

EASTERN SCHOOL DISTRICT

POLICY STATEMENT

SUBJECT: **Budget and Business Planning**

DATE OF ADOPTION: March 12, 2003

EFFECTIVE DATE: **March 12, 2003**

SUPERSEDES:

CROSS REFERENCE:

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Budget and business planning is undertaken to support strategic planning and decision-making and to serve accountability by enabling administration to plan for the resources needed to provide programs and services to students.

The essential activities covered by this policy include:

1. Determining the programs, services and resources needed to achieve established objectives;
2. Developing action plans to meet those objectives, and
3. Establishing a realistic budget for the programs, services, activities and operations.

Other general principles guiding this activity include:

1. The budget and business plan process is guided by specific priorities approved by the Board;
2. Stakeholder consultation is provided while developing priorities and budgets;
3. The budget and business planning process is undertaken within a time frame that considers required time for implementation of educational program and services, and
4. Detailed and accurate information is provided monthly to assist all those accountable for budgets and business plans.

BUSINESS PLANNING

Business planning is undertaken annually to ensure that operational plans, expected outputs and desired outcomes, are established and communicated.

Annually, the Board will establish and communicate operational goals and objectives based on detailed priorities established and approved by the Board.

The Board will provide for key stakeholder consultation when establishing priorities and determining expected operational results.

Risks and sensitivities that may affect the achievement of expected operational results will be assessed and documented.

Based on the overall Board business plan, each major department of the Board will develop a work plan that includes the activities, time requirements and resources needed to achieve expected operational results.

BUDGET

The Board will ensure that comprehensive budgets are prepared, reviewed and approved and that they provide sufficient resources to achieve business plan objectives.

Budgetary assumptions, cost drivers and other risks will be documented, monitored for any significant changes, and action taken when needed. Budgetary constraints such as legislative and regulatory requirements must also be documented.

The budget and business planning process, under the guidance of the Director of Business Operations, is decentralized with each of the six main operational units of the Board: Governance and Policy, Human Resources, Program Services, Student Services, Business Operations, and School Based Operations. Each of the operational units is responsible for developing their budgets and business plans based on Board approved priorities and resource requirements,

All budgetary estimates will be reviewed by Business Services for completeness, accuracy and to ensure amounts are supported by adequate analysis and linkages to the business plan.

The Board or a Committee of the Board will finalize and approve a business plan and budget for recommendation to the Board that reflects Board priorities, district operational plans and revenues expected for the financial period.

FINANCIAL ANALYSIS AND FORECASTING

Annually, the Board will approve the steps and time frame for the implementation of the budget and business planning policy. Responsibility and authority for preparing business plans and budgets will be assigned and monthly progress reports will be prepared to monitor achievement.

Business Operations is responsible for overall budget administration and management to ensure that expenditures do not exceed authorized amounts and that funds are used for intended, proper and legal purposes.

Under the guidance of the Director of Business Services, each main department is responsible for monitoring actual operational and financial results to operational plans and budgets, explaining variances and taking appropriate action to manage within approved budgets.

Quarterly, the Board will be provided with management reports comparing actual results with budgets and business plans, commentary on variance analysis and projections for the entire fiscal year.

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