



# 2020-21 Budget Process Highlights

Saint Paul Public Schools (SPPS) is dramatically changing the way we develop our annual budget. The District is adopting a “priority-based budgeting model”, as recommended by the Government Finance Officers Association (GFOA).

## SPPS Budget Process

1. **The process begins with mobilizing key stakeholders, and centers around establishing a partnership between finance and instructional leaders.** This collaborative process increases the likelihood that the decisions made will be supported after the budget process is completed
2. **SPPS is determining how much money it has to spend.** This includes all revenue sources for all programs
3. **SPPS has developed Budget Principles, based on four main areas of focus:**
  - a. **Stewardship.** Our financial responsibility is critical to building and maintaining community trust and our reputation
  - b. **SPPS Achieves.** We invest through academic priorities in order to make progress toward long-term student outcomes as stated in our strategic plan
  - c. **Allocation Equity.** We provide resources to meet the enrollment, program and other needs at each school
  - d. **Flexibility, Innovation, Efficiency.** We encourage creativity as we strive to improve

It's important to understand that some of this funding is ‘earmarked’ or restricted. The District can only spend these funds on specific programs or targeted areas. These funds, for example Title 1 funding from the government, cannot be shifted away from their targeted purpose

4. **Once SPPS has delineated how much money it has to spend each year, that amount becomes the District’s ‘budget’.** There is no shortfall; there is no surplus. The budget is the budget
5. **The District will then determine how to spend its budget.** This process will include input from students, families and members of the community; as well as from staff members and the Board of Education
6. **The Board of Education will ultimately decide which of the spending priorities will be funded,** based on input from District stakeholders described above.
7. **SPPS will have a balanced budget.** The District will not project a shortfall or a surplus. However, a number of variables will impact the budget during the process of putting it together. These factors include, but are not limited to:
  - a. **Student enrollment** - Currently SPPS receives \$6,312 in per pupil funding. While the District can thoughtfully estimate student enrollment at each of our 63 schools, an exact number won't be known until the next school year
  - b. **Government funding** - State and federal lawmakers may make changes to school funding at any time
  - c. **Collective bargaining agreements** - SPPS has contracts with more than 26 collective bargaining units
8. **As part of the District’s annual budget, some schools may receive a set amount of ‘discretionary funding’, based on student enrollment and other factors.** This funding will be part of the budget, and its use will be determined at the building or site level
9. **The Board of Education will vote on approving the annual budget,** including spending priorities, at its regularly-scheduled meeting in June.