

The Board and the Budget Oversight & Process

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What are your questions?

- Do you understand the budget?
- How does the budget get constructed?
- What is the process for approving the budget?
- Do your stakeholders (public) accuse the board of not being transparent?
- Can you see a link between the budget and your strategic plan and board goals?



Let's set the stage.



Stakeholders

Transparency

Support and alignment

Student achievement



Who are your Stakeholders?

- Parents and Students
- Staff
- Taxpayers
- Community members
- School Board
- Local govt. and tribes



Sitka School District





Discovering potential,
nurturing growth, and
inspiring lifelong
curiosity

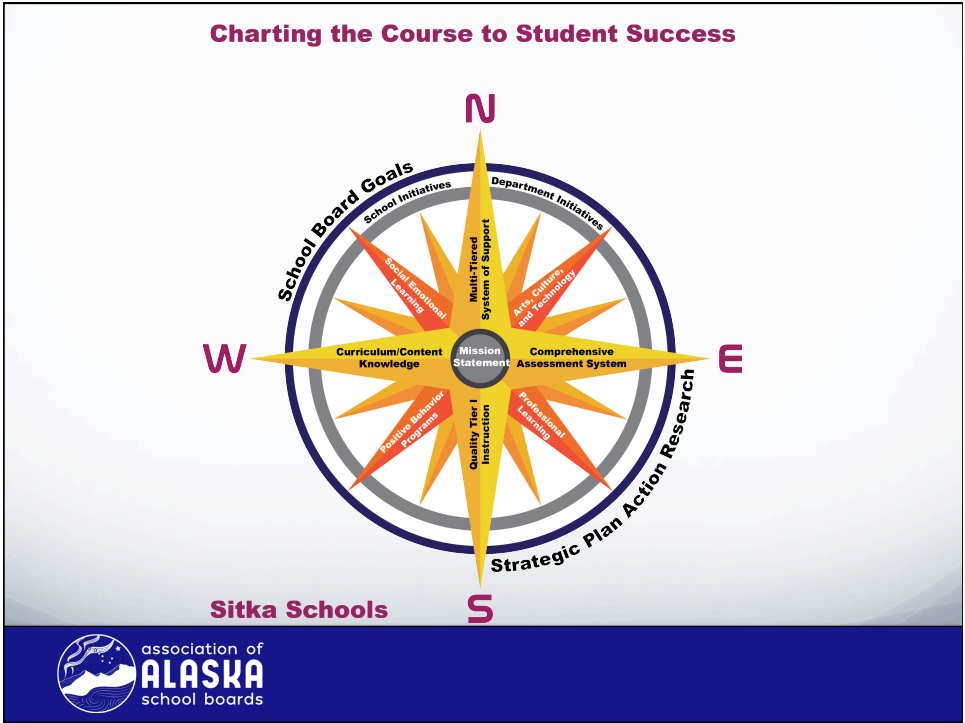


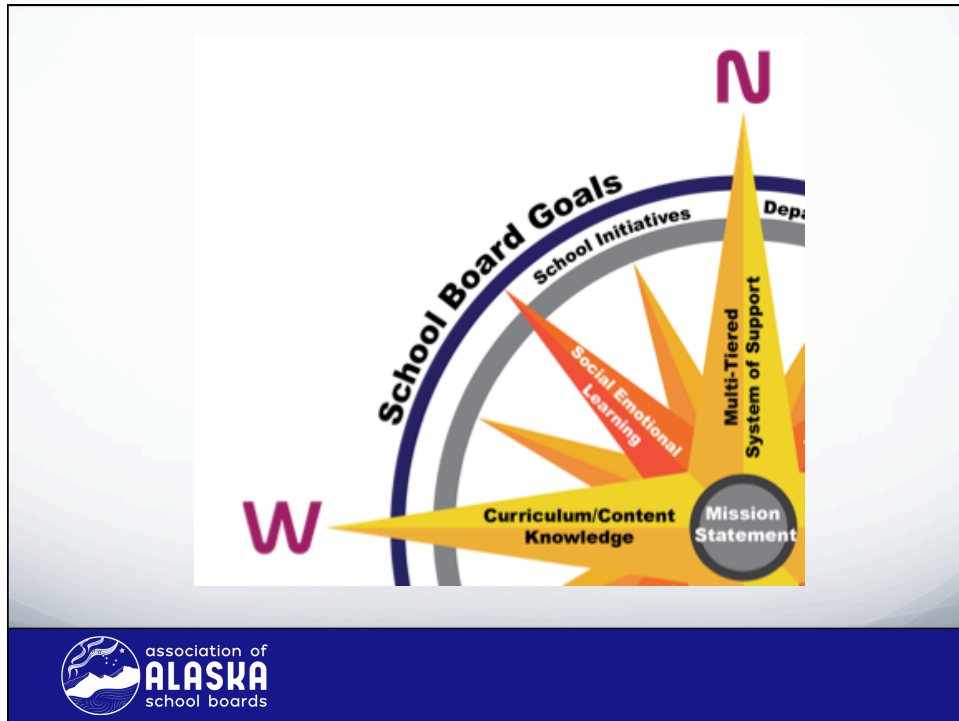
School Board Goals Guide Process

Close the achievement gap for each demographic.

