

720.00 ESTABLISHMENT AND ADOPTION OF SCHOOL DISTRICT BUDGET

PREAMBLE

Saint Paul Public Schools recognizes the importance of community input as spending decisions are made. SPPS will strive to make decisions in a collaborative and transparent manner, providing members of the SPPS community with means by which they can influence the district's spending decisions.

PURPOSE

The purpose of this policy is to set expectations regarding the roles of the community and the Board of Education in the budgeting process and to establish lines of authority and procedures for the establishment of the school district's revenue and expenditure budgets. The policy of the school district is to establish its revenue and expenditure budgets in accordance with the applicable provisions of law. The annual budget will effectively express and implement the school district's goals and priorities.

REQUIREMENT

- A. The school district must maintain separate accounts to identify revenues and expenditures for each building. Expenditures shall be reported in compliance with Minnesota Statutes section 123B.76.
- B. Prior to July 1 of each year, the school board shall approve and adopt its initial revenue and expenditure budgets for the next school year. The adopted expenditure budget document shall be considered the school board's expenditure authorization for that school year.
- C. Each year, the school district shall publish its adopted revenue and expenditure budgets for the current year, the actual revenues, expenditures, and fund balances for the prior year, and the projected fund balances for the current year in the form prescribed by the Minnesota Commissioner of Education within one week of the acceptance of the final audit by the school board, or November 30, whichever is earlier. A statement shall be included in the publication that the complete budget in detail may be inspected by any resident of the school district upon request to the superintendent. A summary of this information and the address of the school district's official website where the information can be found must be published in a newspaper of general circulation in the school district. At the same time as this publication, the school district shall publish the other information required by Minnesota Statutes section 123B.10.
- D. At the public hearing on the adoption of the school district's proposed property tax levy, the school board shall review its current budget and the

proposed property taxes payable in the following calendar year.

E. The school district must also post the materials specified in section C above on the school district's official website, including a link to the school district's school report card on the Minnesota Department of Education's website, and publish a summary of information and the address of the school district's website where the information can be found in a qualified newspaper of general circulation in the district.

BOARD BUDGET

The Board Budget is a section of the district's budget that funds the operations of the Board of Education. Prior to the end of January each year, the Board of Education will evaluate the current year's Board Budget and draft a Board Budget for the following fiscal year. This task may be delegated to a committee or workgroup of the Board. This Board Budget will be provided to district leadership for consideration in their first drafts of budget options.

PUBLIC INPUT

The district shall host public meetings to gather feedback from community members for the purpose of informing budgetary decisions. At least one of these public input sessions will take place prior to winter break. At least one will take place within the eight weeks prior to the adoption of the budget.

WORKING SESSION

By the end of the third full week of February at the latest, the board will hold a public Working Session to establish a set of options for district draft budgets for the upcoming school year and to review information such as:

- A. A forecast of projected revenues and expenditures;
- B. Legislative impacts;
- C. Parameters for Collective Bargaining Agreement settlements,
- D. Inflationary pressures; and
- E. Feedback from principals, parents, employees, students, and other relevant community input on budget priorities

BUDGET OPTIONS

It shall be the responsibility of the Superintendent and designated staff members to prepare presentations regarding the specified budget options. These options will be publicly submitted to the Board no later than the April Committee of the Board meeting each year. The draft budgets shall include a multi-year (at least three-year) forecast of projected revenues and expenditures and other material assumptions. These budget options should be crafted using data on the effectiveness of existing programs and expenditures, and should be explicitly aligned to the strategic plan of the District as well as the goals of the Board of Education, if the Board has set goals.

FINAL BUDGET

The composition of the final budget will be a packet composed of required fund allocations, comparison to prior fiscal year, and a detailed document that breaks down all site allocations, administration departmental funding, displaying dollar amounts, and FTE's. The Board will be provided with a document outlining the district-wide expected contracted services by dollar amount and percentage of total fund.

ADJUSTMENTS

The Board of Education may shift or waive the deadlines in this policy by majority vote when necessary and allowable by law.

REALLOCATION

The Superintendent shall be authorized, in their sole discretion, to make such changes within the various budget classifications as they may deem necessary. The Board of Education will be informed of reallocations of general funds between program types of more than \$350,000.

ADOPTION

The Board of Education will demonstrate the following prior to the final budget adoption:

- A. The Board has collected and used public input to inform budget allocation.
- B. The Board has completed a working session as outlined in this policy.
- C. The Board has reviewed the requested budget options.
- D. The Board has either amended and/or adopted the budget by majority vote.
- E. The Board has completed a review of substantive reallocations between program types of more than \$350,000 in the prior year's budget.

IMPLEMENTATION

A. The school board places the responsibility for administering the adopted budget with the superintendent. The superintendent may delegate duties related thereto to other school officials, but the superintendent maintains the ultimate responsibility for this function.

B. The program-oriented budgeting system will be supported by a program-oriented accounting structure organized and operated on a fund basis as provided for in Minnesota statutes through the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS).

C. The superintendent or the superintendent's designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to school board approval.

D. Supplies and capital equipment can be ordered prior to budget adoption,

as authorized by the superintendent or designee. Other funds to be expended in a subsequent school year may not be encumbered prior to budget adoption unless specifically approved by the school board.

E. The school district shall make such reports to the Minnesota Commissioner of Education as required relating to initial allocations of revenue, reallocations of revenue, and expenditures of funds.

Legal References: Minn. Stat. § 123B.10 (Publication of Financial Information)
Minn. Stat. § 123B.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirements)

Cross References: Board Policy 301