

Budgeting for Mean, Lean Times

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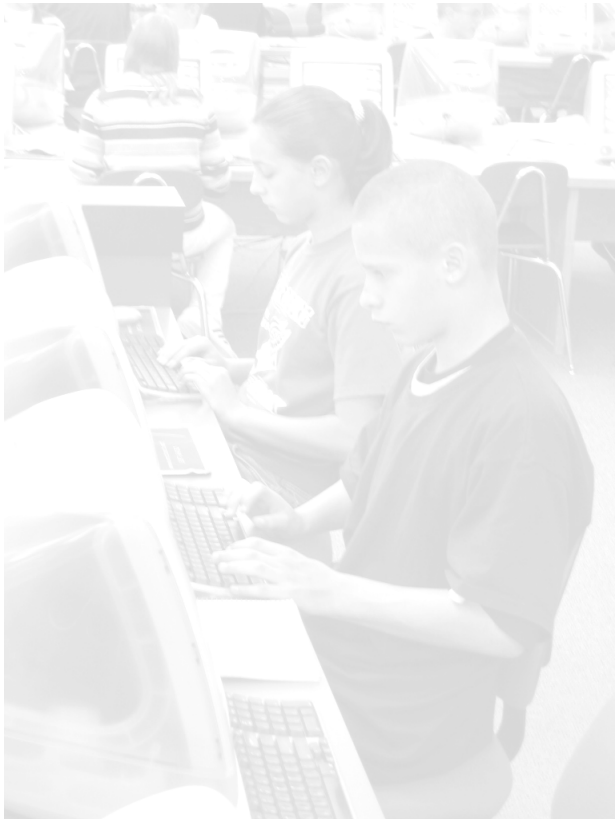
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A Savvy Budgeter's Checklist

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|-------|----|--|-------|
| _____ | 1 | I know I have an ethical obligation to submit a budget even if it has not been requested or the chances of it being fully funded are slim. | p. 2 |
| _____ | 2 | I can counter the argument that the free Internet will not replace libraries, books and purchased online information sources. | p. 3 |
| _____ | 3 | I understand the concept that school district budgets are a "zero sum" game. | p. 5 |
| _____ | 4 | I can describe the "consequences" of an under-funded budget in concrete terms. | p. 6 |
| _____ | 5 | I can write an outcome driven budget that is specific in supporting curricular and school improvement goals. | p. 7 |
| _____ | 6 | I know a variety of sources for budget dollars and who controls those dollars | p. 8 |
| _____ | 7 | I can list the areas for which I need to budget. | p. 9 |
| _____ | 8 | I can create a maintenance budget. | p. 10 |
| _____ | 9 | I report to budget decision-makers how past budget dollars have been spent. | p. 11 |
| _____ | 10 | I know how an advisory committee can help build budget support. | p. 12 |
| _____ | 11 | I know the importance of serving in school, professional and political organization leadership roles. | p. 13 |
| _____ | 12 | I can use technology to improve my budgeting and communication skills. | p. 14 |
| _____ | 13 | I know why I need to weed. (Doug's pet peeve). | p. 15 |
| | | Resources | p. 16 |



Budgeting for Lean, Mean Times

Based on a track record of building, obtaining and administering excellent library/technology budgets on both a building and district level, the presenter discusses current funding realities facing schools, gives a short primer on school district finance, describes types of budgets, outlines the elements of effective budgets, and suggest ways media professionals can increase their influence in the budgeting process.

Money will buy a pretty good dog, but it won't buy the wag of its tail. Josh Billings

Arithmetic is being able to count up to twenty without taking your shoes off. Mickey Mouse.

8. I can create a maintenance budget.

Administrators understand maintenance. They regularly budget for replacing roofs, tuck-pointing brick work, and resurfacing parking lots. They understand why windows, furnaces, and pencil sharpeners all need to be replaced now and again.

What these fine folks don't always understand is that library collections and instructional technology should be regularly maintained as well. Use the following formula with your collection, share the results with your budget people, and see if it makes a difference.

Doug's Magic? Formula for a Maintenance Budget

Here's one way to calculate what funds you should be spending to keep your resources up-to-date:

Maintenance budget = replacement rate X total number of items X average cost

(replacement rate = 100%/number of years in the life span of material)

Examples:

If a school has 50 VCRs which cost \$100 each and have a life span of 10 years,
then the maintenance budget for VCRs should be 10% X 50 X \$100 or \$500.

If a media center has 15,000 volumes with an average cost of \$14 per volume with an average life of a book at 20 years,
then the maintenance budget should be 5%* X 15,000 X \$14 or \$10500.

(*Remember the replacement rate is 100%/life span or 1.00/20 or 5%)

Here's one for you to try:

A school has 40 computers with a life span of 5 years. The average replacement cost of a computer is \$1000. How much should be spent each year to maintain the computers?

Replacement rate = 1.00/ _____ years

Maintenance = $\frac{\text{Replacement rate}}{\text{Replacement rate}} \times \frac{\text{Total number of items}}{\text{Total number of items}} \times \frac{\text{Average cost of an item}}{\text{Average cost of an item}}$

or

\$ _____ maintenance budget.

Resources:

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