

**THE ABRAHAMS GROUP**  
**YOUR PARTNER IN PERFORMANCE**

November 13, 2010

Mr. Fred Turkington  
Town Administrator  
Wayland Town Building  
41 Cochituate Road  
Wayland, MA 01778

Dear Mr. Turkington:

The Abrahams Group looks forward to meeting with you and the Operations Review Committee on Monday evening to review our progress to date and initial thoughts regarding the first phase of the project. This document outlines the overall scope of the project, our Phase 1 workplan, our preliminary suggestions regarding the school department's budget, the budget process, budget administration, budget monitoring, and budget and financial reporting. There are several attachments to this document that will be described later.

**PROJECT OBJECTIVES**

The objectives of this project are to review:

1. Budget and expenditure reporting formats, requiring the Consultant to examine the current format utilized by the Town and School departments and identify best practices for reporting at the subsidiary account level based on the expertise of the Consultant and an analysis of formats utilized by other Massachusetts school districts and municipalities.
2. Potentially redundant non-educational operational and administrative service delivery structures and expenses.
3. The administrative structure throughout the Wayland Public Schools to determine where opportunities for improvement can be created.

The ideal support structure would be one that is able to sustain, oversee, review and improve its operations, while responding to external pressures and changes, such as budget reductions, mandates and technological innovation, and is provided at the lowest cost possible. This document presents an interim report on the first part of our scope of services.

## GENERAL APPROACH AND WORKPLAN

This meeting is consistent with our Phase 1 workplan to present the status and our initial thoughts and to obtain feedback from the Committee. This section presents the tasks accomplished to date and our preliminary findings and recommendations.

Town of Wayland		Weeks After Start Up	
School Finance and Administration Reviews		Start	End
Task 1	Conduct Planning Meeting	1	1
Task 2	Assemble and Review Relevant Data and Reports	1	2
Part 1	Budget and Expenditure Reporting Formats		
Task 1.1	Compare Reporting Formats	2	4
Task 1.2	Budget to Actual Reporting	3	6
Task 1.3	Restate FY 2011 School Budget	5	8

Task 1 – Conducted Planning Meeting

Task 2 – Reviewed Relevant Data and Reports

In addition, we have:

- Conducted 9 interviews with the School Committee, and other town and school officials
- Issued eight (8) job analysis questionnaires (JAQS) to town employees
- Issued 87 JAQs to school employees.

## PART 1 WORKPLAN

The first part of the workplan consists of a review of budget and expenditure reporting formats. The objective of Part 1 is to examine the current format utilized by the Town and School departments and identify best practices for reporting at the subsidiary account level by analyzing formats utilized by other Massachusetts school districts and municipalities and the needs of decision makers in the town and school.

The recommendation should result in a format that is compliant with Massachusetts Department of Elementary and Secondary Education (DESE) and Department of Revenue – Division of Local Services requirements and compatible with the Town's financial management software (MUNIS). Part 1 of the workplan corresponds to Phase 1 of the RFP. We have completed the following tasks.

Task 1.1 Compare Reporting Formats

Task 1.2 Budget to Actual Reporting

Task 1.3 Restate FY 2011 School Budget

## **DISCUSSION POINTS, FORMATS, PRELIMINARY FINDINGS AND RECOMMENDATIONS**

We have enclosed some documents that we will discuss with you at the meeting, they include:

- Our Analysis of the MUNIS Chart of Accounts and Segment Code Structure (Attachment 1)
- Recommended Contents of the Superintendent's Annual Proposed Budget to the School Committee (Attachment 2)
- Illustrative Sample - Happy Hollow Elementary School – Site/Activity/Object (Attachment 3)
  - Recommended Budget Narrative
  - Recommended Budget Summary
  - Recommended Budget and FTEs by Activity/Subject
  - Recommended Classroom Statistics: Enrollment, FTEs and Pupil/Teacher Ratios
  - Recommended MUNIS Budget Format: Site/Activity/Object (for Review, Adoption, Monitoring and Reporting)
- Illustrative Sample – Non General Fund Presentation in Proposed Budget (Basis of monitoring) (Attachment 4)
- School Budgets and Budget Formats Reviewed (Attachment 5)
- Preliminary Findings and Recommendations (Attachment 6)
- *Appendices:* A. GFOA Budget Standards  
B. ASBO Budget Standards

\* \* \* \* \*

We look forward to discussing this report with you and the Operations Review Committee.

Sincerely yours,



Mark D. Abrahams, CPA  
President

# Wayland School Chart of Accounts - Segment Analysis

ATTACHMENT 1

Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Segment 6	Segment 7	Segment 8	Segment 9	Segment 10
Fund	Function	Dept.	Location/TN Bud	School Dept	Category	DOE Function	BLANK	Object	Project
2 digit	1 digit	4 digit	2 digit	(Internal Object)	2 digit	4 digit	Not Used	5 digits	4 digits
10	3	3100	This Segment is a combination of True Location-Site and Other Key Areas of the School System -- i.e. Supt., Business Office, Technology	This code really represents an "Activity" that is subordinate to Segment No. 4	Character OO	All School Accounts in this Segment are OO	This is the St. Function Code and it is a "Short Code" with ORG	The object. Note: the 3rd digit is key and denotes one of the six State Objects	This is used to denote each Revolving Fund or Grant, etc. within Fund 25
Applies to all	Applies to all	Applies to all as 3200 is the Voke School							
			While it does not allow a pure segregation of "Location" in its own Segment; it would impact the ORG if it is changed	I.e. -- 01 Accounting 38 Library/Media Services 41 Music 55 Reading 53 Psych Services etc.	They can pull thru "Segment Find" feature the following: 31 - Profess Salary 32 Clerical Salary 33 Other Salary 34 Contract Services 35 Sup/Materials 36 Other Expenses				
			ALSO Code 15 Business Office has too many "activities" within it, for instance: Facilities, Transportation and Ee Benefits						
			11- School Committee 12-Superintendent 13 Asst Supt Personnel 14 Asst Supt Curriculum 15 Business Office		Note this is pulling from the 3rd digit of the Object in Segment 9				
Applies to All	Applies to All	Applies to All	16 Special Ed 20 High School 25 Athletics 30 Middle School 40 Claypit Hill 50 Happy Hollow 60 Loker 70 WSCP 75 METCO 79 Food Service		See Character Below	Function is at back end of string			
			Recommended New Codes: Facilities Transportation Ee Benefits	Rec. New Codes: Elementary Classroom Custodial Services		1210 Supt 1220 Asst. Supt 1410 Bus & Fin 1420 HR & Ben etc			

**Superintendent**  
**ORG 03126402**

10	3	3100		12	64	64	No Character	0	1210	55100
			12 = Supt		64 = Supt				1210 = Supt	His Salary Object

**Character:**

Note; Character Codes --- Denoted in 3 digit of Object so I the 55100 is Professional Salary

31-Professional Salary

32-Clerical Salary

33-Other Salary

34-Contract Services

35-Supply and Mat

36 Other Exp

39 Unclassified

**Org Code Logic**  
**Superintendent**

03	General Fund - Education
12	Location/Area(Segment 4) - Superintendent
64	Superintendent (School Internal Code for Supt.) (Segment 5)
02	State Function - so 02 is the "Short Code" for State Function 1210 - Supt.

