

## **EDUL 6022 -- Managing and Budgeting School Accounts**

Dr. C. Kenneth Tanner

Summer 2008

### Course Objectives Linked to Standards

After completing this course, the student should be able to:

1. Understand the purposes and process of budgeting. (Standards 3, 4,6)
2. Understand the concepts and purposes of accounting. (Standards 3,6)
3. Comprehend the links among budgeting, management, and accounting. (Standards 3,4)
4. Be familiar with state department of education reports and regulations related to budgeting and finance issues. (Standards 3,6)
5. Understand the linkage between instruction and resource management. (Standards 3,4,6)
6. Describe and explain a school level budget. (Standards 3,4,6)

### **Summary of Seven Required Activities:**

1. Review the scope of Georgia Law. See possible limitations in question 2:  
<http://www.gsbaelaw.org> . What is your impression of this source?

2. \*Focus on Chapter 15 in GSBA eLaw:

Note: Ask your school superintendent or principal to allow you to use the school system User ID and Password to access this information. If you can't obtain this information, you have enough information below to Get BY, barely. <http://www.gsbaelaw.org/chapter15.html>

Select one of the four issues below (a, b, c, or d). Describe and explain it in detail with respect to Georgia Regulations and how it is applied in your school system - Objectives 1 and 4. **Post** your discussion on your web site under the title **Georgia Issues in Budgeting and School Accounts**

- \*See Section Below for More detail –

3. Interview your mentor (or Principal) and discuss the school (building level) budgeting process - Objective 6. Be sure to mention the question below. **Post** the results of this discussion on your web site under the title **Georgia Issues in Budgeting and School Accounts**

How will local boards compile all of the student and employee data required to implement the accountability requirements of state and federal law?

The Governor will appoint the Education Information Steering Committee consisting of representatives from the Department of Education, Department of Technical and Adult Education, Board of Regents, the Governor's office, Office of Planning and Budget, Department of Audits, Professional Standards Commission, Office of Student Achievement, local school systems and other state agencies. The purpose of the steering committee is to identify the data which must be collected to implement the QBE Act "on a fiscally sound basis" and to "evaluate the effectiveness of the components of public education in Georgia." The steering committee is to design a statewide information system.

The State Board of Education and the post-secondary boards will require an individual student record for each student enrolled containing the data recommended by the steering committee. The Professional Standards Commission will maintain an individual data record for each certificated employee. The information system will not use a student or employee's social security number in violation of state or federal law. Information released by an educational agency in violation of the privacy rights of any individual student or employee will subject the agency to all penalties applicable under state and federal laws. 30

#### **Endnote**

30. [http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-320](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-320)

4. Purposes and Process of Budgeting - Objective 1. Describe and explain the objectives of budgeting and the general preparation and construction of a budget. **Post this discussion.**

5. What are two common methods of Accounting according to the resources provided for this course - Objectives 2 and 3? Which one is the most likely to be of interest to a school principal? Why? Post these responses.

6. Georgia Department of Education Reports - Objective 4. Go to:

<http://techservices.doe.k12.ga.us/admin>

Now click on **data collection** followed by **Financial Review**. Go to **Miscellaneous**

**Procedures**. Follow one of the links – Topics - and obtain information about a selected topic of your interest. Discuss this issue with your mentor or some other school official. Post the details of your search and discussion under Georgia Department of Education Reports. Do you like to do this type of work?

7. The linkage between instruction and resource management - Objective 5. Complete a Self Evaluation based on what you accomplished through the required activities, objectives, readings provided in the links, and Practicum activities. Score your achievement based on the Levels of Performance noted in the section **From Theory to Practice** in this document: Complete this activity after you have finished the above activities. **Post your** assessment under the title: **Self Evaluation**.

## **Rationale for Content and Assigned Activities**

ISLLC Standards relevant to EDUL 6022

There are six basic categories of standards. Courses in the Leadership Program are designed and delivered to enhance knowledge required for selected standards, the Dispositions or attitudes manifest by the accomplishment of the standard, and Performances that could be observed by an administrator who is accomplished in the standard. Three standards have relevance to this course.

