GROUP BUDGET EXERCISE
SCHOOL LIBRARY MEDIA CENTER GROUP

THE AVONDALE ACADEMY

Avondale is a prosperous suburb outside of a middle-sized city in Connecticut. It is one of the oldest towns in New England, founded in the 1600s. A large number of pre-Revolutionary War homes cluster around the town green. Although Avondale is a separate town with its own governance, it serves primarily as a bedroom community for its mostly upper-class residents who work in the neighboring city. Avondale has a very good public school system, but some parents feel that the classes are too large, and they want to establish a private school in Avondale for their children and for children from neighboring communities. Although there are other private schools in the area, there is not one in Avondale. These parents have been a force behind the planning for a new school, Avondale Academy, which they hope to open soon. There is another impetus behind the plans to establish a private school; there is a very powerful corporate partner, which is championing a new school as a means to link learning and technology.

Avondale has only one large industry-GSS-a very profitable software development organization. This organization was founded in the 1980s by three brothers, and the firm has grown and become increasingly profitable over the years. The organization is privately held and the founders have realized incredible fortunes from its success. From the start of the business, its founders have been very philanthropic and have supported many local cultural endeavors such as the symphony and the art museum. The Graves brothers, the three founders of this organization, have young children, and they are very much in favor of a new private school that will provide the very best education for their offspring. They also think that the new school would make sense in business terms—it would be an attractive option to draw new employees to GSS. They are such strong advocates that they have donated a twenty acre site as a location and are willing to provide the money that will be needed to start the school. They advocate a school that can provide a demonstration of the impact that technology can have on improving education, and they envision a school that would integrate technology throughout the curriculum. The school would serve as a test bed for this type of learning, and the founders hope to see the approach replicated in the public schools in the future.
The new school will eventually provide education for Pre-K through 12th grade, but it will begin as a Middle and Upper School serving students from 7th to 12th grade. The initial enrollment will be about 450 students but the plan is to increase the size by one hundred students a year so that by the third year of operation the enrollment in the Middle and Upper School will be approximately 650 students. The school is being planned for the 650 person student body and Avondale Academy is expected to open 24 months from today. (The plans for the Lower Schools have not yet been developed but it will be located on a separate part of the Avondale Academy campus.)

You have recently been hired as part of the Founding Faculty in the position of Head of the Library Media Center. The Founding Faculty have been hired to make the plans necessary to have the school ready to be opened in two years. You are responsible for planning and setting up the Library Media Center. To help you, an advisory board of librarians and library educators from the region has been appointed. You and this board need to be able to present your plans to the Board of Directors who will make the final decisions about the funding of all parts of the School. You have been told that you should plan a library media center that would serve as a model for schools trying to link technology and education. You need to decide how much space you require, how many books, subscriptions, and online resources you will need and the furniture and equipment necessary to equip the library. In addition to these things, you need to make plans for the staffing required in the library media center which will be serving both the Middle and Upper Schools.

You and your advisory board have a large task but it is one that you look forward to since it is rare that a group is given responsibility for planning a completely new facility. You will need to justify the funding that you request, but it is clear that the Graves brothers are committed to making Avondale Academy a world-class school, and if you are able to justify the expenses and relate them to the mission of the school, you have an excellent chance of being given the funding you request. It is your chance to envision the best school media center possible. You need to present two budgets to the Board of Trustees. The first budget will be the start-up budget that would be needed to prepare the library for opening in two years. The second budget will be the operational budget for the year following the opening of the school.

Your group should work together to prepare the following parts of this assignment. One copy of the budget package should be handed in per group. A group grade will be given for the assignment. The written budget package should contain the following parts:
1. Describe the Avondale Academy Library Media Center. What materials would it contain? (In terms of the materials in the collection, you do not have to be too specific. Tell what type of materials you would buy and in what quantities, but don't go into great detail about titles, etc.) What services would it offer? How much space would it occupy? How many people would it employ and in what capacities? How much seating space would it contain? For at least once in your life, you have no budget constraints. The Graves brothers want the best. Of course, they and the Board of Trustees are also shrewd business people, and you should be realistic in what you are willing to pay for things and in the salaries you offer your workers.

2. Create a reasonable line-item budget for all the items that will be needed to get the library media center ready to open.

3. Provide explanations for the expenses you anticipate and for categories of spending. For as many expenses as possible, provide evidence of why the items in your budget cost what you say they will cost. For instance, if you need to buy computers or DVDs or specialized equipment for the new LMC, provide the Board of Trustees with the costs associated with the purchase of all of these items and where you found information on the costs associated with them. In hiring personnel, describe the types of employees necessary to operate such an LMC, provide them with salary and benefits, and explain why you are paying the proposed salary.

4. You will need to provide the Board with your space requirements for the library media center, but you do not need to provide the costs for construction in your budget. The Board is taking all of the space requirements and creating a separate budget to cover the costs of building the new school.

5. Next, using the services and functions in the line item budget above as a basis, draw up a budget for the first year of the library's operation. This will be a more typical budget. What would it take to keep your library operating for a year? Although most of the major capital purchases would be finished when the library opens you would still need to have funds to acquire new materials, supplies, etc. Obviously, you will also have to have a staff with salaries and benefits.

6. Finally, write a cover letter to the Board of Trustees. This is the letter that will accompany your budget package, providing the justification for the budgets you have requested for getting the library ready for opening and for operating it for its first year. This letter should be no more than one page in length, but it should succinctly highlight the budgetary requests. Your committee has been invited to meet with the Board and with the Graves brothers to present your ideas about the library media center and the budget that will be needed to make that center a reality.
Your budget preparation will involve two parts: the oral presentation you will give to the Graves brothers and the Board of Trustees (you have been scheduled for fifteen minutes at their November/December meeting) and the written documentation that you will provide them a slightly later date that further supports your presentation.