

# 2018-19 Budget Q&A

## Office of School Finance

### A. General

A1 Where are the 2018-19 Budget Guidelines and other information related to the 2018-19 budget process posted on the department's website?

All information related to the 2018-19 budgeting process is posted on the Department website under [School Finance](#).

A2 When are board resolutions required with submission of the budget?

A board resolution is required for every district to approve and submit the budget. Board resolutions are also required, as applicable, for requested use of banked cap; early payoff of deferred 2009 PERS contributions; submission of separate proposals; creation of, or withdrawals from, a capital reserve; and approval of additional funds (tax levy, surplus or reserve) to spend above a previously approved referendum. Also, districts are required to submit board resolutions for any additional surplus appropriated during the current year as reflected on lines 3 or 5 of the recapitulation of balances.

A3 How does a district user get login access to the budget software?

Sign-on and password for district users of the budget program will be assigned by your district Homeroom Administrator. The homeroom administrator must create user accounts for individuals that need access to the budget software. You must contact your district homeroom administrator to create your User ID and Password. Please refer to the link entitled "Homeroom Administrator Manual" on the [NJDOE Homeroom website](#) for the guidance regarding the homeroom administrator login. The budget software is named "Budget Statement" in the homeroom administrator system.

From the login screen (*on the [homeroom page](#) select the item called Budget*), district users will need to select the login level as "District" and then enter the 2-digit county ID, 4-digit district ID, web user ID, and web user password. Once this information is entered, select the "log on" button to access the program.

A4 How does a county user get login access to the budget software?

Email [budget@doe.nj.gov](mailto:budget@doe.nj.gov), and an Office of School Finance employee will help set up a county-level login ID and Password.

From the login screen (on the [homeroom page](#) select the item called Budget), county users will need to select the login level as “County” and then enter the web user ID, and web user password. Once this information is entered, select the “log on” button to access the program. This will open a list of all the counties. Click on the county name and click the “Choose” button. Then click on the district name and click the “Choose” button. This will open the budget of the selected district.

A5 When selecting the “Export to Excel” option, why don’t the formulas export to Excel? Also, why doesn’t the number format export?

The “Export to Excel” function is purely a data dump of the data that is contained in the budget software database, it is not a working representation of the data flow and calculations that is being done behind the scenes in Oracle. Consequently, there are no formulas to export, as the software is not using Excel for the calculations. Same for formatting; it is a data dump, and users must format this output for their own purposes.

A6 What internet browsers are compatible with the budget software?

The following browsers may be used to access the budget software:

- 1) Internet Explorer, versions 10 or 11. We have thoroughly tested the budget software with computers running Windows XP through Windows 8, and the only issues that have come up relate to the version of IE (plus adjusting the PDF options in Adobe Reader so as to utilize the "Printable PDF" option. See question I1.)
- 2) Google Chrome version 32.0.1700.41;
- 3) Safari version 5.1.7(7534.57.2); or
- 4) Firefox version 26.0.

A7 Must a district user initialize the budget screens when they first access the software?

No. The screens do not require initialization on the first access to the budget software system. However, there is a particular order of precedence that should be followed in order to have correct and complete information flow across screens. Please refer to section II-C in the Budget Guidelines and Electronic Data Collection Manual for the sequencing details.

B. Election Calendar

B1 Is the election calendar posted on the department’s web page?

Yes. It is posted on the [School Finance District-wide Budget site](#), under the heading “2018-2019 Budget Statement – Other Items”.

B2 Can a district board of education advertise the proposed 2018-19 budget before Executive County Superintendent approval?

April election districts may advertise the budget before ECS approval is received. Due to the compressed time frame for April election districts, Commissioner approval for advertising without ECS approval, pursuant to *N.J.A.C. 6A:23A-9.1(b)*, has been given only for April election districts for the 2018-19 budget year. ECS approval must be received prior to the public hearing.

B3 Has the 2018 April school election date been changed from the third Tuesday in April?

No. The April school election date will be Tuesday, April 17, 2018, which is the third Tuesday of April.

C. 'Budget' Tab of The Budget Software

C1 Why doesn't the Audsum data show in the revenue, appropriations and recapitulation of balances screens of the budget software?

