

### **BUDGET PLANNING, PREPARATION AND ADOPTION**

The budget is the financial reflection of the educational plan for the Holmdel Township Public Schools. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the fiscal 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 Holmdel Township 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.

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 Superintendent to develop a schedule of events associated with the presentation and adoption of the budget by the Board. The Superintendent in consultation with the School Business Administrator/School Board Secretary shall present the tentative budget of expenditures to the Board by February 20 and tentative revenues as soon as practicable. In the preparation of this tentative budget, the Superintendent shall confer with administrators, board committees and other district personnel, as necessary, to make the tentative budget realistic.

The Board may call upon such key personnel to discuss those portions of the budget which concern them.

The budget should evolve primarily from the 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; and

**BUDGET PLANNING, PREPARATION  
AND ADOPTION**

File Code: 3100

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

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

- A. The proposed expenditure for each line item requested for the ensuing year;
- B. The anticipated expenditure for each existing line item in the current school year;
- C. The audited/actual expenditure for each then-existing line item from the immediately completed school year;
- D. A description of each line item;
- E. An estimate of the pupil population for the coming school year by grade;
- F. The current pupil population by grade;
- G. An estimate of the staff needed for the coming school year by grade and/or by subject and within service areas;
- H. Actual staff for the current year;
- I. Anticipated revenue by sources and amounts;
- J. Amount of surplus anticipated at the end of the current school year including accumulated surplus;
- K. All other expenses projected for the coming year, anticipated for the present year, and incurred in the preceding year, on the district level; and
- L. Projected impact on tax rate.

The Board may submit a separate 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. The Board shall adopt any such questions by a recorded roll call majority vote of the full Board.

**Setting Budget Priorities**

The Board of Education can meet only a limited number of educational needs and desires with the resources available to it. The annual budget must be formulated taking into consideration the following criteria:

- A. At all times, district resources shall be used to produce the most positive effect on the pupils' opportunity to gain an appropriate education in accordance with the philosophy and goals of the district.

**BUDGET PLANNING, PREPARATION  
AND ADOPTION**

File Code: 3100

- B. The budget shall be in accord with statutory and regulatory mandates promulgated by the federal government, the state legislature, the state board of education and the Holmdel Township Board of Education.
- C. The budget shall be consistent with contracts between the Board and its employee groups.

**Board Review and Approval**

The School Business Administrator/School Board Secretary, using input from various staff members and township staff concerning tax rates, and in consultation with the Superintendent, shall prepare and compile the tentative budget which is to be presented to the Board of Education for approval on or before its second regular public meeting in February or at a Special Public Meeting of the Board held before the deadline for submission of the Tentative Budget to the Monmouth County Office of the New Jersey State Department of Education.

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.

**Public Hearing**

The proposed budget approved by the Board shall be submitted to the county superintendent for approval; this approval shall be obtained prior to advertising for public hearing purposes. The form used is known as the "budget statement."

According to statute, the notice of the public hearing and the approved budget statement must be published not less than seven days prior to the public hearing; and at least one time in a newspaper published in the district.

The annual budget proposal, once approved, represents the position of the Board, and all reasonable means shall be employed by the Board to present and explain that position to all residents and taxpayers of the community.

Board members and district administrators shall be thoroughly familiar with and understand the need for each proposed expenditure so they can answer any questions directed to them.

The proposed budget, as accepted by this Board, shall be set forth in detail, using the "annual school budget" form of the New Jersey Department of Education, and shall be made available to the public as required by law.

**BUDGET PLANNING, PREPARATION  
AND ADOPTION**

File Code: 3100

The annual budget proposal must be adopted by a majority 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 Board may designate members to meet with interested community groups upon request to explain the budget.

The proposed budget as accepted by the Board shall be set forth in detail, using the form prescribed by the New Jersey Department of Education, and shall be made available to the public as required by law. A brochure 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 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; and
- C. An explanation of significant changes in budget; and
- D. Voting information.

All Board Members are expected to attend the public hearing on the budget.

**Source:** Regular Board Meeting

**Date:** August 20, 1994

**Revised:** February 22, 1995

**Revised:**

<b>Legal References:</b>	<u>N.J.S.A.</u>	18A:7F-1 <u>et al.</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 . . .

**BUDGET PLANNING, PREPARATION  
AND ADOPTION**

File Code: 3100

<u>N.J.S.A.</u>	18A:22-8.6	Transportation (budget line item)
<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, -28 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.</u>	6:8-4.5	Curriculum and Instruction
<u>N.J.A.C.</u>	6:8-4.9	School resources; finances and facilities
<u>N.J.A.C.</u>	6:8-9.1 <u>et seq.</u>	District educational improvement plans. . .
<u>See particularly:</u>		
<u>N.J.A.C.</u>	6:19-2.1 through -2.7	
<u>N.J.A.C.</u>	6:19A-1.1 <u>et seq.</u>	Implementation of Court Decision in <u>Abbott v. Burke</u>
<u>N.J.A.C.</u>	6:20-1.1 <u>et seq.</u>	Business services
<u>See particularly:</u>		
<u>N.J.A.C.</u>	6:20, -2A, -5	
<u>N.J.A.C.</u>	6:22A-1.1 <u>et seq.</u>	School facilities lease purchase agreements

Abbott v. Burke, No. M-622-96 (N.J. Supreme Court, May 14, 1997)

Manual for the Evaluation of Local School Districts  
(June 1993)

**Possible**

<b>Cross References:</b>	*3160	Transfer of funds between line items/ amendments/purchases not budgeted
	*3200/3230	State funds; federal funds
	*3326	Payment for goods and services

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



**NJSBA POLICY SERVICES**

New Jersey School Boards Association, P.O. Box 909, Trenton, New Jersey 08605-0909  
*Copyright 1980 by NJSBA. All rights reserved.*