



HAMILTON
COUNTY
SCHOOLS

Priority-Based Budgeting

Fiscal Year 2020

Overview of Priority-Based Budgeting

- Priority-based budgeting is an alternative version of zero-based budgeting
- Recognized by the Government Finance Officers Association as a public finance best practice
- Budgets are not connected to prior year spending
- Budgets are tied to specific focus areas and activities
- Spending increases and/or decreases are not simply spread evenly across budgets
- Funding is targeted to focus areas and activities that align with the strategic plan

Philosophy of Priority-Based Budgeting

- The underlying philosophy of priority-based budgeting is about how an organization should invest resources to meet its stated Objectives.
- Better articulate the services we deliver to the community, what price we pay for these services, and what value is provided to the community.

Philosophy of Priority-Based Budgeting

- Principles of Priority-Based Budgeting
 - Prioritize focus areas
 - Do the important things well
 - Question past patterns of spending
 - Spend within the organization's means
 - Know the true cost of doing business
 - Provide transparency of community priorities
 - Provide transparency of impact
 - Demand accountability for results

Advantages & Challenges

- Advantages

- Budget is well justified and aligned to the strategic plan
- Activates broader collaboration across the enterprise
- Improves operational efficiency by challenging assumptions

- Challenges

- Harder and more time consuming than simply evaluating incremental changes from prior year
- Execution challenged by budget cycle timing constraints
- Might initially be disruptive to the organization's operations

General Process for Priority-Based Budgeting

1. Identify available resources (revenues)
2. Identify priorities
3. Obtain input from the community
4. Define focus areas
5. Develop performance targets
6. Evaluate departmental requests against priority areas
7. Allocate resources
8. Create accountability for results
9. Communicate results
10. Create operational efficiencies and innovation

Future Ready 2023! Focus Areas

**Accelerating
Student
Achievement**



**Future
Ready
Students**



**Great Teachers
& Leaders**



**Engaged
Community**



**Efficient
& Effective
Operations**



Focus Five Performance Targets

1. At least **half** of all third-grade students will be on track or will have mastered standards as measured the TNReady English Language Arts assessment.
2. **90%** of students who entered high school in the 2019 cohort will graduate by summer 2023.
3. We will **double** the percentage of students on track in Algebra I across all grades.
4. **75%** of graduates will complete at least one advanced course or industry certification exam.
5. The average ACT composite for the class of 2023 will be **21**.

Community Priorities

Accelerating Student Achievement



Future Ready Students



Great Teachers & Leaders



Engaged Community



Efficient & Effective Operations



Social-emotional supports through counselors, social workers and behavior specialists.

Student access to early post-secondary opportunities and advanced coursework.

Teacher and staff compensation

Professional development and instructional coaches.

Parent engagement resources

Transportation options

Special education and academic intervention.

Student access to technology, arts, and innovative programming.

Capital maintenance

FY 2020 - Implementation Year

- Comprehensive review of past spending
- Develop base staffing model for schools
- Facilities assessment
- Evaluate needs to achieve goals
- Evaluate operational efficiency opportunities
- Exploratory stages of strategic financial plan
- Departments develop budget requests by focus area
- Develop budget by focus area
- Create foundation for priority-based budgeting in future years

Strategic Financial Plan

- Develop a strategic financial plan for fiscal years 2021-2023
- Aligned with the Future Ready 2023! strategic plan
- 3 year strategic plan will demonstrate an ongoing process of identifying instructional priorities and aligning resources to these priorities
- Incremental investment by year
- Focus on developing a multi-year view of operational needs
- Focus on developing a multi-year view of capital needs and serve as a basis for creating a comprehensive five-year capital plan

FY 19-20 BUDGET TIMELINE

**March 28, 2019
5 p.m., Board Room**

Board Work Session
-Capital Projects
-Proposed FY 20 Capital Maintenance Budget

**April 18, 2019
4 p.m., Board Room**

**Board Work Session
(Prior to Regular Meeting)**
-FY 20 Revenue Projections
-FY 20 General Purpose School Fund Base
Budget Projection

**May 2, 2019
5 p.m., Board Room**

Board Work Session
-Budget Discussion

**March 14, 2019
4 p.m., Board Room**

**Board Work Session
(Prior to Regular Meeting)**
-MGT Facilities Assessment Overview
-MGT Feeder Pattern Example
-Community Priorities

**April 11, 2019
5 p.m., Board Room**

Board Work Session
-Proposed FY 20 Federal Programs
Budget
-Proposed FY 20 Self-Funded
Programs Budget
-Proposed FY 20 School Nutrition
Budget

**April 25, 2019
5 p.m., Board Room**

Board Work Session
-Proposed FY 20 General Purpose
School Fund Budget

**May 9, 2019
4 p.m., Board Room**

Board Work Session
-Budget Discussion
-Vote - FY 20 Proposed Budgets