

## **BUDGET PLANNING, PREPARATION & ADOPTION**

The budget is the financial reflection of the educational plan for the district. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the obligations of the district. The budget shall be in accord with statutory and regulatory mandates of the federal government, the state legislature, the state board of education and the board of education.

The budget shall provide sufficient resources for curriculum and instruction that are designed and shall be delivered in such a way that all students will have the opportunity to achieve the knowledge and skills defined by the core curriculum content standards, as well as locally defined standards.

In reviewing budget proposals, the board will consider priorities to be accomplished during the subsequent year, based on the needs identified through the district's planning process. The budget shall be prepared on forms prescribed by the commissioner of education and should be considered critically by each board member during its preparation.

In order to ensure adequate time for the preparation and review of the proposed budget, the board directs the Chief School Administrator to develop a schedule of events associated with the development, presentation and adoption of the budget by the board. This calendar of events shall conform to all dates set out in statute and shall be reviewed and adopted by the board annually. The Chief School Administrator shall prepare a tentative budget and shall confer with the School Business Administrator, Principal, board committees and other district personnel, as necessary, to make the tentative budget realistic.

The board may call upon key personnel to discuss those portions of the budget that concern their areas of district operations.

The budget should evolve primarily from the district's goals and schools' current needs, but shall also consider the data collected in long-range budget planning. In preparing budget requests, the responsible administrator shall include the following costs by program area\*:

- A. Staff
- B. Textbooks, equipment and supplies
- C. Cost and maintenance of facilities and equipment

*\*This does not mean the district has a program-oriented budget.*

## D. Other costs associated with the operation of each program

The district's operating budget, when presented to the board for review, shall contain:

1. The proposed expenditure for each line item requested for the ensuing year;
2. The anticipated expenditure for each existing line item in the current school year;
3. The actual expenditure for each then-existing line item from the immediately completed school year;
4. A description of each line item;
5. An estimate of the pupil population for the coming school year by grade;
6. The current pupil population by grade;
7. An estimate of the staff needed for the coming school year by grade and/or by subject;
8. Actual staff for the current year;
9. Anticipated revenue by sources and amounts;
10. Amount of surplus anticipated at the end of the current school year including accumulated surplus;
11. All other expenses projected for the coming year, anticipated for the present year, and incurred in the preceding year, on the district level;
12. Projected impact on tax rate.

The Norwood Board of Education may submit a separate budget proposal or proposals to the voters for additional general fund tax levies which may be in excess to that which has been determined necessary for all students to have an opportunity to achieve the core curriculum content standards and a thorough and efficient education. The board shall adopt any such questions by a recorded roll call majority vote of the full board.

Since the budget is the legal basis on which the school tax rate is established, the annual school budget process is an important means of communication within the school organization and with district residents. The community shall be notified of and encouraged to attend all board meetings at which preliminary budget discussions will be held. The legally required public hearing on the proposed budget shall be held after the budget has been approved by the county superintendent of schools and within the statutorily prescribed timelines.

The annual budget proposal must be adopted by a roll call majority vote of the full membership of the board. Once adopted, the proposal represents the position of the board, and all reasonable means shall be employed by the board to present and explain that position to all community residents and taxpayers.

The proposed budget as accepted by this board shall be set forth in detail, using the form prescribed by the state department of education, and shall be made available to the public as required by law. A brochure or newsletter may be published to explain the annual school budget and will be distributed to district taxpayers, if the board of education deems it necessary.

The brochure or newsletter should include:

- A. A summary of the proposed expenditures and anticipated revenues;
- B. General information which may enable district taxpayers to understand the proposed budget better; for example, present and projected school enrollments and assessed valuations, state aid, and teachers' salaries;
- C. An explanation of significant changes in the budget;
- D. An explanation of the tax impact of the proposed budget.
- E. Notice of the date, time, and location of the annual public Budget Hearing.

All board members are expected to attend the public hearing on the budget.

