

LSC Budget Approval Authorization

State statute authorizes LSC's to be responsible for approving: (1) the expenditure plan (budget) prepared by the principal with respect to all funds allocated and distributed to the school by the Board; (2) to approve receipts and expenditures for all internal accounts of the school; and (3) to approve all fund-raising activities by non-school organizations that use the school building.

Traditional Budget Process

In a traditional budgeting process, in which the LSC and principal work collaboratively to plan and develop the school budget and CIWP, both the principal and LSC have designated responsibilities:

LSC	Principal
<ul style="list-style-type: none"> • Providing input in the development of the budget and for approving ALL funds in the budget. • Ensuring that the budget supports the School Improvement Plan; otherwise known as CIWP. • Presenting the proposed budget to the community. • Requesting revisions to the budget. • Providing LSC approval before a principal can enter into contracts for purchases up to \$10,000. • Approving transfers of funds. • Monitoring the internal accounts activity. 	<ul style="list-style-type: none"> • Developing a budget to support the CIWP with input from the LSC and others. • Entering into contracts with LSC approval for purchases up to \$10,000. • Providing LSC's with audits and reviews of the programs and operations of the school. • Obtaining input from LSC and final approval from the Network Chief if school is on probation.

Special Circumstances

Probationary Schools

LSCs for schools on probation do not have the authority to approve the school's CIWP or budget. The principal of a school on probation should obtain input from the LSC on the school's CIWP and budget. Final approval of the CIWP and budget is obtained from the school's Network Chief.

Non-Probationary Schools that cannot achieve quorum

Pursuant to Board 6-31, for schools that have LSCs that cannot achieve quorum, the CEO or designee will approve the school's budget and ability to transfer funds.

LSC does not Approve Budget

If the LSC fails to approve the budget, the School Code authorizes the CEO to appoint a financial advisor to the LSC and principal to work with them to reconcile their differences (re: the budget and for the LSC to approve the budget). If the financial advisor's efforts are unsuccessful, the School Code gives the CEO authority to implement a budget for the school. *

** This scenario takes place if the school budget is not approved after LSC conducts a meeting to discuss the budget, provided members the opportunity to ask the principal questions, (re: the proposed budget allocations) and the opportunity to propose and if necessary vote on alternate allocations to the principal.*