE FUNDING for the coming year from:

1. Our allocation for certified and classified staff. (Title 1)
2. Our allocation for instructional materials.
3. Any additional allocations that we have reason to believe are likely to continue.
4. Our allocation for professional development determined by Central Office.
5. Funds from any fundraising activities that are not designated for specific student group use and any fundraising activity money that we expect to carry over.
6. Grants that seem reasonably likely from any source. (Title 1)
7. Categorical dollars from programs listed as sources in our School Improvement Plan based on past funding and consultation with the principal about what is being considered for next year.

At this time, the **Budget Committee** will estimate expenses and revenues separately and will not attempt to make the two match. They will then share those estimates with the council at a regular or special council meeting and the council will discuss possible solutions for any shortfalls.

MARCH and APRIL

The **Budget Committee** will develop a DRAFT BUDGET that:

1. Includes a clear statement of the number of persons to be employed in each job classification. (Certified staff as determined by Central Office.)
2. Lists dollar amounts.
3. Addresses the expenses for fully implementing our School Improvement Plan and maintaining other programs at their current level.
4. Describes which sources will be used to cover each expense.

5. Designates the person or group responsible for selecting specific items to be purchased in each spending category, with the media librarian as the person or a member of the group responsible for items for the library media center.
6. Identifies any further expenses and needs that cannot be covered within currently expected funding or are not being met by the current budget.

This spending plan will consider an estimate of funds available from all sources, designate who will be responsible for the choices, and include amounts for:

- Specific items to implement the School Improvement Plan.
- Shared supplies.
- The library.
- The computer laboratory.
- Distinctive needs of each teaching team.
- Distinctive needs of each teacher not assigned to a team.
- The principal's discretionary fund.
- Any other category of items the committee believes is needed.

The draft budget will be circulated for input to the school council, the school staff, and all parents serving on council committees, and will be posted for public review.

MARCH and APRIL

The **council** will:

1. Review the draft budget either in a regular or a special meeting.
2. Identify areas that may need adjustment to further reflect school priorities, new spending information, stakeholder input on the impact of the proposed plan, or other relevant information.
3. Charge the Budget Committee to consider those factors and submit a revised budget for council adoption.
4. Discuss whether the council needs to request Section 7 funding for additional expenses, and what needs would be designated for such funding.
5. Charge the Budget Committee to write up the Section 7 requests for formal council adoption.
6. Set a timetable for adopting a revised budget and official Section 7 requests that is compatible with any district timetable.

APRIL

After the **council** receives the final allocation from the superintendent and adopts its budget and its Section 7 requests, the **Budget Committee** will:

1. Notify the superintendent and local board in writing of the council's decision on the number of persons to be employed in each job classification and any Section 7 requests.
2. Ensure that the portion of the council's budget that governs its general fund allocations is converted into a standardized budget using the MUNIS accounting codes and that it is sent to the district central office.
3. Ensure that all relevant budget items are clearly reflected in the School Improvement Plan and that the person or group listed as responsible for selecting specific items has been notified of the dollar amounts.

Implementation and monitoring

EVERY MONTH

The **principal (or principal designee)** will:

1. Ensure that all spending records required by the state and district are maintained.
2. Submit a report to the council comparing planned spending, spending so far, outstanding purchase orders, and amount remaining available in each category.

JANUARY

The **Office Manager** will:

1. Notify each individual and group designated to select items for purchase of the amount they were authorized to spend, the amount spent so far, their outstanding purchase orders, and the amount remaining available in each category.
2. Ask each individual and group to check those figures and report anything that may need adjustment and report whether they will need the full remaining amount to address the needs in question.
3. From these responses, identify any amounts that will not be needed as budgeted and make recommendations to the council for budget adjustments to maximize the use of those funds.

MARCH

The **Office Manager** will repeat numbers 1-3 above.

All staff with allocations will spend the allocated funds for that school year by April 1st. If the funds are not spent, they will be absorbed by the general fund.

BUDGET changes

The **principal** will inform the council and the Budget Committee promptly of:

1. Any change in the council's General Fund allocations received on April 1st.
2. Any Section 7 funds to be allocated based on council requests and board action and any allocation of Section 7 funds to the school based on ADA.
3. Any decision regarding categorical funding for the school.
4. Any change in actual or expected activity fund resources.

The council will consider amending the budget to respond to funding changes only after receiving the input of the Budget Committee on the financial impact and reviewing how the change would affect the success of our School Improvement Plan.

POLICY EVALUATION

We will evaluate the effectiveness of this policy through our School Improvement Planning Process.

First Reading: 10-27-2014

Second Reading: 11-24-2014

Date Reviewed or Revised: _____

Council Chairperson's Initials _____

Date Reviewed or Revised: _____

Council Chairperson's Initials _____