

**BUSINESS****BUDGET AS A SPENDING PLAN**

Each year the Pastor/Executive Pastor, in conjunction with the Principal of an elementary school and local Board of Education, or the secondary Principal, in conjunction with the Board of Directors, is to prepare a budget.

This projection and adoption of a budget will serve as a plan for determining the income and expenses necessary to operate a quality Catholic school. A schedule of income from parish subsidies, tuitions, development, and fund-raisers must be determined in order that bills can be paid on a timely basis. Once the budget is adopted, the Principal must follow that budget as closely as possible and has the responsibility to collect income and pay bills. If circumstances occur that may make it necessary to deviate significantly from the approved budget, the Principal is to notify the Pastor/Executive Pastor of the elementary school or the President of the Board of Directors of the secondary school immediately.

A copy of the budget is to be submitted annually to the diocese.

At each local Board of Education or Board of Directors meeting, the current status of income and expenditures, savings accounts and/or loans must be made a matter of the record in order that the Pastor/Executive Director, other Pastors, the Principal, and all Board members are aware of the financial status of the school. If there is a deficit at the end of the month, discussion must take place to determine how to correct that situation.

Policy

Revised: June 17, 1994

Revised: July 1, 2019

RWG/Bishop of Harrisburg