The budget software shows only district-certified Audsum data. The district should log in to the Audsum program and certify the data. It takes a few seconds to do. The data will appear in the budget software a few minutes later.

C2 Why am I not able to access the revenue or appropriation screen – the system keeps searching and searching?

The budget software requires anyone accessing the system to be running Internet Explorer (IE) versions 10 or 11; Google Chrome version 32.0.1700.41; Safari version 5.1.7(7534.57.2); or Firefox version 26.0. Make sure the computer being used has one of these versions. If using Chrome, Safari or Firefox, and having this issue please try using one of the Internet Explorer versions. If still having an issue, then click out of Internet Explorer altogether and then restart it, but before going into the Budget software go to Internet Explorer's 'Tools' menu and delete your browsing history. This will clear any residual connections that might interfere with creating a new session.

Also, the settings for Internet Explorer must have "ActiveX Filtering" disabled on the Internet Explorer's 'Tools' menu.

C3 Why doesn't the budget software allow entry of an amount in some lines in the revenue and appropriations screens, but allows entry in other lines?

For some revenue and appropriation lines, data entry is performed on other detail screens and then it flows to the revenues and appropriations screens. This avoids double-entry of the same information. The "Sub Title" columns on the revenue and appropriations screens contain an explanation when amounts flow from other screens.

For example, data entry for the Facilities Acquisition and Construction services cost center is performed on the capital projects screen, from which data will flow into appropriation lines 76000 to 76240 (excluding line 76210, which is entered on the appropriations screen). See the table below.

*Table 1. Sample of Sub-Title Column.*

<b>Line Number</b>	<b>Line Description</b>	<b>Sub-Title</b>
76000	Salaries	18-19 entry on cap proj screen
76005	Unused Vacation Payment to Terminated/Retired Staff	18-19 entry on cap proj screen
76020	Legal Services	18-19 entry on cap proj screen
76040	Architectural/Engineering Services	18-19 entry on cap proj screen
76060	Other Purchased Prof. and Tech. Services	18-19 entry on cap proj screen
76080	Construction Services	18-19 entry on cap proj screen
76100	Supplies & Materials	18-19 entry on cap proj screen
76120	Land and Improvements	18-19 entry on cap proj screen
76140	Lease Purchase Agreements – Principal	18-19 entry on cap proj screen
76160	Bldgs. Other than Lease Purchase Agreements	18-19 entry on cap proj screen
76180	Infrastructure	18-19 entry on cap proj screen
76200	Other Objects	18-19 entry on cap proj screen
76210	Assessment for Debt Service on SDA Funding	facilities acquisition and construction services
76240	Capital Outlay – Transfer to Capital Projects	18-19 entry on cap proj screen
76260	TOTAL FACILITIES ACQUISITION AND CONSTRUCTION SERVICES	facilities acquisition and construction services

C4 On the appropriations screen, why is the Explanation column, for explanations of amounts with greater than 4% increases or decreases, not accessible for some lines?

The explanation column can only be accessed for the appropriation lines which are the “advertised” level, which are the subtotal and total lines, not for individual lines. Make sure the line being selected is an advertised line. In the detailed appropriations grid of the Budget Guidelines and Electronic Data Collection Manual, section III-C-ii, there is a column which indicates the lines that are advertised.

C5 Why doesn’t the budgeted fund balance in the revenue screen match the amount on the recapitulation of balances?

The screens for recap of balances and additional excess surplus must be completed in a particular order, and also saved after opening the screens, in order for the amounts to calculate

and flow to revenue and appropriations properly. Please refer to section II-C of the Budget Guidelines and Electronic Data Collection Manual under “Accessing the System”, item number 2. Edits make sure the amounts in these tables are all in agreement before the district can submit the budget to the county.

Also note that multiple lines from recap of balances are added together and total to the budgeted fund balance amount. Refer to the detailed line instructions in the recap of balances section of the Budget Guidelines and Electronic Data Collection Manual for the flow of lines.

- C6 On the recapitulation of balances it appears that an incorrect balance was loaded in the 2016-17 column. How can this be corrected?