**Happy Hollow - Library - Instructional Materials**

03	General Fund - Education
50	Location/Area - Segment 4 - Happy Hollow School
38	Library/Media Services (School Internal Code for Activity/Subject) Segment 5
27	State Function - 27 is "Short Code" for Other Instructional Materials

# **Superintendent's Proposed Budget Recommended Table of Contents**

## **Attachment 2**

### **I. INTRODUCTION AND OVERVIEW**

- Budget Message from Superintendent
- FY 12 School Committee Budget Guidelines and Priorities
- Executive Summary (Charts, Graphs)
- Factors Affecting the Budget (Budget Drivers)
- Chapter 70, Foundation Budget and Required School Spending
- Budget Calendar

### **II. BUDGET SUMMARIES**

- Summary by Location or Department/Responsibility Center
- Summary by State Function
- Summary by Major Category
- Summary by Major Category/Object

### **III. OPERATING BUDGET**

#### **Schools:**

- Happy Hollow School
- Claypitt Hill School
- Loker School
- Wayland Middle School
- Wayland High School

#### **Department/Responsibility Centers:**

- Special Education
- Technology
- Facilities
- Athletics
- Transportation

#### **School Leadership:**

- School Committee
- Superintendent
- Assistant Superintendent - Curriculum
- Assistant Superintendent - Personnel
- Business Office

#### **Employee Benefits**

(not included in School Appropriation, discussion is important)

- Health Insurance
- Retirement

**IV. OTHER FUNDS**

**A. Special Revenue and Revolving Funds**

Circuit Breaker

Before and After School Enrichment (BASE)

Pegasus

**B. Gifts and Donations**

**C. State and Federal Grants**

**V. CAPITAL BUDGET**

Capital Projects

Equipment

Deferred Projects/Equipment

***APPENDICES***

Glossary

Index to DESE Categories

ETC.

**Recommended Format  
FY 12 Proposed Budget**

**Happy Hollow Elementary School**



## Happy Hollow Elementary School

## Attachment 3.a

**FY 12 Objectives:** Consistent with the School Committee guidelines the key objective is to maintain class size at the elementary level in a time of fiscal constraint. Based upon ongoing study of continued quality of education but to provide cost savings this budget provides for a some savings based on initiatives proposed below.

**Explanation:** The primary cost increase for FY 12 at Happy Hollow is an increase of \$XXXXXX for salary and wage increases consistent with collective bargaining agreements.

In order to reduce costs the FY 12 budget proposes a reduction in XXXXXXXXXXXXXXXX;

**Proposal:**

**Expected Outcomes:**

**Savings:** The net cost savings for this proposal is \$65,000 including \$40,000 in salaries and \$25,000 in benefits.

*(Any other significant changes would go here).*

The direct incremental costs of all budget changes for FY 12 at Happy Hollow School are presented in the *Budget Summary* on the next page. We have also presented key indicators for the school including FY 09 and FY 10 Actual, Current Year statistics and FY 12 Proposed. This page also shows the dollars allocated to the school for the same four year period by major category of expenditure and the percentage change by major category. The staffing levels for each subject/activity and spending by subject/activity are presented in the *Activity/Subject* section .

Classroom Information is presented in the following section. Specifically it presents: Classroom Enrollment, Classroom FTEs and the Pupil Teacher Ratio by each Grade and by Regular Education and Special Education.

The detailed FY 12 budget for Happy Hollow School by Activity/Subject and by object of expenditure is presented immediately following the Summary Sections. The detailed MUNIS budget includes projected spending through June 30, 2011; it presents the FY 12 Proposed Spending and the percentage change by object of expenditure.

## Happy Hollow Elementary School

## Attachment 3.a

**FY 12 Objectives:** Consistent with the School Committee guidelines the key objective is to maintain class size at the elementary level in a time of fiscal constraint. Based upon ongoing study of continued quality of education but to provide cost savings this budget provides for a some savings based on initiatives proposed below.

**Explanation:** The primary cost increase for FY 12 at Happy Hollow is an increase of \$XXXXXX for salary and wage increases consistent with collective bargaining agreements.

In order to reduce costs the FY 12 budget proposes a reduction in XXXXXXXXXXXXXXXX;

**Proposal:**

**Expected Outcomes:**

**Savings:** The net cost savings for this proposal is \$65,000 including \$40,000 in salaries and \$25,000 in benefits.

*(Any other significant changes would go here).*

The direct incremental costs of all budget changes for FY 12 at Happy Hollow School are presented in the *Budget Summary* on the next page. We have also presented key indicators for the school including FY 09 and FY 10 Actual, Current Year statistics and FY 12 Proposed. This page also shows the dollars allocated to the school for the same four year period by major category of expenditure and the percentage change by major category. The staffing levels for each subject/activity and spending by subject/activity are presented in the *Activity/Subject* section .

Classroom Information is presented in the following section. Specifically it presents: Classroom Enrollment, Classroom FTEs and the Pupil Teacher Ratio by each Grade and by Regular Education and Special Education.

The detailed FY 12 budget for Happy Hollow School by Activity/Subject and by object of expenditure is presented immediately following the Summary Sections. The detailed MUNIS budget includes projected spending through June 30, 2011; it presents the FY 12 Proposed Spending and the percentage change by object of expenditure.

# Happy Hollow Elementary School

## I. Budget Summary

Attachment 3.b

Actual		Current Year Actual and Estimated			Proposed	Change	%
		Adopted	Exp/Enc. 6 Months	Estimated to June 30th	FY 12	FY 11 to FY 12	Change
FY 09	FY 10						
<b>Measures and Indicators:</b>							
Enrollment							
Per Pupil Spending (at Site)							
<b>FTEs:</b>							
Management and Administration							
Classroom Teachers							
Classroom Teacher Aides							
Other Instructional							
Custodians							
<b>Total FTEs</b>							
<b>Expenditures by Category:</b>							
Personal Services							
Non-Personal Services							
<b>Total Expenditures</b>							

### FY 12 Major Changes and Initiatives:

Collective Bargaining Increases

XXXXX

### Direct Incremental Cost/(Savings)

\$ 98,000

\$ (67,200)

