MERCHANTVILLE BOARD OF EDUCATION 130 South Centre Street Merchantville, New Jersey 08109	File Code: 3100 Proposed: 04/25/00 Adopted: 05/09/00 Revised: 11/22/2016 Reviewed: 04/08/2024

Budget. Planning, Preparation and 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 the designed curriculum and instruction. The budget shall be delivered in such a way that all students have the opportunity to achieve the knowledge and skills defined by the New Jersey Student Learning Standards and local 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 principals, department heads, 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. The district's operating budget, when presented to the board for review, shall contain:

A. The total expenditure for each item for the preceding school year;

B. The amount appropriated for the current school year adjusted for transfers as of February 1 of the current school year;

C. The amount estimated to be necessary to be appropriated for the ensuing school year;

D. 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;

E. 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:

    1. Total to be raised by local property taxes;

    2. Total State aid;

    3. Total federal aid;

4. Other sources;

F. The proposed expenditure for each line item requested for the ensuing year;

G. The anticipated expenditure for each existing line item in the current school year;

H. The actual expenditure for each then-existing line item from the immediately completed school year;

I. A description of each line item;

J. An estimate of the pupil population for the coming school year by grade;

K. The current pupil population by grade;

L. An estimate of the staff needed for the coming school year by grade and/or by subject;

M. Actual staff for the current year;

N. Anticipated revenue by sources and amounts;

O. Amount of surplus anticipated at the end of the current school year including accumulated surplus;

P. All other expenses projected for the coming year, anticipated for the present year, and incurred in the preceding year, on the district level;

Q. Projected impact on tax rate.

Budget Adoption and Submission

Annually, on or before March 4, the board shall adopt and submit to the executive county superintendent for approval, together with such supporting documentation as prescribed by the commissioner, a budget that provides for a thorough and efficient (T&E) education. The board shall submit at the commissioner's request supplemental information such as documents, contracts, reports, and financial records and statements required by law or regulation, or other information necessary to conduct a review of the school district's annual spending plan. Additional information may include, but need not be limited to:

A. Contracted services;

B. Health benefits;

C. Operation and maintenance of plant services;

D. Utilities and where applicable, an analysis of savings by not using the Alliance for Competitive Energy Services (ACES) or Alliance for Competitive Telecommunications (ACT);

E. Purchased professional services;

F. Textbook adoptions;

G. Equipment purchases;

H. A detailed list of efforts to improve administrative efficiency and realize other potential or real cost savings;

I. An accounting and analysis of:

1. Actual salary breakage in the year prior to the prebudget year for replacement of staff that retired or left district employment before or during the year;
2. Actual or estimated salary breakage, as available, for the prebudget year for replacement of staff that retired or left district employment or are known to be retiring or leaving district employment before the end of the prebudget year; and
3. Estimated salary breakage for the budget year for replacement of staff known to be retiring or leaving district employment at the end of the prebudget year;

J. A list of budgeted positions and salaries that have been vacant for more than one year;

K. A list of aides and salaries that are not mandated for preschool and kindergarten or required by IEP for special education;

L. A list of appropriations to fund deficits in any of the school district's enterprise fund activities; and

M. Supporting documentation in regard to the employment contracts of the superintendent, any assistant superintendent, the school business administrator, and any employee with an annual salary that exceeds $75,000 who is not a member of a collective bargaining unit.

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.

Budget Hearing

The date of the public hearing shall be advertised in at least one newspaper published in the district not less than 4 days prior to the fixed date. If there is no newspaper published in the district it shall be advertised in at least one newspaper circulated in the district. The notice shall include the hours and place the budget will be on file and open to the examination of the public. The budget shall be open to examination from the date of the notice publication until the date of the holding of the public hearing.

The board of education shall hold such public hearing on the date and at the time and place, fixed annually by the board (see: the Department of Education *School Election and Budget Procedures Calendar* posted by the Office of School Finance at http://www.state.nj.us/education/finance/). The date of the hearing shall be fixed between March 22 and March 29 for boards with an April election or districts with a board of school estimate. The date of the hearing shall be fixed between April 24 and May 7 for boards with a November election. At the public hearing the taxpayers and other interested persons shall have an opportunity to present objections and to be heard with respect to said budget and the amounts of money necessary to be appropriated and the various items and purposes for which the same are to be appropriated for the use of the public schools in the district for the ensuing school year.

The budget shall be maintained on the district website and made available in print within 48 hours after the public hearing.

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

Public Notification of the Budget

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 executive county superintendent of schools and within the statutorily prescribed timelines.

"User Friendly" Plain Language Budget Summary

The budget as adopted for the school year shall be provided for public inspection on the district's Internet site, if one exists, and made available in print in a "user-friendly," plain language budget summary format within 48 hours after the public hearing on the budget.

A. The budget shall be maintained on the district's website, if one exists, with a visible link off the main page, for the entire budget year and revised, as applicable, when changed as follows:

1. Prior to adoption of a separate proposal(s);
2. Upon voter rejection of a separate proposal(s);
3. Upon municipal action on a voter rejected base budget question; and
4. For any subsequent determination on an application for restoration to the Commissioner

B. The plain language budget summary shall include:

1. All appropriation line items aggregated by item type;
2. The school tax rate;
3. The equalized school tax rate;
4. Revenues by major category;
5. The amount of available surplus;
6. A description of unusual revenues or appropriations, with a description of the circumstances of the revenues and appropriations; and
7. A list of shared services agreements in which the district is participating.

Appropriation of Funds

The board shall fix and determine by a recorded roll call majority vote of the full board, at or after the public hearing on the budget but not later than May 14, the amount of money to be raised pursuant to the School Funding reform Act of 2008 and any additional funds to be voted upon by the voters at the April school election. The sum or sums shall be designated in the notice calling the election as required by law.

The board 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 New Jersey Student Learning Standards and a thorough and efficient education.

Legal References:		
	N.J.S.A. 18A:7F-43 et seq.	School Funding Reform Act of 2008
	N.J.S.A. 18A:13-17, -19, -23	Submission of budget; annual regional school election...
	N.J.S.A. 18A:22-7, -8 through -8.2, and -9 through -13	Preparation of budgets
	N.J.S.A. 18A:22-14	Fixing appropriations to be made; notice of intent to appeal (Type I districts)
	N.J.S.A. 18A:22-25	Borrowing against appropriations on notes (Type I districts)
	N.J.S.A. 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...
	N.J.S.A. 18A:22-32, -33	Type II districts without board of school estimate; determination of appropriation...
	N.J.S.A. 18A:39-1.5	Adoption of policy regarding transportation of students who walk along hazardous routes
	N.J.S.A. 19:60-1	School elections, adjustments, ballots
	N.J.A.C. 6A:8-1.1 et seq.	Standards and Assessment
	N.J.A.C. 6A:23A-8.1 et seq.	Budget submission, support documentation, website publication
	N.J.A.C. 6A:23A-15.2	Per pupil calculation, notification and caps (charter schools)

N.J.A.C.	6A:23A-15.3	Enrollment counts payments process and aid adjustment (charter schools)
N.J.A.C.	6A:23A-22.4	Financial requirements (charter schools)
N.J.A.C.	6A:26-10.1 et seq.	Purchase and lease agreements
N.J.A.C.	6A:30-1.1 et seq.	Evaluation of the performance of school districts

Abbott v. Burke, 149 NJ 195 (1999)

Budget Guidelines and Electronic Data Collection Manual 2016-17, New Jersey Department of Education

Possible 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

*Indicates policy is included in the Critical Policy Reference Manual.