The data in the 2016-17 column is drawn directly from the district Audsum submission. Any corrections must be done in the Audsum program. You may correct your 6/30/17 Audsum by working with your auditor to de-certify, correct, and re-certify the Audsum. As soon as Audsum is corrected and re-certified by the district, your recap of balances will reflect the correction.

- C7 Where does a district reflect in the 2018-19 budget software additional revenue realized in 2017-18 from the sale of property or some other unanticipated unrestricted revenue source not originally anticipated in the district’s 2017-18 budget certified for taxes, but realized as of February 1, 2018?

Additional or excess unrestricted general fund revenues realized as of February 1 should be reflected in the revision of the 2017-18 budget (middle column) and on line 3 of the recap of balances, as applicable. Additional revenues would be either reflected as an increase in the applicable revenue and corresponding decrease in budgeted fund balance (and therefore revenue line 580 and line 3 of recap would equal the net of the original budgeted fund balance and additional unrestricted revenue realized), or if spending was increased, as an increase in the applicable revenue and corresponding appropriations in the 2017-18 budget (middle column) with no change to budgeted fund balance.

However, if no fund balance was originally budgeted for 2017-18 or if the net amount above would result in less than zero, then the additional revenue realized with no offsetting increase in appropriations would have to be recognized as a positive amount on recap line 6 (since a number less than zero cannot be entered on revenue line 580 or line 3 of recap of balances).

- C8 Where does a district reflect in the 2018-19 budget additional or excess unrestricted general fund revenue realized after February 1, 2018 or anticipated to be realized by June 30, 2018?

Additional or excess unrestricted general fund revenues already realized after February 1 or anticipated to be realized by June 30, 2018 should be reflected on line 6, middle column, on the recapitulation of balances screen.

C9 Why is the ID column on the Detail of Capital Project Fund Balance screen blocked?

The first column on the screen (“ID”) is generated by the program once the other fields have been entered and saved for a project. This is not a field for user entry.

C10 Why is the budget software calculating excess surplus on the Appropriation of Excess Surplus screen when the CAFR did not have excess surplus?

First, check the amounts of the balances in the Audsum fund balance lines to ensure that they are on the proper lines. If fund balances are not on the proper lines in Audsum then they will not display in the proper category in the Recap of Balances, which will affect the calculation of excess surplus.

Second, check if the district has Extraordinary Aid and Nonpublic Transportation Aid as adjustments for the audited excess surplus calculation at June 30, 2017. These items are not permanent, without-end adjustments. Because of the timing of the receipt of these amounts, the district is allowed to exclude these from the June 30, 2017 excess surplus calculation. The district has the ability to spend these amounts in the 2017-18 budget. If these are not estimated to be spent in the 2017-18 budget, then the Additional Excess Surplus calculation of the budget software catches this in the test of the estimated June 30, 2018 fund balances and forces this to be budgeted as surplus in the 2018-19 year.

If the district adjusted their budget in 2017-18 for these amounts, it would be recorded on the line 3 of recap and in the appropriations for the planned uses. If the district plans to use this after February 1 and before June 30, it would be recorded on line 5 of recap and should be reviewed carefully by the county office to ensure that it will be used by year end. If the district is not planning to spend this money during 2017-18, then the additional excess surplus calculation will force it to be budgeted as fund balance in 2018-19 because it is fund balance in excess of 2% as of June 30, 2018.

C11 Why doesn't the Preschool Education Aid (PEA) on revenue line 760 agree to the amount of PEA in the state aid printout?

The amount of the PEA provided to the district is listed on the state aid printout NET on line B-1. This amount is not loaded into the budget software, due to the fact that districts must enter the PEA revenue into the PEA screens by PEA project (half-day 3-year, full-day 3-year, etc.). The amounts entered on the PEA screen will then populate revenue line 760 for 2018-19 PEA. Edit number 87 checks to ensure that the amount recorded as PEA revenue is not greater than the amount of the current year aid allocation.

For further details on the recording of PEA, please refer to the revenue guidance in the budget guidelines under “state sources – special revenue fund”, and to the guidance for completion of the PEA screens.

