PURPOSE

- To provide direction and transparency to the school community as to the procedures for developing an Annual School Program Budget for non-salary income and expenditure.

POLICY GUIDELINES

- One of the key roles of School Council is to oversee the efficient and effective management of the school resources;
- School Council is responsible for approving the annual cash program budget.
- The Principal is responsible for the organisation, documentation and implementation of the annual cash program budget and the DEECD Student resource Package (cash & credit items resources);
- All schools have access to limited funds and resources so the annual school program budget should reflect the School Strategic and Annual Implementation Plan (AIP) priorities;
- The program budget spending process will be monitored by the Principal, Business Manager and program leaders throughout the year using CASES, ‘Sub Program Budget Variance Reports’. These will be issued by the Business Manager at the beginning of each term and program leaders will reconcile these reports with their expenditure running sheet;
- The Principal is responsible, in consultation with the Finance Sub Committee, to develop a timeline to guide the preparation of the program budget process;
- The Finance Subcommittee will make recommendations to School Council in relation to the annual program budget process;
- The program budget timeline will identify all groups and individuals requiring input into the process to establish a new budget;
- The program budgets are annual calendar year budgets from January to December of any given year;
- Projected income and expenditure for the annual program budget is prepared for the Finance Subcommittee;
- Prior to the development of a new annual program budget, staff and school council will undertake an evaluation of prior commitments and recommend future priorities;
- The Finance Subcommittee will assist School Council in the formation, prioritisation and monitoring of the annual program budget;
- Program budgets are completed on a proforma which includes the following headings of: Purpose (‘why’ we have budgeted for the program), Policy Guidelines (principles underpinning the program including DEECD policy requirements), Program Implementation (‘how’ the program will be implemented for that particular year), Resources (identification of actual items required to support the program implementation in any given year) and Evaluation (an annual process undertaken prior to the next budget being drawn up) sections;
- Program Implementation section should relate directly to the resources section of the program budget and in turn will be linked to the AIP for any given year;
- Whilst the principal always retains overall responsibility for the day-to-day financial management, the principal may delegate individual staff members the responsibility of managing specific budgets; and
- School Council must ratify the annual program budget each year, preferably in November which aligns with all other planning processes for the next year. Sufficient notice must be given to all School Council members to peruse budget documents prior to council ratifying the budget.
POLICY IMPLEMENTATION

- The Principal will draw up and share a timeline in Term 3 to commence the annual program budget process with Finance Subcommittee and all program budget leaders.
- Projected Income for the next program budget will be drawn up by the Business Manager in consultation with the principal and presented to Finance Subcommittee;
- In determining the projected income, the Finance Subcommittee needs to review fee structures (OSHC, Essential Items and Voluntary Parent Payments), uncommitted investments and unspent committed funds from the previous year’s budget;
- All programs will be evaluated by all staff and school council subcommittees, prior to drawing up the next year’s budget. Program budget leaders will provide a summary evaluation sheet to the Principal which outlines staff and council evaluation feedback prior to the development of new budgets for the next year;
- The Leadership Team (led by the Assistant Principal) is responsible to draft the AIP for the next year in Term 4, prior to the program budget information being finalised;
- All program budgets will reflect the Strategic Plan (2010-2013) and the draft AIP direction for any given year;
- Class structures require finalisation in late October so that booklist orders can be completed according to program budget funded amounts;
- Program budget team leaders are responsible for drawing up their draft budget in consultation with either their AIP Team, School Council Subcommittee, Leadership Team, Level Teams, or as a leader of a curriculum area such as Visual Arts, Music, PE and LOTE;
- The Principal in consultation with the Business Manager and Finance Subcommittee, will ensure that expenditure bids balance with the cash projected income by negotiation with the program budget leaders;
- The Business Manager will develop a program budget book including a spreadsheet outlining the allocation of income sources identified in the income projections to specific programs;
- The program budget is recommended by Finance to School Council as a balanced cash financial budget of income and expenditure;
- The Business Manager will enter program budgets onto CASES, showing income and expenditure budgets for each program in the first week of February after the end of January rollover has been completed for the previous year;
- Program Budget leaders are responsible to administer their annual budgets, with the expectation that they keep a running sheet (proforma) of expenditure and check that this aligns with a printed Term variance report provided by the Business Manager;
- All orders for program budget items must be signed by the Principal or Assistant Principal. No item outside the program budget will be approved;
- School Council has discretion to approve additional expenditure items not included in the annual program budget;
- All expenditure ceases at the end of October for current program budgets and any unspent monies are returned to school reserves and may be pooled together to form ‘carried forward’ projected income for the next year’s budget;
- The expenditure of, and outcomes achieved by each budget will be monitored and reported in full to the School Council at each scheduled council meeting;
- All program budgets are evaluated as part of the Annual Program Budget process in Term 4 of any given year prior to the development of new budgets

EVALUATION

- This policy will be reviewed on a cyclical basis in accordance with the School Council Policy review schedule or if required earlier at the discretion of the School Council.

Policy Area: Finance
Ratified School Council: September 2010
Next Review: 2014