










This resource has been developed to provide an overview of the kindergarten budgeting process, including identifying the critical information required, and the rationale, objectives, and considerations of each budget step.

The kindergarten budget process should follow a logical and sequential order with each of the budget steps outlined below. The drafting and development of the budget is generally undertaken by the Treasurer, although Committee of Management (COM) input and final approval may be required.

Task	Time	Activities	Information required	Rationale, objectives, and considerations
 1 Estimate number of enrolments	July	<ul style="list-style-type: none"> Estimate enrolment numbers for the coming year for each program expected to be offered 	<ul style="list-style-type: none"> Historical enrolments at the kindergarten Population forecasts Local government information such as birth notifications Enrolment systems and waiting list (council's or kindergarten's) 	<ul style="list-style-type: none"> Enrolments are the key driver of financial performance and are a key assumption informing estimates for income and expenses including: Department funding (per capita grants, Kindergarten Fee Subsidy), parent fees, and staff costs
 2 Develop program timetable	July	<ul style="list-style-type: none"> Develop the weekly timetable for each kindergarten program (e.g. three year old, four year old programs, wrap-around services) 	<ul style="list-style-type: none"> Historical programs conducted at the kindergarten Educator and parent feedback (i.e. community consultation) regarding programs required and preferred timing Kindergarten approved capacity 	<ul style="list-style-type: none"> Several alternative program timetables should be developed to identify the timetable which utilises the kindergarten capacity, room structure, and staff, at lowest costs The timetable must meet the local community needs, with consultation occurring during the enrolment process
 3 Develop staff roster	Aug	<ul style="list-style-type: none"> Determine staffing requirements and develop a staff roster in consultation with staff members 	<ul style="list-style-type: none"> Historical staff roster Applicable industrial agreements to which the service is a signatory (VECTEA 2016, EEEA 2016) Fair Work terms and conditions Staff preferences 	<ul style="list-style-type: none"> The staff roster should aim to maximise utilisation of staff resources Consideration should be provided to accommodate staff preferences in respect to working hours and programs The staff roster will determine whether there is a need to recruit additional educational staff
 4 Estimate staff costs	Sept	<ul style="list-style-type: none"> Estimate the annual staff costs including on-costs such as superannuation, WorkCover, and professional development 	<ul style="list-style-type: none"> Staff roster Staff qualification levels and applicable hourly rates Superannuation and WorkCover Other entitlements (long service/sick leave, professional development) Staff contracts 	<ul style="list-style-type: none"> Careful consideration must be given as employment of staff is the largest cost VECTEA 2016 is considered when the Department establishes funding rates - any over Award payments must be funded internally (by parent fees)

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 5 Estimate non-staff costs	Sept	<ul style="list-style-type: none"> Estimate non-staff costs (consumables, bank fees, equipment, cleaning, excursions, bookkeeping) 	<ul style="list-style-type: none"> Prior year budget / actual expenses Consultation with staff regarding programming costs Estimates for improving equipment and resources Vendor contracts and invoices 	<ul style="list-style-type: none"> Consider the effect changes to enrolments and program timetable will have on specific costs (cleaning, programming costs) Consider identifying specific categories where cost savings may be available (cleaning, bank fees, consumables) and build savings targets into budget estimates
 6 Determine funding requirements	Sept	<ul style="list-style-type: none"> Calculate funding required to “balance the budget” including parent fees and fundraising targets 	<ul style="list-style-type: none"> Funding estimates (parent fees/levies, Kindergarten Fee Subsidy, Early Childhood Teacher Supplement, fundraising) Breakeven points, surplus targets, sinking fund targets Parent fee policy Local demographics 	<ul style="list-style-type: none"> Parent fee, increases should be made in consistent small increments Consider demographics, including parent fees at other local services and affordability Fundraising targets should be clear and realistic - should be used to fund enhancements to the program only
 7 Review and adjust	Oct	<ul style="list-style-type: none"> Complete a review of the budget and adjust based on any new or updated information 	<ul style="list-style-type: none"> Key budget assumptions Draft budget Previous year budgets and key assumptions Kindergarten Funding Guide Enrolment system and waiting list 	<ul style="list-style-type: none"> The COM should have the opportunity to complete a thorough review of the budget prior to the budget review meeting Adjust the budget as necessary to reflect known and available information, and best estimates
 8 Approve budget and parent fee	Nov	<ul style="list-style-type: none"> Approve the kindergarten budget and parent fee for the coming year, implement budget into operations 	<ul style="list-style-type: none"> The COM is presented with the following decisions in the budget approval meeting: <ol style="list-style-type: none"> Accept the parent fee and any increases Approve and accept the kindergarten budget 	<ul style="list-style-type: none"> Detailed budget assumptions and workings are archived for future reference Education staff notified of available program budget Where base funding differs materially from the prior year, contact DET regional office to make necessary funding adjustments prior to the new year
 9 Finalise budget	Feb	<ul style="list-style-type: none"> Update budget based on new or updated information at start of the kindergarten year 	<ul style="list-style-type: none"> Final program enrolment numbers, including number of concession card holders Final funding amounts (per capita grant, Kindergarten Fee Subsidy, Early Childhood Teacher Supplement) 	<ul style="list-style-type: none"> Consider any changes which have taken place since approval of the budget (program enrolments, concession card holders, grant funding) Incorporating best available information into final budget ensures accuracy and confidence in the annual budget