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## Policy 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; once adopted and approved by the County Superintendent, the budget deserves the support of each Board member regardless of the member's position before its adoption.

The Board shall prepare and maintain a budget in which budgeted anticipated revenues and fund balances equal budgeted appropriations. Only those expenses reasonably required to provide a thorough and efficient educational program shall be approved for the budget. Any surplus funds remaining from the prior year's budget shall be applied against taxes to be raised locally except that three percent of the total budget may be retained in surplus.

The Board will submit its proposed budget to the county superintendent, in the authorized budget format, as required by law. As a minimum, the budget shall be prepared on a fund basis and shall conform to the outline contained in the uniform minimum chart of accounts published by the State Department of Education. The Board may approve an expanded coding structure to provide additional information and allow more efficient management of district resources. Any such expanded coding structure shall be consistent with the minimum outline and shall conform to guidelines issued by the Commissioner.

In order to allow adequate time for the preparation and review of the proposed budget, the Board directs the Assistant Superintendent for Business/Board Secretary to present to the Board all available information associated with the budget. The budget should evolve primarily from the district educational program as expressed by the central administrative staff and be compatible with approved district plans.

The budget shall be prepared in such detail and upon such forms as shall be prescribed by the Commissioner and to it shall be annexed a statement so itemized as to make the same readily understandable, in which shall be shown:

In tabular form there shall be set forth the following:

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 February 1 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 for the preceding school year, the amount available for the current school year as of February 1 of the current school year and the amount anticipated to be available for the ensuing school year in the following categories as applicable:

a. Total to be raised by local property taxes

b. Total State aid

(1) Foundation aid

(2) Special education aid

(3) At-risk aid

(4) Bilingual aid

(5) Other (detailed at the discretion of the Commissioner)

(6) Transition aid

c. Total Federal aid

(1) Elementary and Secondary Education Act of 1965

(2) Handicapped

(3) Impact Aid

(4) Vocational

(5) Other

d. Other sources (detailed at the discretion of the Commissioner).

4. Transfers between current expense and capital outlay for the preceding school year, the current school year as of February 1 of that year and transfers anticipated for the ensuing school year.

5. In the event that the total expenditure for any item of appropriation is equal to \$0.00 for: (1) the preceding school year, (2) the current school year, and (3) the amount estimated to be necessary to be appropriated for the ensuing school year, that item shall not be required to be published pursuant to N.J.S.A. 18A:22-11.

N.J.S.A. 18A:7D-1; 18A:22-7 et seq.

N.J.A.C. 6:20-2.3; 6:20-2.13

Adopted: 11 June 1997