C12 In the 2018-19 budget software preload, why doesn't middle column of budget reflect the 2017-18 adjustments to state aid from July 2017?

The preload for middle column uses the original 2017-18 budget certified for taxes, which did not include the July 2017 state aid adjustments. The July 2017 aid adjustments were considered a mid-year budget revision. Districts must modify the middle column of 2018-19 budget to reflect the 2017-18 budget as of February 1, 2018.

C13 In the 2018-19 budget software, how should a district record additional 2017-18 state aid received in July 2017?

The answer depends on how the additional aid was utilized. Districts should refer to guidance posted on the [School Finance website](#) for detailed information.

Districts that used the additional aid for tax relief will, in the 2017-18 column, record an increase in the state aid category from the 2017-18 revised state aid, and a decrease in the general fund tax levy.

Districts that used the additional state aid to increase the 2017-18 budget prior to February 1, 2018 will record an increase in the state aid category from the 2017-18 revised state aid printout, and record increases in the appropriation lines for use of the aid.

Districts that plan to budget the additional state aid in 2018-19 should record the additional aid on Recapitulation of Balances line 6 in the 2017-18 column to reflect the aid being received in 2017-18, on line 3 in the 2018-19 column to reflect the aid being budgeted in 2018-19, and in the detailed appropriations in 2018-19 to reflect the planned uses.

C14 Will the June 30, 2018 excess surplus calculation be adjusted for the additional state aid received in July 2017?

No. Any funds not budgeted before June 30, 2018 into 2017-18 or 2018-19, and any funds attributable to the increase in state aid appropriated through this process for use in 2017-18 that remain unexpended/unencumbered at June 30, 2018 will fall to surplus and will be included in the audited excess surplus calculation (there will not be an allowable adjustment to the excess surplus calculation).

C15 How will the 2018-19 tax levy cap be calculated for districts that used 2017-18 additional state aid as tax relief?

The 2018-19 tax levy cap will use the original 2017-18 levy to calculate the 2 percent increase. Any reduction in 2017-18 levy based on receipt of additional state aid will not be used in this calculation.

C16 Are funds in Emergency Reserve available to budget in the 2018-19 proposed budget?

Emergency Reserve is generally restricted to fund unanticipated general fund expenses, and generally requires Commissioner approval for withdrawal. In limited circumstances Emergency Reserve funds may be budgeted into 2018-19 budget, pursuant to *N.J.S.A. 18A:7F-41* and *N.J.A.C. 6A:23A-14.4(a)1*. The two circumstances where Commissioner approval is not needed for withdrawal from Emergency Reserve are:

- For withdrawals necessary to meet an increase in total health care costs in excess of 4 percent, for which the district did not receive an automatic adjustment for health care costs. Health care costs include medical insurance and prescription drug insurance costs.
- For withdrawals to finance school security improvements, if the withdrawal is included in the original budget certified for taxes.

In all other circumstances, withdrawals from Emergency Reserve require Commissioner approval, including withdrawals for school security improvements that were not included in the original budget certified for taxes. Districts should refer to the Emergency Reserve guidance posted on the [School Finance website](#).

C17 How should a district clear out a \$1 remaining fund balance in debt service fund, which was left over from rounding of prior year amounts?

Pursuant to *N.J.A.C. 6A:23A-8.6*, any debt service surplus funds must be used to offset property taxes. If a \$1 fund balance remains after all debt service has been retired, then the district may make a negative adjustment of \$1 on the Other line of the next year's A4F to eliminate the fund balance and provide a property tax offset. The \$1 adjustment would then offset the fund balance.

## D. SFRA and Estimated Tuition Calculations

D1 Is the cost of cash in lieu of health benefits taken into consideration when calculating the health care cost adjustment?

No. *N.J.A.C. 6A:23A-11.3*, Adjustment for Increase in Health Care Costs, defines eligible costs as "medical insurance and prescription drug insurance." Accordingly, payments in lieu of health care coverage are not budgeted as medical insurance; rather payments in lieu of coverage are recorded in object 290 (other employee benefits) and not in object code 270 (health benefits). Payments to employees in lieu of health benefits coverage should not be recorded as health benefits costs.

