

PROVIDENT CHARTER SCHOOL

BUDGET AND FINANCIAL MANAGEMENT

The budget development process is driven by two objectives – to provide every child in the Provident Charter School (“School”) with the best possible educational opportunities and to maximize the use of available resources. Within this framework, the Board of Trustees of the School attempts to balance the educational needs of students and the resources available to the School from local, state, and federal sources. The School’s budget, which details the revenues and expenditures to support the educational programs and services, is a delicate balance of policy choices. The CEO occupies the key position in ensuring that educational expenditures produce maximal educational returns. The School has a number of policies that direct the budget development and management process, which are discussed below.

As required by the School Laws of Pennsylvania and as enacted by the commonwealth legislature, the School shall prepare and approve an annual budget of the modified accrual basis of accounting for School Code the operation of Governmental Funds (the General Fund and the Special Revenue Funds) prior to the start of the fiscal year. Section 687 of the School Code requires that a proposed budget to prepared at least thirty (30) days prior to adoption of the budget for the following fiscal year in a format stipulated by the Department of Education (“PDE”). The format requires that revenues and expenditures be presented by function and object.

The School Code also mandates that the proposed budget be available for public inspection at least twenty (20) days prior to the date set for adoption. The School is also required to provide notice prior to any final action on the budget.

The actions for final adoption of the budget and the necessary appropriations required to put it into effect must be voted on at a duly advertised public meeting. Section 508 of the School Code requires a majority vote of the Board of Trustees to adopt the annual budget. The vote must be by a duly recorded (roll call) vote that records how each member voted. Failure to have the majority

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of affirmative votes renders action of the Board of Trustees void and unenforceable. The Board of Trustees shall adopt the budget annually in June. Failure to adopt the budget by July 1 causes the School to lose authority to expend funds.

Within fifteen (15) days after adoption of the budget, a certified copy of the adopted budget must be provided to PDE in conformance with Section 687 of the School Code.