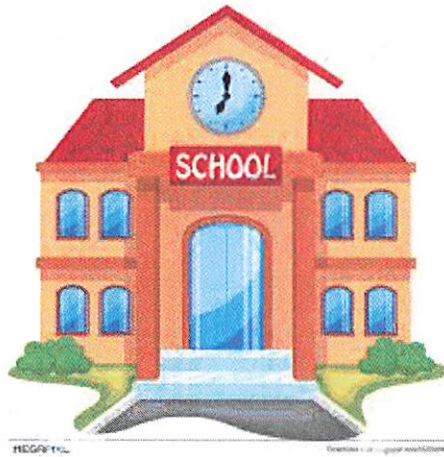


# FY 2022-23 Budget Development and Timeline



September 15, 2022

# • The EC Way

- **Mission**

Together, we will customize learning experiences so that every student is continuously challenged to advance their knowledge and ability in every classroom in every school, every day.

- **Vision**

We envision an inclusive, exceptional school system that teaches all children to read critically, write compellingly, think logically, and solve problems creatively. We prepare students for life, equipping them with the ability to earn credentials they find appealing and have value in today's economy.

- **We Value**

- Diversity
- Customer Service
- Personal Accountability
- Fiscal Responsibility
- Adaptability
- Collaboration
- Loyalty
- **Growth**

We aim to cultivate literate problem-solvers who are prepared to thrive in an interconnected world with a dynamic economy.

# Standardized System for Account Codes

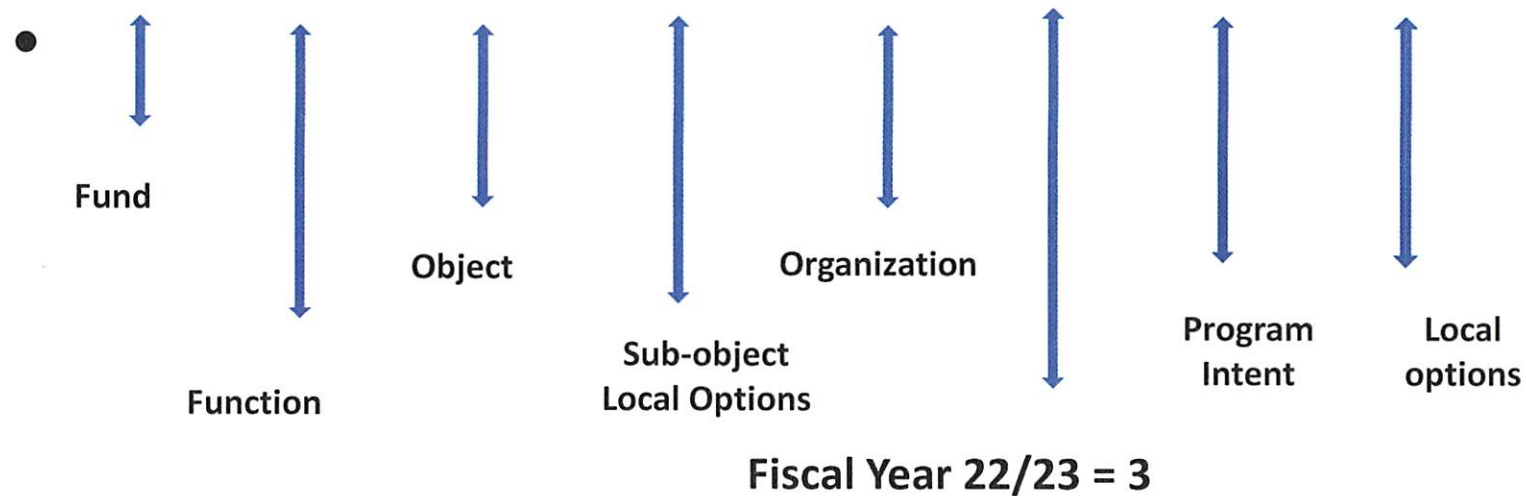
- Required by Texas Education code (TEC44.007)
- Must meet requirements set by State Board of Education (SBOE)
- Supports the submission of data to PEIMS (Public Education Information Management System)