D2 On the Health Care Costs adjustment screen, Line E "SHBP percentage increase" is pre-populated with 13.0%. Is this the correct % increase?

Pursuant to *N.J.S.A. 18A:7F-38(d)*, the allowable health care cost adjustment cannot exceed the average percentage increase of the State Health Benefits Program (SHBP), as determined



annually by the Division of Pensions and Benefits. The average percentage increase of SHBP was received from the Division of Pensions and Benefits and is preloaded into the budget application.

Health benefits are defined as group health and prescription only. It does not include dental, vision, life or any other additional employee benefit offered by the district. For use in 2018-19, the average percentage increase of the SHBP is 13.0 percent. Therefore the maximum adjustment is the increase in health care costs that exceeds two percent but not greater than 13.0 percent, or a maximum of 11.0 percent.

D3 If a district has unused 2018-19 cap, what must be done to bank this amount for 2019-20?

There is nothing a district needs to do.

The Banked Cap report in the 2018-19 software shows the calculation of banked cap to be available in 2019-20. The calculation compares the district's total cap amount to the district's actual levy raised. The difference will be the amount the district will bank from 2018-19 for use in 2019-20 through 2021-22. The amount of the carry-forward is displayed on the last line of the banked cap report in the 2018-19 budget software. Note that any unused cap from 2015-16 will expire in 2018-19 and not be available for carry-forward into 2019-20.

D4 Does a district have to exhaust all banked cap prior to sending a separate question to the voters?

No.

D5 Does a district have to exhaust all eligible 2018-19 cap adjustments prior to requesting use of banked cap in its 2018-19 proposed budget?

Yes. A district must fully exhaust all eligible budget year cap adjustments prior to requesting use of banked cap.

D6 Does a district have to exhaust all eligible cap adjustments prior to sending a separate proposal to the voters?

No. This has never been a requirement under CEIFA or SFRA.

There is a requirement to fully exhaust all current year cap adjustments before requesting use of banked cap.

D7 Can a district put out in a separate proposal only a portion of a cost of the program, anticipating remaining funds to be generated by the program itself?

No. The full cost of the program must be in the separate proposal. (N.J.A.C. 6A:23A-12.13(a)(5))

D8 Can a district put out its entire extracurricular and/or co-curricular program on a separate proposal?

No. Extracurricular and co-curricular programs are part of a T&E education. Districts, however, may put out new or expanded program/activities, as well as existing programs/activities if the base budget maintains sufficient funding in these areas to ensure a T&E education. For example, a new athletic team or even an existing feeder program for a varsity team may be put out as a separate proposal if the base budget maintains a base level of spending for extracurricular activities consistent with the adequacy model.

D9 Is a November separate question for this budget year, or next budget year?

A November 2018 separate proposal is for 2018-19. Budgets are for one year, and the budget being determined in November 2018 is the 2018-19 budget. The question cannot say that the funds are for 2019-20. If the question is approved in November 2018 by the voters, the A4F is revised and the entire amount approved is included in the 2018-19 levy and raised from the taxpayers in the February and May tax bills of the 18-19 year.

D10 If there is a 2 percent cap on tax levy, then why is the increase in general fund tax levy greater than 2 percent?

The statutory levy cap at *N.J.S.A. 18A:7F-38* includes a 2 percent increase over the prior year general fund levy, plus allowable adjustments for enrollment increases, health care cost increases, deferred pension cost increases, increases or decreases for shift in responsibility, and use of banked cap. The cap is not a hard 2 percent cap, as there are allowable adjustments.

The adjustment for enrollment increases requires no entry by districts, and is calculated on the Prebudget Year Levy and Enrollment Adjustment report, with the adjustment amount reflected on line P. Pursuant to *N.J.S.A. 18A:7F-38(b)* and *N.J.A.C. 6A:23A-11.2(c)*, a district may request approval from the Commissioner to calculate enrollment at 100% of the DOE projected increase if the district can demonstrate that the current enrollment adjustment calculation would result in an average class size that exceeds 10% above the facilities efficiency standards pursuant to *18A:7G-1*. The other cap adjustments require entry in the budget to properly calculate on individual reports in the software for each adjustment, and they are reflected on separate lines on the Tax Levy Cap report.

