

PARKROSE SCHOOL DISTRICT

BUDGET COMMITTEE DUTIES & RESPONSIBILITIES

APRIL 15, 2015

WHY DO WE DO THIS?



BUDGET PROCESS & ROLES

	Administration	Budget Committee	Board
Timeline:	January - June	April - May	October – June
Budget Version:	Proposed	Approved	Adopted
Responsibilities	<ul style="list-style-type: none"> -Determine staffing levels and prepare budget aligned to Board goals -Internal discussion with staff representing schools and major programs -Staffing begins March 1 	<ul style="list-style-type: none"> -Review budget for accuracy & alignment to Board goals -Receive Public Comment -Approve budget and tax levies 	<ul style="list-style-type: none"> -Gives direction to budget process -Set financial goals -Appoint Budget Committee members -Budget Hearing -Adopt budget, set appropriations and approve tax levies

THE BUDGET PROCESS

- The District's fiscal year spans July 1 through June 30. Within this time period, the budget is developed incorporating input from the Board of Education, the Superintendent and staff, the public, and information from the State Legislature regarding the level of State School Fund (SSF).
- Budgeting in Oregon is governed by Local Budget Law, Chapter 294 of the Oregon Revised Statutes. The law has two major objectives:

THE BUDGET PROCESS

- To provide standard procedures and preparing, presenting, and administering local budgets.
- To ensure citizens involvement in the preparation of the budget.
- Local Budget Law provides a method of estimating revenues, expenditures, and proposed taxes and offers an approach for outlining the programs and services to be provided by the schools to implement fiscal policies and financial decisions.

THE BUDGET PROCESS

- The structure of school budgets in the State of Oregon is further defined by the Oregon Department of Education (ODE).
- The ODE, through the administrative rule process, defines the structure of the budget and the classification system to be used.
- The budget forms defined by ODE present the planned resources and requirements the District budgets to carry out its educational mission.

THE BUDGET PROCESS

- Further information on specific requirements for the budget process and budget document may be found at the Tax Supervision Conservation Commission (TSCC) website at:
<http://www.co.multnomah.or.us/orgs/tsc/>
- Detail on ODE requirements can be found in the Oregon Administrative Rule (OAR), at:
<http://arcweb.sos.state.or.us/pages/rules/access/numerically.html>

THE BUDGET PROCESS

- Budgeting is not simply done once a year. It is a continuous process taking 12 months to complete a cycle. The budgeting process has various phases with three district products:
 - **Proposed Budget:** Staff works to assist the Superintendent and to prepare a Proposed Budget for the upcoming fiscal year. In addition to staff work, the Superintendent holds regular updates and discussions with the Board. The outcome is the Superintendent's Proposed Budget document.

THE BUDGET PROCESS

- **Approved Budget:** The Budget Committee reviews and discusses the Proposed Budget. This phase of budget development also requires public participation and at least one opportunity for community input.
- **Adopted Budget:** The Board further refines the Budget prior to final adoption in late June, but no later than June 30. The Board, as governing body, votes to adopt the Budget. The outcome is a legally Adopted Budget.
- **Amending the Budget:** Local Budget Law defines procedures and controls on allowed changes to the budget during the fiscal year, commonly referred to as supplemental budgets. In supplemental budgets, the District may increase appropriations within the guidelines defined in Local Budget Law.

THE BUDGET PROCESS

- The size of the increase determines whether a minor or major supplemental budget process is required.
 - The minor supplemental budget process (increase in any fund must be less than 10 percent) provides the Board the opportunity to change the budget during the year.
 - A major supplemental budget process (any fund increase of ten percent or more) occurs as needed. Major supplemental budget actions require a public notice and public hearing.
- **Audit:** A review of the financial statements of the district for June 30th. The comments from audit are reviewed by the Board as provided by the independent audit company for compliance with legal requirements and Generally Accepted Accounting Principles (GAAP).

