

Budget Development for the Business Office

Detroit, Michigan

MSBO Annual Conference

April 18, 2018



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Role of Business Official: Budget

- Establish, maintain, and review effective and accurate budgeting practices within established accounting guidelines and regulations to support the educational process
- Monitor and control expenses as authorized in approved budgets for all district financial activities
- Manage business and financial dealings effectively by following district policies, state laws, and good business practices
- Develop scenarios projecting expected revenues and expenses
- Provide transparent information and reporting

The Business Official is responsible
for 100+ different things...



Developing and Communicating Budget

- Scorekeeper - News Reporter
 - Who
 - What
 - Where
 - When
 - and How
- NO FAKE NEWS

Who is Your Audience Budget Development

- Board of Education
 - Finance Committee
- Administrative Staff
 - Central Office Cabinet
 - Principals Meetings
- Employees
- Community and Transparency

Create a Budget Timeline

What are the Pieces

- Audit Presentation
- Student Count Days
- Determine Budget Updates to Board
- Revenue Consensus Meetings
- Governor's Budget Proposal
- House and Senate Budget Proposals
- Staffing
- Grants

How are Schools Funded?



Property Taxes
Foundation Allowance
Other State Grants - Categoricals
Federal Grants
Countywide Millages
Local non-tax sources
Bond Issue (Infrastructure only)
Sinking Fund (Infrastructure only)

Property Taxes

- Receive New Property Values in April/May
- Calculate the affect of Headlee Rollback
- Request tax millage levy rates - Form L-4029
- Tax levy for non-homestead operational, debt services, sinking fund, and recreation fund
- Form to county clerk, equalization, township treasurers and sometimes your ISD
- Due BEFORE Summer/Winter Tax Levy

Foundation Allowance

- Set Annually in School Aid Funding
 - 2017-18 Minimum is \$7,631 per pupil
- Foundation Amount x Number of pupils
 - Majority of your Revenue
 - Combination of Local Tax and State
 - 18 Mills Non-Homestead Value
 - 6 Mills Commercial Personal Property
- Template on MDE Website

Other Funding Sources

- State Aid
 - Categoricals
 - Other Grants
- Federal Grants
 - Consolidated Application
 - Others
- County – ISD
- Other Local

Not Only Assumptions But What is Actually Happening

- Enrollment
- Staffing
- Funding
- Insurance
 - Premiums
 - Census
- Retirement Rates

Back to the Timeline

- When Does Your Board of Education Meet?
 - Have a Budget Item every month
 - Circle Meetings for Updates or Budget Hearing
- How Do They Approve Items?
 - Timing for Input and Final Changes
- Get out the Information
 - Early and Often
- Process Never Ends

You are responsible for 400+ different things and the list keeps growing...

Don't forget to keep an eye on the budget at all times
And let others know it!!!



Questions?

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- Thank you!