

THE SCHOOL BUDGET

Why:

An effective, uniform bookkeeping and budgeting system is needed in every school for the following reasons:

1. To insure orderly financial management, displaying income and expenses in such a way as to focus attention on program priorities.
2. To provide financial information to administrators, school board members and diocesan departments in a consistent, easy-to-understand and easy-to-use form.
3. To provide assurance to the school's many publics that the school administration is responsible and is exercising good stewardship.

Preparing the Annual Budget:

1. Budget figures should be realistic and not padded. A contingency account should be established to meet unanticipated expenses.
2. Make realistic allowances for inflation.
3. Projected expenses should be realistic and data needed to support these expenses should be available if needed.
4. Projected income items should have a supporting plan to insure that the income can, in fact, be realized.
5. The budget should reflect the priorities of the board and administration. New programs or expanded programs should not be forced into a pre-established budget.
6. Budget carefully for all expenditure items. Budgeted figures should be based on actual expectations using the most recent expenditure data. Avoid basing line item budgets on the prior year's budget.
7. Beginning with the 1992-93 year, the budget format has been simplified in that categories only of income and expense are required.
8. Starting with these line items, you can expand them to meet your needs.
9. For assistance, call David Knight, 792-3410, ext. 118.