D11 On the Estimated Tuition Rate Calculation page, entering alternate ADE changes the district choice allocations entered in section 2. Is something wrong in the software?

If the ADE is going to be changed from the preloaded amount, it must be changed in Section I first, then the district choice allocations in section II can be entered. It is an ordering issue in the software. When the ADE is updated to district-prepared numbers, this changes the ratio amounts. This then causes the recalculation of the dollar amounts spread to all the programs in sections II, II and IV for the newly calculated ratios, which will over-write the amounts entered by the district in the "district choice" section.

D12 The ADE numbers on the tuition calculations don't agree to a School Register report for the enrollment and attendance. Is there another report that is being used?

The numbers in the Register Summary and those preloaded into the budget software are not expected to match, since the Register Summary tallies are actual ADE counts for 2016-17, and the ADE counts shown in the budget software are estimates for 2018-19 calculated from the linear trend derived from the 2014-16 and 2016-17 counts. Please see *N.J.A.C. 6A:23A-17.1(f)(1)* and the Budget Guidelines and Electronic Data Collection Manual section III-D-ii.

D13 As a regular receiving district, what is the maximum amount of estimated tuition that may be charged to the sending districts?

Pursuant to *N.J.A.C. 6A:23A-17.1(f)*, the maximum amount of tuition per pupil that may be charged is the estimated cost per student from the Estimated Tuition Rate Calculation report in the budget software.

Districts may enter into tuition agreements for amounts per pupil that are less than the maximum, if mutually agreed upon. If entering into agreements for a lesser per pupil tuition amount, consideration should be given to the possibility of tuition adjustments after the certification of tuition rates in the second subsequent year. A lesser estimated rate in the tentative agreement could lead to a larger adjustment in a future year, unless there is a possibility of adjustments being forgiven by the receiving district.

## E. Enrollment

E1 How is the ASSA projected enrollment growth calculated?

It is a rolling average based on the district's actual resident enrollment as reported on the ASSA from the past five years. The calculation is included on the ENR page of the district's state aid printouts.

E2 How is the weighted resident enrollment number calculated?

Per *N.J.S.A. 18A:7F-37* "Weighted resident enrollment" means weighted resident enrollment as calculated pursuant to section 8 of P.L.2007, c.260 (C.18A:7F-50) and as projected by the Commissioner.

On the state aid printout ENR, line S shows the calculation of the weighted resident enrollment number.

E3 What enrollment is used for calculating estimated tuition?

The Average Daily Enrollment is calculated in accordance with *N.J.A.C. 6A:23A-17.1*, using numbers from the School Register Summary. Estimated Average Daily Enrollment (EADE) is

calculated by the square of the growth rate to the district's Average Daily Enrollment (ADE) from two years prior to the budget year. The growth rate is derived from the district's ADE from two years and four years prior to the budget year. The growth rate is limited to a maximum (for positive growth) of 10% and a minimum (for negative growth) of -10%.

**E4 What enrollment is used on the projected enrollment screen?**

Districts enter the enrollments in the on-roll, sent to other districts, received from other districts and sent to APSSD columns. These entries are used to calculate the projected resident enrollment for the district. The column for prior year resident enrollment is calculated from entries in the district's most recent ASSA.

**E5 What enrollment is used in the per pupil cost calculations?**

The number of on-roll students is used as the denominator in the per pupil calculations, as in the Taxpayers Guide to Education Spending. For the proposed budget year column, the numbers are calculated from entry on the Projected Enrollment screen of the budget software. For the current year revised budget column, the numbers are calculated from district entry in the most recent ASSA. The current year original budget column uses numbers from the Projected Enrollment report in the original budget for the current year. The two columns for prior years' actual data use average daily enrollment as reported in the School Register Summary. See Appendix A to the budget guidelines for the enrollment lines used in the calculation.

**E6 What enrollment is used in the administrative costs limits calculation?**

As in the per pupil cost calculation, the number of on-roll students is used as the denominator in the administrative cost limits calculation. For the proposed budget year column, the numbers are calculated from entry on the Projected Enrollment screen of the budget software. For the current year revised budget column, the numbers are calculated from district entry in the most recent ASSA. The lines referenced in the enrollment section of the administrative cost limits screen are the advertised enrollment report lines.

