

## **OPERATIONAL BUDGET**

Traditionally, line items and objects within budgets receive percentage increases to determine the total budget. Total percentage of salary increases, 5% more added to art supplies, or two gallons of polyurethane purchased every year for the past number of years was the way to reach the bottom line. This approach of building the budget from the existing figure and adding a percentage does not take into consideration whether or not there are currently six gallons of polyurethane currently in stock.

The approach we have used to develop the operating budget since the development of our first budget for FY 2007 has been that of “zero-based budgeting.” In October, we meet with the building principals and present them with blank templates regarding dues and fees, supplies and materials, new equipment, replacement of equipment, teaching and instructional materials, textbooks and workbooks, and staffing requests. This process does not start with the current year’s figure and add a percentage increase.

This is a time consuming process. It begins at zero and forces choices among programs and activities. Programs that fall into alignment with the educational objectives of the district may be expanded and enhanced and programs that do not may be eliminated. The operational budget development has caused building principals to inventory existing items and provision for needed resources for our teachers and students.

It also allows prioritization of the educational program to take place by re-structuring within as opposed to traditionally adding to the bottom line. This process has allowed our administrative team to conduct a full-scale review of operations and put them in alignment with the core academic objectives of the educational program.