

Budget Training Camp

Part I: Budget Creation



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Business Administrator
Lacey Township School District

September 18, 2017



Why we do what we do . . .



Date	Opponent	Result
8/31:00p	@ Matawan Regional (Aberdeen, NJ) Location: Matawan Regional High School	Preview Game
9/9:00p	Toms River South (Toms River, NJ) Location: Lacey Township High School	Preview Game
9/16:00p	Point Pleasant Boro (Point Pleasant, NJ) Location: Lacey Township High School	Preview Game
9/22:00p	@ Pinelands Regional (Tuckerton, NJ) Location: Pinelands Regional High School	Preview Game
9/29:00p	@ Liberty (Jackson, NJ) Location: Liberty High School	Preview Game
10/7:00p	@ Lakewood (Lakewood, NJ) Location: Lakewood High School	Preview Game
10/14:00p	Barneгат (Barneгат, NJ) Location: Lacey Township High School	Preview Game
10/20:00p	@ Donovan Catholic (Toms River, NJ) Location: Donovan Catholic High School	Preview Game
10/28:00p	Southern Regional (Manahawkin, NJ) Location: Lacey Township High School	Preview Game
11/3:00p	Manchester Township (Lakehurst, NJ) Location: Lacey Township High School	Preview Game



The Budget Schedule

July

- Opening of current year budget

August

- Preparation and distribution of budget data collection tools to budget managers

September through January

- Collection and review of departmental budgets
- Discussion of departmental budgets with budget managers
- Public discussion of budget issues as appropriate

February

- Preparation of tentative budget for submission to the Board
- DOE release of state aid figures



The Budget Schedule (Cont.)

March through May

- Board adoption and transmission of tentative budget to County Office
- County Office approval of tentative budget for public advertising
- Preparation of final budget for submission to the Board
- Public Budget Hearing Board at which the final budget is adopted
- Submission of final budget to County Office and Department of Education

July/August

- Monthly budget meetings between the BA and budget managers

<http://www.nj.gov/education/finance/fp/dwb/calendar.pdf>



Basic Budget Terms

Budget

“PLAN” for the appropriation, encumbrance and expenditure of revenue

Appropriation

Revenue budgeted for a particular purpose

Encumbrance

Legal commitment of all or part of an appropriation

Expenditure

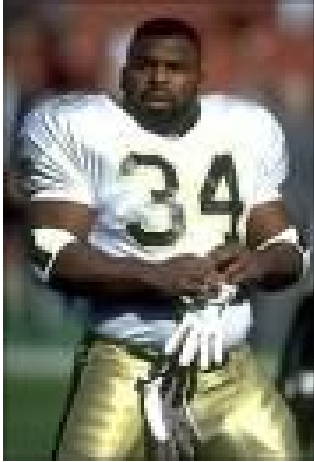
Payment of all or part of an encumbrance

Revenue

Funds the district expects to receive during the year



You can't make this stuff up!



*Craig "Ironhead" Heyward
Running Back, New Orleans Saints*

"People say I'll be drafted in the first round, maybe even higher."