Improve the positive response rates on the School Climate and Connectedness Survey in the areas of respectful climate, school safety, student involvement, and parent involvement.





Sitka's Journey

- 2008-09: Board is public face of the Budget
- 2014-15: Board goal to revise Budget process
- 2017-18: New Budget process implemented

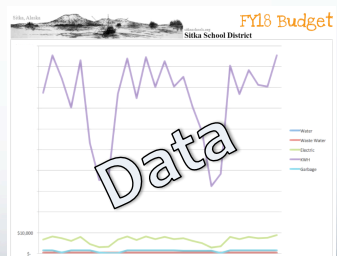
SCHOOL INITIATIVES

Baranof Elementary School

- Continue to build our Language Arts multi-tiered system of support, providing high-quality Tier 1 instruction along with interventions based on data and student need.
- Continue to build our Math multi-tiered system of support, providing high-quality Tier 1 instruction along with interventions based on data and student need.

Keet Gooshee Elementary School

- Continue to build our Language Arts multi-tiered system of support, providing high-quality Tier 1 instruction along with interventions based on data and student need.
- Continue to build our Math multi-tiered system of support, providing high-quality Tier 1 instruction along with interventions based on data and student need.



Sitka School District



The budget supports the mission

The budget is crafted to implement the strategic plan.

The strategic plan and board goals create a rubric to facilitate budget decisions and justifications

Both become transparent



What is a budget?

An estimate of Revenue & Expense

A fiscal plan for you and your stakeholders



Detail of all Revenue and Expenditures expected for a **future period of time**



The Budget is Dynamic

- Living, flexible management tool
- Based on best information at time of development
- Variance from original document is not necessarily negative



Does the budget align with your strategic plan and board goals?

- Mission & Vision
- Strategic plan for the district
- Annual board goals



What is required of your Board?

- Approve an annual budget
- Regular **oversight** of the budget
- Approval of budget **adjustments**
- Approval of **purchases** and **transfers**
- **Accountability** to the public and the district



Budget Process?

- Check your Policy & bylaws
 - When must you submit to your district?
- City and Borough districts must submit budget to assembly by May 1st.



Budget Process? A example:

- **Board sets initial parameters based on data and estimates**
 - ADM (student count)
 - BSA (Base Student Allocation)
 - Intensive Needs Students (number)
 - Use of fund balance? (reserves)
- **Initial draft budget – compiled by Superintendent – surplus or deficit**
 - Salary & benefits
 - Maintenance & operations
 - Activities
 - Food service
 - Transportation



Budget Process? A example:

- **Budget committee work**
 - Admin teams work
 - Stakeholder work sessions
 - Local govt. & tribal work sessions
 - Committee checks for alignment with strategic plan and board goals
 - Recommendations to the board
- **Public Hearing process**
 - The board holds public hearings (1 to several hearings) to take input on proposed budget
- **Board adopts a budget**
 - At a regular or special meeting, well noticed in advance, the board adopts the budget for the next fiscal year – roll call vote

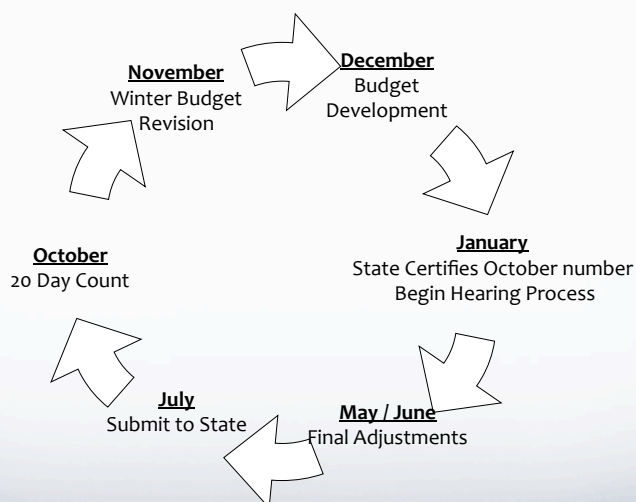


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Budget Cycle



Budget Adjustment?

Best estimate at the time

An adjustment is a change to a previously approved budgeted amount



Budget Adjustment?

- Initiated by the superintendent and require the **approval of the board.**
- Usually occurs about twice per year (mid year, end of year)



Regular Financial Reports

Your oversight responsibility

- Monthly Reports to the board
- These reports are a snapshot in time
- Show monthly revenue/expenditure
- Understandable to all?



Financial Reports

What to look for

- Is the **revenue** side living up to expectations?
 - Revenue at or above projection?
 - Attendance rates at or above projection? State funding estimate still good?
- Are the **expenditures** following the budget?
 - Any significant variances between budget and actual revenues and expenditures?