## II. BUDGET and FTES by ACTIVITY/SUBJECT

Attachment 3.c

	Actual		Current Year Actual and Estimated		Proposed	Change
	FY 09	FY 10	Adopted	Actual 6 Months	Estimated to June 30th	FY 11 to FY 12
<b><u>EXPENDITURES BY ACTIVITY/SUBJECT:</u></b>						
ADMINISTRATION						
REGULAR CLASSROOM						
SPECIAL EDUCATION CLASSROOM						
AFTER SCHOOL ACTIVITIES						
ART						
GUIDANCE						
INSTRUCTIONAL TECHNOLOGY						
LIBRARY/MEDIA SERVICES						
MUSIC						
PHYSICAL EDUCATION						
PSYCHOLOGICAL SERVICES						
CUSTODIAL SERVICES						
<b>TOTAL HAPPY HOLLOW EXPENDITURES</b>						
<b><u>FTES BY ACTIVITY/SUBJECT:</u></b>						
ADMINISTRATION						
REGULAR CLASSROOM						
SPECIAL EDUCATION CLASSROOM						
AFTER SCHOOL ACTIVITIES						
ART						
GUIDANCE						
INSTRUCTIONAL TECHNOLOGY						
LIBRARY/MEDIA SERVICES						
MUSIC						
PHYSICAL EDUCATION						
PSYCHOLOGICAL SERVICES						
<b>TOTAL HAPPY HOLLOW FTES</b>						

### III. Classroom: Enrollment, FTEs and Pupil Teacher Ratio

Attachment 3.d

	Actual FY 09	Actual FY 10	Current Year	Proposed FY 12	Change FY 11 to FY 12
<b>I. REGULAR EDUCATION</b>					
Grade 1 Teachers					
Grade 1 Teaching Assistants					
Grade 1 Enrollment					
<b>Grade 1 Pupil/Teacher Ratio</b>					
Grade 2 Teachers					
Grade 2 Teaching Assistants					
Grade 2 Enrollment					
<b>Grade 2 Pupil/Teacher Ratio</b>					
Grade 3 Teachers					
Grade 3 Teaching Assistants					
Grade 3 Enrollment					
<b>Grade 3 Pupil/Teacher Ratio</b>					
Grade 4 Teachers					
Grade 4 Teaching Assistants					
Grade 4 Enrollment					
<b>Grade 4 Pupil/Teacher Ratio</b>					
Grade 5 Teachers					
Grade 5 Teaching Assistants					
Grade 5 Enrollment					
<b>Grade 5 Pupil/Teacher Ratio</b>					
<b>II. SPECIAL EDUCATION</b>					
<b>Classroom FTES, and Pupil/Teacher Ratio</b>					
Grade 1 Teachers					
Grade 1 Teaching Assistants					
Grade 1 Enrollment					
<b>Grade 1 Pupil/Teacher Ratio</b>					
Grade 2 Teachers					
Grade 2 Teaching Assistants					
Grade 2 Enrollment					
<b>Grade 2 Pupil/Teacher Ratio</b>					
Grade 3 Teachers					
Grade 3 Teaching Assistants					
Grade 3 Enrollment					
<b>Grade 3 Pupil/Teacher Ratio</b>					
Grade 4 Teachers					
Grade 4 Teaching Assistants					
Grade 4 Enrollment					
<b>Grade 4 Pupil/Teacher Ratio</b>					
Grade 5 Teachers					
Grade 5 Teaching Assistants					
Grade 5 Enrollment					
<b>Grade 5 Pupil/Teacher Ratio</b>					

Recommended MUNIS FORMAT - Sample

ATTACHMENT 3.e

**50 HAPPY HOLLOW ELEMENTARY SCHOOL**  
**Budget by Site, by Activity and Detailed Object**

		FY 10 Actual	FY 11 Original	FY 11 Revised	FY 11 Actual*	FY 11 Projected to 6/30/11	FY 12 Proposed	% Change
<b>02 ADMINISTRATION</b>								
55120 PRINCIPAL	Personal Service							
55220 ADMINISTRATIVE ASSISTANT	Personal Service							
55221 ADMINISTRATIVE SECRETARY	Personal Service							
55432 COPIER MAINTENANCE	Expense							
55480 OTHER CONTRACT SERVICES	Expense							
55511 PAPER - COPIER	Expense							
55520 SUPPLIES - OFFICE	Expense							
55676 CONFERENCE REGISTRATION	Expense							
<b>TOTAL ADMINISTRATION</b>								
<b>05 AFTER SCHOOL ACTIVITIES</b>								
55181 ADVISOR	Personal Service							
55527 SUPPLIES - OTHER	Expense							
55685 FIELD TRIPS	Expense							
<b>TOTAL AFTER SCHOOL ACTIVITIES</b>								
<b>06 ART</b>								
55150 TEACHER	Personal Service							
55170 DEPARTMENT HEAD	Personal Service							
55521 SUPPLIES - CLASSROOM	Expense							
<b>TOTAL ART</b>								
<b>23 GUIDANCE</b>								
55515 GUIDANCE COUNSELOR	Personal Service							
55520 SUPPLIES - OFFICE	Expense							
<b>TOTAL GUIDANCE</b>								
<b>31 INSTRUCTIONAL TECHNOLOGY</b>								
55150 TEACHER	Personal Service							
55304 LAB ASSISTANT	Personal Service							
55521 SUPPLIES - CLASSROOM	Expense							
55530 - COMPUTER - NEW	Expense							
55532 - COMPUTER - SUPPLIES	Expense							

**Recommended MUNIS FORMAT - Sample**

*ATTACHMENT 3.e*

**50 HAPPY HOLLOW ELEMENTARY SCHOOL**  
**Budget by Site, by Activity and Detailed Object**

		<b>FY 10 Actual</b>	<b>FY 11 Original</b>	<b>FY 11 Revised</b>	<b>FY 11 Actual*</b>	<b>FY 11 Projected to 6/30/11</b>	<b>FY 12 Proposed</b>	<b>% Change</b>
55535 - COMPUTER ACCESSORIES	Expense							
55536 - SOFTWARE - LICENSES	Expense							
55562 - EQUIPMENT - CLASSROOM	Expense							
55563 - EQUIPMENT - REPAIR PARTS	Expense							
<b>TOTAL INSTRUCTIONAL TECHNOLOGY</b>								
 <b>CLASSROOM TEACHERS</b>								
55150 TEACHER	Personal Service							
55300 TEACHING ASSISTANT	Personal Service							
55515 - TEXTBOOKS -CONSUMABLES	Expense							
55516 - TEXTBOOKS - NEW ADOPTION	Expense							
55480 - OTHER CONTRACT SERVICES	Expense							
55521 - SUPPLIES - CLASSROOM	Expense							
55562 - EQUIPMENT CLASSROOM	Expense							
55676 - CONFERENCE REGISTRATION	Expense							
<b>TOTAL CLASSROOM TEACHERS</b>								
 <b>LIBRARY/MEDIA SERVICES</b>								
55164 LIBRARY/MEDIA SPECIALIST	Personal Service							
55480 - OTHER CONTRACT SERVICES	Expense							
55518 - BOOKS - LIBRARY	Expense							
55527 - SUPPLIES - OTHER	Expense							
55532 - COMPUTER SUPPLIES	Expense							
55541 - SUBSCRIPTIONS	Expense							
55561 - EQUIPMENT - MEDIA	Expense							
<b>TOTAL LIBRARY/MEDIA SERVICES</b>								
 <b>MUSIC</b>								
55150 TEACHER	Personal Service							
55516 TEXTBOOKS - NEW ADOPTON	Expense							
55521 SUPPLIES - CLASSROOM	Expense							
<b>TOTAL MUSIC - GENERAL</b>								