# Who Uses this Information???

- Texas Education Agency
- Board of Trustees
- Texas Legislature
- Legislative Budget Board
- State Agencies, such as Comptroller's Office
- Federal Agencies, such as US Dept. of Education
- Bond Rating Agencies
- Auditors
- Campus and District Personnel
- John Q. Public – Our taxpayers and Citizens

# The Code Structure

- Twenty-digit structure
- XXX- XX- 6XXX- XX - XXX - X - XX- XXX



# Fund Code







- XXX- XX- 6XXX- XX - XXX - X - XX- XXX
- First three digits of the account code
- 1xx = General Fund (Local Maintenance)
- All fund number 100 to 199 convert to 199 for PEIMS.
- 2xx = Federally Funded Programs (example 211 is Title I, Part A)

## Fund Numbers and Account Code Names

	<b>GENERAL FUND</b>
161	Curriculum
162	Bilingual
164	Gifted/Talented
165	Career & Tech
166	Sp Education
167	Athletics
168	Community Education
169	State Comp Ed.
170	D/W PE Program
171	After School Challenge
172	DAEP
173	BCLC / SCE
174	D/W Counseling
175	Campus
176	Mentoring Program
177	Summer Enrichment Program
178	Homebound/504
179	SCE Preg Related Services
180	HS Commercial Account
181	SCE Dyslexia
182	Library
183	Technology Local Funds
184	TRS On Behalf
185	Early College HS
186	Summer Bridge Program
187	AVID Program
188	NEIMIS Grant/Matching
189	Service Learning
190	Payroll Clearing Acct
191	District Accounts
192	Breakthrough Coaching
193	Early Education Allotment
194	COVID 19
195	Summer @ EC
196	CCMR
199	Local Maintenance
	<b>FEDERAL FUNDS</b>
206	Texas Homeless Grant
211	Title I, A (also Part D)
224	IDEA-B, Formula (Child Serve)
225	IDEA-B, PreSchool
240	Child Nutrition Program
244	Federal Vocational Basic (C.Perkins)
255	Title II, Part A
263	LEP Grant
272	MAC PROGRAM
281	1 ESSER II
282	1 ESSER III
287	UT Gear Up
289	LEP Summer School
	<b>STATE GRANTS</b>
397	Advanced Placement
410	Instructional Materials
461	Student Accounts (Audit Entry Only)
599	Interest/Sinking (sep ck book)
	<b>SPEC REV/LOCAL GRANTS</b>



# Function Code – Most Commonly Used By Campuses

- XXX-**XX**-6XXX- XX - XXX - X - XX- XXX
- 11 – Instruction (Teachers/Instructional Paraprofessionals) 
- 12 – Instructional Resources & Media Services (Library) 
- 13 – Curriculum Development & Instructional Staff Dvlp.  
(only for function 11 and 12 staff) 
- 21 - Instructional Administration (CO Curriculum Staff)
- 23 – School Leadership (Principal, Vice Principals, Secretaries/Clerks for  
Principal/VP's, Attendance Clerks, Bookkeeper, Receptionist , Registrar) 
- 31 – Counseling Services (Counselors, LSSP's, Secretaries/Clerks)
- 32 – Social Services (Truancy, Social Workers) 
- 33 – Health Services (Nurses and Health Paraprofessionals) 



# Function Codes Continued

- 34- Transportation A yellow school bus with "SCHOOL BUS SAFETY" written on its side.
- 35 - Food Service (Child Nutrition Program)
- 36 – Extracurricular Activities (examples Athletics, UIL, Drill Team) A cartoon cheerleader in a blue and red outfit with a yellow pom-pom.
- 41 – District Administration (Supt, Business Dept, Personnel, etc)
- 51 - Plant Maintenance (Building maintenance, custodial) A cartoon maintenance worker in a blue uniform and red cap holding a tool.
- 52 - Security Services (ECPD, Alarms, Raptor)
- 53 – Data Processing Services (Attendance/Accounting Software, Technology Upgrades)
- 61 – Community Services (Parent Involvement, Community Ed)
- 71 - Debt Service (Payment of Bonds)
- 81 – Facility Improvements (Upkeep of Buildings, New Buildings)

# Object Code - Expenses

- XXX- XX- 6XXX- XX - XXX - X - XX- XXX
- 61xx = Payroll Cost
- 62xx = Professional and Contracted Services
- 63xx = Supplies and Materials
- 64xx = Other Operating Expenses
- 66xx = Capital Outlay/Fixed Assets

# Object Code – Expenses 61xx

## Payroll Cost

- XXX- XX- 61XX- XX - XXX - X - XX- XXX
  - 611x = Teachers, Other professional personnel
  - 612x = Support personnel (para's, auxiliary staff)
  - 613x = Employee allowances
  - 614x = Employee benefits (Health, TRS, etc.)

