

## Portland Public Schools 2018/19 Budget Debrief

### Summary

In the interest of continuous improvement, we'd like to know how we can improve our budgeting process. Please meet in small groups and develop ideas for improvements for our next budgeting cycle.

### Questions for Consideration

1. What were highlights of the 2018-19 Budget?
2. What parts of the process need to be improved?
3. Are there other comments or feedback you'd like to share?

## 2019/20 Budget Development Calendar

Date	Activity
July / August	Second update to 2018/19 Staffing Allocation to Schools.
September	Third update to 2018/19 Staffing Allocation to Schools.
September 25	<u>Board Meeting</u>
September - May	CBRC – Work on budget principles and policy. Discuss budget process, forecast, school staffing, Local Option Levy, and recommendations on Proposed Budget.
September - March	<u>Board Meetings</u> : Budget implications of programs and services for coming school year and development of budget calendar.
October 2	<u>Board Meeting</u> : appoint Community Budget Review Committee (CBRC) members and 2018/19 Budget Amendment #1 (if needed).
November - February	District Staffing Team - School Staffing work sessions.
January - February	Review and agree on Budget Principles: Superintendent and Deputy Superintendents meetings with board members, community leaders, district employee groups.
February 12	<u>Board Meeting</u> : Work Session – Presentation of refreshed school staffing plan and framework for budget proposal to board.
February 26	<u>Board Meeting</u> : 2019/20 budget update (including General Fund and Staffing).
March 1	Initial 2019/20 Staffing Allocations to Schools.
March	Rely on Visioning process to establish clear goals for an exceptional educational experience and the academic success of our students. Use these goals to prioritize programs and strategies and to guide how resources are allocated.
March	Analyze current and historical spending to understand level of support for prioritized Core offerings. Ensure sufficient resources for instruction, professional development, and school-based support for teachers and students.
March	Staffing Process - Submission, Review, and Approval.
<b>March 19</b>	<b>Superintendent Proposes 2019/20 Budget - <u>Board Meeting (Budget Committee)</u>: Board as Budget Committee receives the Proposed Budget and Budget Message from Superintendent.</b>
March 25 - March 29	Spring Break
April	<u>Board</u> as Budget Committee holds Public Meeting on 2019/20 Proposed Budget.
April	Make conscious shifts in spending to better support Vision, Core Programming, and priorities. Ensure all students have equitable access and that extra help and interventions are available as needed.
April 2	<u>Board Meeting</u> : CBRC Reports to Board.
April - May	<u>Board Meetings</u>
<b>April 16</b>	<b>Approved Budget - <u>Board Meeting (Budget Committee)</u>: Board as Budget Committee discussion and vote to Approve the FY 2019/20 Budget.</b>
June 15	Submit Approved Budget to TSCC.

## 2016/17 Budget Development Calendar

June 25	<b><u>TSCC Hearing</u>: TSCC certifies the FY 2019/20 Approved Budget; Adopted Budget - <u>Board Meeting</u> (Budget Committee): Vote to Adopt the FY 2019/20 Budget &amp; Impose Taxes.</b>
July 15	Deadline to submit Adopted Budget / ED-50 Forms to local Counties, ODE, TSCC.
July / August	Second update to 2019/20 Staffing Allocations to Schools
July - December	Develop Multi-Year Financial Plan (MYFP) to better understand financial implications and prioritization of long-term programs and initiatives. MYFP should also consider refresh cycles for on-going capital expenditures (e.g., IT, Facilities).
September / October	Third update to 2019/20 Staffing Allocations to Schools.

**August through March**

**Visioning**

- Create future state for the district
- Use as a guide for organizational decisions and priorities

**January through June**

**Budgeting**

- 2019-20 resource allocation
- Prioritize Core and support key goals
- Data-driven; based on desired outcomes
- Develop metrics to monitor progress

**July through December**

**Financial Planning**

- Multi-Year Financial Plan (MYFP)
- Quantify and prioritize long-term initiatives
- Define and invest in refresh cycle for facilities and capital

# Multiyear Finance Planning

## Introduction

What is Multiyear Finance Plan?

What It Is				What It Is Not
A three to five year financial plan outlining/detailing investments needed to meet the District's strategic plan. Also identifies the source of funds to make the investments possible.	✓	Timeframe	✗	An Annual Budget
Targeted investments are aligned to the District goal and Pillars of Learning and estimates the cost of implementing the priorities over time.	✓	Link to Strategic Priorities	✗	Current Service Level roll-up based on historical trends without clear ties to strategic plan
Evaluation of program effectiveness is central to the decision-making process to deliver on the District's strategic investments	✓	Program Effectiveness & Return on Investment	✗	Not connected to program evaluation or investment effectiveness
Financial Plan is regularly updated to reflect changes in revenue, student enrollment and program effectiveness	✓	Responsiveness to Changing Circumstances	✗	Static
Includes input from a broad set of stakeholders	✓	Stakeholder Engagement	✗	Created based on input from a small group

The Multiyear Finance Plan does not replace the annual budget, and serves as a starting point for guiding the budget process each year.

The annual budget includes single year actions to support resource alignment described in the Multiyear Finance Plan and includes operational necessities such as fuel costs, utility costs and employee salaries and benefits.

## Process

The creation of the Multiyear Finance Plan/formal Budget Process will involve significant input from a broad base of stakeholder groups. Information will be clear and transparent and we will seek continuous improvement.