Recommended MUNIS FORMAT - Sample

ATTACHMENT 3.e

**50 HAPPY HOLLOW ELEMENTARY SCHOOL**  
**Budget by Site, by Activity and Detailed Object**

		FY 10 Actual	FY 11 Original	FY 11 Revised	FY 11 Actual*	FY 11 Projected to 6/30/11	FY 12 Proposed	% Change
<b>43 MUSIC - INSTRUMENTAL</b>								
55150 TEACHER	Personal Service							
55521 SUPPLIES - CLASSROOM	Expense							
55563 EQUIPMENT - REPAIR PARTS	Expense							
55610 MEMBERSHIP - PROFESSIONAL	Expense							
<b>TOTAL MUSIC - INSTRUMENTAL</b>								
<b>52 PHYSICAL EDUCATION</b>								
55150 TEACHER	Personal Service							
55521 - SUPPLIES - CLASSROOM	Expense							
55562 - EQUIPMENT _ CLASSROOM	Expense							
<b>TOTAL PHYSICAL EDUCATION</b>								
<b>53 PSYCHOLOGICAL SERVICES</b>								
55161 PSYCHOLOGIST	Personal Service							
55528 - SUPPLIES - TESTING	Expense							
<b>TOTAL PSYCHOLOGICAL SERVICES</b>	Expense							

*Continues for Other Activities:*



**Wayland Public Schools**  
**Sample Format for Non-General Fund Funds**  
**(Revolving, Grants etc.)**

**Attachment 4.a**

*Note: Attachment B following includes the new reporting format developed by G. Macdonald*

**Fund Name:** **BASE - Before and After School Enrichment**  
**Type of Fund:** REVOLVING

**Fund Manager:**

**Fund Purpose:** Fee Based Program for Full Day School experience

**Fund Description:** The BASE Program is a fee based program that affords children the opportunity to experience a full school day. Children can attend BASE \_\_\_\_ to \_\_\_\_ days per week. The curriculum is topic based enrichment, primarily focused on science and \_\_\_\_\_. A total of \_\_\_\_ are enrolled in FY 11 and we estimate an enrollment of \_\_\_\_ for FY 12.  
**Legal Basis:** M. G. L. Chapter 71, Section 47.

**Issues for FY 12:**

<b>Staffing/FTEs:</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>
Teachers			
Teaching Assistants			

<b>Fund Balance:</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>

<b>Revenues:</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>

<b>Proposed Budget:</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>
<b>Personal Services:</b>			

**Expenses:**

Wayland Public Schools  
FY 2011 Summary of Fund Balances

**Attachment 4.b**  
**Balance**

<b>Operating Funds</b>		<b>Carry-Over</b>	<b>Appropriated</b>	<b>Enc/Exp</b>	
Salary					
Expense					
<b>Total Operating Funds</b>					
<b>Fund No.</b>		<b>Opening Balances</b>	<b>Received</b>	<b>Expended</b>	<b>Ending Balance</b>
	<b>Non Operating Funds</b>				
	<b>Revolving Funds</b>				
3110	Base				
3111	Pegasus				
3112	TCW				
3113	Global Language				
3114	Tutoring				
3115	Enrichment				
3120	School Lunch				
3130	Athletics				
3135	Ice Hockey				
3136	Weight Room				
3140	Parking- HS				
3141	HS Activity Fee				
3146	Instrumental Music				
3150	Transportation				
3160	Building Use				
3200	WPSF				
3210	METCO				
3215	School Cable Studio				
3220	General Gift				
3221	Haney Gift				
3225	Professional Development				
3226	Curriculum				
3230	Technology Gift				
3231	E-Rate				
3311	Francis Smith Dignitas Award				
3417	Circuit Breaker				
3620	High School Student Activity				
3630	Middle School Student Activity				
3640	Claypit Hill Student Activity				
3650	Happy Hollow Student Activity				
3660	Loker Student Activity				
	<b>Total Revolving Funds</b>				
	<b>Federal Grants</b>				
3509	FY09 IDEA				
3519	FY09 SPED Early Childhood				
3529	FY09 SPED Program Improvement				
3539	FY09 Title II, Part A				
3589	FY09 Title I				
3500	FY10 IDEA				
3510	FY10 SPED Early Childhood				
3530	FY10 Title II, Part A				
3540	FY10 Title II, Part D				
3590	FY10 ARRA-IDEA				
3600	FY10 ARRA-Early Childhood				
	<b>Total Federal Grants</b>				
	<b>State and Other Grants</b>				
3409	FY09 Safe & Drug Free Schools				
3439	FY 09 Academic Support				
3400	FY10 Safe & Drug Free Schools				
3430	FY 10 Academic Support				
3470	FY 10 METCO				
3579	Substance Abuse Prevention				
	<b>Total State Grants</b>				

Wayland Public Schools  
FY 2011 Summary of Fund Balances

<b>Fund No.</b>	<b>Non Operating Funds</b>	<b>Opening Balances</b>	<b>Received</b>	<b>Expended</b>	<b>Ending Balance</b>
	<b>Capital Project Funds</b>				
3705	High School Project				
3700	Middle School Renovations				
3757	FY 07 Capital Building Repairs				
3787	FY 07 NEASC Repairs				
3758	FY 08 Capital Building Repairs				
3788	FY 08 HS Building Repairs				
3759	FY 09 Capital Building Repairs				
3760	FY 10 Capital Equipment (Vehicle)				
3770	FY 10 Capital Technology				
3750	FY 10 Capital Building Repairs				
	<b>Total Capital Projects Funds</b>				
	<b>Fiduciary Funds</b>				
XXXX	Scholarship Funds				
YYYY	Student Activity Agency Fund				
	<b>Total Fiduciary Funds</b>				

## **School Budgets Reviewed**

### Needham Public Schools

The Needham Budget has won Certificates of Achievement/Budget Awards from the *Government Finance Officers Association* and the *Association of School Business Officials – International*.

### Lexington Public Schools

### Newton Public Schools

### Weston Public Schools

Each school system presents a comprehensive and integrated budget document and reporting formats. Needham and Lexington meet extremely high standards in budgeting and reporting. Newton is strong and then Weston.

Our recommendations for Wayland are not based on any one school system's practices or budget document and formats. Our budget recommendations are based on a combination of where the Wayland School Budget Document and Budget Reporting is today and the implementation of some of the practices and formats of each of the four school systems, some of the standards referenced by the *Government Finance Officers Association* and the *Association of School Business Officials* in the *Appendix* to this briefing and our judgment. Our intent is not for the Wayland Public Schools to win budget awards but to develop and meaningful budget document and implement meaningful budget and financial reporting.

