Budget Procedures
Budget Preparation Guidelines

Budget Areas

There are three major parts of the Midway ISD budget.
- The "Operating Budget."
  - This part covers services, supplies, materials and other expenditures, and personnel costs for extra duty, overtime and part-time staff. The Operating Budget covers routine campus and department expenditures that occur on a regular basis.
- The "Staffing Plan Budget."
  - This part covers the costs for permanent staffing positions, personnel benefits, and stipends for all personnel.
- "Supplemental Items."
  - This part covers expenditures for facilities and other capital needs, technology equipment and software, other equipment, and similar major cost items.

These Budget Preparation Guidelines are primarily directed towards preparation of the Operating Budget and Supplemental Items.

These Budget Preparation Guidelines are also primarily directed towards preparation of the budget for the General Fund, but grant budgets should be done in conjunction with, and/or similar to the General Fund budget.

Miscellaneous Notes

"Budget Units"
There are references in these procedures to "budget units."
- "Budget Unit" generally refers to a group of accounts related to a certain activity. On campuses, programs include math, grade levels, etc. Outside of campuses, programs refer to offices, district-wide programs, or departments such as Transportation.
- The Budget Unit is identified by the "Sub-Object" part of the account code.
- Each Budget Unit is the responsibility of a specific principal or other administrator.
- The principal or administrator has the flexibility to amend budget line items within their budgets during the year.
  - Amendments that cross between functions require board approval by state law.

Personnel Costs
- The majority of personnel costs are budgeted by the Finance Department based on approved staffing plans from Human Resources.
- All benefits and indirect personnel costs are budgeted by the Finance Department.
- The Staffing Plan Budget is a separate process and is not addressed in these Budget Guidelines.

Personnel Costs in Operating Budgets
Certain personnel costs are considered "Operating Budget" items because they are controlled at the campus/department level.

Campuses and Departments are responsible for:
  - 6113 – Substitutes, related to school business.
  - 6118 – Extra Duty.
  - 6121 – Overtime and extra duty of paraprofessional & auxiliary staff.
  - 6126 – Part-time help, including student workers and temporary hourly help.
- Amounts must be budgeted in the Operating Budget to cover the costs for these items.

- Budget overages in these areas will expected to be covered by the principal/department head from other Operating Budget accounts.

Substitutes for teachers out due to illness, personal leave, or other leave granted by board policy will be budgeted at the district level, with campus input. Substitutes for paraprofessionals in special education, self-contained settings will be treated the same way. These accounts have the "6112" object code.

Substitutes for teachers out due to athletic or fine arts activities are the responsibility of the campus and Athletics or Fine Arts Departments. Account 6113 is used for these substitute expenditures.

Completing Forms

- Budget forms should be completed thoroughly and accurately.
- Forms should be completed in electronic format whenever possible.
  - This allows the information to be transmitted by email, it can be copied to other locations, and it facilitates more efficient processing.

Campus Budgets

Campus Budgets are identified by sub-object codes "00" through "CZ."

Note: Principals may also be responsible for budgets other "campus budgets."

Campus Allocations

- Campus Allocations are established for the different student populations funded by TEA in the General Fund.
- Regular Ed Allocations are for general campus expenditures and basic education costs.
- Restricted Allocations include funding for Gifted & Talented, Career & Technology Ed, Special Education, SCE and ESL programs.
- Expenditures from restricted allocations must meet the allowability requirements set forth by TEA.
- Campuses may use funds in the Regular Ed Allocation to supplement a Restricted Allocation, but Restricted Allocations cannot be used to supplement the Regular Ed Allocation.
- Special Education budgets are not tied to allocation amounts but will be based on established need.

Preparing Budgets from Campus Allocations

- The campus principal ultimately determines the use of the campus allocations.
- The principal allocates funds to the various campus programs and budget accounts.
- The campus budget which is submitted must equal the Campus Allocation amounts.

Enrollment Changes

Enrollment projections will generally be based on the 2012-13 PEIMS Snapshot numbers, but may be adjusted for specific circumstances. Once the budget is adopted enrollment numbers will generally not be changed for Restricted Allocations.

The final adjustment for the Regular Ed Allocation will be made using the 2013-14 Snapshot enrollment numbers. Budget allocations will be recalculated and campus budgets will be increased if funds are available. Budgets will not be decreased for drops in enrollment of less than 5%, but may be adjusted if there is a decline in enrollment greater than 5%.

Information Required from Campuses

- Line item budget amounts must be completed in the Access database.
- Supplemental Budget Requests for funding outside of the Campus Allocations.

- Post-District Travel requests for academic and UIL activities.
- A Uniform Replacement Schedule for activities or programs that have significant purchases of uniforms.
- A Projected Substitute Expenditures worksheet.

Secondary Campus Budgets

Secondary campuses require budget documentation for departments, grade levels, or other program areas. A Campus Budget Request form is provided, but any similar documentation that provides the same information may be used.

These budget requests should typically be completed by the department chair, or lead teachers, but will be adjusted at the discretion of the principal.

Budgets for District Programs, Departments, & Support Services

District programs, departments and support services have subobject codes "D0" and above, except that subobject codes starting with "H" and "J" identify Athletic and Fine Arts programs, respectively.

Budget amounts for District Programs, Departments & Support Service areas are not determined by allocations, but must be justified each year.