Plan and Prepare



Set Instructional Priorities



Pay for Priorities



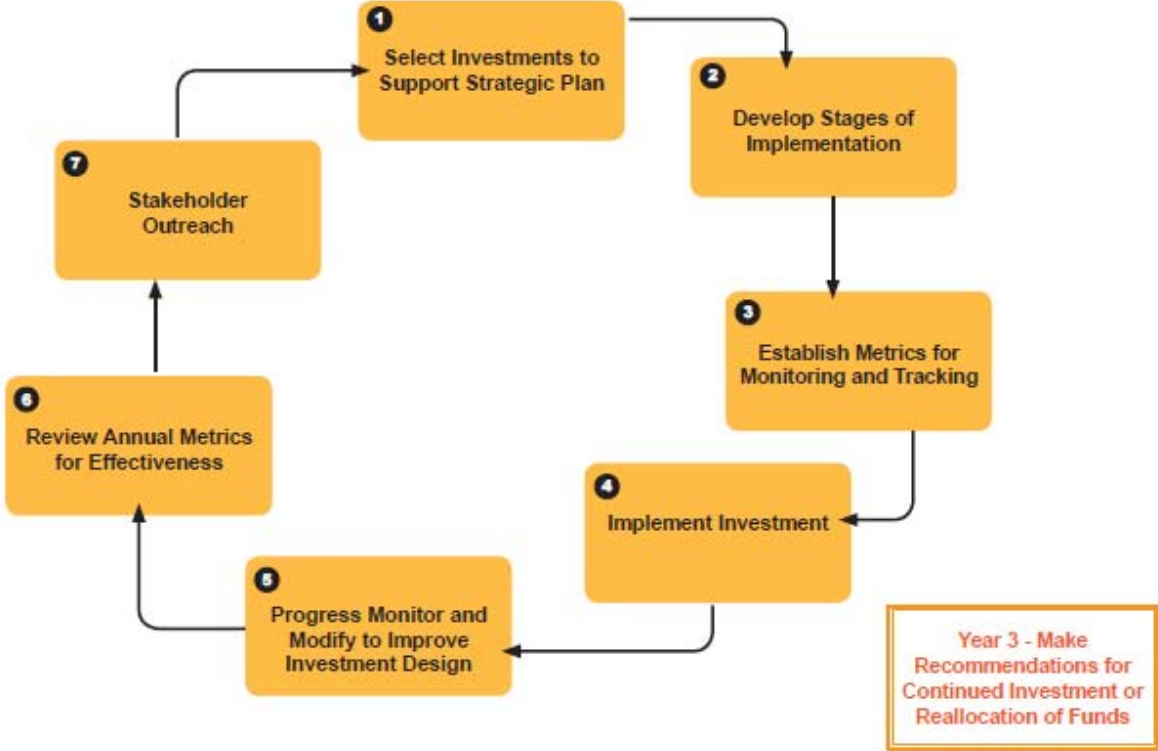
Implement Plan



Ensure Stability

Our visioning process in the Fall of 2018 will be the beginning of our Multiyear Finance Planning.

In 2019-20, we will monitor and track Portland Public Schools progress by investing in strategic priorities will be a continuous improvement process.



# Budget Process 101

---

## Budgeting and Governance

---

The board sets district goals and policies

The budget reflects the resources to implement those goals

For every expenditure ask:

- How does this help to achieve the district goals?
- Does this fit within our policies?

## Board Responsibilities

---

For a large district in Multnomah County, the governing body acts as the budget committee without appointed citizen members.

Hold public meetings,

Hear and consider public comment,

Discuss and revise the budget as needed,

Approve and adopt the budget, AND

Approve and adopt 'each' tax rate or dollar amount.

## Budget Process

---

All meetings are subject to Public Meetings Law

Quorum required to conduct business

Board may request and receive additional information

Majority required to take action

Budget is a public document when released to Board

Take public comment at one or more meetings.

Approve/adopt the budget and each tax levy.



## Budget Meetings

---

The Board has the opportunity to:

- Ask questions
- Request information for clarification
- Receive input from citizens present

## Budget Meetings

---

A majority of the Board is required to approve any motion

A majority is one more than half of the members

## Consulting with Board Members on the Budget

---

You may consult with committee members outside a meeting on details in the budget only if it is not with a majority of the Board

If you have a quorum, you would be violating the public meeting law if you hadn't given public notice of the meeting

## Following Approval

---

Budget Officer must publish financial summaries and the public hearing notice.

- Notice must be published not less than 5 days and not more than 30 days prior to the hearing and indicate the time and place of the hearing

## TSCC Review

---

TSCC is required by state law to review the Approved Budgets of member jurisdictions

TSCC review is a good opportunity for a second look at the budget

- Is each fund balanced in all four years?
- Do the actual expenses for prior years balance to the audit?
- Are the current and prior year property tax collections reasonable?
- Do the GO debt service payments balance to the debt service schedules?
- Is the GO debt service ending fund balance in excess of ensuing year needs?

TSCC will issue a certification letter with recommendations and or objections the commission has to budget or budget process

Letter is acknowledged and discussed at the District's Budget Hearing

## Following Approval

---

Board holds a public hearing on the approved budget

Following the public hearing the Board will adopt and appropriate the district budget

## Can the Board make changes to the approved budget before they adopt it?

---

Yes, after the budget hearing, the Board has the authority to make certain changes to the budget. They include:

- Increase the overall revenue and expenditures in a fund by up to 10%. (This will generally only happen if the district is notified they will be receiving more or less revenue after the budget committee has completed their work.)
- Decrease revenue and expenditures to reflect actual changes
- Make changes between budget programs. (This could be an increase in Instructional Materials and a decrease in Maintenance.)