**Note: Items in green play a minimal role in achieving the objectives of this course.**

**Items in black are more likely to align to the objectives of this course.**

**Components of the standards underlined in blue have a significant relationship to the objectives of this course.**

**Standard 3: A school administrator is an educational leader who promotes the success of all students by ensuring management of the organization, operations, and resources for a safe, efficient, and effective learning environment.**

#### A. Knowledge

The administrator has knowledge and understanding of:

- a. theories and models of organizations and the principles of organizational development
- b. operational procedures at the school and district level
- c. principles and issues relating to school safety and security
- e. human resources management and development
- f. principles and issues relating to fiscal operations of school management
- a. principles and issues relating to school facilities and use of space (Educational Facilities Planning)
- g. legal issues impacting school operations
- h. current technologies that support management functions

#### B. Dispositions

The administrator believes in, values, and is committed to:

- a. making management decisions to enhance learning and teaching
- b. taking risks to improve schools

- c. trusting people and their judgments
- d. accepting responsibility
- e. high-quality standards, expectations, and performances
- f. involving stakeholders in management processes (Strategic Planning)
- g. a safe environment

### C. Performances

The administrator facilitates processes and engages in activities ensuring that:

- a. knowledge of learning, teaching, and student development is used to inform management decisions
- b. operational procedures are designed and managed to maximize opportunities for successful learning
- c. emerging trends are recognized, studied, and applied as appropriate
- d. operational plans and procedures to achieve the vision and goals of the school are in place
- e. collective bargaining and other contractual agreements related to the school are effectively managed
- f. the school plant, equipment, and support systems operate safely, efficiently, and effectively
- g. time is managed to maximize attainment of organizational goals
- h. potential problems and opportunities are identified
- i. problems are confronted and resolved in a timely manner
- j. financial, human, and material resources are aligned to the goals of schools
- k. the school serves as an entrepreneur to support continuous improvement
- l. organizational systems are regularly monitored and modified as needed
- m. stakeholders are involved in decisions affecting schools
- n. responsibility is shared to maximize ownership and accountability
- o. effective problem-framing and problem-solving skills are used

- p. effective conflict resolution skills are used
- q. effective group-process and consensus-building skills are used (Strategic Planning)
- r. effective communication skills are used (Web Site)
- s. a safe, clean, and aesthetically pleasing school environment is created and maintained (Facilities Planning and M&O)
- t. human resource functions support the attainment of school goals
- u. confidentiality and privacy of school records are maintained

**Standard 4 : A school administrator is an educational leader who promotes the success of all students by collaborating with families and community members, responding to diverse community interests and needs, and mobilizing community resources.**

A. Knowledge

The administrator has knowledge and understanding of:

- a. emerging issues and trends that potentially impact the school community
- b. the conditions and dynamics of the diverse school community
- c. community resources
- d. community relations and marketing strategies and processes
- e. successful models of school, family, business, community, government and higher education partnerships

B. Dispositions

The administrator believes in, values, and is committed to:

- a. schools operating as an integral part of the larger community
- b. collaboration and communication with families
- c. involvement of families and other stakeholders in school decision-making processes
- d. the proposition that diversity enriches the school
- e. families as partners in the education of their children

f. the proposition that families have the best interests of their children in mind

g. resources of the family and community needing to be brought to bear on the education of students

h. an informed public (Student Web Page)

C. Performances

The administrator facilitates processes and engages in activities ensuring that:

a. high visibility, active involvement, and communication with the larger community is a priority

b. relationships with community leaders are identified and nurtured

c. information about family and community concerns, expectations, and needs is used regularly

d. there is outreach to different business, religious, political, and service agencies and organizations

e. credence is given to individuals and groups whose values and opinions may conflict

f. the school and community serve one another as resources

g. available community resources are secured to help the school solve problems and achieve goals

h. partnerships are established with area businesses, institutions of higher education, and community groups

i. to strengthen programs and support school goals

j. community youth family services are integrated with school programs

k. community stakeholders are treated equitably

l. diversity is recognized and valued

m. effective media relations are developed and maintained

n. a comprehensive program of community relations is established

o. public resources and funds are used appropriately and wisely

p. community collaboration is modeled for staff

q. opportunities for staff to develop collaborative skills are provided

**Standard 6: A school administrator is an educational leader who promotes the success of all students by understanding, responding to, and influencing the larger political, social, economic, legal, and cultural context.**

