



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

Budget Policy

Category: Financial	Policy Description: Guidelines for Ka 'Umeke Kā'eo's Operating Budget
Approved Date: 09/28/15	Replaces Policy Dated:
Effective Date: 09/28/15	Created By: Policy Committee

PURPOSE:

This policy governs the budgeting process, monitoring of the budget, performance monitoring, and the review and revision of the budget for Ka 'Umeke Kā'eo.

DEFINITIONS:

Budget: school operating budget including income and expenditures for the school fiscal year.

POLICY:

The Ka 'Umeke Kā'eo Governing Board recognizes that the business and other non-instructional operations of the school support the educational program by maximizing and prioritizing resources and providing a safe and healthy learning environment for students and staff.

The Governing Board shall adopt a budget that is aligned with the Ka 'Umeke Kā'eo's vision, mission, and action plan and enables the school to meet its fiscal obligations. The Governing Board expects sound fiscal management from the administration. The Po'okumu or designee shall administer the adopted budget in accordance with Governing Board polices and accepted business practices.

The Governing Board recognizes its critical responsibility for adopting a sound budget for each fiscal year which is aligned with Ka 'Umeke Kā'eo's vision, mission, and action plan. The budget shall guide administrative decision and actions throughout the year and shall serve as a tool for monitoring the fiscal health of Ka 'Umeke Kā'eo.

BUDGET DEVELOPMENT AND APPROVAL PROCESS

In order to provide guidance in the development of the budget, the Po'okumu or designee shall annually establish budget priorities based on identified school needs and goals and on realistic projection of available funds. The Po'okumu or designee shall oversee the preparation of a proposed budget for approval by the Governing Board and shall involve appropriate staff in the development of budget projections.



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The Po'okumu will present the proposed school budget to the Governing Board for input at the January Governing Board meeting. At this meeting, the Governing Board will have the opportunity to ask for clarification and offer input to the proposed budget. Then the proposed budget will be circulated to faculty and staff for their input. This input will be presented to the Governing Board at the February Governing Board meeting. At this time final changes will be made to the proposed budget and the revised proposed budget will be put before the Governing Board for approval.

BUGET CRITERIA AND STANDARDS

In developing the school budget, the Po'okumu or designee shall take into account the Hawai'i State Public Charter School Commission's estimation of the per pupil allocation, projected enrollment, salaries and benefits, other revenues and expenditures, facilities cost and maintenance, deficit spending, and reserves. The budget review shall also identify supplemental information regarding contingent liabilities, unfunded liabilities, and the status of labor agreements.

The Governing Board may establish other budget assumptions or parameters which may take into consideration the stability of funding sources, legal requirements and constraints on the use of funds, anticipated increases and/or decreases in the cost of services and supplies, categorical program requirements and flexibility, if any, as well as other factors necessary to ensure that the budget is a realistic plan for school revenues and expenditures.

LONG-TERM FINANCIAL OBLIGATIONS

The school's current-year budget and multi-year projections shall contain adequate provisions for addressing the school's long-term financial obligations, including, but not limited to, long-term obligations resulting from collective bargaining agreements, financing of facilities projects and unfunded or future liability.

BUDGET AMENDMENTS

Whenever revenues and expenditures change significantly throughout the year, the Po'okumu or designee shall recommend budget amendments to ensure accurate projects of the school's net ending balance. The Po'okumu may move monies between budget categories as long as the total annual expenditures do not change. When final figures for the prior-year budget are available, this information shall be used as soon as possible to update the current-year budget's beginning balance and project revenues and expenditures.

In addition, budget amendments shall be submitted for Board approval when the state per pupil is finalized, collective bargaining agreements are accepted, school income declines, increased revenues or unanticipated savings are made available to the school, program proposals are significantly different from those approved during budget adoption, inter-fund transfers are needed to meet actual program expenditures, and/or other significant changes occur that impact budget projections.



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REVISED BUDGET

Revised budgets will be shared with faculty and staff within 30 days of adoption by the Governing Board.

BUDGET MONITORING

It is the responsibility of the Po'okumu and the Governing Board to monitor the budget to make sure spending is within budget constraints and to determine if budget variances show need for budget revision.

Every month at the Governing Board meeting, the Governing Board will receive, review, and file the school financials. This will include the previous month's Balance Sheet, Income Statement, and Budget Spreadsheet. The Budget Spreadsheet showing the budgeted expenses versus actual expenses.

APPLICABLE PROCEDURES:

Budget Procedure

OTHER RELATED INFORMATION: