

Mount Pleasant Cottage School Union Free School District**SUBJECT: BUDGET PLANNING AND DEVELOPMENT****Definition**

Budgeting involves quantitative and qualitative forecasting for the fiscal year following the one the District is currently in. Forecasts are made for each account code the dollars expected to be received and the expenses expected to be incurred.

Budgeting Responsibility

The part of the District responsible for creating the next year's budget is the Business Office. The Chief Financial Officer of the Business Office serves as the catalyst in fostering forecasts and discussions among: the Superintendent, the Administrator in charge of Curriculum and Instruction, Principals and the Director of the Committee on Special Education. The purpose of such discussions is to provide the planning necessary to balance program needs with the Department of Education's Rate Setting Unit limitations.

Value of Budgeting

The responsibility for Budgeting for the District resides with the Business Office. Final approval of the Budget rests with the Board of Education.

Mount Pleasant Cottage School UFSD prepares budgets to:

- a) Assure that during the forecast year spending does not exceed the available budget
- b) Funds are spent for the intended purposes

Development and Procedures

Starting in the Fall or early Winter of each year, the annual Budget is prepared for the following fiscal year which begins on July 1 of the next calendar year. The following steps are followed:

- a) Project census by month is determined based on historical experience and input from the Superintendent and the Business Office.
- b) Estimate total expenses for the current fiscal year. Expenses are reviewed by budget code. An emphasis is placed on how much has been spent and for what products or services. A focus is on whether expenses are one time or recurring. This process enables the District to arrive at an estimate of expenses for the current fiscal year.

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- c) Project spending for next year. Based on analysis of what was spent and budgeted in the current fiscal year, input is solicited from the Principals and other administrators on their expectations for those expenses pertaining directly to their programs for the upcoming fiscal year. These items include, but are not limited to: textbooks, home economics supplies, etc.

Using the last reconciled level of expenses by the Rate Setting Unit, the current fiscal year projection of expenses, expected approved waivers and permissible growth factors set by the Rate Setting Unit, an estimate is made for the expected rate for the next fiscal year.

- d) Revenues must equal expenses in the Budget.
- e) Upon completion of the Budget, it is presented to the Board for approval.

Revising the Budget

In the event the District anticipates needing a revised budget, Board approval is required.

Monitoring

Expenditures are monitored periodically against the Budget to make every effort to avoid overspending for any Budget line. In the event there are requisitions requesting additional expenditures for a Budget line without unencumbered funds, a budget transfer request needs to be approved (see Budget Transfer procedure).

Adopted: 3/11/13