A. Knowledge

The administrator has knowledge and understanding of:

- a. principles of representative governance that undergird the system of American schools
- b. the role of public education in developing and renewing a democratic society and an economically productive nation
- c. the law as related to education and schooling
- d. the political, social, cultural and economic systems and processes that affect schools
- e. models and strategies of change and conflict resolution as applied to the larger political, social, cultural and
- f. economic contexts of schooling
- g. global issues and forces affecting teaching and learning
- h. the dynamics of policy development and advocacy under our democratic political system
- i. the importance of diversity and equity in a democratic society

B. Performances

The administrator facilitates processes and engages in activities ensuring:

- a. education as a key to opportunity and social mobility
- b. recognizing a variety of ideas, values, and cultures
- c. importance of a continuing dialogue with other decision makers affecting education
- d. actively participating in the political and policy-making context in the service of education
- e. the environment in which schools operate is influenced on behalf of students and their families
- f. communication occurs among the school community concerning trends, issues, and potential changes in the environment in which schools operate
- g. there is ongoing dialogue with representatives of diverse community groups

h. the school community works within the framework of policies, laws, and regulations enacted by local state, and

i. federal authorities

j. public policy is shaped to provide quality education for students

k. lines of communication are developed with decision makers outside the school community

### C. Dispositions

The administrator believes in, values, and is committed to:

a. education as a key to opportunity and social mobility

b. recognizing a variety of ideas, values, and cultures

c. importance of a continuing dialogue with other decision makers affecting education

d. actively participating in the political and policy-making context in the service of education

e. using legal systems to protect student rights and improve student opportunities

## **From Theory to Practice**

### Levels of Performance

Each student is expected to achieve a Grade of **C (Developing), or higher**, on his or her performance on at least 70% of the 57 items found in the above list.

#### Grade/Level

D Rudimentary

C Developing

B Proficient

A Accomplished

The Rudimentary level typically describes that little or no evidence exists for the set of behaviors called for by the specific component. It is important to note that the designation of rudimentary does not necessarily mean that the school leader is not capable overall or not capable of the specific set of behaviors found within the component. Instead, this designation simply means that there is little or no evidence of achievement of the component judged by performance.

The Developing level typically describes limited evidence. The evidence may not address the component in its complexity, may be lacking in breadth or depth, or may be less effective than is expected. For example, the school leader may be aware of the fact that stakeholders should be involved in the decision-making process, but there is only limited evidence that the leader knows when or how to get them involved, or is consistent with this fundamental practice over time.

The Proficient level typically describes clear evidence. The evidence is specific and reasonable, and addresses the complexity of the component. At times, the evidence may be somewhat uneven, with specific features within the component addressed more effectively than others. In general, the evidence shows that the school leader knows what to do, and does it.

The Accomplished level typically describes clear, convincing, and consistent evidence. The evidence is very specific and credible. It is comprehensive and thoughtful, presenting an integrated, highly effective approach to the behaviors specified in the component. (Hessel and Holloway, 2001)

Upon reviewing these four levels of performance and then reflecting on their application to the 57 items, two issues become quite clear. First, no single individual will perform at the same level in each component. Second, the descriptors within the list of standards are designed to be applicable to many different school leader positions (e.g., principal, superintendent, etc.) and suitable to various school types, locations, and settings. This approach gives students the opportunity to attach a variety of meanings and context to the individual activities found in their activity log. As such, each Standard description is framed by areas of focus defined by knowledge and skills, which may be evidenced at different levels of performance on the Performance List. It is incumbent on the student to take this into consideration and find specific examples within the List that will suit his or her circumstances.

### **Required Activities with Details**

1. Review the scope of Georgia Law. See possible limitations in question 2:  
<http://www.gsbaelaw.org> . What is your impression of this source?

