




Number 10: Don't assume that ALL new expenditures are bad


- Purpose: Business Need to Thrive
- Investment
- Maintain Enrollment
- Cost Avoidance
- Payback Period



P.S....Sometimes they are bad




- Based on one-time revenue
- Don't forget about the "tails"









Number 9: Hold all Budget Administrators Accountable





- Purpose: Its hard to care about what you don't have responsibility for.
- Carryover
- Strong Internal Controls









Number 8: Once something is cut...Stick to it!

- Purpose: Clarity is best in times of scarcity.
- Class Size
- Fees




Number 7: Have good employee relations

- Purpose: Bargaining will go better
- Negotiations
- Budget cutting
- Efficiencies




Number 6: Believe your Financial Projections Model

- Purpose: It gives you the best sense for the future...numbers don't lie
- Use it
- Keep it current
- Be conservative in assumptions
- Make early adjustments
- Maximize revenue
- Enrollment projections




Number 5: Monitor Results Periodically Throughout Year

- Purpose: Proactivity always beats reactivity
- Pick some markers – track them consistently
- Don't over-react
- Look again
- Avoid surprises







Number 4: Communicate your financial situation

- Purpose: No one likes to be surprised...by good news or bad news
- Community
- Legislators
- Staff
- Peers
- Often
- Honestly...not too bad, not too good







Number 3: Create a Finance Advisory Committee

- Purpose: An informed community is a supportive community
- Keep them informed
- Train them
- Use their advice





Number 2: Have a Fund Balance policy and stick to it

- Purpose: You never know!
- 2 months' payroll
- 6% of expenses
- You can only spend it once
- Cash flow borrowing

Number 1: Hire good business office staff

- Purpose: Nothing can happen for kids without consistent funding and staff that trust the numbers
- Invest in their professional development
- Involve them
- All them to tell you "what you need to hear"
- Listen to them

Recap

10. Don't assume that ALL new expenditures are bad
10. Hold all Budget Administrators Accountable
10. Once something is cut...Stick to it!
10. Have good employee relations
10. Believe your Financial Projections Model
10. Monitor Results Periodically Throughout Year
10. Communicate your financial situation
10. Create a Finance Advisory Committee
10. Have a Fund Balance policy and stick to it
10. Hire good business office staff
