

ECSD Budget Development Process 2012-2013

January 9th, 2012

Vision - The budget is the financial framework supporting the District's educational and philosophical mission, promoting the best education possible for every child.

Process for evaluating budget expenditures – The budget committee will review each budget expenditure identified for reduction using the following guiding principles for the 2012-2013 fiscal year. The budget committee will apply the **primary** guiding principles to all budget reductions. Additional guiding principles will apply to budget reductions with Tier I principles being the least damaging to student education and Tier III principles being the most damaging to student education. Budget reductions brought before the BOE will indicate the level of guiding principle, the estimated cost reduction applied to the budget and rationale.

Primary Guiding Principles

1. Comply with state and federal laws
2. Maintain safe and healthy environment/facilities
3. Budget will be balanced (without using fund balance) – for further discussion at BOE budget retreat

Tier I Guiding Principles – (least damaging)

Budget reductions using Tier I Principles will be the least damaging to student education. An example may be a reduction in supply budgets due to bidding out the purchase of copy paper. Or an example may be to reduce the staffing level of the custodial department.

1. Staffing levels align with enrollment
2. Follow/apply class size recommendations from BOE

Tier II Guiding Principles – (potentially more damaging)

Budget reductions using Tier II Principles **may** negatively impact student education. An example may be a teacher reduction that results in larger class sizes.

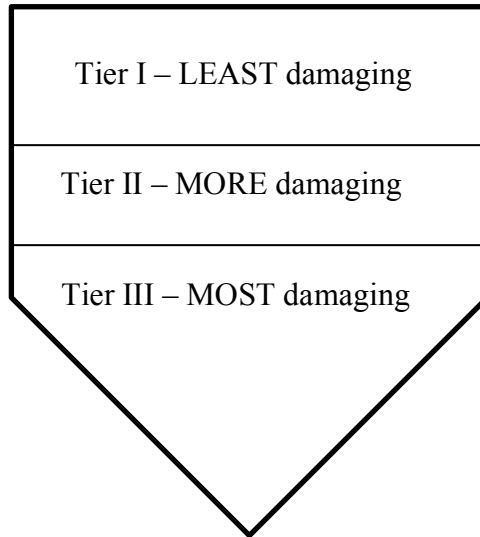
1. Utilize attrition to realign staff rather than layoffs
2. Program sustainability vs. total cost of ownership
3. Greater program efficiencies over program elimination
4. Freeze/reduce non-instruction budgets before instructional budgets

Tier III Guiding Principles – (potentially the most damaging)

Budget reductions using Tier III Principles will negatively impact student education and will therefore be the least desirable. An example may be reducing teaching staff of core subject areas.

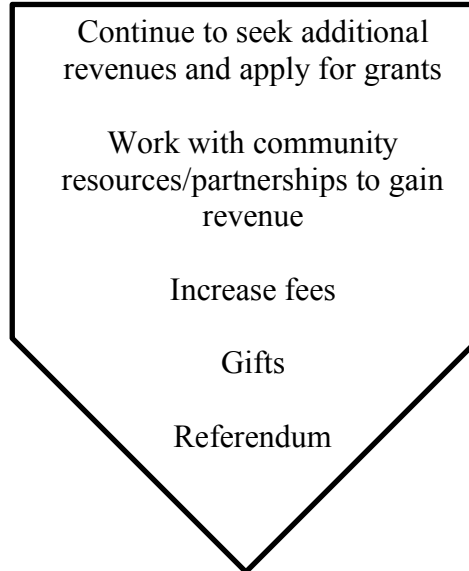
1. Budget reductions significantly affecting students
2. Utilize the "Onion" model – (core vs. non-core instruction)

Funnel for Reducing Expenses



Process for reviewing revenue sources – The budget committee will review increasing sources of revenue or researching additional sources of revenue taking into consideration the impact on state and federal school aid. The sources listed in the funnel below are in order from most likely to least likely for increasing revenues.

Funnel for Increasing Revenues



Additional budget process steps:

Review of Department Budgets

Budget committee meets with department heads to review and consider specific department budgets looking for one-time expenditures, efficiencies and expenses to defer.

Joe – operations budget

Larry – technology budget

Brian – athletic budget

Budget communication

Continue to write informational articles for the Review – Heidi and Doreen

Promote the web-site feedback link to staff and community – Administration and BOE

Post FAQs on the district web-site – Administration and BOE

Discussion of use of Fund Balance and review of board policy

Other Budgetary Items – Unknown at this time

Potential savings from utilities and snow removal for 2011-2012

Potential EEA Union concessions?

Impact of retirees if any