2. Focus on Chapter 15 in GSBA eLaw:

Note: Ask your school superintendent or principal to allow you to use the school system User ID and Password to access this information. If you can't obtain this information, you have enough information below to Get BY, barely. <http://www.gsbaelaw.org/chapter15.html>

Select one of the four issues below (a, b, c, or d). Describe and explain it in detail with respect to Georgia Regulations and how it is applied in your school system - Objectives 1 and 4. **Post** your discussion on your web site under the title **Georgia Issues in Budgeting and School Accounts**

a. What is the major source of local funding for public schools?

Local property taxes, or ad valorem taxes, are the largest source of local funding for public school systems. These are taxes assessed upon personal and real property by the district in which the property is located, in the case of real property, or the district in which the individual owner maintains a permanent legal residence in the case of personal property. 2 Generally, property is

taxed at 40 percent of its fair market value,<sup>3</sup> and the Constitution of the State of Georgia requires that “all taxation shall be uniform upon the same class of subjects [property] within the territorial limits of the authority levying the tax.”<sup>4</sup>

#### **Endnotes**

2. [http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=48-5-11](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=48-5-11)

3. [http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=48-5-7](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=48-5-7)

4. [Ga. Const. art. VII, § 1, 3](#)

b. What is the process a board of education must follow in passing a budget?

The process which must be followed by local boards of education in passing a budget is the same as is applicable to all other local governmental units. The board of education tentatively adopts a proposed budget by passing a resolution with an attached copy of the tentative budget. Passage of this tentative budget must take place at least two weeks before the proposed final budget adoption date. The budget must then be advertised at least one time in a newspaper of general circulation in the school district. The advertisement must, at a minimum, display the tentative budget by revenue category and expenditure function. It also must include notice of the place, date and time at which the board will consider final adoption of the budget. The board may revise the tentative budget at the advertised meeting as long as such revisions are made clear to interested citizens. The budget should be finally adopted before July 1. 22

#### Endnote

22. Financial Management for Georgia Units of Local Administration, IV-32, pp. 65-68.

c. How is the amount of state funds to be sent to each school system determined?

Under the Quality Basic Education Act (QBE), a school district earns money based on the number of students enrolled in approved courses at different grade levels.<sup>10</sup> The first step in this process is to calculate the full-time equivalent program count (FTE), which is a product of the number of students enrolled in approved courses and divided by six (the total number of available courses to each student).<sup>11</sup> For example, a school with 500 students enrolled in five approved courses each would produce an FTE of 416.67  $[(500 \times 5) / 6=416.67]$ . The second step is to multiply this FTE count by the various weights ascribed to different programs and grade levels. <sup>12</sup> For example, the high school general education program is assigned a weight of 1.000, so that if these 500 students are high school students in the general education program, they will produce an FTE weighted count of 416.67.  $(416.67 \times 1.000 = 416.67)$ . Each program is assigned a different weight. Finally, the weighted count is multiplied by the “base amount” which is set by the General Assembly each year. <sup>13</sup> If the base amount was set at \$2,000, then the 500 high school students in the example would earn \$833,340 in QBE funding. Finally, the total is supplemented by a “program adjustment amount for training and experience” designed to pay the minimum salaries according to the state schedule for certificated employees. <sup>14</sup>

#### **Endnotes**

10. [O.C.G.A. § 20-2-160](#)

[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-160](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-160)

10. [O.C.G.A. § 20-2-161](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)  
[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-161](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)
11. [O.C.G.A. § 20-2-160\(b\)](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-160)  
[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-160](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-160)
12. [O.C.G.A. § 20-2-161\(d\)\(1\)](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)  
[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-161](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)
13. [O.C.G.A. § 20-2-161\(d\)\(2\)](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)  
[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-161](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)
14. [O.C.G.A. § 20-2-161\(d\)\(3\)](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)  
[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-161](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-161)

d. Once the board of education has appropriated a given amount of money for a particular purpose or line item in the budget, how much discretion does the superintendent have to spend this money?

