ALASBO
Advanced Budgeting
December 3, 2017

What is budgeting? Write your definition here:

Budgeting is a **political process** of **estimating resources** and **allocating** those resources to **best** fulfill the mission, goals, and strategic plans of the District.

It is next year's educational plan stated in financial terms.

Five Phases of Budget Development:

1.   Planning

2.   Preparation

3.   Development

4.   Implementation

5.   Evaluation

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Planning Phase

1.   Understand budgeting environment

2.   Develop Timeline
            Need both a public timeline and internal

3.   Review notes from prior years
            Look at significant variances from prior year budgets
            Look at unfunded budget items
                    (not all have merit, but there may be a political
            force behind them)

4.   Instructional personnel should study student achievement results
      using whatever measurements considered important

5.   Upper management should study goals, strategic plan; estimate
      resources needed to achieve goals, implement strategic plan

6.   Identify critical issues

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Exercise

In teams of three discuss your budgeting environment. (10 minutes)

What does your Board expect?
a)   Budgeting process
b)   Budget materials
c)   Timelines

What does your teachers' bargaining unit expect?

If a municipality, what does your municipal government body expect?

Did you budget enough for teacher salaries and benefits in FY 2016? FY 2017?
Too much?

Do you think you budgeted enough for utilities and energy costs for the current year?

Cut to the chase—how much is budgeted for student activities?

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State Laws

1.   Foundation Formula AS 14.17

2.   Submittal budget to municipality (I think this is AS 14.07)

Insert JSD Timeline—both of them

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Juneau School District
Critical Issues

1. Balancing the budget with insufficient resources – we are estimating we will need about 5% reduction in expenditures next year.
2. Reducing special education expenditures.
3. Providing for technology resources needed for instruction.
4. Providing curriculum materials needed for instruction.
5. Maintaining professional development.

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Insert Variance Analysis

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Preparation Phase

1.   Project Enrollments
        By School

2.   Project/Estimate Revenues
        Depends on budgeting environment, suggest all governmental
        funds

3.   Project Personnel Costs
        Suggest using average costs for groups of employees larger
        than 20

4.   Obtain budget requests from appropriate staff

5.   Set up your budget database – may be spreadsheets
        I use an MS Access database, with an Excel overlay
        Most financial management systems have a budgeting module

6.   Compile information in a format that is useful for Superintendent,
        budget committee, School Board

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Insert JSD enrollment projections

Insert JSD Revenue Projection – some version

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Insert JSD Teacher Salary Analysis

Development Phase

Some ways to balance the budget

1. Superintendent (and team) making decision, hopefully in light of District goals, strategies, mission to promote student achievement
2. Board level decision making, frequently done in light of political winds
3. Guided approach to district administration selected options
4. Zero based budgeting
5. Program Based Budgeting
6. Darts at the local pub

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Insert the 4 page FY 2011 budget

Frequently four phases of budgets:

- Preliminary Budget

- Proposed Budget

- "Approved Budget"

- Adopted Budget

Implementation Phase

- Communicate budget to internal stakeholders

- Load budget into financial management system, if not already

  loaded

- Submit operating fund budget to Alaska Department of Education

  and Early Development

- Prepare a document

  MBA

Evaluation Phase

Keep notes throughout the year

Review new programs

Look at budget revision: why was revision necessary?

Did the Department offer any comments when they reviewed the budget?