

BUDGET POLICY

BUDGET AREAS

This policy covers the following responsibilities:

1. ***Determining the number of certified and classified employees for the school***
2. Using allocated funds to implement the school improvement plan and reach school goals
3. Ensuring shareholder input on decisions made outside the council
4. Safeguarding school resources overall

Funding related to Professional Development/Learning is addressed in the Professional Development policy.

1. DETERMINING THE NUMBER OF CERTIFIED AND CLASSIFIED EMPLOYEES

All procedures involved in the determination of the number of employees on staff will only include ***discussion of positions, not individuals***. The following procedures will be used to ***determine the number of positions for each job classification***:

- a. The superintendent will ***notify the council by March 1st of its tentative allocation*** for the next school year, including staff funding.
- b. Beginning with the current staffing plan, the council or an assigned committee will draft a tentative plan for how many staff members the school will have in each subject, grade level, and each other type of position. The tentative plan will take into account an effective student/teacher ratio for meeting the needs of all students, identified gaps, and school improvement initiatives.
- c. After input from shareholders, revisions will be made if necessary and the tentative plan will be submitted to the council for official action.
- d. Once the ***council receives the final allocation from the superintendent on May 1***, the council will make a final decision and notify the superintendent of its choices by the district deadline.

2. USING ALLOCATED FUNDS TO IMPLEMENT THE SCHOOL IMPROVEMENT PLAN AND REACH SCHOOL GOALS

- a. The principal and committee members will present a tentative plan for spending additional funds from Section 6 and *Section 7 of the SBDM Allocation Regulation, [702 KAR 3:246](#) that will consider:
 - Implementation the school improvement plan
 - Assurance of quality in other programs/initiatives
 - Distinctive needs of each teaching team
 - Distinctive needs of each teacher not assigned to a team
 - Other categories needed to meet school goals

- b. The tentative plan will be presented to the council and made available for shareholders input.
- c. The **council will approve a final spending plan** organized by categories of spending.
- d. If the allocation must be **adjusted after the second school month**, the principal and committee will submit a revised spending plan to the council.
- e. The principal may transfer among flexible account codes, but those transfers must total no more than \$_____ [set amount based on what makes sense for your school's budget] to/from any one code. For transfers beyond that amount, the principal must receive SBDM Council approval.

*Follow the district process for requests for Section 7 funding.

3. ENSURING SHAREHOLDER INPUT ON DECISIONS MADE OUTSIDE THE COUNCIL

Before the school board allocates funds to meet the school's needs, the principal will consult with the school council for input on instructional materials and student support services.

Before spending decisions are made, the SBDM Council will consult on maintenance of the school library media center including the purchase of:

- ***Instructional Materials,***
- ***Information Technology, and***
- ***Equipment***

4. SAFEGUARDING SCHOOL RESOURCES OVERALL

The council is committed to the school's resources being used appropriately in the areas outlined above, as well as for Activity Funds, Title 9 Regulations, School Fees, and any other money handled by the school.

Monthly, the principal (or principal designee) will:

1. ***Ensure that all spending records required by the state and district are maintained***, including but not limited to all Redbook (***The Accounting Procedures for Kentucky School Activity Funds***) requirements.
2. Share a report with the council that includes:
 - planned spending
 - spending so far
 - amount remaining in each category

POLICY EVALUATION

We will evaluate this policy through our annual policy review process.

Dates Adopted, Reviewed, or Revised:

LEGAL REQUIREMENTS:

- Council action is required by law.
- KASC recommends the council has a policy to guide actions.
- ***Bold italics*** (above) show language directly from the law or regulation.
- Your policy can meet the requirements in ways that differ from KASC's samples, but your policy language can't contradict the law.

LAW IN A BOX:

This sample policy is consistent with the SBDM law (KRS 160.345) and the allocation regulation (702 KAR 3:246).

KRS 160.345(2)(f)

After receiving notification of the funds available for the school from the local board, the school council shall determine, within the parameters of the total available funds, the number of persons to be employed in each job classification at the school. The council may make personnel decisions on vacancies occurring after the school council is formed but shall not have the authority to recommend transfers or dismissals

KRS 160.345(2)(g)

... Subject to available resources, the local school board shall allocate an appropriation to each school that is adequate to meet the school's needs related to instructional materials and school-based student support services, as determined by the school principal after consultation with the school council. The school council shall consult with the school media librarian on the maintenance of the school library media center, including the purchase of instructional materials, information technology, and equipment.

KRS 160.345(8)

The Kentucky Board of Education, upon recommendation of the commissioner of education, shall adopt by administrative regulation [702 KAR 3:246] a formula by which school district funds shall be allocated to each school council. ...

702 KAR 3:246

This regulation lists the different categories of money to be allocated to the council:

- Certified Staffing (section 4)
- Classified Staffing (section 5)
- Other Minimum Allocations (section 6)
 - (1) School councils shall receive a minimum allocation of three and one-half (3 1/2) percent of the statewide guaranteed base funding level for Support Education Excellence in Kentucky (SEEK) based on prior year final average daily attendance.*
 - (2) The amount generated in subsection (1) of this section shall be adjusted at the end of the second school month for changes in average daily attendance and projected funding for SEEK.*
 - (3) Allocations for operating expenses, including utilities, or for health and safety requirements of schools shall not be included in the allocations required by Sections 4, 5, 7, or 8 of this administrative regulation or this section. If funds are given to a school for these purposes, the funds shall be distributed in a separate allocation.*
- Options for distribution of the remaining money (section 7)

The regulation also requires the council to be notified of a tentative budget allocation by March 1 and a final allocation by May 1.

Accounting Procedures for Kentucky School Activity Funds

Also known as the **Redbook**; includes specific rules that must be followed.

KASC reviewed Jefferson County's 7-25-22 Sample School Budget Policy to improve our sample. We appreciate the opportunity to collaborate!