

# Budgeting With Your Board

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## Back to Basics

- School districts **MUST** approve a budget no later than June 30<sup>th</sup> each year (during a public hearing).
- When it is determined that the actual and probable revenues from taxes and other sources in a fund are less than the estimated revenues, including available fund balances, upon which the original appropriations from the fund were based; or when the local school board expenditure priorities change during the course of the fiscal year, the budget must be amended. The amendment must be approved by the local school board prior to the expenditure being made. This is a requirement of both the Uniform Budgeting and Accounting Act and of sound budgeting theory. (MCL 141.437)


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## Phase 1- Exploration

- Build from your last budget amendment
  - Process should start in January
  - Utilize board work sessions!
- Identify major upcoming expenses/reductions
  - Collective bargaining agreements open?
  - Building repairs needed?
- What contracts are open/What needs to be bid?
  - Receiving bids doesn't mean you have to take them!



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# Phase 2- Prioritize

Expense Type		
Elementary	Career & Tech Education	Security
Middle/Jr. High School	Professional Development	Adult Education
High School	Guidance Services	Transportation
Preschool	Health Services	Central Office
Summer School	Social Work Services	Maintenance & Operations
Special Education	Curriculum	Community Services

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Table Activity



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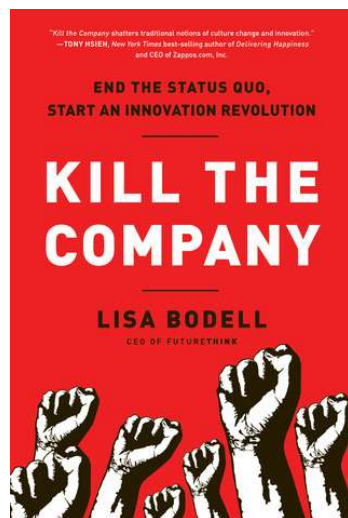
## Now, How Are You REALLY Spending Your Resources?

- ▶ Ask for expenses by function (as a percent of revenue)
  - ▶ Does the district spend its resources on the priorities?
  - ▶ How could they be more aligned?
- ▶ Peer to peer comparisons
  - ▶ Treasury can help!
- ▶ Play to your District's strengths!
  - ▶ What is special about your district?
  - ▶ What do you have that no one else around you can offer your students?

Don't be caught  
data rich but  
information poor!

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## Needing Inspiration?



*"In the ever-changing world of business, we've arrived at a point where process has trumped culture, where the race toward efficiency has made us complacent and unable to reach our potential. Stuck in the land of status quo, we've forgotten how to think. And the very structures put in place to help businesses grow are now holding them back. It's time to Kill the Company."*

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## Phase 3- Mix it all together

- ▶ Take the changes you KNOW are coming (from data dump)
- ▶ Align to priorities
- ▶ It's OK to ask for options-price additions/reductions out
- ▶ Multi-year budgets are underutilized
- ▶ Frequent conversations at public board meetings are crucial- bring the public along
- ▶ SUPPORT YOUR SUPER & CFO!



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## Last but Not Least...



**BE BRAVE- HAVE  
COURAGE!**



**YOU ARE  
RESPONSIBLE!**



**FOLLOW UP  
FREQUENTLY**

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