# Object Code Expenses – 62xx

## Professional/Contracted Svs.

- XXX- XX- 62XX- XX - XXX - X - XX- XXX
  - 621x = Professional Services (professionals who are required to be licensed or registered with the state)
  - 622x = Tuition and transfer payments
  - 623x = Education Service Center services
  - 624x = Contracted maintenance & repair services
  - 625x = Utilities
  - 626x = Rentals & Operating Leases
  - 629x = Misc. contracted services
  - Code 6298 for Subs with ESS



# Object Code Expenses – 63xx

## Supplies/Materials

- XXX- XX- **63**XX- XX - XXX - X - XX- XXX
  - 631x = Supplies/Materials for Maintenance
  - 632x = Textbooks and Reading Materials
  - 633x = Testing Materials
  - 634x = Food Service & other resale items
  - 639x = Supplies/Materials/Inventory Control
    - 6395 Inventory Control/Furniture
    - 6396 Inventory Control A/V Equipment
    - 6397 Inventory Control Technology Related Equipment
    - 6398 Inventory Control Other not listed above

# Object Code Expenses – 64xx

## Other Operating Costs

- XXX- XX- 64XX- XX - XXX - X - XX- XXX

- 641x = Travel & subsistence

- 642x = Insurance & bonding cost

- 643x = Election cost

- 649x = Miscellaneous operating cost.






# Object Code Expenses – 66xx

## Capital Outlay Expenses

- XXX- XX- **66**XX- XX - XXX - X - XX- XXX

- 661x = Land purchase & improvements
- 662x = Building purchase, construction or improvements
- 663x = Furniture & equipment (per unit cost \$5000 or greater and useful life of more than one year)
- 664x = Fixed Assets district defined
- 665x = Fixed Assets under capital leases
- 666x = Library books & media (per unit cost \$5000 or greater)

# Sub-Object Code

- XXX- XX- 6XXX-  XXX - X - XX- XXX
- Two digit code that allows a district to account for additional information

Example of some sub-objects:

19 = Dyslexia

30 = PE

31 = Band

32 = Choir

61 = Attendance Incentives

FYI Meredith uses many different sub-object codes in the federal funds to separate funds by different initiatives.

# Organization Codes

- XXX- XX- 6XXX- XX - **XXX** - X - XX- XXX
- Three digit code that allows for accounting of a responsibility group
- Two main types of organization codes
  1. Campus units
    - 001-040 = High School Campuses
    - 041-100 = Middle School/Intermediate School
    - 101-698 = Elementary School Campuses
    - 699 = Summer School
  2. Administrative/department units
    - 800-997 = Locally Defined Codes
    - 999 = Undistributed Organization Code






# Organization Codes

Campus #	School Name	Dept #	Department Name	Dept	Department Name
001	High School	701	Superintendent	812	DW Social Services
005	BCLC	702	School Board	815	Data Assessment
007	CAST Lead	703	Tax/Shannon Burns	817	Food Service
008	RTI/DAEP	709	Chlohlis/Zotz	819	Maintenance
043	Heritage	710	Attendance	820	Sewer Treatment Plant
044	Legacy	711	Student Services	822	Grounds
102	Harmony	712	Textbook	823	Ex Dir of Facility
103	Pecan Valley	713	Grant Writing	825	Transportation
104	Sinclair	726	Personnell	826	Police
106	Highland Forrest	727	Business	827	Warehouse
108	Tradition	728	Records Management	828	Truancy
110	Oak Crest	729	Risk Management	829	Pest Control
111	Salado	730	Purchasing	830	Maint Complex
699	Summer School	731	COOR Ex Svs	831	Technology Adm
		800	District Wide	832	Central Office (Bldg)
		801	G/T	833	Purchasing
		802	Bilingual	834	Tennis Center
		803	Community Ed	835	Health Benefits Mngt
		804	Sped Adm	836	Custodial
		805	C/T Adm	837	Professional Support Center
		806	Curriculum Dept	838	Annex (Bldg)
		807	DW Counsel	846	Utilities
		809	Library Adm	849	PAC
		810	DW Health	997	Instructional Specialist
				999	District Wide