We encourage the Committee to review the *Government Finance Officers Association* and the *Association of School Business Officials* standards and determine if there is any other information beyond what we are recommending that you like to add.

## *Attachment 6*

### **Preliminary Recommendations**

1. Move beyond the practice of managing the school budget as a \$30 million “bottom line” budget
2. Assure School Committee has appropriate role as policy body for schools in the substantive reallocation of budget resources after adoption of the budget:
  - a. Institute a formal *Budget Order* voted by the School Committee at the time of budget adoption delineating School Committee’s policy level of control over the adopted budget.

#### Recommended School Committee Budget Control:

- i. Site/Department by Personal Services Total
  - ii. Site/Department by Expense Total
3. Create active site based budget management by the principals and department heads over their “adopted budgets” and require transfers instead of allowing “deficit account” spending in accounts/areas.
4. Assure that the Business Office has no transfer authority; their purpose is budget review and enforcement; to prevent spending without adequate balances. Transfer authority is vested in the school committee. By virtue of the School Committee’s *Budget Order* at the “Total Personal Services” level and “Total Expense” level at each school/department then the principals and department heads have authority to transfer within those two broad categories at their site/department. Transfers will only be recorded on the general ledger based upon the action of the school committee, the principal or the department head.

5. Need to “Turn On” MUNIS Financial Management System “Budget Controls” to prevent deficit spending in certain accounts/areas and facilitate transfers and reallocation of resources.
6. Need to assure use of encumbrances (purchase orders) and timely encumbrances to assure all obligations of a budget period are reflected in order to assure accuracy of budget/financial reporting.
7. Need Macro level quarterly budget and financial reporting and analysis for general fund appropriation and for “Other Funds” (Special Revenue, Grants, and Revolving) to indicate soundness of budgets/fund balance or complications. MUNIS Print-outs to be provided as reference and back up to the meaningful analysis, “bullet points” and narrative reporting.
8. Expand use of encumbrances to “freeze” funds on the general ledger and present obligations as early as possible in fiscal year. Institute estimated/projected year end position by early as first quarter’s report.
9. Institutionalize direct financial and budget reporting and communications from the school business manager to the School Committee. Format of new school business manager’s Fund Balance Reporting format is included in *Attachment 4.b*
10. Publish an integrated and comprehensive Budget Document and meaningful quarterly reports on the website.
11. School Department needs to assure completion and submittal of FY 08 and FY 09 Compliance Supplements to DESE.

## ***APPENDICES***

- A. GFOA Budget Standards/Criteria
- B. ASBO Budget Criteria

**Detailed Criteria Location Guide  
Distinguished Budget Presentation Awards Program  
Government Finance Officers Association**

**Name of Entity:** \_\_\_\_\_  
**State/Province:** \_\_\_\_\_

Cite page references where information can be found in the operating budget in response to each question. Please give as specific a page reference as possible.

**The Budget as a Policy Document (PD)**

- PD1. The document should include a coherent statement of organization-wide financial and programmatic policies and goals that address long-term concerns and issues.
- Are goals or policies stated? \_\_\_\_\_
  - Are the goals organization-wide? \_\_\_\_\_
  - Do the policies address both financial \_\_\_\_\_ and programmatic (service delivery) concerns? \_\_\_\_\_
  - Do the policies cover a multi-year time frame? \_\_\_\_\_
- PD2. The document should describe the organization's short-term financial and operational policies that guide the development of the budget for the upcoming year.
- Are short-term policies stated? \_\_\_\_\_
  - Are the short-term policies financial \_\_\_\_\_ and are they operational? \_\_\_\_\_
  - Do the policies guide the development of the annual budget (*i.e., annual pay increases, fee changes, new positions, equipment replacement, program enhancements, new facilities*)? \_\_\_\_\_
- PD3. The document should include a coherent statement of goals and objectives of organizational units (e.g., departments, divisions, offices or programs).
- Do most of the entity's organizational units have long-term goals (descriptions of anticipated accomplishments as opposed to descriptions of functions and activities required by Operations Guide Criterion #1, *e.g., recycle 20% of community's solid waste stream*)? \_\_\_\_\_
  - Do most of the entity's organizational units have quantifiable short-term objectives listed (*e.g., open two new recycling drop-off centers by December 31, xxxx*)? \_\_\_\_\_
  - Are the units' goals linked to the overall goals of the organization? \_\_\_\_\_
- PD4. **Mandatory:** The document shall include a budget message that articulates priorities and issues for the budget for the new year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (e.g., transmittal letter, budget summary section).
- Does the message highlight the issues facing the governing body in developing the budget? \_\_\_\_\_
  - Does the message highlight the priorities set for the budget year and explain how they differ from those in the current year? \_\_\_\_\_
  - Is the message comprehensive enough to address all major funds and not only the general fund? \_\_\_\_\_
  - Does the message contain headings emphasizing highlights? \_\_\_\_\_



## **The Budget as a Financial Plan (FP)**

- FP1. The document should include and describe all funds that are subject to appropriation.
- Are all funds appropriated by the organization included in the document? \_\_\_\_\_
  - Are all funds appropriated by the organization described in the document? \_\_\_\_\_
  - Is an overview of your fund structure contained in the document? \_\_\_\_\_
- FP2. **Mandatory:** The document shall present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.
- Is a single consolidated overview that presents all resources and expenditures included in the document? \_\_\_\_\_
  - Does the overview present the major categories of revenues/sources and expenditures/uses (*i.e., revenues by major type and expenditures broken down by organization, category or character of expenditure*) for all funds? \_\_\_\_\_
- FP3. **Mandatory:** The document shall include summaries of revenues and other resources, and of expenditures for the prior year actual, current year budget and/or estimated current year actual, and proposed budget year.
- Are both revenues and expenditures for at least a three-year period (prior year actual, current year budget and/or estimate, and budget year projected) presented? \_\_\_\_\_
  - If yours is a biennial budget, are revenues and expenditures for at least a four-year period (at least one prior year actual, current year budget and/or estimate, and two budget years projected) presented? \_\_\_\_\_
- FP4. **Mandatory:** The document shall describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.
- Are the major revenue sources for all funds (usually three to five major revenue sources account for the bulk of an entity's revenues, *e.g., a local option sales tax for a locality or landing fees for an aviation authority*) identified and described? \_\_\_\_\_
  - Are the assumptions underlying the revenue estimates for the budget year discussed (*e.g., what is the basis for each estimate – i.e., trend analysis, state-provided estimates, changes in the local economy, fee increases, etc.; does percent change information supplement the explanation of why a change is expected?*)? \_\_\_\_\_
  - Are revenue trends discussed (are they also enhanced with graphics)? \_\_\_\_\_
- FP5. **Mandatory:** The document shall include projected changes in fund balances, as defined by the entity in the document, for governmental funds included in the budget presentation, including all balances potentially available for appropriation.
- Are disclosure of changes in fund balances (to include beginning and ending fund balances) for all governmental funds, not just the general fund, provided? \_\_\_\_\_
  - Are fund balances disclosed even if they are required to be zero? \_\_\_\_\_
  - Is narrative discussion provided in the budget message or transmittal letter if fund balances are anticipated to decline over the upcoming budget year and are both short-term and long-term consequences addressed? If projected changes are material, the discussion should be mandatory. \_\_\_\_\_
- FP6. The document should include budgeted capital expenditures and a list of major capital projects for the budget year, whether authorized in the operating budget or in a separate capital budget.
- Are budgeted capital expenditures fully disclosed in the document? \_\_\_\_\_
  - Is there a specific listing of capital projects for which appropriations are made or required for the budget year? \_\_\_\_\_
  - Is a brief description provided for each major capital project? \_\_\_\_\_

