

MEETING MINUTES
SCHOOL BOARD OF SANTA ROSA COUNTY
WORKSHOP
June 27, 2013-4:00 PM

Items for Review and Discussion

A. Budget Development Workshop

Mr. Wyrodick shared with the board that we thought this would be a good time to review how we pull the budget together and where the numbers come from. Susan McCole, Assistant Superintendent for Finance will make the presentation and explain the how, when and why of building our budget each year.

Ms. McCole reviewed the steps taken and the timeline for the preparation of the budget:

**Estimate FTE (Full Time Equivalent)*

To begin the process of putting the budget together, we begin with the estimated FTE (Full Time Equivalent). FTE refers to one student enrolled in one or more FEFP (Florida Education Finance Program) programs for a school year. Once the estimated FTE is verified the process of developing the School Based Budgets begins. School Budget forms are sent out to schools in March.

**Develop School Based Budgets*

The guidelines for allocations to the schools was originally established in the mid to late 1980's by the School Based Management Committee. Current calculation method was approved in March 2008. Allocations to the schools are based on two criteria: type of school (Elementary/Middle and High Schools) and the size of the school. Weighted Full Time Equivalent (WFTE) for a school is multiplied times the Base Student Allocation (BSA) set by the State times the percent for the related size of the school. An electronic budget form is created for each individual school. The schools then distribute the funds to the functions and objects they desire. As required by F.S. 1008.365, the budget for each school is to be discussed with and approved by their School Advisory Committee. Completed forms are sent back to Finance for data entry. School Budgets are adjusted after the October FTE report and again after the February FTE report. Some schools will have an increase in their budget while other may have a reduction.

**Develop Office Budgets:*

Departmental budget information is distributed late in April to early May. Data Processing provides reports that include both District Office budgets and any additional projects for which Directors/Coordinators are responsible. Allocations for the operation of a department are the same amount as the current year minus any funds that carried forward and reflect the 31.15% budget cuts that have occurred in prior years. Additional project requests are reviewed on an individual basis and must be approved by the appropriate Assistant Superintendent and the School Board.

If there are any new projects for the upcoming school year, they are entered into the budget.

**Estimates for Utilities and Miscellaneous Expenses:*

Ms. McCole reviews the actual expenses for the current year, and after talking with our Assistant Superintendent for Administration, they take into consideration any anticipated increases. A request is made for the budget to either remain the same or be increased by a given percent.

**Estimate Salaries and Benefits with Position Allocation System:*

The Position Allocation System is developed by the Human Resource Department. Once the number of needed positions is determined, Human Resource inputs the information in the Position Allocation System. The Position Allocation System projects the salaries and benefits for the new fiscal year. Once

this information is reviewed the system posts it to the budget.

**Enter funding from State, Federal, and other sources:*

The Legislature convenes early March through early May. The District receives State funding information (FEFP - Florida Education Funding Program) when the session ends. The first FEFP calculation is received about mid-May. All State funding amounts are in the FEFP calculation. The document is reviewed and the funds for our District are entered on the budget planning screen of the Financial Management System (3270).

Additional Budget Development

**Revenues*

All known revenue amounts are entered on the budget planning screen. For funding areas where exact amounts are not known, i.e. interest earnings, are estimated based on prior earnings and entered on the budget planning screen.

**Calculation of Carry Forward Fund Balance*

After all journal entries are posted for the fiscal year, the fund balance analysis spreadsheet is prepared to report the year ending fund balances. A trial balance report is run to get all general ledger balances. Balances for appropriations, revenue, estimated revenue, expenditures and reserves are entered in the spreadsheet. A revenue/expenditure report is run as well to get the amounts for actual (not estimated) revenue and expenditures. Those numbers are entered in the spreadsheet. The prior fiscal year's fund balances are entered in the spreadsheet. Based upon the required breakout of fund balance, formulas in the spreadsheet calculate fund balance. The June 30th fund balance numbers from the Fund Balance Analysis spreadsheet are then entered in the Budget Status Summary spreadsheet. The estimated revenue and appropriations are also entered in the Budget Status Summary spreadsheet. The June 30th balance forward, plus the estimated revenue, minus the appropriations gives you the estimated fund balance.

**Debt Service*

Includes areas of SBE and COBI (State Board of Education Capital Outlay Bonds); Racetrack Issues and COPS (Certificates of Participation). The numbers used for these budgets come from the various amortization/payment schedules.

**Capital Outlay Projects*

Capital Outlay requests are submitted to the Board in June by the Assistant Superintendent for Administrative Services office. Once the requests are approved, the Excel file showing all budget lines and dollar amounts for requested projects is sent to Finance. Budgets for these are set up using the budget planning screen.

**Federal Projects*

Federal project applications are reviewed by the Accounting Analyst and any new projects are set up for the new year. Several federal projects are continued every year. For continued projects, new year project numbers are set up and data processing projects salaries based on positions being paid with federal dollars. Once the new year budget is open, the total dollars for each federal project is adjusted.

All budget requests, state funds, projected salaries, revenue, etc. are entered on the budget planning screen. All 3 plans are merged together along with balances from projects that don't end of June 30 as well as funds that are obligated toward a purchase commitment that has not been fulfilled. The process of merging all plans and carry-forward balances together is referred to as roll over. When complete, we have a new year budget!

**Truth in Millage Compliance (TRIM)*

TRIM Compliance

July 1: Property Appraiser delivers the Certification of Taxable Value. This becomes day 1 for TRIM Compliance

July 18: Deadline for DOE (Department of Education) to provide 2nd FEFP Calculation. This calculation always provides the millage certification needed to complete the Proposed/Tentative Budget. The Proposed/Tentative Budget cannot be completed until this updated calculation is received which causes a tight timeline. There have been times when it has not been received until that last minute date.

July 24: Proposed/Tentative budget must be presented to Board for approval to advertise no later than this date.

August 4: First Public Hearing must be held no later than this date.

September 18: Final Public Hearing must be held no later than this date.

There being no further discussion, the workshop was closed.

*Santa Rosa County
School Board*

Chairman of the Board

ATTEST:

Superintendent of Schools