BUDGET OFFICER AND BUDGET COMMITTEE

- To ensure participation in the budget process, Local Budget Law requires that a Budget Officer be appointed and a Budget Committee consisting of Board members and members of the public be formed.
- The District's Budget Officer prepares the Proposed Budget under the direction of the Superintendent. The Budget Committee then reviews, revises, and approves the budget before it is formally adopted by the governing body.

BUDGET OFFICER AND BUDGET COMMITTEE

- Public notices are published, budgets are made available for public review, and opportunities for public comment are also provided.

PREPARING THE FY 2015-16 PROPOSED BUDGET

- The Superintendent is responsible for overseeing the preparation of the Proposed Budget for presentation to the Board of Education, acting in its capacity as the Budget Committee.
- The Proposed Budget is the final product of an extensive collaborative process of budget development, analysis, and revision.
- The Budget Officer appointed by the Board coordinates these efforts with faculty, staff and other administrators.

PREPARING THE FY 2015-16 PROPOSED BUDGET

- The Budget Committee's duties cease after it has approved a Proposed Budget.
- The district Board holds a final hearing on the budget document. [ORS 294.453]
- The document presented at this hearing is the budget as recommended by the Budget Committee.
- The Board may make additional adjustments after the hearing, but not before.
- However, there are limits to the changes permitted.

PREPARING THE FY 2015-16 PROPOSED BUDGET

- State standards and the Board of Director's budget parameters give the Budget Officer and administrative staff general guidelines for budget development.
- The Budget Officer then prepares a budget that meets state requirements and the Boards parameters.
- It is this Proposed Budget which the Budget Committee considers during the meeting.

PRIMARY DUTIES OF THE BUDGET COMMISSION

- Receive a balanced proposed budget document and budget message.
- Meet publicly to review the proposed budget and require additional information as needed.
- Provide an opportunity for public to ask questions.
- Approve the budget.
- Specify the maximum property tax rate or amount for each fund that receive property taxes.

PRIMARY DUTIES OF THE BUDGET COMMITTEE

- The Budget Committee may not deliberate on the budget document before the first meeting [ORS 294.426].
- The Budget Committee does not approve any new personnel, employee contracts or salary schedules.
- The Budget Committee may request and review previously adopted salary schedules, negotiated contracts and other materials that have a fiscal impact on the budget document.

PRIMARY DUTIES OF THE BUDGET COMMITTEE

- Any deviation from this requirement could cause a liability for the district in regard to negotiated labor agreements and other contracts the district currently has in place.
- By the time the Budget Committee receives the budget message and budget document, many hours of work have been spent developing the Proposed Budget.
- The Budget Committee's role is not to establish or eliminate educational programs or services directly.

PRIMARY DUTIES OF THE BUDGET COMMITTEE

- The Budget Committee may request any information required during consideration of the Proposed Budget.
- A majority of the Committee must authorize reports that require time or expense to prepare.
- Individual members do not have the authority to ask staff to prepare documents that have not previously been published.
- The Budget Committee may also require attendance of staff members at Budget Committee meetings.

BOARD OF DIRECTORS

- The Board of Education is the chief governing body and is exclusively responsible for its public decisions.
- The Board has legal authority for all public schools in the Parkrose School District within the framework set by the Oregon Legislature and the State Board of Education.
- The Board establishes policy based on Oregon and federal laws governing schools.
- The Board acts to interpret the educational needs of the District, and then meets those needs with policies and facilities that motivate students and stimulate the learning process.

BOARD OF DIRECTORS

- The ongoing duties of the Board include allocating resources, formulating policy, and interacting with the community in support of the District mission and goals.
- The Board of Directors supports the District's efforts to achieve the mission and vision by setting annual Board goals.
- Holding staff accountable to showing measurable progress toward identified outcomes.

BOARD OF DIRECTORS

- The Board of Education is accountable of all fiscal matters that significantly affect operations.
- The chief administrative officer of the District is the Superintendent, who is appointed by the Board.
- In turn, the Superintendent is responsible for carrying out the board decisions, providing educational leadership, and managing the district's budget and staff.

THANK YOU PARKROSE SUPPORT