- FP7. The document should describe if and to what extent capital improvements or other major capital spending will impact the entity's current and future operating budget. The focus is on reasonably quantifiable additional costs and savings (direct or indirect) or other service impacts that result from capital spending.
- Are current and/or future operating costs such as maintenance and staffing requirements associated with bringing new facilities on line (*e.g., maintaining and staffing recreation programs for new parks, operating new schools, and maintenance and electricity for additional signalization of intersections*) estimated and included? \_\_\_\_\_
  - Are savings associated with permanent fixes to long-term maintenance problems (*e.g., replacing a roof that has required constant maintenance*) or savings from replacements (*e.g., replacement of street lights with long-life, energy-efficient bulbs*) included? \_\_\_\_\_
  - Are the operating impacts and savings quantified? \_\_\_\_\_
- FP8. **Mandatory:** The document shall include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current and future operations.
- Is financial data on current debt obligations included in the document? \_\_\_\_\_
  - Is the relationship between current debt levels and legal debt limits described (requirement that a referendum be held before debt may be incurred is a form of legal debt limit)? \_\_\_\_\_
  - Are legal debt limits described and calculated (or if no legal debt limits exist, is that fact clearly stated)? \_\_\_\_\_
  - Is a description of your debt policy included? \_\_\_\_\_
- FP9. **Mandatory:** The document shall explain the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis.
- Is a definition of the **basis of budgeting** for each fund type included? \_\_\_\_\_
  - Is an explanation of the difference between the **basis of budgeting** and **basis of accounting** provided (if the **basis of budgeting** and **basis of accounting** are the same, is this fact clearly stated)? \_\_\_\_\_
  - For budgets which essentially follow the basis of accounting are exceptions (*e.g., depreciation or compensated absences*) noted? \_\_\_\_\_

### **The Budget as an Operations Guide (OG)**

- OG1. **Mandatory:** The document shall describe activities, services or functions carried out by organizational units.
- Does the document clearly present the organizational units? \_\_\_\_\_
  - Does the document provide descriptions of each organizational unit (*i.e., descriptions for divisions, departments, programs, etc.*)? \_\_\_\_\_
- Note: The size or complexity of the entity dictates how far down in the organizational structure this information is presented)?*
- OG2. The document should provide objective methods to measure progress toward accomplishing the government's mission as well as specific unit and program goals and objectives.
- Are performance data directly related to the stated goals and objectives of the organization? \_\_\_\_\_
  - Do performance measures focus on results and accomplishments (*e.g. output measures, efficiency measures*) rather than inputs (*e.g. dollars spent*)? \_\_\_\_\_
- OG3. **Mandatory:** The document shall include an organization chart(s) for the entire organization.
- Is a chart provided which shows the entire organization and its components? \_\_\_\_\_

- OG4. **Mandatory:** A schedule(s) or summary table(s) of personnel or position counts for prior, current and budgeted years shall be provided, including descriptions of significant changes in levels of staffing or reorganizations planned for the budget year.
- Is a summary table of personnel/position counts provided for the entire organization? \_\_\_\_\_
  - Is information presented for the three year period of prior year actual, current year estimate/budget and budget year projected? \_\_\_\_\_
  - Are significant changes in staffing levels or reorganizations for the budget year presented? \_\_\_\_\_
- 

### **The Budget as a Communications Device (CD)**

- CD1. The document should provide summary information, including an overview of significant budgetary issues, trends, and resource choices. Summary information should be presented within the budget document either in a separate section (*e.g., executive summary*) or integrated within the transmittal letter or other overview sections.
- Is summary information contained in the budget message/transmittal letter, overview section, or in a budget-in-brief document? \_\_\_\_\_
  - Is summary information on significant budgetary issues provided? \_\_\_\_\_
  - Is summary information on budgetary trends provided? \_\_\_\_\_
  - Is an overview of your fund structure contained in the document? \_\_\_\_\_
- CD2. The document should explain the effect, if any, of other planning processes (*e.g., strategic plans, long-range financial plans, capital improvement plans*) upon the budget and budget process.
- Are any other planning processes, *i.e., multi-year capital improvement plans, strategic plans, community “vision” statements, etc.*, identified? \_\_\_\_\_
  - Are the effects of these planning processes on the budget and the budget process explained? \_\_\_\_\_
- 
- CD3. **Mandatory:** The document shall describe the process for preparing, reviewing and adopting the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption. If a separate capital budget process is used, a description of the process and its relationship to the operating budget should be provided.
- Is a description of the process used to develop, review and adopt the budget included in the document? \_\_\_\_\_
  - Is a budget calendar provided to supplement and not be a substitute for the narrative information on the budget process? \_\_\_\_\_
  - If a separate capital budget process is identified, is the process and its relationship to the operating budget described? \_\_\_\_\_
  - Is a discussion of how the budget is amended provided in the budget document distributed to the public? \_\_\_\_\_
- 
- CD4. **Mandatory:** Charts and graphs shall be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident.
- Are charts and graphs used to convey essential information (*i.e., key policies, trends, choices and impacts*) in the document? \_\_\_\_\_
  - Are graphics integrated with narratives to illustrate the information contained in the narratives? \_\_\_\_\_
-

