



# Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

## Budget Procedure

<b>Category:</b> Financial	<b>Procedure Description:</b> Procedures for Budget Development, Monitoring, and Revision
<b>Approved Date:</b> 09/28/15	<b>Created By:</b> Policy Committee
<b>Effective Date:</b> 09/28/15	

### PURPOSE:

To provide guidelines for budget development, monitoring, and revision.

### PROCESS:

#### BUDGET DEVELOPMENT

1. Prepare budget based on budget template
  - a. Consolidate the normal operating expenses in the current financial year and project the operating expenses for the next financial year.
  - b. Prepare a list of events to be conducted in the next financial year and the budgeted costs required.
  - c. Based on current income and proposals, project the income for the next financial year.
  - d. Enter all the figures into the budget template.
2. Discuss draft annual budget with Governing Board, Faculty, and Staff
  - a. Po'okumu presents draft budget to Governing Board at January Governing Board Meeting.
  - b. After the Governing Board makes any necessary changes, the draft budget is presented to faculty and staff for their input.
3. Review and approve annual budget
  - a. Governing Board reviews draft budget with faculty and staff input at February Governing Board Meeting.
  - b. Governing Board ensures that the annual budget for operating expenses is complete and the expenses for various planned projects are reasonable and are approved projects.
  - c. Approve and document approval in the Governing Board meeting minutes.

#### BUDGET MONITORING

1. Prepare and submit financial statements for review at monthly Governing Board meeting
  - a. Mālama Kula prepares Balance Sheet, Income Statement, and Budget Spreadsheet.
  - b. Po'okumu reviews the financial statements for accuracy.
  - c. Submit financial statements at monthly Governing Board meeting.



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## 2. Review the financial statements

- a. Governing Board reviews the financial statements and highlights material variances.
- b. Find out the reasons for material variances via discussion with Po'okumu and Mālama Kula.
- c. Determine if there is a need to make adjustment to the budget.
- d. If budget revision is required, propose necessary adjustments for review and approval.

## BUDGET REVISION

### 1. Prepare revised budget

- a. Highlight programs/categories where cost is high and may be required to be postponed.
  - i. Document the following information:
    - a) reasons to remove the program temporarily from the budget
    - b) amount of sponsorship/donation received by Ka 'Umeke Kā'eo such that Ka 'Umeke Kā'eo can run the program without affecting other programs as well as general operations.
    - c) revised date of the program
- a. Highlight categories where money will be moved from or to.
- b. Present the final revised budget to the Governing Board for review and approval.

### 2. Review and approve revised budget

- a. Review the categories where monies will be moved and items to be temporary suspended due to shortage of funds together with the conditions in which the program can run as scheduled.
- b. Governing Board votes to adopt revised budget.
- c. Approve the revised budget and note in meeting minutes.

## FORMS:

Budget Template