**F. Supporting Documentation**

**F1 The software will not save changes to the "Protecting our Investment" category on the Statement of Priorities screen. Why is this happening?**

There is a 4,000 character limit for entry in each box on the Statement of Priorities screen. If the explanation entered is more than 4,000 characters then the data will not save.

F2 In attempting to enter data for the Employee Benefit Detail Screen for an interim SBA that will not receive any funds for unused sick days or vacation days, the software will not save data entry with \$0 on these lines. How is this issue resolved?

Zeros may be entered for amounts in the payout of unused vacation and unused sick lines; however, a description must be entered in the description column or the system will generate an error message at the top of the screen which reads "Payout of sick days description cannot be empty."

F3 Does the Employee List screen require that the district list each and every employee in our district and list all the information in bold print for each employee?

No, district users should not enter all district employees in the Employee List. The employee list screen should be populated with the names and the contractual salary and benefit information for the following employees:

- superintendent,
- assistant superintendent(s),
- 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 information entered in this screen will then populate the appropriate user-friendly budget summary forms.

F4 How is administrative spending defined?

The department defines administration in a manner consistent with the chart of accounts used for accounting purposes. These costs include general and school administration, central services, and administrative information technology. Judgments against the school district are not included in the determination of total administrative spending. Appendix A of the Budget Guidelines and Electronic Data Collection Manual provides a detailed explanation of the budget line items included in the calculation, as does the supporting documentation item entitled Administrative Cost Limit.

F5 On the Administrative Cost Limit screen, why are no unallocated benefits shown?

For the unallocated benefits to calculate, the district must have entered benefits in the appropriations lines for unallocated benefits, entered enrollments in the projected enrollment screen, and opened the Per Pupil Costs report. This will provide all the necessary items for the calculation of the unallocated benefits in the Administrative Cost Limit screen.

F6 On the Administrative Cost Limit Report, in the Subtotal-Benefits section, how are the amounts for allocated and unallocated benefits calculated?

If the district has used any of the allocated benefits accounts in the appropriations grid in the administrative cost centers, then these show on the "allocated" line on the support doc.

The amount on the “unallocated” line on the support doc is a calculation which takes the unallocated benefits recorded in appropriations in function 291 and spreads them to the administrative cost centers based on the salaries recorded in the administrative cost centers in the appropriations screen. Appendix A of the budget guidelines details out the calculation of the amount. For the unallocated benefits to calculate, the district user needs to run the Per Pupil Costs report on the Supporting Documentation menu first. That will create the percentage needed to allocate the benefits.

In the regional limit column, the numbers are calculated by taking the per pupil amount of the district’s region, times the enrollment in the bottom section of the administrative cost limit support doc (which are calculated from entries on the enrollment data entry screen), times the state average percentage of the individual lines in these cost centers to the total administrative costs. This is to provide an estimate of administrative costs for a district of the same size. Please refer to section III-E-iv of the Budget Guidelines and Electronic Data Collection Manual for a more detailed description of how this supporting documentation item functions.

F7 How is a line of data entry to be deleted from the Unusual Revenues and Appropriations screen?

To delete a row of data entry on the Unusual Revenues and Appropriations screen, go to the line on the support doc where the entry was made and choose the line. Click on the row of entry to be deleted, then click the “Remove Row” button. This will cause the data on this line to show with a strikethrough line over the text. Click the “Save Data” button to save the deletion, then click the “Reload Page” button. The line is now deleted.

G. Edits

G1 When printing the edits report using the “Export PDF” function, the text does not wrap and is not all visible. How can the edits be printed in a readable format?