- CD5. The document should provide narrative, tables, schedules, cross-walks or matrices to show the relationship between different revenue and expenditure classifications (*e.g., funds, programs, organizational units*).
- Is the entity's fund structure explained or illustrated (*i.e., can the reader learn the relationship between functional units and the entity's financial structure*)? \_\_\_\_\_
  - Is revenue and expenditure information cross-classified into other formats such as by major revenue classifications across funds, or by major objects of expenditure across departments, or by funds across departments? \_\_\_\_\_
- 
- CD6. **Mandatory:** The document shall include a table of contents to make it easy to locate information in the document
- Is a comprehensive table of contents provided to help the reader locate information in the document? \_\_\_\_\_
- 
- CD7. A glossary should be included for any terminology (including abbreviations and acronyms) that is not readily understood by a reasonably informed reader.
- Is a glossary included which defines technical terms related to finance and accounting as well as terms related to organizations? \_\_\_\_\_
  - Are any acronyms used in the document defined in the glossary? \_\_\_\_\_
  - Is the glossary written in simple language for the non-technical reader to understand? \_\_\_\_\_
- 
- CD8. The document should include statistical and supplemental data that describe the organization and the community or population it serves, and provide other pertinent background information related to the services provided.
- Is statistical information that defines the community such as demographics (*e.g., population, composition of population, land area, and average household income*) included in the document? \_\_\_\_\_
  - Is supplemental information such as information on the local economy (*e.g., major industries, agricultural products, transportation methods, employment, and building permits issued*) included the document? \_\_\_\_\_
  - Is other pertinent information on your community such as its local history, maps, and service information such as number of fire stations, miles of paved and unpaved roads, number of schools by type, etc. included in the document? \_\_\_\_\_
- 
- CD9. The document should be printed and formatted in such a way to enhance understanding and utility of the document to the lay reader. It should be attractive, consistent and oriented to the reader's needs.
- Is the document laid out where the page formats are consistent (so the reader doesn't need to study each page to understand what is being presented)? \_\_\_\_\_
  - Is the reader buried under minutia of interest only to the entity's staff? \_\_\_\_\_
  - Are charts and graphs laid out with sufficient explanation for the casual reader? \_\_\_\_\_
  - Are changes in type sizes and styles avoided (with the wide availability of clip art, graphics inconsistency in this regard has become more widespread)? \_\_\_\_\_
  - Does the use of graphics add to (rather than detract from) the overall presentation? \_\_\_\_\_

**PLEASE NOTE:**

- ◆ Outstanding ratings by all three reviewers on financial plan #6 and financial plan #7 and proficient ratings by all three reviewers on communications device #2 and communications device #3 will result in special capital recognition.
- ◆ Outstanding ratings by all three reviews on operations guide #2, outstanding ratings by at least two reviewers on policy document #3, and at least proficient ratings by all three reviewers on policy document #1 will result in special performance measures recognition.



**Association of School Business Officials International  
MERITORIOUS BUDGET AWARDS PROGRAM**



**MBA Criteria Checklist**

Name of Entity: \_\_\_\_\_ State/Province: \_\_\_\_\_ Date: \_\_\_\_\_

The purpose of the MBA Criteria Checklist is to ensure applicants have met the requirements of the MBA Award Program and the reviewers are able to locate examples in the budget document that meet the criteria.

When completing the MBA Criteria Checklist, please refer to the MBA Criteria Narrative which more fully explains the requirements.

<b>A. GENERAL REQUIREMENTS</b>	<b><u>APPLICANTS USE</u></b>  List all pages of the budget Document where examples can be found.	<b><u>REVIEWERS USE</u></b>  EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
1. The cover contains: <ul style="list-style-type: none"><li>• The title "Budget"</li><li>• Budget year covered</li><li>• Full name of the entity</li><li>• City/County of the entity*</li><li>• State/Province of the entity*</li><li>• Country or other postal designation*</li><li>• Website address of the entity if available</li></ul> *Provide City/County and State/Province that is used in the entity's formal address.		
2a. The document should be divided into major sections. <ul style="list-style-type: none"><li>• Sections should be easily identified with tabs or title pages.</li><li>• Do not add any other major section divisions (minor separations within the major sections are okay).</li></ul>		
2b. The pages of the document should be numbered consecutively from page 1 to the last page in the document.		
2c. A Table of Contents precedes the Introductory Section and should refer to the document pages with exactness.		
2d. The Table of Contents identifies all major sections.		

A. GENERAL REQUIREMENTS - Continued	<u>APPLICANTS USE</u>  List all pages of the budget Document where examples can be found.	<u>REVIEWERS USE</u>  EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
3. A cover letter identifies any information required by the criteria that is not relevant to the school entity. Applicants should expound on reasons that they are not including certain criteria in the budget document by including examples of the criteria that will not be provided.		
4. A response to the previous review team recommendations is provided by this school entity in a separate letter.		
5. The use of graphs and charts is used to enhance communication. Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident.		
6. The budget document should: <ul style="list-style-type: none"> <li>• Be technically well prepared</li> <li>• Be easy to read</li> <li>• Flow in a logical sequence</li> <li>• Be clear and understandable in narration</li> <li>• Be free of spelling and grammar errors</li> </ul>	<b>The entire budget document should meet this requirement of the Meritorious Budget Awards Program. Listing of page numbers is not necessary.</b>	

**REVIEWER'S COMMENTS:**

<b>B. INTRODUCTORY SECTION</b>	<b>FOR APPLICANTS USE ONLY</b>  List all pages of budget document where examples can be found:	<b>FOR REVIEWERS USE ONLY</b>  EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
1a. The document includes an Executive Summary.		
1b. The Executive Summary is liftable (meaning the Executive Summary presents a comprehensive summary of required information from each section of the budget and could be presented separately from the budget document and still present a complete picture of the entity).		
1c. The Executive Summary tells the complete budget story in narrative, numeric and graphic form. The use of charts and graphs should be in all components of the Introductory Section.		
1d. The Executive Summary presents in an integrated and summary form the following components of the budget:  (A) <u>The Organizational component</u> <ul style="list-style-type: none"> <li>• Major goals and objectives</li> <li>• Budget process and timeline</li> <li>• Significant changes from the current year in the budget process and/or budget policies and underlying causes of those changes</li> <li>• Explanation of allocation of human and financial resources to achieve goals and objectives</li> </ul>		
(B) The Financial component <ul style="list-style-type: none"> <li>• Summary of revenues and expenses/expenditures for all funds</li> <li>• Budget comparisons of at least the current year to the budget year for all funds</li> <li>• Discussion of significant trends, events and initiatives</li> <li>• Explanation of significant financial and demographic changes</li> </ul>		

B. INTRODUCTORY SECTION - Continued	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
(C) The Informational component <ul style="list-style-type: none"> <li>• Budget forecast</li> <li>• Student enrollment trends and forecasts</li> <li>• Tax base and rate trends</li> <li>• Personnel resource changes and reasons for changes</li> <li>• Changes in debt of the school entity</li> <li>• Performance results tied to expenditure per student in the state/province; 'academic efficiency' of dollars spent; federal, national, provincial governmental standards or other measures (e.g., NCLB or provincial averages of similar size districts)</li> </ul> Add footnote or paragraph to show the link between student achievement and the budgeting process using NCLB or another state or provincial measurement as an example		
2. The document includes the Meritorious Budget Award certificate if received for the prior year.		
3. The document includes a listing of members of the School Board.  The document includes a listing of first-level administrative personnel.		