# Fiscal Year Code

- XXX- XX- 6XXX- XX - XXX - X - XX- XXX
- One digit code that identifies the fiscal year
- For most funds such as the general fund 199 (1xx) the fiscal year and school year are the same.
- Examples
  - 3 = 2022/23
  - FYI - For some federal funds the fiscal year code stays the same for a multi-year grant.

# Program Intent Code

- XXX- XX- 6XXX- XX - XXX - X -  XXX
- Two digit code that identifies the costs associated with a specific set of students
  - 11= Basic Educational Services
  - 21= Gifted and Talented
  - 22 = Career and Technical
  - 23 = Special Education (students with disabilities)
  - 24 = Accelerated education (State Comp Ed / SCE)
  - 25 = Bilingual Education
  - 30 = Title I School wide Actives related to SCE
  - 32 = Prekindergarten (Pre-K)
  - 33 = Prekindergarten - Special Education
  - 34 = Prekindergarten – SCE
  - 35 = Prekindergarten – Bilingual
  - 36 = Early Education Allotment (K-3 Math/Reading – new)
  - 37 = Dyslexia (Regular)
  - 43 = Dyslexia (Sped) NEW
  - 91 = Athletics and related activates
  - 99 = Undistributed costs



# Optional Codes

- XXX- XX- 6XXX- XX - XXX - X - XX- XXX
- Additional digits that can be used at the district option to provide further detail to account codes
- Example
  - P = postage
  - C/T uses these codes to separate different c/t programs.

## Budget Overview

### What is a Budget?

- A process of allocating resources to prioritized needs of a campus and/or district
- A product of the campus and district planning process
- A valuable tool in the planning and evaluation process
- The link between instructions and financial planning

### Legal Requirements

- State Law – Texas Education Code (TEC) 44.002 through 44.006
  - Superintendent (or designee) shall prepare budget
  - Budget must be prepared by August 20<sup>th</sup>
  - President of the Board must call public hearing
  - Notice of the public hearing must be published in a daily, weekly or bi-weekly newspaper published in the district (not earlier than 30<sup>th</sup> day or later than the 10<sup>th</sup> day before the date of the hearing)
  - No funds must be expended until adoption of the budget
  - Budget must be prepared in accordance with GAAP (accounting practices)
  - Budget must be adopted before the tax rate
  - Public funds of a district may not be spent in any manner other than as provided for in the budget adopted by the board, but the board may amend a budget or adopt a supplementary emergency budget to cover necessary unforeseen expenses.
- State Law – TEC 29.081 (b-1)
  - A district that is required to provide accelerated instruction under TEC 29.081 (b-1) shall separately budget sufficient funds, including funds under Education Code 42.152, for that purpose.
  - A district may not budget funds received under Education Code 42.152 for any other purpose until the district adopts a budget to support additional accelerated instruction. *Education Code 29.081 (b-2)*

- State Law – TEC 44.0041
  - The district shall post a summary of the proposed budget on the school district’s Internet website or, if the district has not Internet website, in the district’s central administrative office.
- State Law – TEC 44.0051
  - On final approval of the budget by the Board, the district shall post on the district’s Internet website a copy of the budget adopted by the Board. (Note. The budget must remain posted on the website until the 3<sup>rd</sup> anniversary of the date the budget was adopted.
- State Law – Local Government Code 140.0045
  - The proposed budget of a district must include a line item indicating expenditures for notices required by law to be published in a newspaper by the district or a representative of the district that allows as clear a comparison as practicable between those expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year.
- TEA Requirements
  - Budget must be adopted by Board by August 30<sup>th</sup> (East Central operates under a September 1<sup>st</sup> fiscal year)
  - Minutes must reflect all Budget adjustments
  - At a minimum, the General Fund, Food Service Fund and Debt Services Fund must be adopted
  - Budget must be filed with TEA through PEIMS
  - Budget must be amended before exceeding any function

## **Local Policy Requirements**

- School Board Policy CE Local
  - The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.