Until the department is able to correct the word wrap issue in the PDF files, we suggest districts rely on the “Export to Excel” function instead. Once the file is exported to Excel, here are few suggestions for formatting the report into a readable version:

1. Delete the first row in the worksheet (“Edit Check Report...”). This will allow you to resize the underlying columns.
2. Make sure you are in the “Home” tab menu in Excel, then highlight the entire worksheet by clicking in the upper left corner (next to “A” and above “1”) and click on “Wrap Text” in your menu bar.
3. Highlight column “C” and left justify the Message descriptions.
4. Resize this column to the desired width—the text will wrap but not display in its entirety—and then highlight the entire worksheet and double-click on one of the ‘row’ dividers; this will resize the row height to accommodate the text.

## H. County Review and Approval

- H1 The county office has provided review comments before approval for advertising, but the budget software will not accept data entry to make the changes. Why is data entry blocked?

In order to make corrections to the budget for advertising, the district will need to uncheck the "Ready for Review" box on the County Review and Approval tab in the "For Advertising or Board of School Estimate" section. The review status of both the ECBO and ECS must be blank in this section for this box to be available to be unchecked.

- H2 The budget has been advertised as approved by the Executive County Superintendent, but there are changes needed to the budget after the public hearing. How is this done in the budget software?

The district must contact the county office to receive access to data entry. In screen two, section 3 "Results of Public Hearing" on the County Review and Approval screen, for changes needed after the public hearing, the ECS or ECBO must check the box entitled "ECS or ECBO – Budget Changes Needed" to open up the budget for data entry. When the district user has made the necessary budget changes, then the district user should go the County Review and Approval screen, check box B in section 3 to certify that changes were made after the public hearing, and check the "Ready for Review" box in section 3.

- H3 The budget approved after the public hearing is the same as the version that was advertised. Is there any data entry to be performed in the budget software?

On the County Review and Approval screen, in the Results of Public Hearing section, the district must check box A to certify that the budget approved by the Executive County Superintendent for advertising was adopted as approved after the public hearing. No other entry is required in the software unless the district has a separate proposal that is presented to the voters.

## I. Printable PDF File

- I1 How can the district access the 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 Printable PDF files?

The Printable PDF files for the 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 budgets are saved in the district's State Aid Notices folder in homeroom. This is the same folder where the district's annual state aid notices are posted. The file names for the printable PDF files are "FY##\_Budget\_####.pdf" where the "##" is the fiscal year end and the "####" is the 4-digit LEA code.

Table 2. Printable PDF file names

<b>Fiscal Year</b>	<b>File Name</b>
2013-14	FY14_Budget_xxxx.pdf
2014-15	FY15_Budget_xxxx.pdf
2015-16	FY16_Budget_xxxx.pdf
2016-17	FY17_Budget_xxxx.pdf
2017-18	FY18_Budget_xxxx.pdf

## J. Modifications After Original Budget Certified for Taxes

- J1. After the budget cycle has been completed, the district has discovered that not enough funds were budgeted for debt service for the 2018-19 year. How does the district raise enough funds to pay the debt service?

There are two options that the district may use to raise the cash for the under-budgeted 2018-19 debt service payments. Since the 2018-19 budget has already been advertised, public hearings held, and taxes certified there is no authority at this point to change the 2018-19 debt service budget revenues and appropriations in the budget software original budget.

- 1) If the district has a balance in the capital reserve, the district may transfer capital reserve money to debt service during 2018-19 by board resolution, pursuant to *N.J.A.C. 6A:23A-14.1(h)(7)*.
- 2) The district may borrow the cash from the general fund to pay the debt service costs, and then raise the additional debt service levy in the 2019-20 A4F. This is not a transfer (which would be a moving of money over to debt service without paying it back, which is prohibited), this is a temporary interfund loan receivable for use of cash only so that the principal and interest payments can be made in 2018-19 out of the debt service fund. This would be recorded in the general fund as debit to Interfund Loans Receivable (10-131) and credit to cash (10-101), and recorded in the debt service fund as a debit to cash (40-101) and credit to Interfund Loan Payable (40-401). Another entry in the debt service fund to debit a tax levy receivable (40-121) and credit tax levy revenue (40-1210) is recorded so that a deficit in the debt service fund would not be shown in the 2017-18 statement of revenues and expenses, and to reflect the levy that will be raised in 2019-20 to cover this. The levy is then recorded in the 2019-20 A4F on the "received too late for 2018" line and raised by the municipality in 2019-20.