**REVIEWER'S COMMENTS:**



C. ORGANIZATIONAL SECTION	APPLICANTS USE  List all pages of budget document where examples can be found:	REVIEWERS USE  EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
1. The document should provide an explanation of the school entity which includes the following: <ul style="list-style-type: none"> <li>• Legal autonomy, fiscal independence/dependence</li> <li>• Level of education provided</li> <li>• Geographic area served</li> <li>• Number of students and number of schools</li> <li>• Number of funds and fund types and titles</li> <li>• Explanation of the classification of revenues/expenditures</li> <li>• Describe the basis of accounting for financial reporting. Include explanation of any significant difference between this basis and the measurement basis for budgeting</li> </ul>		
2. A discussion of significant budget and financial: <ul style="list-style-type: none"> <li>• Policies</li> <li>• Procedures</li> <li>• Regulations which govern the budget process</li> </ul>		
3. An organizational chart, which includes the administrative staff by position or title		
4. A coherent statement of the mission of the school entity.		
5. The major goals and objectives for the school entity. <i>(If the cost of a goal or objective is significant and measurable, it is suggested that the cost be included.)</i>		
6. Describe the budget development process. Include the capital budget development process		
7. Describe the budget administration and management process.		

**REVIEWER COMMENTS:**

D. FINANCIAL SECTION	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
<p>1. A presentation of the budgets includes:</p> <ul style="list-style-type: none"> <li>• All governmental funds</li> <li>• All proprietary funds</li> <li>• Level of detail required by law or adopted by the governing body</li> <li>• Revenues by source</li> <li>• Expenditures by function and object</li> </ul> <p><i>Optional: Budgets may also be presented by program, location and/or administrative unit.</i></p>		
<p>2. A pyramid approach should be used (summary of all funds, followed with the presentation of individual funds). Narrative or footnotes should be included to explain the data presented on this section's charts and graphs. Explain major shifts from current year.</p> <p><i>Optional: The presentation may be followed by program, location, and/or administrative unit budgets.</i></p>		
<p>3. The budget presentation includes:</p> <ul style="list-style-type: none"> <li>• Fund balances</li> <li>• Revenues</li> <li>• Expenditures</li> <li>• Other financing sources/uses</li> <li>• The current year budget or estimated current year actual</li> <li>• The proposed budget year</li> </ul> <p><i>The presentation of three prior years of actual data is preferred in the Financial Section. At the option of the preparer, the information may be presented in the Informational Section in a form and format, which is comparable to the current year and proposed year. The presentation of three projected years must be included in the Informational Section, No 5.</i></p>		
<p>4. The document should:</p> <ul style="list-style-type: none"> <li>• Describe significant revenue sources and significant expenditure categories.</li> <li>• Explain underlying assumptions and significant trends for each major revenue source and major expenditure category.</li> <li>• Describe any significant changes in fund balances.</li> <li>• Should the budget forecast show declining fund balances, illustrate how the district plans on addressing these negative trends.</li> </ul> <p><i>Some explanation of the state/local funding structure may be necessary.</i></p>		

D. FINANCIAL SECTION - Continued	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
<p>5. The document should:</p> <ul style="list-style-type: none"> <li>Describe budgeted capital expenditures</li> <li>Outline major capital projects for the budget year</li> <li>Indicate the fund that is used to account for capital expenditure projects</li> <li>Describe the total amount of the entity's capital improvement plan and indicate when the plan will start and when it will be completed. Disclose the funding source to address the plan and how it will affect the entity's current budget.</li> </ul> <p><i>The focus should be on reasonably quantifiable additional costs and savings (direct and indirect) or other service impacts that result from capital spending.</i></p>		
<p>6. The document should:</p> <ul style="list-style-type: none"> <li>Include financial data on current debt obligations</li> <li>Describe the relationship between current debt levels and legal debt limits</li> <li>Explain the effects of existing debt levels on current and future budgets</li> </ul>		
<p>7. The document should:</p> <ul style="list-style-type: none"> <li>Disclose any budget items that were not approved for this budget year.</li> <li>Disclose the accrued obligation or retiree health insurance (if any) that Has been committed by the district.</li> </ul>		

**REVIEWER'S COMMENTS:**

E. INFORMATION SECTION	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
1. Present the assessed value of taxable property and the market value of taxable property for: <ul style="list-style-type: none"> <li>• A minimum of three years actual</li> <li>• The current year budget and/or estimated current year actual</li> <li>• The proposed budget year</li> </ul>		
2. Include property tax rates and collections for: <ul style="list-style-type: none"> <li>• A minimum of three years actual</li> <li>• The current year budget and/or estimated current year actual</li> <li>• The proposed budget year</li> </ul> <i>Describe whether the tax rate is per \$100 of taxable value or on some other form of rate</i>		
3. Include an analysis of the budget's effect on average taxpayers for: <ul style="list-style-type: none"> <li>• A minimum of three years actual</li> <li>• The current year budget and/or estimated current year actual</li> <li>• The proposed budget year</li> </ul>		
4. The document should provide a: <ul style="list-style-type: none"> <li>• Five-year summary comparison of revenues and expenditures (three prior years actual, current year budget and/or estimated actual, and the proposed budget year. If the three prior years actual data is presented in the Financial Section, this presentation is not required.) All years must be presented in a comparable form and format, whether presented in the Financial or Informational Section.</li> </ul> Five-year summary should be presented for all governmental funds. (Presentation of similar data for other funds is optional.)		

E. INFORMATION SECTION - Continued	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
5. Present a minimum of three years of budget forecasts beyond the proposed budget year. <ul style="list-style-type: none"> <li>• Include beginning and ending fund balance</li> <li>• Revenue</li> <li>• Expenditures</li> </ul> <i>The three years of budget forecasts is for each governmental fund. Forecasts for other funds are optional.</i>		
6. The document should present: <ul style="list-style-type: none"> <li>• A minimum of three years of actual student enrollment history by school</li> <li>• Current budget and/or estimated current year enrollment</li> <li>• Proposed budget year enrollment</li> <li>• A minimum of three years of enrollment projections</li> </ul> <u>Forecasting methodology and techniques</u>		
7. Present personnel resource allocations for: <ul style="list-style-type: none"> <li>• A minimum of three prior years actual</li> <li>• The current year budget and/or estimated current year actual</li> </ul> <u>The proposed budget year</u>		
8. Include the bond amortization schedule(s) of the school entity.		
9. Provide performance measures for three prior years. <ul style="list-style-type: none"> <li>• Standardized test scores</li> <li>• Drop-out rates</li> <li>• Accomplishment of goals and objectives</li> <li>• Parent/student satisfaction surveys</li> <li>• Other performance measures</li> </ul>		

E. INFORMATION SECTION - Continued	FOR APPLICANTS USE ONLY  List all pages of budget document where examples can be found:	FOR REVIEWERS USE ONLY EC = Exceeds Criteria MC = Meets Criteria DN = Does Not Meet Criteria
10. Include other information to help the reader understand the past and future directions of the school entity		
11. Include a glossary of terms		

REVIEWER'S COMMENTS: