

6100 - FINANCE GOALS AND OBJECTIVES

The District budget shall represent a translation of the education priorities of the community into an effective and efficient financial plan. The Board and/or its designee will solicit input from community, staff, and administration into the development of the budget. The Superintendent and Assistant Superintendent for Business will review this input and utilize it in the budget development as appropriate.

The Board directs the Superintendent to periodically advise the Board of the major decisions the Board will be required to make which will affect the expenditures and receipts of the annual budget and the effect of those decisions on the following guidelines and standards established to maintain a financially strong district.

A.

In the planning and budgeting process, the District 97 Board of Education shall focus on one-year and rolling five-year time horizons.

B.

The Board shall obtain one-year and five-year financial projections from the Administration during the annual budgeting process and at least one other point approximately halfway through the fiscal year. During periods of financial duress as defined by bullet points C through E below, more frequent financial projections shall be obtained.

C.

The Board will strive to adopt an annual operating expenditure budget wherein anticipated operating expenses equal anticipated revenues. To the extent that the Board determines that a balanced budget would result in expenditure reductions that would injure the educational program of the District, the District may elect to adopt a budget wherein anticipated expenditures exceed anticipated revenues. Under these circumstances, the district will follow all state laws, statutes, and regulations as promulgated by the State Board of Education.

D.

Projected monthly fund balances shall not go negative over the next two fiscal years.

E.

Over a five-year planning period, the projected ending reserve balance shall not assume a negative value for any of the fiscal years.

F.

The Board shall be able to estimate its Illinois State Board of Education financial score at any point in time and on an annual projected basis when five-year projections are performed.

G.

The Board shall take specific actions required by the Illinois State Board of Education given the Designation Category determined by the District's score on the State Financial Profile and implement the recommendations or explain, in an official Board Report, why they are not able to do so.

H.

The Board shall require quarterly budget variance reviews with schools and school programs and obtain explanations of significant variances from budget to actual and provide them to the Board.

In addition to taking any actions required through a state school finance evaluation program, the Board and

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Administration shall take appropriate actions when any of the financial measures specified in points C through E above cannot be met in order to bring the particular financial measure back within the prescribed standard or explain in a Board report why it is unable to do so. To achieve these measures, these actions may include, but are not limited to (in no specific order):

A.

a curtailment in hiring;

B.

a curtailment in implementation of new programs or in the initiation of the next phase of an existing program;

C.

enacting an expenditure budget for the next fiscal year that cannot exceed the projected actual expenditures for the current fiscal year;

D.

personnel reductions that are not constrained by current collective bargaining agreements;

E.

recommendation of a referendum to address the financial situation, recognizing the importance of balancing educational quality with prudent stewardship of public resources;

F.

establishment of a temporary Finance Advisory Committee comprised of primarily of residents of District 97 to recommended remedial actions to the Board.

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