Budgets should be developed that will continue the basic services for that program or department. Significant changes to operations, major non-recurring expenditures and similar items should not be included in the operating budget but should be requested through a Supplemental Budget Request, or with similar supporting documentation.

Supporting Documentation

Budget requests should be supported by appropriate documentation that reflects the level of services and accomplishments for that program.

- Minimum documentation should be a detailed description or listing of the items, services, etc., to be purchased.
  - Expenditure accounts that are generally used for the same purchases each year can be supported by historical expenditure records.
- Alternative documentation may consist of allocations or benchmarks supported by established cost measures.
  - An example is Custodial chemicals & supplies; that budget will be based on established goals for costs per square foot maintained.
  - Grounds costs should be supported by scheduled fertilizer and treatment programs.
  - Similar budget tools may be developed to reflect individual program circumstances.

Budgets should reflect appropriate evaluation of needs and efforts to reduce operating costs.
  - A basic goal in the budget process should be to provide the same or better service at the least cost.

Budget documentation for District Programs, Departments & Support Service areas should be particularly reflective of historical cost patterns over recent years, and should include sufficient justification for increases.

Documentation for overtime, extra duty and other personnel costs should be included and are a significant priority in the budget process.

Information Required for District Program, Department & Support Service Budgets

- Line item budget amounts must be completed in the Access database.

- Appropriate supporting documentation for the requested level of funding by program.
    - Supporting documentation should be prepared for each budget line item.
- Supplemental Budget Requests significant expenditures for new or nonrecurring items. These include new contracted services, capital outlay, software programs, and similar items.
    - Equipment replacement schedules may be used for items replaced on a scheduled basis.

Athletic & Fine Arts Budgets

Athletic and Fine Arts programs are identified by an "H" and a "J" in the first digit of the subobject code.

Budgets for individual sports and programs are determined by an allocation per student.
- The allocation will be established and evaluated on an annual basis as part of the budget process.
- Once the allocation is finalized the coach, director or sponsor can distribute the amount to budget accounts as considered necessary.

Budgets for other costs related to uniforms and equipment will be determined based on approved Uniform Replacement Schedules, Equipment Replacement Schedules and Supplemental Budget Requests.
- These budget amounts will be entered by the Finance Department after approval of supplemental items.

Budget amounts for game and travel costs should be based on the established game schedules using historical and other data.
- These budgets will be established jointly with the Finance Department.

Information Required for Athletic & Fine Arts Budgets

- Line item budget amounts must be completed in the Access database.
- Athletics and Fine Arts Budget allocations to support the participation numbers and budget amounts by sport and program.
- Supplemental Budget Requests for capital expenditures and other large supplemental expenditures.
    - Equipment replacement schedules for items replaced on a scheduled basis.
    - Uniform replacement schedules.
- Travel schedules to support game and competition schedules.
- Proposed budget amounts for related revenue accounts.

Other Supplemental Budget Items

Facilities Needs

Items which should be addressed in the Maintenance budget include:
- Repairs to buildings, replacement of blinds and repairs to facility-related equipment;
- Alterations of buildings or structures;
- Built-in cabinets, replacement or additions of white boards, or other improvements requiring attachment to a building; and,
- Paving, grounds or other site improvements.

The Maintenance Department will meet with principals and department heads during the budget process to accumulate facilities needs.

Routine or smaller items, particularly repair items, should be requested through the work order system.

Technology Requests

The Technology Department is responsible for the Technology Plan Budget. This budget will include all technology to support instructional needs and to support the District software and technology infrastructure, including:

- Computers, projectors and other technology to meet District standards for instructional technology;
- Additions, upgrades and maintenance costs for district-wide software;
- Costs of district-wide networks and electronics; and,
- Costs of telephone services.

Campus/department input for these items will come from the technology planning process and campuses/departments will not need to submit requests. A principal or department head should address concerns about the general adequacy of technology to the Technology Department and/or the administration.

An ABC may be submitted for technology that might not otherwise be included in the Technology Plan Budget. Such items include:

- Digital cameras or technology-type equipment not included in the District Technology Plan;
- Technology required for new programs or applications;
- Equipment or software to meet specific needs of a program or department and which can be implemented and maintained without the assistance of the Technology Department; and,
- Technology equipment or software that might fall outside the responsibilities of the Technology Department.

The Technology Department is responsible for general repairs of technology and telephone equipment. The campus/department will be required to pay for repairs necessary due to negligence, misuse or other similar issues.

Printer cartridges and supplies should be included in the campus or department Operating Budget.

Non-instructional Technology Needs for Campuses and for Programs/Departments
The Finance Department and the Technology Department will develop a budget to provide for replacements and other technology needs for non-instructional campus areas, programs and departments.

Campuses and programs/departments may request technology through a written request to the Assistant Superintendent for Finance.

Campus & Department Technology Purchases
Campuses and departments should seek input from the Technology Department before purchasing any technology.

Even with planning and research, there may be problems in the implementation of technology software or hardware. Ultimately, additional costs may be required to upgrade equipment, etc., in order to implement new technology. In cases where the campus or department sought input from the Technology Department, the additional unforeseen costs of implementation may be covered through the Technology Department budget or other District budgets. If the Technology Department was not involved in the technology decision, the campus or department may be required to fund any unforeseen costs of implementation through their Operating Budget.