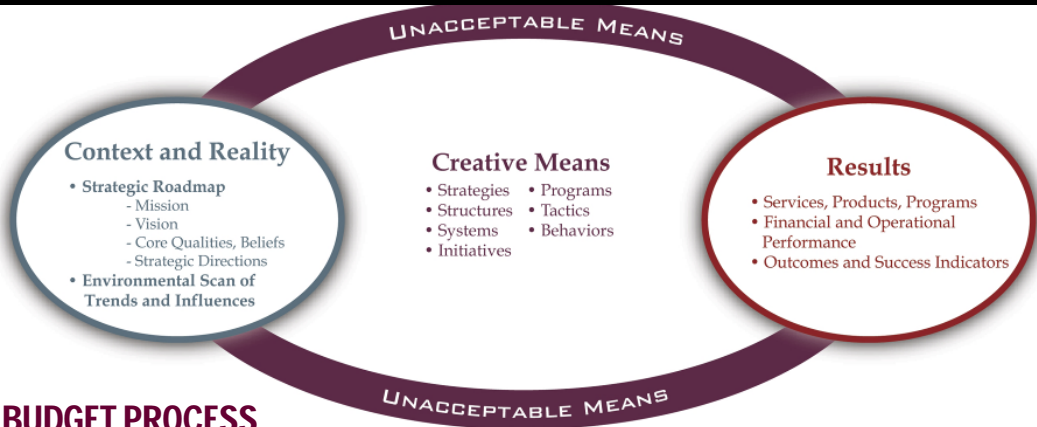


Aligning resources with our vision and strategic directions, positioning the district to improve student learning and make effective decisions, now and in the future.



**PARAMETERS FOR THE BUDGET PROCESS**

Context and Reality	Desired Results	Unacceptable Means
<p>The purpose of this document is to guide the planning and development of our 2010-2011 budget, positioning us to continuously improve student learning. The following question will guide planning and development: <i>In what ways might we most effectively align resources with our purpose, vision, and identified needs and directions within our strategic plan, positioning us to make effective decisions now and in the future?</i></p> <p>Through the development of the budget, the following influences and challenges must be considered:</p> <ul style="list-style-type: none"> <li>▪ The State of Minnesota is facing a \$1.2 billion budget shortfall for the current biennium. This could grow even larger by the next projection in February. As we look to the future, receiving even current levels of funding may be optimistic. Inevitably, schools across the state will be impacted by this, including the Spring Lake Park Schools.</li> <li>▪ While base per pupil funding is currently slated to remain flat, the district is experiencing decreasing funding due to funding shifts – when we receive money from the state – that will result in our having less net revenue than we did in 2008-09. This will continue into the future</li> <li>▪ We are experiencing decreasing levels of revenues for programs such as extended time services and special education, while also experiencing increasing needs</li> <li>▪ We are projecting flat levels of student enrollment. However, we must pay attention to our decreasing market share as education consumerism is increasing, resulting in increased competition, such as charter schools and open enrollment</li> <li>▪ It is important that proposed change must align with overarching goal of achieving greater levels of coherence and alignment throughout the system</li> <li>▪ It is important that decisions position the school/program and district for the future, able to effectively adapt to emerging external influences, such as expanding choice, ever-growing influence of technology, etc.</li> <li>▪ Our current structured state (schedules, staffing ratios, and programs) and choices influences our budget and fund balance</li> </ul> <p>In response, our budget planning and development process will result in budget modifications of approximately \$4 million over the next two years, \$2.3 million of which would be necessary to balance the 2010-11 budget. In the end, we may find it necessary to modify our budget more or less than this amount.</p>	<p><b>The options created:</b></p> <ul style="list-style-type: none"> <li>▪ <u>will</u> develop a balanced general fund budget currently projected at \$42.4 million for the 2010-11 school year</li> <li>▪ <u>will</u> align resources with the strategic plan to be a world class learning community of choice; improve student learning results; and accomplish our strategic directions</li> <li>▪ <u>will</u> be developed following a review of all aspects of our current system and allocation of resources</li> <li>▪ <u>will</u> be developed following a review of all possible revenue sources (grants, Race to the Top, etc.) that align with our strategic plan</li> <li>▪ <u>will</u> position our district to make effective decisions in the future by reflecting internal and external influences</li> <li>▪ <u>will</u> have developed a budget by June 1 resulting in the ability to implement key strategic directions and priorities at the start of the 2010-11 school year</li> </ul>	<p><b>In creating options, we:</b></p> <ul style="list-style-type: none"> <li>▪ will <u>not</u> violate state statute or negotiated agreement</li> <li>▪ will <u>not</u> make arbitrary percentage-based program reductions</li> <li>▪ will <u>not</u> inhibit our ability to accomplish strategic directions</li> <li>▪ will <u>not</u> utilize non-sustainable ideas or strategies</li> <li>▪ will <u>not</u> avoid substantive discussions regarding QComp and it's annual \$1.2 million in new revenue (this would lower the \$2.3 million budget modification target by \$500,000 or more)</li> <li>▪ will <u>not</u> avoid substantive review of in-place cost structures (schedules, staffing ratios, administrative structure, etc.)</li> </ul>