## **What factors determine how much money we receive in the General Fund?**

- Federal revenue
  - Formula Grants – based on eligibility
  - Discretionary Grants – based on population to be served or serviced to be provided

- **State Revenue**
  - Student Average Daily Attendance (average of entire school year)
  - Number of students served in special programs
    - Special Education
    - Compensatory Education – At Risk
    - Bilingual/ESL
    - Career and Technology (CTE)
    - Other allotments such as Early Education, Dyslexia, College0Career-Militray Readiness (CCMR)
- **Local Revenue**
  - Property Taxes
  - Investment interest earnings
  - Athletic gate receipts
  - Other miscellaneous local revenue

## **Type of budget methods used at East Central ISD**

- **Site-based budgeting**
  - Each campus and department submit requests for additional staff based on master schedule or department operational needs to Admin Council for approval
    - Campuses – master schedule and instructional support
    - Departments – suggested criteria by department is noted below
      - Custodial and maintenance staff – building square footage
      - Child Nutrition staff – meals served
      - Transportation staff – routes and miles driven
      - Technology staff – networks and devices maintained

➤ **Line-item budgeting**

- Each campus and department base their discretionary budget allocations for the upcoming budget year based on the “historical” approach where they base their expenditure request upon prior year expenditures. Note – The Discretionary budget allocation included object categories:
  - 6100 - Extra Pay Duty
  - 6200 - Purchased Contracted
  - 6300 - Supplies and Materials
  - 6400 - Travel and miscellaneous cost
  - 6600 - Capital purchases (equipment, vehicles, etc.)
- Allow campus and department administrators to make budgetary decisions for their own campus or department
- Budget development is accomplished through collaboration from CFO and each principal and/or director

## **Budget Process Overview**

- Three major phases: planning, preparation, and evaluation
- Planning defines the goals and objectives of the campuses
- Budgetary resources allocations are the preparation phase of the budget
- Evaluation typically involves an examination of:
  - How the funds were expended
  - What outcomes resulted from the expenditure of funds
  - To what degree these outcomes achieved the objectives stated in the planning process
  - The evaluation process determines the following year’s budgetary allocations
- The Budget process is part of a continuous cycle of planning and evaluation to achieve campus and district goals
- The district’s mission statement and goals should be the foundation to budget planning, preparation and evaluations.

## East Central ISD

### Budget Calendar 2022-2023

<b><u>Budget Process</u></b>	<b><u>Timeline</u></b>	<b><u>Responsibility</u></b>
Budget preparation overview session	March	Superintendent & Admin Council
Meeting with Principals & Directors regarding enrollment projections, staffing needs, allocations.	February/March	Superintendent & Admin Council
Purchase Order Cutoff Schools/Departments	April 15	Principals & Directors
Campus/Department Budget request due to for review	May	Principals & Directors
Review budget request entered into budget system	April/May	CFO
Review proposed budget with each Principal & Director	April-May 2023	Principals & Directors
Budget Workshop to present/review Budget & employee compensation plan (if necessary)	July 2023	Board of Trustees, Superintendent & CFO
Board Meeting - Adopt 2022-2023 Employee Compensation Plan	June 2023	Board of Trustees, Superintendent & CFO



Publish Notice of Public Hearing on proposed 2022-2023 Budget & Tax Rate	August 2023	CFO
Conduct Public Hearing on Proposed Budget & Tax Rate	August 2023	Board of Trustees
Board Meeting – Adopt Budget	August 2023	Board of Trustees
Budget for 2022-2023 becomes effective and is available for encumbrance of purchase orders and expenditure	September 1	CFO
Board meeting—Adopt 2022-2023 Tax Rate	August 2023	Board of Trustees

## **Preparing and Submitting a Campus Budget**

- Review the District Improvement Plan and Goals
- Prepare a Needs Assessment for all student populations for the Campus
- Update the Campus Improvement Plan
- Review the Budget Calendar (Appendix B) – plan accordingly
- Determine if any program and/or master schedule changes will be implemented during the next school year
- Determine the staffing needs for the upcoming school year – submit request for new staff positions to Admin Council
- Complete Budget worksheets meeting to go over Budget completed

**Worksheets with CFO**