

MINNETONKA PUBLIC SCHOOLS

POLICY #704: Operating Budget Guidelines

I. PURPOSE

To establish priorities for allocation of District resources and benchmarks for budget administration, and to provide consistent direction to administrative staff and School Board in the management of the annual operating budget.

II. GENERAL STATEMENT OF POLICY

The School Board is committed to the cost effective delivery of District programs with priority toward allocation of funds to Direct Instructional programs. All staff are expected to deliver the programs for which they are responsible in the most cost effective manner possible.

III. DEFINITIONS

Indirect/Support Programs - A budget category that includes revenues and expenditures for District and site level Administration, District Support Services, Building Operations and Maintenance and Other Operating Expenses.

Direct/Instructional Programs - A budget category that includes revenue and expenditures for Regular Instructional Programs, Vocational Programs, Exceptional Instruction, Pupil Support Services and Instructional Support Services.

Annual Budget Report - Board approved financial plan for school district reflecting Budget allocation priorities.

Annual Benchmark Report - Comparison of Minnetonka budget allocations with public schools in the conference, county, region and state.

IV. REQUIREMENT

- A. District Administration shall on a year-to-year basis allocate resources in the manner necessary to properly and efficiently support instructional programs.
- B. A summary of District budget allocations shall be reported in the annual budget report. The report shall include:
 1. prior year actual budget expenses and revenue;
 2. current year budget;

3. next year budget;
 4. a schedule comparing the budget for the upcoming year to the pre-determined budget guidelines, along with an explanation of variances.
- C. An annual benchmark report comparing the per pupil unit expenditures of the District to the following groupings of school districts shall be submitted to the Board when the Department of Education School Profiles report is published.
1. Lake Conference Schools
 2. Hennepin County Schools
 3. Region 11 (Metro) Schools
 4. State Schools

Adopted: November 18, 1993

Revised: January 7, 1999; June 5, 2003

Revised: December 6, 2012

Approved: January 3, 2013

MINNETONKA PUBLIC SCHOOLS

PROCEDURES FOR OPERATING BUDGET GUIDELINES #704

- A. District budget allocations shall be established in January. Allocations shall be in full compliance with Requirement B in Policy Statement #704. In addition, those involved in the budgeting process shall consider the variety of factors that influence the final cost of delivering a program when evaluating a budget for a District program. Those factors include, but are not limited to the following.
1. Local Factors, such as:
 - a. Newly added or redesigned programs,
 - b. Changes in personnel staffing policy,
 - c. Negotiated changes in salaries and benefits, and
 - d. Changes in the cost of non-elective items such as utilities, property/liability insurance, snow removal, etc.
 - e. Changes in enrollment as they affect the relationship of fixed expenses to the budget
 - f. The District-approved inflationary/deflationary adjustment in the allocation for supplies, textbooks, etc.
 - g. Correcting class size imbalance.
 2. Legislative Mandated Program Changes such as staff development, building revenue allocation, K-3 class size reduction, etc.
- B. In June, the annual budget report complying with Requirement C shall be submitted to the Board.
- C. In June, an annual benchmark report complying with Requirement D shall be submitted to the Board so that its members can reasonably evaluate local decision regarding the allocation of District resources.
- D. This policy shall be reviewed not later than January of each fiscal year, taking into consideration any change in the factors outlined in A or benchmark comparisons described in C.