

Financial Services

Fiscal and Business Management

Duties of the Board

The Board is ultimately responsible for ensuring the District's financial and operational health. It meets this responsibility directly by setting financial goals for the District, establishing spending priorities, and adopting governing policies that provide a framework for sound financial and business management practices. The Board monitors performance against goals and compliance with governing policies and regulations. The Board is also responsible for detailed review and specific approval of District expenditures and approval of contractual obligations.

Advisory committees may be established to support the Board in the discharge of its financial oversight responsibilities. Such committees may include volunteer experts from the community or professional, compensated advisors as deemed necessary.

Duties of the Superintendent

The Superintendent is responsible for achieving the operational and financial goals established by the Board through day-to-day management within the parameters set by Board policy. Among the Superintendent's most significant financial responsibilities are:

- creation of the District's annual and long term budget.
- establishing and maintaining the organization and systems necessary to safely and efficiently manage the District's financial affairs.
- effectively utilizing computers and other electronic technology to support the operations of the District. Maintaining an effective information security program is a critical element of effective technology management.
- maintaining a productive and cooperative relationship with the Lyons Township Treasurer.
- monitoring state legislative trends and local property development projects and initiatives that present threats or opportunities for collection of school property tax revenues so that the Board may act promptly to protect those revenues.
- establishing procedures that will identify and mitigate potential conflicts of interest between the District and its employees and Board members.
- establishing a system of internal controls that appropriately safeguard District assets and records and ensures accuracy in its financial record-keeping and reporting.

Duties of the Lyons Township Treasurer

As determined by the Illinois School Code, the Lyons Township Treasurer is responsible for maintaining the District's financial books and records; acting as custodian for all of the District's funds, investments, and other financial contracts; collecting all tax revenue levied by the District; and making all payments on the District's behalf upon proper Board of Education approval.

Budget Planning

The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for providing services and capital assets. It is through the budgeting process that the District allocates resources to the programs and services that fulfill its mission.

The Superintendent is responsible for preparing a long-term budget that:

- Projects revenues and expenditures on a conservative basis
- Reflects a five-year time horizon
- Addresses the District's capital asset needs and debt service requirements in addition to operating needs
- Reflects enrollment projections and corresponding staffing needs
- Includes assumptions upon which projections are based

Annual Budget Creation

The District's fiscal year is from July 1 through June 30. The Superintendent will develop and present a tentative budget for Board of Education review at its regularly schedule meeting in August that:

- Balances anticipated operating revenues and expenditures
- Allocates anticipated revenue on a basis that is directly linked to the District's strategic plan
- Includes input from staff members as appropriate
- Compares budgeted revenues and expenses to actual results from the prior year.

Preliminary Adoption Procedures

After receiving the Superintendent's tentative budget, the Board of Education will set the date, time and place for a public hearing on the proposed budget. The tentative budget will be made available to the public for inspection.

The School Board Secretary or Recording Secretary shall make arrangements to publish a notice in a local newspaper stating the date, place and time of the tentative budget's availability for public inspection and the public hearing. The tentative budget shall be available for public inspection for at least 30 days before the time of the budget hearing.

At the public hearing, the tentative budget shall be reviewed and the public shall be invited to comment, question, or advise the Board of Education.

Final Adoption Procedures

The Board adopts a budget before the end of the first quarter of each fiscal year, September 30, or by such alternative procedure as State law may define.

The Board adopts the budget by roll call vote. The budget resolution shall be incorporated into the meeting's official minutes. Board members' names voting *yea* and *nay* shall be recorded in the minutes.

The Superintendent or designee shall perform each of the following:

1. Post the District's final annual budget, itemized by receipts and expenditures, on the District's Internet website; notify parents/guardians that it is posted and provide the website's address.
2. File a certified copy of the budget resolution and an estimate of revenues by source anticipated to be received in the following fiscal year, certified by the District's Chief Fiscal Officer, with the County Clerk within 30 days of the budget's adoption.
3. Make all preparations necessary for the Board to timely file its Certificate of Tax Levy, including preparations to comply with the Truth in Taxation Act; file the Certificate of Tax Levy with the County Clerk on or before the last Tuesday in December. The Certificate lists the amount of property tax money to be provided for the various funds in the budget.
4. Submit the annual budget, a deficit reduction plan if one is required by State Board of Education guidelines, and other financial information to the State Board of Education according to its requirements.

Any amendments to the budget or Certificate of Tax Levy shall be made as provided in The School Code and Truth in Taxation Act.

Budget Amendments

The Board may amend the budget by the same procedure as provided for in the original adoption.

Implementation

The Superintendent is responsible for providing monthly financial reports to the Board of Education that summarize actual and budgeted expenses on a monthly and year-to-date basis in the categories as set forth in Exhibit A to this policy. Monthly financial reports are to be presented on a "government-wide" basis as described in the annual audited financial statement. Such basis is designed to provide the reader with an overview of the District's finances, similar to a private-sector business.

Annual Reporting

The Superintendent is responsible for preparing an annual report on District's financial results for distribution to the Board of Education and the community before December 1. Such report will provide summary audited financial data for revenues, expenses, assets, liabilities, and fund balances on a "government-wide" basis and an analysis and discussion of the major activities and events of the year contributing to the reported results. The report will also describe the District's performance relative to its financial goals as set forth in Policy 4.20.

The Superintendent's annual report will contain data that compares the District's instructional expenditures per student to those of other comparable school districts and provides an analysis of the reasons for the District's relative ranking. In addition, the annual report will compare the District's total school property tax rate to those of other comparable school districts.

Clarity, transparency and full disclosure are the goal of District financial communication except in cases where the District's relative bargaining position or the confidentiality of private information regarding staff or students may be compromised.

The Superintendent will annually provide to the Board copies of the investment portfolio performance benchmark analysis prepared by the Lyons Township Treasurer.

The Board shall act on all interfund loans, interfund transfers, transfers within funds, and transfers from the working cash fund if one exists.

LEGAL REF.: 35 ILCS 200/18-55 et seq.
 105 ILCS 5/10-17, 5/10-22.33, 5/17-1, 5/17-1.2, 5/17-2A, 5/17-3.2, 5/17-11, 5/20-5, and 5/20-8.

ADOPTED: November 18, 2009