

## **6220 BUDGET PREPARATION**

The annual budget is the financial plan for the effectuation of the educational plan for the district; its preparation is, therefore, one of the most important functions performed by the Board of Education. The budget shall be designed to carry out that plan in a thorough and efficient manner, to maintain school district facilities, and to honor continuing obligations of the district.

A proposed budget requires the critical analysis of every member of the Board during its preparation. The administration shall work with the Board to ensure Board members have a thorough understanding of the budget appropriations, budget revenue, the proposed educational program and the budget's impact to the local tax levy. The Board shall also provide for community input during the budget development process.

The annual school district budget and supporting documentation shall be prepared in accordance with the provisions of N.J.S.A. 18A:7F et seq. and N.J.A.C. 6A:23A-8.1 et seq. The Board will obtain approval of the local funding for a non-referendum capital project (school facility project or other capital project) in accordance with the provisions of N.J.A.C. 6A:23A-8.4.

The Board will submit its proposed budget and supporting documentation as prescribed by the Commissioner to the Executive County Superintendent for approval.

The budget will be presented to the Board of Education to allow adequate time for review and adoption. The budget should evolve primarily from the needs of the individual schools as expressed by the Building Principals and the district educational program as expressed by the central administrative staff and be compatible with approved district plans.

The Board shall include in the budget application to the Executive County Superintendent a complete reporting of revenues and appropriations and other requirements pursuant to N.J.S.A. 18A:22-8 and N.J.S.A. 18A:7F-5 through 63.

The Board, upon submission of its budget application to the Executive County Superintendent or by the statutory submission date, whichever is earlier, shall make available upon request for public inspection all budget and supporting documentation contained in the budget application

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***Regulations follow***

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and all other documents listed in N.J.A.C. 6A:23A-8.1 once the budget application has been submitted to the Executive County Superintendent for approval.

The budget as adopted for the school year pursuant to N.J.S.A. 18A:7F-5 shall be provided for public inspection on the district's website, and made available in print in a user-friendly plain language budget summary format in accordance with the provisions of N.J.A.C. 6A:23A-8.1(c).

All budgetary and accounting systems used in the school district must be in accordance with double entry bookkeeping and Generally Accepted Accounting Principles as required in N.J.A.C. 6A:23A-16.1 et seq.

N.J.S.A. 18A:7F et seq.; 18A:22-7 et seq.

N.J.A.C. 6A:23A-8.1 et seq.; 6A:23A-16.1 et seq.

Approved: March 21, 2000

Revised: August 28, 2012

Reviewed: February 20, 2018

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The annual school district budget will be prepared in accordance with the following procedure.

**A. Responsibility**

1. The Business Administrator is responsible for the administration and coordination of all budget preparation activities and will be guided by the budget planning forecasts prepared in accordance with Policy No. 6210.
2. Each Principal will assess the educational needs of the pupils, collect and evaluate the requests for funds submitted by the teaching and support staff members in his/her building, and compile an estimate of the total building needs for the next budget year. The estimate will be submitted to the Business Administrator.
3. Each central office administrator will assess the needs of the program operation for which he/she is responsible (such as staff recruiting, facilities maintenance, transportation, capital improvements) and will prepare an estimate of the program needs for the next budget year. The estimate will be submitted to the Business Administrator.

**B. Priorities**

1. All estimates submitted to the Business Administrator in accordance with A2 and A3 will be reasonably detailed and supported by appropriate documentation to justify the expenditures requested. The administrators charged with estimating budgetary needs will be guided by these cost priorities, listed in order of descending importance.
  - a. Staffing adequate to sustain the current instructional program,
  - b. Supplies and equipment adequate to sustain the current instructional program,
  - c. Maintenance of current facilities and programs,
  - d. New staff members to improve or expand the current program,

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- e. New supplies and equipment to improve or expand the current instructional program, and
  - f. New instructional programs.
2. The Business Administrator will review all estimates for budget allocations and, as necessary, discuss justifications and possible alternatives with the originating administrator. The Business Administrator will:
- a. Compare budget requests with inventory to determine whether requested resources are presently available;
  - b. Analyze budget requests on a district-wide basis to determine whether requested resources can be shared; and
  - c. Analyze budget requests for staffing requirements and convert those requirements to dollar equivalents.

C. Form

The tentative budget shall contain:

- 1. The total expenditure for each item for the preceding school year, the amount appropriated for the current school year adjusted for transfers as of the date specified by the New Jersey Department of Education of the current school year, and the amount estimated to be necessary to be appropriated for the ensuing school year, indicated separately for each item as determined by the Commissioner;
- 2. The amount of the surplus account available at the beginning of the preceding school year, at the beginning of the current school year and the amount anticipated to be available for the ensuing school year;
- 3. The amount of revenue available for budget purposes from the preceding school year, the amount available for the current school year as of the date specified by the New Jersey Department of Education and the amount anticipated to be available for the ensuing school year in the following categories as applicable:
  - a. Revenues to be raised by local sources;

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- b. Revenues from State Aid;
  - c. Revenues from Federal Aid;
  - d. Revenues from intermediate sources;
  - e. Other sources of revenue.
- 4. Transfers between current expense and capital outlay for the preceding school year, the current school year as of the date specified by the New Jersey Department of Education of that year and transfers anticipated for the ensuing school year.
  - 5. A presentation of the pupil population for the current school year and immediate past school year as reported in the application for State School Aid, and an estimate of the anticipated pupil population for the next school year; and
  - 6. An estimate of staff composition by numbers in each administrative, instructional, and educational services area for the next school year.
  - 7. All budgetary and accounting systems used in the school district must be in accordance with double entry bookkeeping and Generally Accepted Accounting Principles as included in statutes and administrative code.

D. Timeline

The School Business Administrator/Board Secretary will submit the tentative budget recommendations to the Superintendent in accordance with the budget timeline established by the New Jersey Department of Education and the Board. The proposed expenditures and anticipated revenues in the tentative budget will be supported by sufficient explanatory information to enable the Superintendent and Board to determine their validity.

In Effect: August 28, 2012