Title: 91-812, Budgeting & Management Control in Schools

Spring Mini-Session #4, 2012

1. **March 22, 2012** - Basics of Budgeting, Purpose of Budget, Legal Authority, Difference between Capital and Operating Funds

   The purpose of this session is to talk about reasons budgets are developed, the type of environment schools find themselves in and the political realities of that environment. Legal authority for establishment of budgets and setting of tax rates will be covered.

   Expectation is that students will understand the importance of the budget process and the role it fills in the educational system.

   Assignment – Text – Background reading in chapters 1 through 3

2. **March 29, 2012** - Sources of Revenues, Process of Estimating Revenues, Legal Requirements

   This session is to go into detail about the sources of funding schools and the legal limits applied to revenue sources. We will talk about the differences between wealthy and poorer school systems and the effect that wealth has on the budgets of the districts.

   Expectation is that students will understand the limited sources of revenues available to fund educational programs and the restrictions on those revenue sources.

   Assignment – Text – Background reading in chapter 4, pages 139-146


   Detailed discussions of expenditure types both by function and object will be covered. Since the prior session covered revenue options, this will be the first class that will pull together the way that revenues and expenditures intersect. We will therefore cover how one approaches pulling a budget together to set millage rates for the year.

   Expectation is that students will gain a well balanced view of the spending patterns of school systems and the difficulties they have funding budgets.

   Assignment – Text background reading in chapter 4, pages 103-138
Oral presentations begin


One of the difficult tasks for Instructional Administrators is to fund their vision of technology needs for their school systems. This session will be to discuss in great detail the ability to borrow money through issuance of debt, or the establishment of dedicated millage. Purchase of technology/equipment vs. the lease of technology/equipment will be debated. We will also cover the need for forecasting into the future so the issues with funding can be better understood. Although grants, donations and e-rate rebates will be discussed, they will not be reviewed in great detail.

Another purpose of this class is to look at current issues that school districts face so that students can better understand the political environment within which schools find themselves working. Referendum, reassessments, gaming income to replace real estate tax, charter and cyber schools, limitations on raising taxes and state mandates all have an effect upon schools and their ability to fund their programs. They also have a profound effect on the people that pay those taxes.

Funding for technology and programming as well as the need for forecasting is a focus of this session with the expectation that students will be able to take the general knowledge attained in the first three sessions and apply it to their own specific budget responsibilities in their role in administration. Another expectation is that students will become conversant in key topics surrounding current new articles and legislative initiatives on school funding.

**Two to three page paper due by START of class**

Oral presentations continue

5. **April 19, 2012** - Communications with the Board and Community - Building support for a budget

The most important issue to gain funding for budget requests is to develop board and community support for the program. We will discuss issues of communicating effectively with constituent groups to build that support to fund technology programs.

This session will look at financial information that is important to school boards and community members and ways of selling the need for adequate budgets. Students will be able to define their needs and communicate them in appropriate formats.

Assignment – Text background reading in chapter 6
Oral presentations continue

6. **April 26, 2012** – State Budget Requirements, Review of a local school budget, Monitoring a budget, purchasing regulations

State budget forms will be reviewed to indicate level of legal obligation for budget presentation. Copies of a district’s budget will also be available for students to review so that one option for presentation is seen. No budget course is complete unless one considers the actions one must take to monitor and administer the budget once it is approved. Practical methods of keeping track of purchases will be discussed and systems typically seen in school districts to monitor purchases and budgets will be reviewed. Since this is the last class, a portion of the class will be devoted to pulling all the information together so that the practical aspect of preparing, gaining support for, and monitoring a budget is well understood.

The expectation of this session is that students become familiar with real life school budgets so that they see how well documented and important the process is within their communities. The final expectation is to help students understand that there is a very practical side of preparing a budget which is to live within the confines and to use the funds to purchase items necessary to run school programs.

Assignment - Text background in chapter 7
Oral presentations are complete

7. **May 3, 2012** - Review of key topics from prior sessions. Also to be discussed are current issues in school funding and how those issues impact educational decisions.

**Project is due at the START of class.**

**Text:** School District Budgeting by William T. Hartman (See page references above)

Supplemental Text: Principles of School Business Management by Wood, Thompson, Picus, Tharpe

**Student Performance:**

**Oral Presentation:** Prepare a 5 minute presentation to the class as if they were new school board members curious about one of the following topics:

1. How is the current economy impacting school funding?
2. Where should the board look to reduce spending in public education?
3. What are the benefits and disadvantages of televising board meetings?
Be prepared to answer questions from the class.

**Project:** Put together a three year budget for a new school program. Explain the program and present alternative scenarios for funding the program budget. Prepare a communications document which focuses the board, administration and community on the appropriateness of the program and the need for the funding recommended. The program explanation should be about one page. The costing of the program should be about one page and the communications document should be about two pages. The total project must not be longer than four pages. Graphs and charts are required. Costing in terms of millage is required. Purchase of equipment of at least $100,000 is required.

**Paper:** Write a paper between 2 and 3 pages in length. Choose a newspaper article from the past year concerning school funding or spending issues and write a pro and con perspective on the issues in the article. News article must be attached to the paper.

**Grading parameters:**

Oral Presentation - 20%
Project – 40% *(Late submission - deduct one grade for each day late)*
Paper – 40% *(Late submission - deduct one grade for each day late)*

*This course only runs seven weeks, and involves a lot of class discussion on key topics. Attendance is required to benefit from those discussions. Failure to attend two or more classes will affect the grade in the class.*

One absence – no penalty
Two absences – one +/- grade reduction
Three absences - full grade reduction
More than three absences may result in failure of the class

**Recording of class policy:**

"No student may record or tape any classroom activity without my express written consent. If a student believes that he/she is disabled and needs to record or tape classroom activities, he/she should contact the Office of Disability Resources to request an appropriate accommodation."