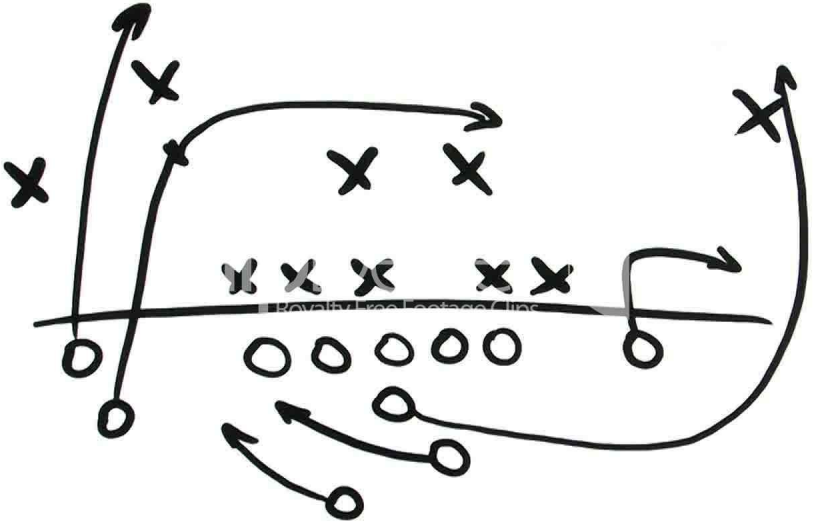


*Joe Theisman
Quarterback, Washington Redskins*

"Nobody in football should be called a genius. A genius is a guy like Norman Einstein"



Budget Playbook



A 3-Play Drive

Play #1

Estimate total **revenue**

Play #2

Estimate total **appropriations**

Play #3

Estimated total revenue must = estimated total appropriations



The 2017-2018 Budget



fb01x006 www.fotosearch.com



Play #1: Revenue

	\$	%
General Operations		
Local Tax Levy	\$45,642,489	
State Aid	21,504,577	
Fund Balance	71,943	
Transfer from Cap Reserve	500,000	
Miscellaneous (Incl. E-Rate & SEMI)	<u>475,630</u>	
Subtotal	68,194,639	92.7%
Grants	1,465,834	2.0%
Debt Service	<u>3,905,738</u>	<u>5.3%</u>
Total Revenue	\$73,566,211	100.0%

Source: 2017-2018 District Budget



Play #2: Appropriations

	\$	%
General Operations		
Regular Programs – Instruction	19,553,535	
Special Education – Instruction	7,048,643	
Bilingual Education – Instruction	179,712	
Co-curricular & After School	413,653	
Athletics	1,092,753	
Tuition	2,720,540	
Attendance and Social Work	199,496	
Health Services	623,608	
Related Services	719,960	
Guidance	1,247,076	
Child Study Team	1,128,996	
Improvement of Instruction	1,541,189	
Media Services	450,567	
Staff Training	96,000	



Appropriations (Cont.)

	\$	%
Administration	3,020,141	
Information Technology	640,452	
Facilities	5,054,135	
Security	408,325	
Transportation	3,347,101	
Employee Benefits	18,017,405	
Capital Outlay	<u>691,352</u>	
Subtotal	68,194,639	92.7%
Grants	1,465,834	2.0%
Debt Service	<u>3,905,738</u>	<u>5.3%</u>
Total Appropriations	\$73,566,211	100.0%



Source: 2017-2018 District Budget



Appropriations (Cont.)

Play #3: Revenue = Appropriations



Source: 2017-2018 District Budget



“Fixed” vs. “Variable”

“Fixed” (Non-discretionary) Appropriation

An appropriation over which the district has no control and which remains the same from period to period

Examples of a Fixed Appropriation

- Debt
- Contractual obligations
- Regulatory Requirements



“Fixed” vs. “Variable” (Cont.)

“Variable” (Discretionary) Appropriation

An appropriation over which the district has at least some control and which may change from period to period

Examples of a Variable Appropriation

- Employee wages (increase or decrease number of employees)
- Employee benefits (increases or decreases with change in employees)
- Supplies (increase or decrease number of classes)
- Professional development (increases or decreases with change in employees)



The Key to Budgeting



Sustainability!



The Board's Role

- Understand how the district operates
 - Governance
 - Policies
 - Curriculum and programs
 - Staffing
- Understand the budget process
- Establish clear and realistic budget goals – aligned with the district's mission to instruct
- Remain informed on the development of the district budget through periodic updates from district administration
- Offer meaningful and constructive comments and questions
- Review and approve preliminary and final budgets for submission to the Executive County Superintendent



Questions?



Budget Training Camp

Part II: Budget Management

October 16, 2017



Thank you!

