

Business and Non-Instructional Operations

Budget Planning & Development

Budget Planning

A formal budget must be developed and approved for each program or service that is offered by CREC. This is often a requirement of federal and state agencies, grants, and/or other funding sources.

In addition, budget planning sets a solid foundation for management and staff to plan and execute effective, efficient programs using all available resources in a prudent and fiscally responsible manner.

Budget Development

All CREC programs and services shall develop a budget using the standard chart of accounts, and use the annual fixed allocations for personnel, administrative and overhead expenses (which are developed and set by the Business Services Department).

Any exceptions to this will need approval from the Assistant Executive Director of Finance & Operations and Business Services Controller.

Budget Approval

A Council Exhibit should be created each year for every program or service that is offered by CREC. For each program or service offered, the Council Exhibit identifies and describes the program, provides written contextual facts as well as the budget for last fiscal year and the proposed budget for the current fiscal year. Each budget presented for approval will show sources of revenue equal to projected expenditures.

The Council Exhibit and accompanying budget must be approved by the CREC Council prior to any expenditure being spent for a program.

Once a program and its accompanying budget has been approved by the Council, and subsequent factors indicate the approved budget is not feasible, an amended budget must be developed and presented to Council in the same manner as described above.

See Exhibit A for an example of a Council Exhibit.

Policy adopted:

CAPITOL REGION EDUCATION COUNCIL
Hartford, Connecticut

Business and Non-Instructional Operations

Budget Planning & Development Procedures

General Guidance

Budgets should be prepared by individuals with intimate knowledge of the product or service being offered. The Business Services Department offers a template, the Budget Expenditure Form, required to create a budget. This template contains the major categories of expenditures and built-in factors for personnel, administrative and overhead expenses. See Exhibit B for an example of the Budget Expenditure Form. This form is available on CREC's intranet.

Prior to creating a budget, consideration must be given to the following:

1. The prior year's operational & fiscal results of the same or similar programs,
2. Expected sources of funding along with an estimate as to the collectability of these funds,
3. Any specific operating or reporting requirements of the agency/organization providing funding;
4. New or different needs or requirements of offering the program or service,
5. Changes in staffing requirements and related personnel expenses,
6. An understanding of personnel, administrative and overhead fees and charges.
7. Any political, legal, social or market conditions which would affect delivery of the product or service.
8. Discussions with other individuals having constructive knowledge of the costs of running the program, or portions of the program.

Budgets are due to the Business Services Controller two months prior to the start of a program to ensure adequate review time and time to gain Council approval. Division heads should review and approve the budgets prior to submission to Business Services.

More Detailed Guidance

The following provides more detailed questions and guidance to assist with preparing a financially sound, well thought-out budget for any program or service.

Existing or New Program -

If this is the first time a program or service is offered, please refer to CREC's Business Plan Guidance document (Exhibit H within Business Planning Policy 3295), which identifies various

questions to understand a program's intentions, goals and overall purpose. A program plan (even if not written) should always supercede budget preparation.

If the program or service has been offered by CREC in the past, historical knowledge of the program's success (organizationally, delivery of product or service, evaluation feedback, fiscal results) will be very helpful in developing a future year budget.

A budget is a "financial plan" that can change due to dynamic financial conditions or needs that are later identified. During budget preparation, "best forecasted" estimates are often needed. A representative from Business Services will be available to prepare or assist in the preparation of any budget.

Revenue Sources –

The budget preparer must identify sources of income, whether they be state or local grants, sales of services, grants, private funding, or a combination of each, and understand if there are any operating or reporting requirements that the program must meet. Most grants and contracts may have different reporting requirements.

Total expenditures must equal projected revenues. If there does not seem to be enough revenue to cover anticipated expenses, alternative funding sources should be sought (or expenses need to be reduced).

Program Timelines –

The greatest percentage of CREC budgets are based on a fiscal year of July 1st through June 30th of the following year. This is the same fiscal year period utilized by the State of Connecticut.

The federal government operates on a October 1st through September 30st fiscal year. Programs that are funded primarily by federal grants or money may use that fiscal year. CREC refers to these programs as "carryover programs".

A few programs have private corporations or foundations as their primary funding source, and at times, are on a January 1st through December 31st fiscal year.

Personnel Costs –

For most programs, a significant portion of their total costs will be people and personnel related expenses. A Budget Preparation Sheet contains a list of all employees who are charged to this program. This is a good starting point to identify all the staff members, their employee job classification (certified, non-certified, administrative, etc), their FTE and salary. See Exhibit C for a sample document which can be obtained from the Human Resource Department. (This document is not electronic, cannot be emailed and is not automatically generated. It must be requested and created in the Human Resource Department on hardcopy).

When completing the personnel staffing for a program, ensure that part-time individuals are duly noted as appropriate FTE's. Job # refers to the job code on the budget form. Job Class refers to

the type of employment position an individual has within CREC.

The following lists CREC’s employment classifications and examples of each:

101	Certified Administrator	Principal & Assistant Principal, Executive Director, Assistant Executive Director, Education Director
102	Other Certified	Social Worker, Counselor, Education Service Specialist, Teachers
121	Non-Cert Administrator	Division Director, Program Director, Clinical Director
122	Paraprofessional	Child Care Worker; Therapist; Paraprofessionals
123	Support Staff	Administrative Assistant; Associate Instructor; Office Assistant & Manager; Meeting Coordinator, Receptionist; Residential Counselor, Secretary
129	Other Non-Certified	Accountant; Assistant Directors & Coordinators; Case Coordinator/Manager; Early Childhood Educator Facility Manager; Grants Coordinator; Nurse; Program Manager; Social Worker
139	Other Temporary/Overtime	Any temporary staff
141	Student Personnel	Any student hires

Once all detailed staff requirements have been identified, the employee salary totals (by job classification) can be input into the Budget Expenditure Form (Exhibit B). All personnel benefit costs are automatically calculated by the spreadsheet. Be sure to use the Budget Expenditure Form for the correct fiscal year you are preparing.

Overall –

Representatives from Human Resources and Business Services are available to assist in developing your staffing requirements and budget.

Regulation approved:

CAPITOL REGION EDUCATION COUNCIL
Hartford, Connecticut