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## Financial Planning & Budgeting Policy

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*This policy was approved by the Board of Directors on January 18, 2012.*

### **Purpose**

The Annual Budget development process is designed to create the financial plan to cultivate the mission, vision and operation of American Academy. It provides the framework for both anticipated revenues and planned expenditures derived from the educational programs and priorities of the American Academy Board of Directors (BOD) for the fiscal year (July 1 to June 30). The BOD retains primary responsibility and authority for establishing budget priorities and parameters and approving the American Academy Budget.

### **Preparation**

The BOD assigns overall responsibility for preparation and administration of the annual budget to the Executive Director of Schools (EDS). No later than the DCSD deadline for a proposed budget, administration will present to the BOD for their approval an initial annual formal budget for the successive fiscal year in conjunction with a three-year budget projection model developed and reviewed by the Finance Committee in accordance with the rules of the Governmental Accounting Standard Board (GASB) and in observance of any applicable Colorado State law or District contractual requirement.

No later than the DCSD deadline for a final budget, administration will present to the BOD for their approval a final annual budget.

### **Organization**

The formal budget shall be organized in both summary and detailed format in conformance with Colorado State Chart of Account coding requirements. An itemized accounting of current year budget and actual revenue and expenditures, projected current year-end-balances and a full accounting to date of known American Academy operations will be prepared in concurrence with budget presentation. Wherever possible, the budget adopted shall be sufficient to implement the programs and policies approved by the American Academy BOD. Material opportunities or risk that may impact the budget shall be footnoted for consideration by the BOD.

### **Supplemental Budget**

Following a final October pupil count, a "Supplemental Budget" may be developed for any additional funding to be expended within the academic year. If there were to be a reduction in funding, the BOD will approve either a percentage adjustment or follow an alternative Administrative recommendation for a reallocation of current year expenditures.

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### **POLICY HISTORY**

- Original:* approved by the BOD on May 9, 2008
- Revision 1:* approved by the BOD on March 18, 2009
- Revision 2:* approved by the BOD on February 18, 2010
- Revision 3:* approved by the BOD on January 18, 2011
- Revision 4:* approved by the BOD on January 18, 2012

### **SUMMARY OF REVISION 1**

Final budget date changed to reflect DCSD deliverable

**SUMMARY OF REVISION 2**

Final budget date changed to reflect DCSD deliverable

**SUMMARY OF REVISION 3**

Adjusted planning to three-year budget from five-year to align with DCSD

**SUMMARY OF REVISION 4**

Adjusted budgeting deadlines to align with DCSD

