

## BOOT CAMP SERIES: BUILDING YOUR FIRST BUDGET

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### MAJOR AREAS OF DISCUSSION

- Process
- Budget Calendar
- Developing your estimates (be consistent)
- Projecting Revenue
- Salaries and Benefits
- Other Expenditures
- Balancing
- Other worksheets
- Questions

## PROCESS OVERVIEW

- Develop a plan. This will reduce budget panic.
- Know your data
- Use your accounting system to the extent you are comfortable
- Expand your comfort zone with your accounting system
- Budgeting with Excel
- Only do the work once (you have plenty to do)
- Download all the files in the PED workbook
- <https://webnew.ped.state.nm.us/bureaus/school-budget-finance-analysis/2018-2019-budget-workbook-and-budget-files/>
- Check List

## BUDGET CALENDAR

- In statute, the budget is due to PED on April 15<sup>th</sup>
- Your budget analyst will set your due date
- Recommendation, work backward from the due date
- Schedule time for review by your board/governing council
- Schedule finance committee meetings
- Schedule time for public input
- Schedule time to get the work done
- Schedule some time to sleep

## DEVELOPING YOUR ESTIMATES

- Estimating Revenue
  - Download your revenue report to Excel
  - Adjust the report to serve as a workpaper
  - Uploading data into OBMS
  - Estimated SEG
    - You will need the “Final Funded Program Cost” report in the workbook
    - **Exercise – Use your district or charter and complete the estimated SEG worksheet**

## DEVELOPING YOUR ESTIMATES

- Expenditures
  - Download your expenditure report into Excel
  - **Exercise - Modify the report to use as a worksheet.**
  - Using Encumbrances discussion
  - Estimate remaining expenditures through the end of the year

## DEVELOPING YOUR ESTIMATES

- Cash
  - Beginning cash = Audited cash
  - + Estimated Revenue
  - - Estimated Expenditures
  - = June 30 Cash
- Be consistent with what you report out
- You will adjust to actual cash later

## DEVELOPING ESTIMATES

- OBMS
  - Estimates are entered into OBMS either by hand or by upload.
  - Run the OBMS report to make sure your estimates were loaded/entered properly.
  - Does the report reflect the correct cash balance?
  - The cash balance on this report will carry forward to the new year as an available resource.
  - Make sure the cash balance matches.

## PROJECTING REVENUE

- Cash is a non-recurring resource
- 910B-5 – SEG (covered in detail at Boot Camp)
  - This will come from your budget analyst
  - Double check the enrollment numbers
- Indirect cost – The federal program budget may not be available to know the IDC. Work with your budget analyst.
- Other revenue – You know your school, make a reasonable estimate.

## SALARY AND BENEFITS

- This is the big one – be exact as you can
- What do you need.
  - Staffing inventory
    - Returning Staff vs. Vacancies
  - New/estimated salary schedules that reflect legislative changes
  - Change in the benefit rates
  - Minimum wage change
 

October 1, 2019:	
	5.9% Increase in Medical High Options and EPO plans
	3.1% Increase in Medical Low Options
	5.0% increase in Dental Plans
	No Change to Vision

## OTHER EXPENDITURES

- Utilities
- Allocation to schools
- Supplement vs. supplant
- Department budgets
- ¿Que mas?

## BALANCING

- A little secret
  - Leave yourself some room with in your revenue to balance your budget.
- Double check everything before you upload to OBMS.
- Always double check what is uploaded to OBMS.

## OTHER WORKSHEETS

- Worksheet 4 and 5
  - These are the forms that PED uses to make sure that you have complied with the salary increases approved by the legislature.
- 935B-1 –
  - FTE by salary range
  - Computes average salary
- Double check all the forms that are sent to PED.
- Make it a game. Your goal is no corrections from PED.

## FINAL POINTS

- Non-recurring resources
- You're not going to be exact but you need to be close
- Questions