Date: January 10, 1983

Revised: April 23, 2009

### **Legal References:**

<u>N.J.S.A.</u> 18A:7F-1 <u>et seq.</u>	Comprehensive Education Improvement and Financing Act of 1996
<u>N.J.S.A.</u> 18A:13-17, -19, -23	Submission of budget; annual regional school election ...
<u>N.J.S.A.</u> 18A:22-7, -8 through -13	Preparation of budgets ...
<u>N.J.S.A.</u> 18A:22-8.6	Transportation (budget line item)/hazardous routes
<u>N.J.S.A.</u> 18A:22-14	Fixing appropriations to be made; notice of intent to appeal (Type I districts)
<u>N.J.S.A.</u> 18A:22-25	Borrowing against appropriations on notes (Type I districts)
<u>N.J.S.A.</u> 18A:22-26 through -31	Type II district with board of school estimate; determination; certification and raising of appropriations; notice of intent to appeal amount of appropriation ...
<u>N.J.S.A.</u> 18A:22-32, -33	Type II districts without board of school estimate; determination of appropriation ...
<u>N.J.S.A.</u> 19:60-1	Annual school elections

<u>N.J.A.C. 6A:8-1.1 et seq.</u>	Standards and Assessment
<u>N.J.A.C. 6A:11-7.1 through -7.3</u>	Financial operations (charter schools)
<u>N.J.A.C. 6A:23-8.1 et seq.</u>	Annual Budget Development, Review and Approval
<u>N.J.A.C. 6A:24-1.1 et seq.</u>	<i>Urban Education Reform in the Abbott Districts</i>
<u>See particularly:</u>	
<u>N.J.A.C. 6A:24-4.4</u>	
<u>N.J.A.C. 6A:26-10.1 et seq.</u>	Lease Purchase Agreements
<u>N.J.A.C. 6A:30-1.1 et seq.</u>	Evaluation of the Performance of School Districts
 <u>Abbott v. Burke, 149 NJ 195 (1999)</u>	
 <u>Manual for the Evaluation of Local School Districts (September 2002)</u>	

**Cross References:**

3160	Transfer of funds between line items/amendments/purchases not budgeted
3220/3230	State funds; federal funds
3326	Payment for goods and services

## **PREPARATION OF BUDGET DOCUMENT FOR BOARD APPROVAL**

### **Preparation for Budget Making**

#### **1. Board Secretary Activities**

As of October 31<sup>st</sup>, annually, the Secretary to the Board will prepare a “sample” budget for the Chief School Administrator which will have the following columns filled in:

- a. Budget items for previous year
- b. Balance of each item as of June 30<sup>th</sup>
- c. Budget items for present year
- d. Expenditures through October 31<sup>st</sup> present year
- e. Secretary’s recommended budget items for coming year

#### **2. Meeting with School Staff**

The Chief School Administrator will, during early November, meet with and receive recommendations from the school personnel in order to arrive at figures pertaining to “within school functions” on such items as:

- a. Textbook needs and requirements
- b. Classroom supplies and equipment
- c. Office supplies and equipment
- d. Custodial supplies and equipment
- e. Nurse’s supplies and equipment
- f. Repairs, replacements and renovations

#### **3. Meeting with Secretary to the Board**

In December, a meeting of the Chief School Administrator, the President of the Board and the finance committee chairperson will be held to obtain all necessary data for the regular December Board meeting.

**4. Meeting to Adopt Tentative Budget**

At the regular January Board meeting, or later dates subject to the release of New Jersey state budget school aide figures, or the Governor's fiscal year budget address, or other approved legislative delays, the Board may adopt this tentative Budget and decide when it will be published in the local papers (at least 7 days prior to public hearing). The tentative budget must also be sent to the County Superintendent by January 15<sup>th</sup>, or in accordance with the abbreviated budget submission calendar as specified in the New Jersey Department of Education, Division of Finance, School Election and Budget Procedures Calendar.

From the notes gathered at previous meetings with Board committees, school personnel and the Secretary to the Board, the Chief School Administrator in conjunction with the Secretary will have compiled a detailed breakdown on budget items. Copies of this breakdown are prepared and given to each Board member and the Secretary for their reference during the following school year. It shall be prepared prior to the public hearing.

The budget newsletter shall be mailed to the public together with any explanatory information deemed necessary by the Board at least one week before the public hearing.

**5. Meeting of Board, Mayor and Town Council, and PTO Executive Committee**

This meeting will take place after the tentative adoption of the budget. It is deemed advisable to discuss the financing of the school budget with those people who manage the town's affairs and the PTO Executive Committee.

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