The authority given to a superintendent and staff to work with a budget once it is passed is fundamentally a matter of local board policy. It is extremely important that the superintendent and the board have a clear understanding of how these issues should be handled. State law provides that the superintendent shall “verify all accounts before an application is made to the local board for an order for payment.” 38 Each board should establish the amount of discretion the superintendent has to pay bills which fall within the appropriated budget items.

[http://www.legis.state.ga.us/cgi-bin/gl\\_codes\\_detail.pl?code=20-2-109](http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=20-2-109)

e. How do local school systems receive money from the federal government?

All federal funds are received through grant programs, some of which go directly to the local school system but most of which are sent to the State Department of Education and distributed pursuant to federal and state regulations and rules to local systems. Special education funds, Title I funds, and funds associated with providing free and reduced priced meals to qualifying students are among those passed from the federal government through the state government and then to the local system. The amount of money school systems receive in this way varies from one year to the next, and from one school system to another. In spending these funds and administering these programs, it is essential that the legislation and regulations governing them be consulted.

3. Interview your mentor (or Principal) and discuss the school (building level) budgeting process - Objective 6. Be sure to mention the question below. Post the results of this discussion on your web site under the title **Georgia Issues in Budgeting and School Accounts**

How will local boards compile all of the student and employee data required to implement the accountability requirements of state and federal law?

The Governor will appoint the Education Information Steering Committee consisting of representatives from the Department of Education, Department of Technical and Adult Education, Board of Regents, the Governor's office, Office of Planning and Budget, Department of Audits, Professional Standards Commission, Office of Student Achievement, local school systems and other state agencies. The purpose of the steering committee is to identify the data which must be collected to implement the QBE Act "on a fiscally sound basis" and to "evaluate the effectiveness of the components of public education in Georgia." The steering committee is to design a statewide information system.

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4. Purposes and Process of Budgeting - Objective 1. Describe and explain the objectives of budgeting and the general preparation and construction of a budget. **Post this discussion.**

5. What are two common methods of Accounting according to the resources provided for this course - Objectives 2 and 3? Which one is the most likely to be of interest to a school principal? Why? Post these responses.

6. Georgia Department of Education Reports - Objective 4. Go to:

<http://techservices.doe.k12.ga.us/admin>

Now click on Financial Review and then Miscellaneous Procedures. Follow one of the links – Topics and obtain information about it from your mentor or some other school official. **Post the details of your search under Georgia Department of Education Reports.**

7. The linkage between instruction and resource management - Objective 5. Complete a Self Evaluation based on what you accomplished through the required activities, objectives, readings provided in the links, and Practicum activities. Score your achievement based on the Levels of Performance noted in the section **From Theory to Practice** in this document: Complete this activity after you have finished the above activities. **Post your** assessment under the title: Self Evaluation.

#### Evaluation

A grade of S will be assigned to each participant who attends the scheduled sessions, posts requirements, and provides documentation that they have carried out assigned activities. A grade of U will be assigned to those who do not satisfy the requirements.

XXXXXXXXXX

**Posting Your Assigned Work Activities:** All cohorts, those beginning in the summer of 2005 and thereafter, will post completed assignments on their personal/professional web pages which may double as their portfolio.

**PLEASE POST ALL ACTIVITIES AT ONE TIME. DO NOT POST SEPARATELY!**

**All other students**, those admitted to a cohort before the summer of 2005, have three options for posting assignments:

1. You may go to the EDUL 6022 Homepage and click on Communication. Next, click on Discussions, now click on Compose Discussion Message. A window will appear where you may Paste your assignment into the Message area. Indicate the specific Assignment in the Subject area. Finally, click Post. Your assignment has now been received by Web CT and it is ready for me to grade.

**NEVER SEND ASSIGNMENTS AS ATTACHMENTS, BECAUSE I WANT TO MINIMIZE THE SPREAD OF ANY POSSIBLE COMPUTER VIRUS THAT YOUR COMPUTER MAY HAVE.**

2. Post your assignments on your personal web page.

3. Try Student Tools on the EDUL 6022 Web Page. Go to Post Your Homework Here.