August 2017 Board Report

Monthly Revenue Report

Account No	Account Description	Current Budget	YTD Encum	YTD Revenues	Remaining Balance	Percent Outstanding
8-100-000-000-000-011	CITY/BORO APPROPRIATION	6,183,762.00	0.00	1,024,088.84	5,159,673.16	83.44%
8-100-000-000-000-040	MISC. LOCAL REVENUE	30,000.00	0.00	2,445.56	27,554.44	91.85%
8-100-000-000-000-047	E-RATE REVENUE	135,000.00	0.00	0.00	135,000.00	100.00%
8-100-000-000-000-050	QUALITY SCHOOLS	43,506.00	0.00	0.00	43,506.00	100.00%
8-100-000-000-000-051	FOUNDATION	12,811,052.00	0.00	2,235,272.00	10,575,780.00	82.55%
8-100-000-000-000-090	MISC. STATE REVENUE	0.00	0.00	4,408.00	-4,408.00	#DIV/0
8-100-000-000-000-110	IMPACT AID	60,000.00	0.00	7,165.82	52,834.18	88.06%
8-100-000-000-000-250	FUND TRANSFER	1,247,642.00	0.00	0.00	1,247,642.00	100.00%
8-100-000-000-056-056	TRS ON-BEHALF	1,476,168.00	0.00	0.00	1,476,168.00	100.00%
8-100-000-000-057-057	PERS ON-BEHALF	107,589.00	0.00	0.00	107,589.00	100.00%
Report Total		22,094,719.00	0.00	3,273,380.22	18,821,338.70	



Monthly Expense Report

Accounts Summarized By Function	Current Budget	YTD Encumbrance	YTD Expenditures	Remaining Balance	Percent Available
100 - REGULAR INSTRUCTION	9,447,887.99	115,743.99	674,653.71	8,657,490.29	91.63%
120 - BILINGUAL/BICULTURAL	223,098.30	0.00	8,985.39	214,112.91	95.97%
130 - ENRICHMENT	92,822.37	0.00	4,348.13	88,474.24	95.32%
140 - CORRESPONDENCE STUDY	173,029.92	80.00	7,439.69	165,510.23	95.65%
160 - VOCATIONAL EDUCATION	336,066.32	9,055.14	21,854.82	305,156.36	90.80%
200 - SPECIAL ED INSTRUCTION	4,084,381.90	4,605.04	229,485.16	3,850,291.70	94.27%
220 - SPECIAL ED SUPPORT	731,671.79	267,704.75	35,252.84	428,714.20	58.59%
300 - PUPIL SUPPORT	177,121.55	1,500.00	7,346.53	168,275.02	95.01%
320 - GUIDANCE	472,028.66	0.00	20,255.58	451,773.08	95.71%
330 - HEALTH SERVICES	96,929.29	434.40	4,756.76	91,738.13	94.64%
350 - SUPPORT SERVICES	269,793.00	217,354.85	22,653.03	29,785.12	11.04%
351 - IMPROVEMENT INSTRUCTION	3,000.00	0.00	0.00	3,000.00	100.00%
352 - LIBRARY SERVICE	409,933.99	0.00	18,577.61	391,356.38	95.47%
400 - SCHOOL ADMINISTRATION	1,254,640.97	21,009.83	90,712.13	1,142,919.01	91.10%
450 - SCHOOL ADMIN. SERVICES	665,050.22	0.00	54,050.55	610,999.67	91.87%
510 - DISTRICT ADMINISTRATION	194,203.15	19,797.99	37,474.04	136,931.12	70.51%
511 - SCHOOL BOARD	51,137.40	14,784.55	1,044.98	35,307.87	69.05%
512 - SUPERINTENDENT'S OFFICE	431,836.20	3,087.65	70,357.18	358,391.37	82.99%
518 - SAFETY AND SECURITY	2,000.00	0.00	0.00	2,000.00	100.00%
550 - DISTRICT ADMIN. SUPPORT	298,119.66	2,786.08	83,630.13	211,703.45	71.01%
555 - DATA PROCESSING SERVICES	63,370.96	0.00	5,170.51	58,200.45	91.84%
556 - TECHNOLOGY SERVICE	364,221.64	10,234.58	111,286.31	242,700.75	66.64%
600 - MAINTENANCE/OPERATIONS	1,994,887.41	609,022.26	313,183.62	1,072,681.53	53.77%
700 - STUDENT ACTIVITIES	252,018.31	105,635.00	4,980.00	141,403.31	56.11%
780 - COMMUNITY SERVICES	5,468.00	0.00	0.00	5,468.00	100.00%
Report Total	22,094,719.00	1,402,836.11	1,827,498.70	18,864,384.19	
Revenue - Expenses		Totals: 1,445,881.52			

*The State has required all Districts to recognize and report on their financial statements their portion of the TRS/PERS relief as passed by 2008 Legislature appropriation.



Annual Audit

- Snap shot - data & practices
- Budget to Actual
 - [General Fund](#)
 - [Special Revenue Fund\(s\)](#)
 - [Capital Project Fund](#)
- Management letter
 - Findings – material vs. significant
- Fund Balance



Questions

